



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3 p.m. – 3.02 p.m.**

**Gibraltar, Thursday, 15th June 2023**

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# The Gibraltar Parliament

*The Parliament met at 3 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## PRAYER

*Mr Speaker*

## Adjournment

**Mr Speaker:** The Hon. the Deputy Chief Minister.

5 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, the Chief Minister has spoken to the Leader of the Opposition and to the hon. Lady, Marlene Hassan Nahon, and on that basis and after that conversation I have the honour to move that this House do now adjourn to Tuesday, 20th June at 3 p.m.

10 **Mr Speaker:** I now propose a question, which is that this House do now adjourn to Tuesday, 20th June at 3 p.m.

I now put the question, which is that this House do now adjourn to Tuesday, 20th June at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Carried.

This House will now adjourn to Tuesday, 20th June at 3 p.m.

*The House adjourned at 3.02 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.04 p.m. – 6.12 p.m.**

**Gibraltar, Tuesday, 20th June 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.04 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## CONFIRMATION OF MINUTES

**Clerk:** Meeting of Parliament, Tuesday, 20th June 2023.

Order of Proceedings: (i) Oath of Allegiance; (ii) Confirmation of Minutes – the Minutes of the last meeting of Parliament, which was held on 18th, 23rd, 24th, 25th and 26th May 2023.

5

**Mr Speaker:** May I sign the Minutes as correct?

**Members:** Aye.

*Mr Speaker signed the Minutes.*

## PAPERS TO BE LAID

**Clerk:** (iii) Communications from the Chair; (iv) Petitions; (v) Announcements; (vi) Papers to be laid. The Hon. the Minister for Digital, Financial Services, Health Authority and Public Utilities.

10

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, I have the honour to lay on the table the GBC Report and Annual Accounts 2020 and 2021.

15

**Mr Speaker:** Ordered to lie.

# Questions for Oral Answer

## INDUSTRIAL RELATIONS, EMPLOYMENT, HOUSING AND SPORT

**Q479/2023**

**Europa Sports Complex –  
Ball-stop netting**

**Clerk:** (vii) Report of Committees; (viii) Answers to Oral Questions.  
Question 479/2023. The Hon. E J Reyes.

20 **Hon. E J Reyes:** Mr Speaker, further to the answer provided to Question 333/2023, has the Minister for Sport now checked for himself that the ball-stop nettings at the Europa sports grounds are fully, properly fitted and in a safely acceptable working order?

25 **Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, I can confirm that I visited the Europa Sports Complex and checked out the nets. The nets are clearly in need of repair. The current motorised system has not handled the extreme weather conditions at Europa Point very well and we will therefore be looking into adopting an alternative system that will be able to sustain the intense weather conditions whilst at the same time remaining sensitive to the environmental needs posed by wildlife in the area, in particular migratory birds.

35 **Hon. E J Reyes:** Thank you. I am extremely grateful to the Minister for having checked it. Other than, perhaps, the unusual – or not so unusual rain in June, because it coincides with one of our neighbour’s annual fairs and it would be a break with tradition if it did not rain ... Knowing that that the cricket season is coming into full bloom now, those cricket balls, I can personally testify, are quite hard when you are hit by them, and I think both sides of the House will concur that the safety of the park users, especially in the children’s play area, is paramount. If I can ever be of any assistance to the Minister ... I know we attend lots of functions, but sometimes we are there at different times. We can mutually keep ourselves updated to ensure the safety of the general public is, above all, what we strive for.

45 **Hon. S E Linares:** Mr Speaker, I thank the hon. Member for his kind words on that. We are looking at systems where we can have individual nets going up. Also, as the hon. Member might have noticed, we have cordoned off some parts of the playing area just in case there is a ball flying over the nets, because it is one of those things ... apparently, there are only two or three players in Gibraltar capable of passing the ball over the net. This one of the things that we will have to live with and we will mitigate and look at it and make it as safe as is possible.

50 **Mr Speaker:** Next question.

**Q480/2023**  
**Europa Sports Complex –**  
**Management agreement**

**Clerk:** Question 480/2023. The Hon. E J Reyes.

55 **Hon. E J Reyes:** Is Government now able to provide this House with details in respect of the management agreement for the Europa Sports Complex?

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

60 **Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, the Europa Sports Park (ESP) Management Agreement is an agreement involving four parties: the Government of Gibraltar, the Gibraltar Rugby Association, the Gibraltar Squash Association and the Gibraltar Cricket Association. The three sport associations will be managing ESP under a company named Europa Sports Park Management Ltd, composed of a member from each of the associations and three non-executive directors nominated by Government.

65 The Government of Gibraltar will be providing Europa Sports Park Management Ltd (ESPM)  
with an annual grant to facilitate the running of the complex. Additionally, ESPM will be allowed  
to commercially exploit the use of the facility, for example via revenue received by opening the  
gym, hire of meeting rooms, sports halls and other services. Incoming revenue will be offset from  
70 the annual grant every financial year and continue until the running of the complex becomes cost  
neutral. Note that approved sport associations and schools are exempt from paying for the use of  
the facilities. These associations will be paying a licence fee for the use of their respective office  
space and members' area at the complex, and thus contributing towards the running costs.

**Hon. E J Reyes:** I am extremely grateful, Mr Speaker, for that update. Something that crossed  
75 my mind and I would like the Minister to confirm or otherwise: in the same way that we have the  
Gibraltar Sports and Leisure Authority, of which Sports Ministers become chairmen, is the Sports  
Minister or any particular representative of his Ministry involved in the management setup, or  
committee or whatever? The Minister has said that some people are appointed by the Minister,  
and maybe he has one of those places reserved for the Minister himself, or perhaps for the Chief  
80 Executive of the Sports Authority or someone like that. Could he shed some light on that?

**Hon. S E Linares:** Yes, Mr Speaker. We have been negotiating, as the hon. Member knows, for  
a very long time, and we had many permutations on how to make the composition of the trust –  
because this is a trust that has been created. Ultimately we came to the view that each sport will  
85 have one representative. That means the three sports that are considered to be their home, but  
their home is defined by them having a place there and then being able to contribute as well. So  
they are contributing by rent. The three sports are actually contributing. There are other  
associations that are there, it is their home, but they are not able to contribute, so they are not in  
the trust. One example of that is the darts. They have a place there and because of the lack of  
90 funds that they have, they are not able to be part of it, but if any other day they become able to  
pay, they will do so. But they are there.

The composition is one from each association and the Government, because we are the owners  
of the asset. We thought that we should have at least equitable numbers, but when a decision ...  
And I am not the chairman, by the way. They will run the company. They are all directors of the  
95 company that I have just said is set up. Obviously, I can have meetings with them, I can call them  
in and see how progress is because they are the trust for the Government. So that is exactly how  
it is going to be run, and the three I have appointed are people who I believe have sporting  
connections and commercial connections.

100 **Hon. E J Reyes:** Thank you for that, Mr Speaker. The appointment of these individuals, is it  
publicly available information that I can tap into somewhere? If it is not, perhaps the Minister can  
provide that information to me.

**Hon. S E Linares:** Mr Speaker, I will ask the hon. Member to allow me two or three more weeks.  
105 I will say why: because we are convening a first meeting, where we are going to discuss issues,  
and after that meeting, when it is set up, we will go public on all the members that have been  
appointed.

**Mr Speaker:** The Hon. Roy Clinton.

110 **Hon. R M Clinton:** Thank you, Mr Speaker.

I would be grateful if the Minister could elaborate a little bit more on the structure. Could he,  
for example, give us the name of the trust? Who settled this trust? Is it a registered charity? And  
is it this trust that owns this company that is being set up? I would be grateful for some information  
115 as to the structure.

And then secondly, is it that the trust's objective is to promote solely sporting activities at the venue, or is it that there will be other events outside the sporting arena that will be allowed at the venue?

120 **Hon. S E Linares:** Mr Speaker, I have just explained most of how this is going to be run. Yes, I  
have. I said this is a company with trustees, of which there are two types – there are executive  
members and non-executive members. Three executive members are the rugby, the cricket and  
the squash. Those are three executive members of the company and they will run the place, as  
125 the hon. Member says, not only for sporting events but any other event – for example, annual  
dinners that there might be from any entity that might want to use the facility, music festivals,  
whatever. The hon. Member knows all the activities that we have had in the multi-purpose hall  
already – like a boxing bout, although that is sporting; Archbishop Miles was ordained there; we  
have had the Chief Minister giving awards there. There are infinite events that the place can be  
used for, and that is how it is going to be run. That company, those trustees, will now go out to  
130 tender to see who manages, for them, the whole of the complex.

**Hon. R M Clinton:** Mr Speaker, if I understand the Minister correctly, there is no trust separate  
to the company. Is that correct? And is this company registered as a charity?

135 **Hon. S E Linares:** First question, yes; second, no.

**Clerk:** Next question.

**Q481/2023**  
**Lathbury Barracks Sports Complex –**  
**Indoor swimming pool**

**Clerk:** Question 481/2023. The Hon. E J Reyes.

140 **Hon. E J Reyes:** Can the Minister for Sport now provide full details of availability for public use  
of the indoor swimming pool and its related facilities at Lathbury Barracks Sports Complex?

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

145 **Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):**  
Mr Speaker, the GSLA is finalising the recruitment of the lifeguards it will add to the current team  
so that public swim time can be offered.

150 **Hon. E J Reyes:** Mr Speaker, would the Minister confirm if this will be happening imminently  
or is something that they need to work on and will not kick in until the end of what, in sporting  
terms, we call the summer season and we move on to the winter type of training? It is a question  
of what will happen during the school holiday periods, despite all those activities of the stay and  
play that are organised for the children and so on. There are families who want to do things  
together with their children and they may wish to know if the facility will be available for the  
155 general public.

**Hon. S E Linares:** Well, yes, Mr Speaker, I have just said it will be available for the general public.  
The general public are still using the pool down where the GASA area is, so there is not any  
inconvenience to anybody because it is always there. But soon – and I think the GSLA are already ...



160 If I remember correctly, all the posts have come out already, so they are in the recruitment stage of getting lifeguards.

I must add that it is difficult to get lifeguards, especially now, because most of them are on the beaches and they are working around, and anybody who might want to work in the Lathbury might be on a beach. But we are opening it up to everyone who is able to do it, and as I understand it, the posts are already out, so it should be imminent. It usually takes about a month for recruitment – interview, going through the whole process. You give a time and date, then they come to the interviews, and then after that ... I think I mentioned to the hon. Member that what we are going to have is a full timetable of the whole usage, because GASA will have slots for them to do their own training, but as anybody would know and anybody who has gone to the swimming pool up there ... you can have, on one side, GASA doing their own training and you can have the public swimming on the other side, the other part of the pool. So the capacity is massive, and that is where the GSLA, once it has its lifeguards – because you cannot have the public coming in without the lifeguards there, so once we have the lifeguards the public will have quite a lot of slots to be able to go and enjoy the magnificent pool that we have built.

175

**Mr Speaker:** Next question.

**Q482/2023**  
**GSLA facilities –**  
**Fees paid by users**

**Clerk:** Question 482/2023. The Hon. E J Reyes.

180 **Hon. E J Reyes:** Can the Minister for Sport provide a detailed breakdown in respect of all fees paid by users of any facilities falling under the auspices of the Gibraltar Sports and Leisure Authority during the financial year 2022-23, indicating the purpose of their usage – for example, sporting, cultural or other types of events?

185 **Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, the breakdown in respect of all fees paid by users of any facilities falling under the auspices of the Gibraltar Sports and Leisure Authority during the financial year 2022-23 is as follows: sporting commercial/fitness, £2,150; cultural/music, £13,430.33; non-sporting events, £1,250; and GFA events, £4,649.40.

195 **Hon. E J Reyes:** Mr Speaker, in previous questions we have had, the Minister has explained that the use of some of these facilities – broadly speaking, we talk about community use ... those that have been allocated to entities who then have a charge to participants. I think that is probably one of those that falls into the fitness one – if someone wants to become a personal trainer, fitness and so on. But when he is talking about the cultural events, can he enlighten us as to what exactly are the types of cultural event that fall under that category that raised or gave back to Government, because Government has obviously incurred expenditure of £13,430?

200 **Hon. S E Linares:** Mr Speaker, usually it is either, like it says, cultural or music, so it could be a small music festival – somebody brings a band wants to use the Muga area. The thing is that traditionally the GSLA never used to charge anybody for the use of the venues, and what we have realised is that there are many private entities that come to the sports complex, do the whole of the event, and then we pick up a lot of the bill. Why? Because there is overtime for people who

205 have to work, there is the cleaning, there is the wear and tear, there are breakages ... The Government was paying for that. So we put in a regime, which is very simple, a cost analysis on how much we would pay for the overtime of, say, minimum people. We charge that to the organisers.

210 But going back to the hon. Member's question, there could be – I do not know whether you would call it cultural – a beer festival, for example. They come, they want to sell the beers, and we charge them for that – again, for the same reason, because I do not think it is fair for the taxpayer to pay, via the GSLA, a fee, and then the private entity takes all the profit. The idea is just a charge on the venue, so that it covers the cost of the venue, and we do put on a surcharge of a small percentage, which is not quite profit but is usually for wear and tear, which is very difficult  
215 to analyse – how much wear and tear is.

**Hon. E J Reyes:** I am grateful for those examples of what could fall under cultural, but it then raised ... In the example he has given me, I thought those perhaps would have fallen under the non-sports category, which was over £1,000. I thought a beer festival was a bit ... Yes, if you stretch  
220 your imagination, it could be cultural. But non-sports then – does the Minister have an example? I am trying to distinguish, even if we try to be generous in what we call cultural, but non-sporting is what?

**Hon. S E Linares:** Well, anybody who wants to use any of the premises for anything else, like  
225 lectures, for example. We have some lecture rooms upstairs. A private entity might want to give a lecture, and then they are charged. Some of them do not come to the Victoria, they might go somewhere else, but some do. So it is using the venue for any other ... I am trying to think which ones we have had recently. Most of them are sporting, but then again, could you categorise the Damex tournament, which is a sporting event but it is very much a commercial entity doing the  
230 whole sporting event. Later, I will try and pick up from the GSLA which have been the entities that have paid, and then we can ascertain whether it is cultural or leisure, because it is a very grey area, as in what is sport, leisure and culture, as the hon. Member might know. For example, is going to Morocco on 4x4 leisure, or is that a sport? Backgammon is now considered a sport, but is it leisure or is it a sport? There is a very big argument as to what is considered to be leisure  
235 activity and sporting activity.

**Hon. E J Reyes:** I am grateful, Mr Speaker. I will not take up any more of your time because the Minister has committed himself to providing the information.

240 Just to help the Minister, so that we do not have so much coming and flowing, if he looks back on previous years when he has provided me some similar information, he has been able to provide subsections and it gives us an indication, under cultural, of how many separate entities – was it just one or two entities using it or a wide range? It is just sort of homework I know he is going to pass on to his chief executive, but it helps to get to the final answer much quicker, and I await his answer, when possible.

245 **Hon. S E Linares:** Yes, Mr Speaker, I will do, and just one more: the Harley Davidsons do the rally and then come into the Victoria Stadium, and they might be charged for using the space. But yes, I will do.

250 **Mr Speaker:** Next question.

**Q483/2023**  
**Chilton Court –**  
**Youth club/social centre**

**Clerk:** Question 483/2023. The Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide an update in respect of the progress made to date relating to the development of a youth club/social centre at Chilton Court?

255

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, the position remains the same as set out in my answer to Questions 531 and 532/2022.

260

**Hon. E J Reyes:** Mr Speaker, the reason why I ask this question is, having gone down to the area of Chilton Court myself, I have not physically seen anything happening. If nothing has started because we are in the planning stages or obtaining permissions and so on, does the Minister have a rough idea of a commencement date when physically one can see some bricks and mortar starting to appear and raise people's morale, especially those who are the potential future users of these facilities?

265

**Hon. S E Linares:** Mr Speaker, what I can tell the hon. Member, to be helpful, is that we are going through the planning stage and therefore there are things that we are looking at. I can tell the hon. Member that once we start works, there will be an issue with people parking their cars and we are looking to see an alternative. Another issue might well be how many units you do or do not do underneath, which has gone through the DPC. You will not see any bricks and mortar per se, but I am hopeful that very soon there will be physical movements in Chilton Court.

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275

**Mr Speaker:** Next question.

**Q484/2023**  
**9 Hargrave's Parade –**  
**Plans for future use**

**Clerk:** Question 484/2023. The Hon. D J Bossino.

**Hon. D J Bossino:** What plans does the Government have in respect of 9 Hargrave's Parade?

280

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, at present Government has no plans for 9 Hargrave's Parade beyond its continued residential use.

285

**Hon. D J Bossino:** In that context, is he able to say whether the information that we have received on this side of the House that ... it may be that the ultimate aim is to continue providing residential facilities there, but that there is a plan to demolish the area and build again?

290 **Hon. S E Linares:** None at all.

**Mr Speaker:** Next question.

**Q485/2023**  
**Europa Sports Complex –**  
**Cause of water ingress in sports hall**

**Clerk:** Question 485/2023. The Hon. D J Bossino.

295 **Hon. D J Bossino:** What caused the water ingress at the Europa Sports Hall?

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):**  
300 Mr Speaker, there was a fire on a section of the Europa Sports Complex roof on 18th April 2023, with the fire causing damage to the waterproof membrane. The extent of the heavy rain on 13th May was such that the temporary provision to cover the damaged section proved ineffective. Works undertaken have resolved the issue.

305 **Hon. D J Bossino:** Mr Speaker, is it correct that this was caused by the solar panelling on the roof?

**Hon. S E Linares:** Yes, Mr Speaker, it was two solar panels that caught fire.

310 **Hon. D J Bossino:** And the costs which have been incurred, presumably by the Government, are those going to be sought to be recovered from the company that set up the solar panels? And may I ask him which company it was?

**Hon. S E Linares:** Mr Speaker, it was a GJBS subcontractor, and the fire is being covered, all the  
315 costs, by the insurance.

**Hon. D J Bossino:** May I ask which company set up the solar panels? Is it a subcontractor of JBS? May I ask the Minister for the identity of that company?

320 **Hon. S E Linares:** EV Systems Ltd, I think it is.

**Hon. D J Bossino:** Mr Speaker, just a bit more granular in relation to this: which insurance cover is covering this? Is it EV Systems Ltd as the party responsible?

325 **Hon. S E Linares:** No, it is a general insurance.

**Hon. D J Bossino:** Can he be more specific as to what he means by general insurance? Who is the beneficiary of that insurance cover?

330 **Hon. S E Linares:** Mr Speaker, I need notice of that question. That is not the question, and therefore I do not know ... where the hon. Member is usually leads to in questioning. No, I do not have that information.

335 **Hon. D J Bossino:** Mr Speaker, given that the fire was caused by the solar panelling, is it not appropriate for the Government to be suing that company? And if he agrees with me, can he tell me why that is not the case?

340 **Hon. S E Linares:** Mr Speaker, I do not answer those questions. Again, these are hypothetical questions and I am not answering.

**Mr Speaker:** Next question.

**Q486/2023**  
**Lathbury Sports Complex –**  
**Cause of flooding in underground parking area**

**Clerk:** Question 486/2023. The Hon. D J Bossino.

345 **Hon. D J Bossino:** What caused the flooding at the underground parking area at the Lathbury Sports Complex?

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

350 **Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, there has not been any flooding of the underground parking area at the Lathbury Sports Complex.

355 **Hon. E J Reyes:** Mr Speaker, I personally went there when I saw there was a fair amount of water at the complex. This was towards the end of the weekend when the Relay for Life was taking place and so on. Perhaps we have different interpretations of what is meant by flooding. It was not a replica of the biblical event of Noah's Ark, but it was certainly an event where one's shoes would have got pretty well soaked and it would have required a change of shoes, socks and even the bottom part of the trousers. So there was some water ingress there. We are trying to establish what caused it, because it was not a particularly rainy weekend, so something must have given rise to it. Maybe it was an overflow of some other system, or whatever.

360

**Hon. S E Linares:** Mr Speaker, what I have prepared here, because we knew that these questions were going to be asked ... There was a puddle over one of the manholes in the parking area. This has been solved in the short term. The reason why it happened is being investigated. It is quite minor and has zero effect on the use of the sporting complex.

365

**Hon. D J Bossino:** Mr Speaker, if the matter is being investigated, how is he sure that the cause of it is minor?

370 **Hon. S E Linares:** Because the professionals are telling me it is minor.

**Hon. D J Bossino:** Are the professional telling him, then, what the cause of it is?

375 **Hon. S E Linares:** I have just stated it was a blockage of the manhole, so the manhole was blocked. Now they are ascertaining why it was blocked, and that is part of the investigation.

**Mr Speaker:** Next question.

**Q487-88/2023**  
**Medical A+ housing list –**  
**Number and breakdown of people on list**

**Clerk:** Question 487/2023. The Hon. the Leader of the Opposition.

380 **Hon. K Azopardi:** Mr Speaker, how many people were on the Medical A+ housing list on 8th June 2023?

**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

385 **Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, there are currently 113 applicants on the Medical A+ list. The breakdown is as follows, unless the hon. Member wants me to pass him the whole list so that I do not have to go through it. It is just 1RKB, the year ... I will pass it on to him straightaway, if he wants, so that I do not need to read it out – to be helpful.

390

**Mr Speaker:** Could we get the usher to come in?

Before the hon. Member the Leader of the Opposition asks his supplementary, I think I need to ask the Hon. Minister to reply fully, in the sense that he needed to say, in answer to his question, that he would be answering together with Question 488.

395

**Hon. S E Linares:** Yes, Mr Speaker. I will go back, then, to Question 489. I have written here 'I will answer this question with Question 490', for the record.

400 **Mr Speaker:** No, you need to refer to Question 487 and you will answer together with Question 488.

**Clerk:** Question 488/2023. The Hon. the Leader of the Opposition.

405 **Hon. K Azopardi:** Mr Speaker, of the persons on the Medical A+ list at 8th June 2023, how long have those persons been classified as A+, providing a breakdown of dates or time on the A+ list in respect of each?

**Answer to Questions 487-88/2023**

RKB LIST	2012	203.5	2018	2019	2020	2021	2022	2023
1RKB			3	6	6	7	22	6
2RKB			5	2	3	5	8	8
3RKB		1		1	2	3	7	3
4RKB	1		1	1		3	2	1
5RKB					1	2	2	
6RKB							1	

410 **Hon. K Azopardi:** If I may – because the Hon. Minister has now given me the schedule, helpfully, and I assume the schedule will be written into the *Hansard* anyway – can I just ask, because there are reasons for this question ... Let me start here. The Minister knows the statistics that are placed on the government website, on the Medical and Social A list. I have for some time

415 been quite perplexed by the tables. I think I now understand it, because the Minister will be aware that ... For example, if I were to just describe one of the tables in this way – that the table for 2022 refers to applicants placed on the various medical housing lists, A-plus, A, B and C, by various months. I have never really understood why there were relatively small numbers, because it implied that those were the numbers of people on the Medical A+ list, but in fact I think I now understand, given his answer, that what this provides to the public is information as to the monthly placement of new persons on those priority lists. If that is correct and if there is a running total for A+, A, B and C medical lists which is different – and plainly it is different because at 420 8th June 2023 there are 113 people on the list – would the Minister agree that it would be helpful for those statistics of the running total of people on the various medical lists to also be published on the website?

425 **Hon. S E Linares:** Yes, Mr Speaker, I do not see why not; it should not be an issue. But I must say that this is about the Medical A+, A, B, and C ... I can tell the hon. Member that I am not very convinced and happy about it. Why should we have four lists of medicals? I would rather have one list of anybody who is on the medical ... We are reviewing all these things, and it is not a political jibe at the hon. Member's side, but it was when the GSD was in government that these lists were divided and re-divided into many little different parts. I think it makes no sense and it is a very 430 difficult process because if you are on a list, for example, for one 1RKB, of which we have very little, why do you put a couple on a 1RKB as opposed to a 2RKB? What makes that difference? I am talking about the 1RKB and the 2RKB. The medical is even more pressing, why a person is on Medical C. Is that person ever going to get a house on Medical C when they have to go to the B, the A and the A+? And even on the A+ there are numbers ... It is to do, as well, with the gravity of the person's illnesses and all that, which should update them. It is one of those things that we are 435 reviewing, but I do not have any problem with what the hon. Member has just said.

440 **Hon. K Azopardi:** I am grateful, and certainly my question was about the provision of the public information of the running total. What the hon. Member raises is a different point, on which I can only agree that of course there is always cause for reviewing. Whether or not there should be four lists or there should be two lists is a matter for him. He is in government now and it is for him to decide whether or not these lists work in the way that they are there.

But can I just ask this, because now that it is clear to me that there are many more people than I thought were on the Medical A+ list, and I see from his breakdown that ... Medical A+ is the 445 highest medical priority that can be ascribed in the current system on housing allocation, and I am aware from other cases of people who come to see me that they are deemed to be top priority, if I can put it that way, in a medical sense. So these are people who really have a very strong medical case for allocation of housing, and yet I can see from the breakdown that there are many people who have been classified Medical A+ for some years now. Just going back to 2018, which is five 450 years ago, there are nine people on the list. If I go back to 2019, there are another 10 people, and so on. What steps more precisely is the department taking, so that those people who have been prioritised Medical A+ can be allocated housing? Given the numbers of houses that are being allocated on an annual basis, it seems to me that there is a real drag, and if you have 113 applicants the Government itself has classified as being urgent for allocation, steps need to be taken, but I 455 am not sure steps are being taken in that expeditious way if people are on the list for so many years after the time that they have been deemed to be priority.

460 **Hon. S E Linares:** Mr Speaker, there are many things that happen on the way with the Medical A+. I will just give the hon. Member, since he mentioned 2018 and the number in 2018 ... I can tell the hon. Member that from the 389 people in 2018, there have been people who have been offered houses. They are on the Medical A+, they have issues, a house has been offered to them, but then they come back because they are not living beside their mother or beside their father or for other reasons. It is no longer medical. They say, 'I am not going to that house.' So for

465 us it becomes a burden to see what is the house that we are going to give that person. That person  
is probably still there. I have the whole list here. Five of them have refused, of the nine. The other  
four might have already been given a house or at least are ... Medical A+ houses are specific as  
well. You have to prepare OT, you have to make sure that there are two or three lifts going up  
because if there is only one and it breaks down, the person cannot go up to their house. We usually  
470 give them a house on the ground floor with ramps. So there are many issues why it takes time.  
They might be classified Medical A+, but although it is Medical A+, we offer them a house that is  
probably OT'd and all that, and they refuse to go there. You cannot force anybody to go to that  
house, and they keep staying on the list and they are ... honestly, not that they are happy where  
they are, but they seem to want to stay in that house and live as they are there, with carers or  
doctors going regularly to see them.

475 So it is not a question of us not trying to help them. We try to help them as much as we can  
within the parameters. Like I say, the OT is the most important, where every house that a person  
has as Medical A we have to individually ... It might not be the toilet that they need, it might be  
the bedroom and the bed where they sleep. So all these things, you have to tick all the boxes  
specific to the problem that the person has in that Medical A+.

480 **Hon. K Azopardi:** I appreciate there may be instances like that, but I have also heard of cases,  
because people come to see me and speak to me about these things, where they have been  
offered housing which the people who have accompanied them to see the house, from the  
Housing Ministry themselves, then verify is not fit for purpose given the person's medical  
485 condition. So there are also cases like that, and I am not sure that his generalisation can really  
speak to the 113 applicants on the Medical A+ list, some of whom have been there for many years.  
It really does call for greater urgency from the Government to deal with cases which it, itself, has  
deemed to be priority.

490 Can I ask him this? He may or may not have this information, but does he have in front of him  
how many Medical A+ cases were provided housing last year? Does he have that information?

**Hon. S E Linares:** No, Mr Speaker. The list here I do not think will answer the question the hon.  
Member wants, but I can definitely get it for him and find out from the officials how many exactly  
we have given as Medical A+. From the list I have here, it seems as if it is earmarked. For example,  
495 somebody living in the private sector – so it is not government-to-government – who needs a  
2RKB and is in the Medical A+, needing surgery and all that, they have an earmark. That means  
that they have already identified a house which ... And the hon. Member is also right – sometimes  
we go to the houses and they are not ready, and it is a problem. We go there and we see, and the  
doctor says, 'This not adequate.' We have to go back and look for another house and prepare  
500 another house. So, yes, that is legitimate as well. But here, for example, I have one that is coming  
from the private sector, needs a 2RKB, needs to be furnished and prepared, but it is an earmark,  
and that means that ... Just for the hon. Member, to give him more information, it is supposed to  
be ready within two weeks from now, that specific one, but obviously there are many more.

505 **Hon. K Azopardi:** Obviously I would be grateful for any information the hon. Member can give  
me and if he can write to me with the information, but to be clear, what I am asking is of the  
persons allocated housing last year, how many were Medical A+? That is what I am asking. I am  
not asking about people who may not have been allocated housing or who may be earmarked  
housing. That is a different question. I am asking specifically, of the people who have been  
510 allocated housing in 2022, how many were A+? That is the question that I would like some  
information on, and the reason I would like it – and this is the supplementary question – is there  
were 109 people who were allocated housing in 2022. If there are over 100 people on the medical  
list and presumably there is a similar number on social lists – it is a question that we would need  
to ask, of course – and then, of course, there are lots of other people on the regular lists, does the  
515 Minister agree with me that at that rate of allocation of housing we are really not going to break



down the problem for many years? How does he think at least the people on the medical and social lists can be helped?

520 **Hon. S E Linares:** I think we have already gone through that argument, and I do not intend to go through that argument again, Mr Speaker. We have said that with all the affordable homes that we are selling there are a great number of people who will be vacating their houses in the government ... and therefore we will be in a position to allocate those houses very soon. But also the hon. Member must consider that the housing list ... It is not just that there are people waiting for houses – and that is where I go back to the lists, because if somebody is living in a 2RKB and  
525 wants a 3RKB because they have one more child, there are others who are in a 4RKB and might want to move to a 2RKB. It does not mean that the 4RKB person really needs a house; they are living comfortably but they want to downgrade.

These are the issues that we are analysing when it comes to looking at lists. It is all very well to say there are 3,000 people waiting for a house. No, that is not correct. There are not so many.  
530 Some of them are from a three to a three and they are on the list, and it is classified as that person wants a house. What they want to do is move to where their family is or move because there is more light, or move because they like the area. There are many reasons. It does not mean that the person is in a chaotic state wanting a house. That is why I am doing a review of the lists because I think ... And others have just come on to the housing list that we all consider ... which is they  
535 want to buy a house and they go and apply, they get the 150 points normal, they are on the pre-list and we consider them as part of the 3,000 who want a house, and all they want to do is buy.

So looking at the lists is confusing. It is not only confusing, it does not really give the right picture of how many people need homes. That is why we are convinced that once we sell the houses and the affordable homes, we will have a stock where we could then alleviate all this  
540 changing about, because again, changing about takes time and we do change – I have explained this before – where somebody wants to move from a three to a three, to a two and a four, and we swap them around, we have to wait for the first one to move out for the second one to move in, and it takes a lot of time. Many times we try to do it as is. That is another way we do it, because then the person who wants to go quickly from one estate to the other ... We say, ‘You can either  
545 wait for us to fix it or you fix it,’ so it is ‘as is’, we call it, and this makes it quicker because then they go into the house, they can fix the house as they want to – which they usually do anyway, because sometimes we put up all the ... and then they break it all off and start all over again. It makes it quicker to move around.

550 **Hon. K Azopardi:** Mr Speaker, if I may, with all due respect, the Hon. Minister is widening it beyond the question that I asked. He is talking now about exchanges and people on the ordinary list and so on and so forth. I was talking about the context. There may be other people on the ordinary list. The fact is that the total number of houses that were allocated last year is 109. I am talking specifically about the medical A+ list. The medical A+ list has 113 people on it. Some people  
555 have been on the list ... one of them since 2012, one of them from 2015, others for many years. Presumably not all of those fall into this category of people who do not really need a house and just want to swap here or there. They have been graded by the Government itself as being top priority because of their medical conditions. Those people facing a rate of allocation of housing that is below the number of people on the Medical A+ list, let alone below the total number of  
560 people on the housing list, let alone below the total number of people on the social list, will look with concern at the rate of allocation and the argument that somehow this is going to be resolved by the affordable housing projects that are eight years or six years behind schedule.

565 **Hon. S E Linares:** Mr Speaker, I do not agree with his last statement, but I have already offered to the hon. Member that I will give him the information, and I will leave it at that for now.

**Q489-90/2023**

**Private security on housing estates –  
Number where deployed; details of agreements and cost**

**Clerk:** Question 489/2023. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, at how many housing estates or districts has private security been deployed?

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**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, I will answer this question together with Question 490.

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**Clerk:** Question 490/2023. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, what are the terms of agreements entered into with companies or entities for the provision of security in housing estates or districts, how many agreements have been reached, with whom, and what is the cost of services provided by these entities in 2022 and in 2023 up to 8th June 2023?

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**Clerk:** Answer, the Hon. the Minister for Industrial Relations, Employment, Housing and Sport.

**Hon. S E Linares:** Mr Speaker, OSG Security has been contracted to provide security services at Glacis, Laguna and Varyl Begg Estates since 3rd November 2022. The cost of these service for 2022 was £64,657.50 and for 2023 until 8th June is £182,070.

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**Hon. K Azopardi:** Mr Speaker, can the Government help me in understanding what is the length of time that the Government envisages these security arrangements will be in place for? Are the agreements, for example, for a specific period or are they being rolled over from time to time to see how things are needed etc? Can the Minister help with that?

590

**Hon. S E Linares:** Mr Speaker, exactly the last part that he says: as and when needed. We thought it was needed now, so we have implemented it now and we will have it there in place until we think it is no longer needed.

595

**Hon. K Azopardi:** Can I understand also, in terms of the actual security, is this providing security on a 24-hour basis? If not, what is the nature of the security? And is the Government solely considering that security is required in those estates for a specific period, or is it that they are intending these as pilot projects to roll out to any other district should it be necessary?

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**Hon. S E Linares:** No, Mr Speaker, it will not be rolled out. It is not a pilot scheme, it is a specific issue that we were having in these three estates. It is not on a 24-hour basis for all of them, it is as and when needed, so some of them are just rolling in, looking around, and the company, for example, which is OSG, will target ... If there are issues in one estate, they will put more officers in one estate or they will separate them, or they will be monitoring the situation as needed.

605

**Hon. K Azopardi:** Mr Speaker, it has been going on now for six or seven months in those areas he has mentioned. Presumably these security arrangements were put in place as a response to concerns on, presumably, antisocial behaviour. Is the Government satisfied that these arrangements are working well or that they are addressing the issues for which they were put in place?

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615 **Hon. S E Linares:** Mr Speaker, both. We are addressing the issues and we have realised that by putting in security the issues have subsided slightly and will subside, but we are also taking measures, which take time, to try to see if we can look for at least a medium long-term solution.

**Mr Speaker:** Next question.

**DEPUTY CHIEF MINISTER**

**Q491/2023**

**69-70 Catalan Bay Village –  
Progress re development of derelict property**

620 **Clerk:** Question 491/2023. The Hon. D J Bossino.

**Hon. D J Bossino:** Why has there been no progress in the development of the derelict property with address at 69-70 Catalan Bay Village?

625 **Clerk:** Answer, the Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, this is a private development. The sale of the property was completed on 18th March 2022. The development obtained full planning permission on 5th January 2023.

630 **Hon. D J Bossino:** But was that not originally – if I may, Mr Speaker – government-owned land that was given out to the private developer by way of a tender? Is that not the case? That is the information that I had, and that is why I asked the question as to why there had not been any progress since the tender was granted. In fact, I was told that the tender was granted back in 2016. It seems that that information is correct, but I just set out the question in these terms to give him  
635 an opportunity to comment on that information.

**Hon. Dr J J Garcia:** Thank you, Mr Speaker.

I am looking through the list here. The property has gone through a lengthy process. It has been to planning two times, for example. My information is that there were also issues relating to the boundary which delayed the final completion until the boundary had been firmly established, and that in addition to that, there was also an attempt by the successful tenderer and the plot next door to sell the property and be able to have a larger development as a result. So the boundary issues, the potential sale and the fact that it has been to planning more than once accounts for the time taken between the original expression of interest and the final completion  
645 of the sale.

**Hon. D J Bossino:** In terms of the price tag, is the hon. Member able to state how much it received by way of payments as a result of, presumably, the initial tender process? And did the Government, when the matter went to ...? I think he mentioned a second tender process in 2022.  
650 Did the price increase as a result of the passage of time?

**Hon. Dr J J Garcia:** Mr Speaker, I am happy to supply that information, but I do not have it here with me. It was a private development. Once the sale was made and the planning permission was granted ... Obviously the Government does not keep an eye on it in that way, but I would be happy  
655 to find out the original tender price and supply the hon. Member with that information.

660 **Hon. D J Bossino:** And finally, Mr Speaker, in relation to the heritage aspects, does the Government have any concerns in relation to that? It is a very old building. I am not an expert, but I understand it is one of the oldest buildings, if not the oldest remaining standing building in that area. Does the Government have any concerns and has it placed any conditions in order to maintain the inherent heritage value of that particular structure?

665 **Hon. Dr J J Garcia:** Mr Speaker, I am not aware on my feet of the conditions that may have been attached to the tender, but I do know that it has been through the Development and Planning Commission two times and that that includes the Heritage Trust as part of the panel, so I would assume that in that context they would have taken care to ensure that whatever heritage value it may have has been adequately preserved. But it is not something which I am aware of and I can answer him directly.

670 **Mr Speaker:** Next question.

**Q492/2023**  
**Road to the Lines redevelopment –**  
**Update re commencement**

**Clerk:** Question 492/2023. The Hon. D J Bossino.

675 **Hon. D J Bossino:** Please provide an update as to when the Road to the Lines scheme will commence at long last.

**Clerk:** Answer, the Hon. the Deputy Chief Minister.

680 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, it has indeed taken over 30 years to arrive at a credible proposal for the redevelopment of Road to the Lines at no cost to the taxpayer. In March, the Government and the proposed developer agreed all the terms and conditions and an MoU was issued to them for their execution. In May, the Government received a number of proposed changes to the draft agreement from the developer and those are now under consideration.

685 **Hon. D J Bossino:** May he say who the proposed developer, as he puts it, is?

**Hon. Dr J J Garcia:** Mr Speaker, the proposed developer is an individual, and his name is Mr O'Connor.

690 **Hon. D J Bossino:** I understand that there is still ... 'a bit of work in progress' is the way I would put it. Is he able to provide any detail at this stage by way of a snapshot as to where we are in terms of what the development is likely to comprise?

695 **Hon. Dr J J Garcia:** Mr Speaker, the last EoI for the site came out in February last year and it closed in March of last year. Between that time and the production of a draft MoU, there have been a number of very detailed and intense negotiations between the Government and the developer through our land property agents, Land Property Services Ltd. I obviously cannot go into the detail of the discussion because there is not an MoU in place at the moment, there is only a draft, but with the developer directly we did arrive at an agreement which was put down in writing as a draft MoU. Then the developer obviously went to his legal adviser for advice on that  
700 and a number of changes have been proposed, which, as I said, we are now looking at and the

matter is under consideration. I will be free to give more information once there is a signature on the document.

705 **Hon. D J Bossino:** Finally, Mr Speaker, is he able to provide information in relation to Mr O'Connor? What is his background? I have never heard of that name. I think the sentiment is shared on this side of the House. Surely he is not entering into contractual relations with the Government on a personal basis, but through an entity; and if that is the case, is he able to state which entity it is?

710 **Hon. Dr J J Garcia:** Mr Speaker, I do not want to give too much information. Obviously, this is an individual, but he has a track record of this kind of development in the United Kingdom. He is represented by Sir Peter Caruana, who has obviously taken on the question of giving him advice. So the Government is satisfied that this is somebody who is serious and who is able to deliver.

715 **Hon. D J Bossino:** Mr Speaker, if I may, just to expand on the answer he gave in relation to the identity of this individual, may I ask for his full name?

**Hon. Dr J J Garcia:** Mr Speaker, Mr Lee O'Connor.

720 **Mr Speaker:** Next question.

## ENVIRONMENT, SUSTAINABILITY, CLIMATE CHANGE AND EDUCATION

### Q493/2023

#### Pupils suspended from school since January 2023 – Numbers and reasons

**Clerk:** Question 493/2023. The Hon. E J Reyes.

725 **Hon. E J Reyes:** Can Government provide details in respect of the number of pupils, together with generic reasons, who have been suspended from school since January 2023, indicating the school sector where the pupil is enrolled?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

730 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, 35 students have been suspended from school since January 2023 and they are all from secondary school. The main reasons are being verbally and physically aggressive to other students and members of staff, teasing and being significantly unkind to others, and disruption and significant non-compliance.

735 **Hon. E J Reyes:** Mr Speaker, thanks for that answer. The answer said 35 pupils. Perhaps the way I had phrased the question ... Does that refer to only 35 incidents occurring, or more incidents because unfortunately some pupils tend to be repeat offenders, if one wants to use that general word? I do not know if the Minister has been provided with that information.

740 **Hon. Prof. J E Cortes:** Mr Speaker, the information I have is that it is 35 students. There is a process, so there may have been more instances and the first one may have led to a warning or engagement with parents or whatever, but the information I have is that it is 35 students. If that

745 is not correct and it is 35 instances, I would have thought that I would have been told. In any case, if I am corrected, I will, as ever, let the hon. Member know.

750 **Hon. E J Reyes:** I am grateful for the generic reasons. Does the Minister have any details? There are instances of perhaps physical aggression towards others. Have any of these resulted in the matter having been referred to, for example, the police authority and so on, or has it all been able to be dealt with and contained just within the school and its system, whatever falls under exclusively the control of the Director of Education?

755 **Hon. Prof. J E Cortes:** Mr Speaker, there are instances in which the Police will be informed. Often they come by way of support, perhaps talking to the parents, and rarely does this escalate to possible arrests. I do have recollection of one instance where this may have happened, but I am not certain that that is since January this year. I have no recent memory or recollection of any case which was taken further by the Police, but there may have been attendance by the Police if the head teacher felt that it was serious enough to have some kind of police presence in order to both show the pupil the seriousness of the incident and also to perhaps ensure that the parents know that the instance has been serious. But I have no direct information as to anything escalating further, certainly in the period that covers this question.

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**Mr Speaker:** Next question.

**Q494/2023**  
**Wellbeing Support team –**  
**Access by teachers/instructors**

765 **Clerk:** Question 494/2023. The Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide a breakdown for the year 2023 showing the number of teachers/instructors who have accessed the services provided by the Wellbeing Support team, indicating the school sector in which these teachers/instructors are employed?

770 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the figures for seeing people in one to ones, with an average of three sessions per person, are: primary, 21 teachers; and secondary, 11 teachers.

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**Hon. E J Reyes:** Mr Speaker, does the Minister have any concerns as such? When we look at figures that he has given us in answer to other questions relating to periods prior to 2023, my first analysis is that the number of teachers/instructors having to access the service does not seem to be declining. I do not know if the Minister has any information. The numbers are not declining. Does the Minister have perhaps any ...? In one of his footnotes, the reasons why ... I suppose these figures are up to the end of May, or whatever, so in five months, one and a half terms' worth, they could sound a bit too big. I am asking the Minister for Education. Perhaps I am looking into it and over reacting. The number of teachers/instructors, being 32, seems to be a high-ish number, but I await his explanation or enlightenment.

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785

**Hon. Prof. J E Cortes:** Mr Speaker, the thing is that it is difficult to apportion this to any cause because they will be seeing members of the Wellbeing Support team for reasons which may be very private and very personal and not at all related to the workplace. If there are concerns related

790 to the workplace, normally that would be dealt with as well through the senior leadership teams  
in the school, but out of a staff of close on 500 – over 400 – you would expect there would be  
some who have some kind of issue.

We are, of course, aware of the increasing incidence of mental health issues throughout the  
community. Some apportion it to COVID, some to long COVID, others to the increasing complexity  
of life in the 21st century. I do not read anything into it, but I do not *not* read anything into it; I am  
795 pretty neutral. I am just glad that these teachers are able to have the support of the Wellbeing  
Team and I am told that they do an excellent job.

**Mr Speaker:** Next question.

**Q495/2023**

**St Mary's, Bishop Fitzgerald and Governor's Meadow Schools –  
Schooling during move to new premises**

**Clerk:** Question 495/2023. The Hon. E J Reyes.

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**Hon. E J Reyes:** Can Government explain why no alternative schooling programmes are being  
offered to pupils of St Mary's, Bishop Fitzgerald and Governor's Meadow Schools during the 10  
school days these schools will be closed due to moving into their new premises?

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**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E  
Cortes):** Mr Speaker, the schools will be closed for pupils for six days this term and one day next  
term, not for 10 days.

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On most of the occasions that this Government has opened new schools — and it has built  
many — it has been necessary to provide a number of days for the staff to complete the move  
and to prepare the classrooms and specialist rooms for the start of term. On this occasion the  
closure will be less than it has been on others. No alternative arrangements have been provided  
in past years.

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Clearly the Government and the Department of Education, as well as the schools, understand  
that this will be difficult for some families, even though these families appreciate the importance  
of this time and welcome the brand new schools. However, as has been announced already, the  
GSLA will be commencing its programme of summer activities to coincide with this period in order  
to assist families in this position.

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I would like to sincerely thank my friend and colleague the Hon. Steven Linares for making  
these very welcome arrangements. Thank you, Steven.

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**Hon. E J Reyes:** I am grateful for the answer, Mr Speaker. For your benefit, the deadline for  
filing these questions was actually before the GSLA made the announcement that they were going  
to do that, so it has avoided the need for any follow-up supplementary questions where I would  
have asked the Minister had he considered working alongside our other hon. Member.

All I can say is I wish all the best to the GSLA in having taken this on, and I wish all the best to  
parents and grandparents who, like myself, are often called upon for free, gratis and for-nothing  
services.

**Q496/2023**  
**Hassan Centenary Terraces –**  
**School catchment areas**

830 **Clerk:** Question 496/2023. The Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide details of the school catchment areas residents of Hassan Centenary Terraces will fall under as from September 2023?

835 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, to date, no pupils enrolled have provided Hassan Centenary Terraces as their residential address on our official records. Parents are required to provide documentary evidence that they reside at the stated address and this is clearly not possible until families move into their new homes. We have also not had any new enrolments with this prospective address. Enrolment forms require parents to provide the current residential address of the child, so Hassan Centenary Terraces is anticipated as an address once families move into their new abode.

840 We have, however, received a number of transfer requests for pupils currently enrolled in our schools, or who will be joining our schools in September, whose parents or carers have cited an upcoming move to Hassan Centenary Terraces as a reason for their school transfer request. All of these transfer requests have been facilitated.

845 It is anticipated that pupils with an address at Hassan Centenary Terraces will be allocated Notre Dame and St Anne's Schools as their lower and upper primary schools.

850 **Hon. E J Reyes:** Thank you, Mr Speaker.

Yes, it makes sense that the Minister is saying no one has a utilities bill yet, but if the timetables are proved to provide the fruition they are meant to, as from July people will be signing up for water and electricity and the rates bills will certainly start to come in for that area. The Minister has clarified that those families who are already anticipating that ... those requests have so far been successful and have been able to be met, so it is a question of first come, first served because as and when some may be able to move in quite quickly, others may require a bit more time to move into their houses.

860 I wish the Department of Education the best of luck because they might receive requests ... Having worked in that Department, I know what it is like. Parents can say, 'At the end of the autumn term can my child, as from January, move to this school?' and it provides not only physical logistical problems but the educational programmes ... If I can be of any assistance to the Minister I certainly will, and I hope there are enough spaces left in those schools to cater for the students who will reside in that area.

865 **Mr Speaker:** I must remind the hon. Member that he needs to ask a question.

**Hon. E J Reyes:** Sorry. Will the Minister ensure this House that he will keep on monitoring the requests, so that they will take stock and, if need be, plan ahead for further schools for that area in the future as demands increase?

**Hon. Prof. J E Cortes:** Yes, Mr Speaker, the Department is anticipating that there will be requests and is confident that they will be able to meet most of them.

875 Do remember that there will be cases in which, because they are young families moving to these homes, they will have the extended family network, and sometimes families prefer to have their children close to their grandparents, so perhaps there will not be as many requests as we would expect, but this will sort itself out as people settle into their new homes.



**Q497-99/2023**

**Vaping –**

**Policy re children, consultation with schools and measures in place; disposal/recycling**

**Clerk:** Question 497/2023. The Hon. E J Phillips.

880 **Hon. E J Phillips:** Mr Speaker, can the Government state its policy on vaping use by children aged 11 to 17?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

885 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I will answer this question together with Questions 498 and 499.

**Clerk:** Question 498/2023. The Hon. E J Phillips.

890 **Hon. E J Phillips:** Mr Speaker, can the Government confirm what communication it has had with schools in relation to vaping issues, and if it has, could the Government inform the House what has been determined and what measures have been put in place to discourage children from vaping?

895 **Clerk:** Question 499/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Can the Government state its policy on the disposal/recycling of single-use plastic vapes given the restrictions in the past on plastic bags, plastic cutlery and straws?

900 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Hon. Prof. J E Cortes:** Mr Speaker, the Government banned vaping by children in December last year and is considering banning the importation of disposable plastic vapes.

905 Schools strive to foster an awareness in pupils of both civic pride and healthy living. Schools also continually reinforce the importance of our choices and of the impact these have on those with whom we interact. Schools are keen to ensure their environments are welcoming, clean and safe for all of their pupils. Educating our young people is key to promoting healthier mindsets and behaviours. In addition to the ongoing curriculum focus on developing healthy lifelong habits, schools continue to discourage children from vaping through assemblies, small focus groups and, where appropriate and necessary, communication with parents. The Department of Education  
910 continues to work closely with colleagues in Public Health Gibraltar.

In recent months, a pupil survey on vaping has been conducted across secondary schools, in collaboration with the University. The data are currently being analysed and the results of the survey will be publicly available in the next month. The survey has been supported by educational  
915 talks, which are ongoing, which are delivered by public health officers directly in the schools, in which the teenagers are directly involved, and by providing useful learning tools to our teachers.

Vaping-focused professional development courses were offered to all school staff in the Education: 2023 CPD event at the end of March.

920 Additionally, the extra CCTV cameras which have been installed in both secondary schools to focus on the communal areas in the vicinity of the toilet block entrances have resulted in a decrease in the number of reports about vaping by pupils. When pupils are found vaping, schools will meet with parents and pupils to reinforce the school's values of civic pride and healthy living, and apply age and context-appropriate consequences in an effort to work constructively towards promoting appropriate behaviour.

925 This topic has been covered in other multi-agency meetings, such as the Child Protection  
Committee, and there is clear, strong legislation in place demonstrating the Government's  
determination to continue to tackle the issue of vaping in teenagers with all available resources.

**Hon. E J Phillips:** Mr Speaker, there is quite a bit to unpack there, but in relation to  
930 Question 497, the Government's policy on vaping, the Minister said that they were currently  
considering an outright ban of the importation of vapes in Gibraltar. Clearly there is a public health  
issue with that very suggestion because, as he knows, the Director of Public Health has said at  
general meetings of the public that in fact vaping for those addicted to nicotine and smoking is  
actually very helpful. That said, people taking up vaping for the first time is actually ... We do not  
935 know the long-term effects generally vaping can have on older people. I just wondered, in relation  
to the outright ban, what considerations are currently before the Government insofar as that is  
concerned.

**Hon. Prof. J E Cortes:** Mr Speaker, as the Director of Public Health has said, vaping is better  
940 than smoking for people who are wanting to give up smoking, but very much worse than not  
smoking and not vaping for young children. The consideration we are giving and the legislation  
that is being drafted is for prohibiting the importation of single-use disposable vapes, not vaping  
as a whole. These are the ones that are more accessible to children. They are the colourful, fun-  
looking ones and the ones that also end up not being recycled, and therefore they are the ones  
945 we are targeting now and not vapes as a whole.

**Hon. E J Phillips:** Mr Speaker, I am grateful for that clarification. That is an important  
clarification, of course, given last month Prof. Sir Christopher Whitty had written in *The Times* – I  
think he may be aware of that article, and indeed it was released on the UK government's website  
950 – where he went into some detail as to the shameful practices of those companies that are selling  
these colourful fruity-flavoured vapes. I appreciate those are the ones that I think the Government  
wishes to attack, but what consideration ...? The main purpose of this report in the United  
Kingdom, which we have all been looking at, is that the government is attacking the marketing of  
these specific devices. What steps is the Government taking in relation to the marketing of those?  
955 I can appreciate the ones that the children are attracted to – the colourful ones, the fruity-flavour  
ones. Generally speaking, these devices have a lot of marketing around them that attract people  
and attract addiction, which of course Prof. Whitty has characterised as shameful, generally  
speaking. I wonder what initiatives the Government has in place insofar as the marketing of these  
specific devices is concerned.

960 **Hon. Prof. J E Cortes:** I assume the hon. Member means marketing the ones that we are not  
thinking of making illegal.

**Hon. E J Phillips:** [*Inaudible*]

965 **Hon. Prof. J E Cortes:** The ones that we will be allowed to import. Yes. Well, this is like  
discouraging smoking and it is something that is being addressed by the Public Health team. I do  
not have details of the campaign that they are preparing, but as and when they develop it, I am  
sure they will pick it up from the media, and I would be happy to answer questions in future on  
970 that specifically.

**Hon. E J Phillips:** A few more questions, if I may, Mr Speaker. Insofar as illegal vapes, of course  
those can be very dangerous. They contain, he may well know, nickel and lead, which would  
damage not only young lungs but the brains of children. I assume that is all part of the same  
975 package of protection and measures that the Government will introduce in terms of legislation to  
prevent those illegal vapes finding their way on to our streets. That is the first question.

**Hon. Prof. J E Cortes:** Yes, sir. The fact that the legislation is being drafted means that there is quite an extensive exercise being carried out in order to pick out all these dangers so that we can deal with them in one go.

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**Hon. E J Phillips:** Just one final question. In relation to the data that has been collected from the secondary schools, there is a clear trend in European countries and, indeed, the United Kingdom, where vaping has gone up to, I think, 9% from 6%, as far as I understand from the report ... Just from his cursory examination – I know there is still analysis being done on the figures, so I am not going to hold him to it – are we seeing a similar trend in use by our students at schools?

985

**Hon. Prof. J E Cortes:** Mr Speaker, I held a meeting with the Public Health team last Friday and there was a very superficial discussion on the results. I did not see the results myself, but sadly I believe the percentage is higher here than what we have seen in some of those other studies. Whether the methodology was the same or not is something that is part of the data analysis, but if we just take the figures on their own I believe that they are higher than the ones that the hon. Member has described, which is concerning and is something that clearly flavours the way we deal with it.

990

**Hon. E J Phillips:** I am grateful for the answer. I know that sometimes the Minister has given standard responses to our questions, and obviously we do not want to start a debate on a subject as important as this, but that is an alarming disclosure by the Government that we seem to have a very significant problem with our young people using vapes. It would be very helpful to know if there are any other measures that the schools can deploy to try to weed this out of our secondary schools.

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**Hon. Prof. J E Cortes:** Mr Speaker, I have covered everything that I have to say on that. Clearly, I have mentioned that I believe, from recollection of my meeting on Friday, that it is higher, but I cannot now confirm how much higher and whether I may have got it wrong. I think I have got it right and I think it is. I was alarmed when I heard, but I would not like this to pre-empt the fact that we are going to be releasing all the stats within the next few weeks and clearly we will all have an opportunity to comment then.

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**Mr Speaker:** One final supplementary from the Hon. Roy Clinton.

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**Hon. R M Clinton:** Thank you, Mr Speaker.

If I may ask the Minister, I noticed in his response that he mentioned that one of the measures that the schools have taken is putting CCTV outside the toilets. I have heard anecdotally that in the comprehensives there is a particularly bad problem with vaping in the toilets. I wonder whether the Minister has considered something as simple as the airlines do, where they have smoke detectors within the toilets.

1015

**Hon. Prof. J E Cortes:** It is not something that we have considered. We are trying to resolve the problem in this way, but it is certainly something that can be looked at. How sensitive smoke detectors are to vapes I do not know, Mr Speaker, I am not an expert, but certainly it is something that we can look into.

1020

**Mr Speaker:** Next question.

**Q500/2023**  
**Littering fines –**  
**Number since 1st January 2023**

**Clerk:** Question 500/2023. The Hon. E J Phillips.

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**Hon. E J Phillips:** Can the Government confirm the number of littering fines imposed between 1st January 2023 to the date of this question?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

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**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the litter wardens have placed 51 fines since 1st January 2023.

**Q501/2023**  
**Barbary macaques –**  
**Population number**

**Clerk:** Question 501/2023. The Hon. E J Phillips.

1035

**Hon. E J Phillips:** Now for potentially his favourite question. Can the Government state Gibraltar's macaque population?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

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**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, approximately 215.

**Hon. E J Phillips:** Mr Speaker, does the Hon. Minister have a split by pack number?

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**Hon. Prof. J E Cortes:** Not here, Mr Speaker. I can provide that, but I do not have that information here.

1050

**Hon. E J Phillips:** Mr Speaker, insofar as the numbers, does he have any further information in the prepared answer relating to that number being significantly lower than previous years? My understanding is that we had a total Barbary macaque population of over 300. I was wondering what are the reasons for that figure being at 215, if I am right on that.

1055

**Hon. Prof. J E Cortes:** Mr Speaker, the population, if it was 300, is a long time ago. More recent figures are published in our statistical reports. They have been above 200 for quite some time. They are now lower, and that is largely as a result of a successful campaign to sterilise key females surgically. It is done by the vet under anaesthesia; essentially, the tubes are cut. They carry on behaving normally and keep their role within the pack, but they cannot have any young. So the birth rate has dropped significantly, and when then you consider the natural wastage – unfortunately, one of the main causes of death is roadkill – that has meant that the population is stabilising. Now, whereas we used to have packs having eight, nine, 10 births per pack, we are down to perhaps two or three a year and that has stabilised the population.

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**Hon. E J Phillips:** Just one further question on this. Is the Minister at all concerned about the population, given the sterilisation processes that are engaged here? Without digging up some of

1065 the old history of our community insofar as the relevance of the Barbary macaque, are there any concerns that the population might dwindle further?

**Hon. Prof. J E Cortes:** No, Mr Speaker. The aim – and I have been working in this line since long before I was ever dreaming of being a Minister, if ever I dreamt of being a Minister – has always been just under 200, between 180 and 200. We are almost there. No, I am not worried, because even though this type of sterilisation is not reversible, not all females in every pack are ever sterilised and there will always be some that will have young. If there was a noticeable decline in population which was alarming – say they dropped to below 170 – we would stop sterilising, and then as new females came into the right age, they would carry on reproducing.

1075 I think we have – or the team, not me anymore. The team has, I think, a good handle on the situation and I am confident that it is stable but it is not at risk. So we will not have to do a Winston Churchill and bring them over from Chefchaouen.

**Mr Speaker:** Next question.

**Q502/2023**  
**Bathing water –**  
**Method of testing**

1080 **Clerk:** Question 502/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government confirm how it tests the quality of our bathing waters?

1085 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the Environment (Quality of Bathing Water) Regulations require the monitoring of two microbiological indicators of faecal contamination: e-coli and intestinal enterococci. The choice of these indicators reflects recognition that faecal material, for instance due to sewage contamination, is the primary health threat to bathers. Acceptable levels for intestinal enterococci are 185 cfu/l or less and 500 cfu/l or less for e-coli. Any analysis results higher than these result in the water quality being deemed low water quality. The frequency of sampling is monthly outside of the bathing season, November to March, and every two weeks, recently increased to weekly, during the bathing season, April to October.

1095 The Environmental Agency uploads sample results for all beaches and other bathing areas as soon as results are received from the Public Health Analyst. Results are made entirely available to the public on the Environmental Agency website. Following the OS35 incident, extra samples were carried out for heavy metals and hydrocarbons.

1100 **Hon. E J Phillips:** I am grateful to the Minister for the answer. I know the Minister and I had a fairly volatile debate on television in relation to some of these aspects and he did pull out the chart that described and characterised all of our waters as being good, and I think we have improved at Western Beach anyway. Is there any advantage to testing the water column in Gibraltar, in terms of depth? My understanding is that that would be a clearer testing process to ascertain the real quality of those waters.

1110 **Hon. Prof. J E Cortes:** Mr Speaker, there is ample sampling of the water column for all sorts of contaminants, but that is done outside, at sea, to look at the quality of our waters in general. Again, those results are published and I have seen no cause for concern in them.

1115 These are specifically waters on our beaches, which is where people will swim, so I think there is no need, for the purpose of our beaches, to test the water column, because that would not be a reflection of the state of the water that you are going to be swimming in. We are following the protocols as set out in the EU directive, so I am satisfied that this would pick up any contamination, as it has done in the past. We have used the same methodology for many years, and to quote the chart, which I should have brought, to show everybody how beautiful our waters are now, so I missed a trick there ... As I showed on that chart on television, the water quality has now improved tremendously, so that all our waters are excellent except for Western Beach, which is good, which is much better than it has been in the past, and we all know that is for reasons outside our direct control.

1120

**Mr Speaker:** Next question.

**Q503 and 506/2023**  
**Illegal fishing –**  
**Number of prosecutions; repair of enforcement vessels**

**Clerk:** Question 503/2023. The Hon. E J Phillips.

1125 **Hon. E J Phillips:** Mr Speaker, can the Government state how many prosecutions have been conducted as from 1st January 2015 in relation to illegal fishing in our waters?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1130 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I will answer this question together with Question 506.

**Mr Speaker:** Question 506 will be asked by the Hon. Mr Phillips on behalf of the Hon. Daniel Feetham.

1135 **Clerk:** Question 506/2023. The Hon. E J Phillips on behalf of the Hon. D A Feetham.

1140 **Hon. E J Phillips:** Mr Speaker, in the light of the answer to Question 384/2023, have the Environmental Agency vessels now been repaired so that the laws on the prohibition of fishing with nets in BGTW which this Government introduced can be enforced?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1145 **Hon. Prof. J E Cortes:** Mr Speaker, the Environmental Agency does not have any vessels, but I am sure the hon. Member meant the Department of the Environment's Environmental Protection and Research Unit, now known as EPRU. I can confirm that one vessel has been repaired and is now operational, namely the RHIB *Razorbill*.

1150 In answer to the other question, a total of 40 individuals have been reported since 2015 in relation to illegal fishing under the Nature Protection Act 1991, the Marine Protection Regulations 2014 and the Tuna Preservation Regulations 2014, altogether. This is broken down into seven under the Nature Protection Act 1991 and 33 under the Marine Protection Regulations and the Tuna Preservation Regulations 2014.

1155 **Hon. E J Phillips:** Does the Hon. Minister have any information about the breakdown between the seven and the 30? It is 7/34, right? Thirty-three, so a further breakdown of the 33. Are they mainly tuna contraventions?

1160 **Hon. Prof. J E Cortes:** Mr Speaker, I have some notes here. Seven individuals have been or are in the process of being reported for offences under the Nature Protection Act, of which four specifically relate to fishing with nets. Of these, one has a warrant of arrest pending for failing to appear at the Magistrates Court, one was fined £1,800 by the Magistrates Court, one was deemed not guilty by the Magistrates Court, and one is presently in process. There were three specifically for having illegally collected protected species, namely Mediterranean ribbed limpets and spider crabs. Of the 33 individuals, they range from fishing without a permit to catching undersized fish.

1165 **Hon. E J Phillips:** Mr Speaker, does the Hon. Minister have the nationality of those individuals that have been prosecuted for contravening our laws?

**Hon. Prof. J E Cortes:** I do, Mr Speaker. Let me say that the vast majority are not local.

1170 **Hon. E J Phillips:** Mr Speaker, from our analysis, I think that amounts to approximately five prosecutions for every year for the last eight in relation to this particular question, and that is split across Nature Protection Act contraventions and marine and tuna contraventions. What does the Hon. Minister have to say about that? Five a year for the last eight – does he feel that is woeful?

1175 **Hon. Prof. J E Cortes:** Mr Speaker, it is a vast improvement on anything that ever happened before because there was never a flavour for protecting our marine life until this Government came into office. I do not have to tell the hon. Member – who, although he dismissively defined me as ‘a professor of birds and bees’ I think he said, I respectfully referred to him as a lawyer – precisely because he is a lawyer, he should be aware that the number of prosecutions and successful prosecutions is not necessarily directly related to the amount of enforcement.

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**Hon. E J Phillips:** Mr Speaker, I accept that end note that he has placed on that, and I am sure that there are many instances where vessels have been warned by our law enforcement agencies. I do not deny that has happened. Of course, more recently there have been significant concerns about the level of resources that we have. He talks in his answer about the *Razorbill* that has been recently repaired. I am not too sure of the name of the other vessel, but it is obviously out of service. Does he not agree with me that having two important vessels out at sea enforcing our laws is the right approach, and if they do need to be resourced and tooled up even more in terms of the powers that can be provided to them, they should be, because our laws should be respected by locals and indeed foreigners?

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1190

**Hon. Prof. J E Cortes:** Mr Speaker, I think the hon. Member has to remember – perhaps he has forgotten, but I do not think he was here when we started – that this unit has been created by us from absolutely nothing, and therefore all the resources that we have, no matter how small they may be, are thanks to us. I must add that yes, clearly it is unfortunate that both ... The other vessel, by the way, is the *Storm Petrel*, and that is no longer in commission, but as I also said publicly, the *Osprey* will be arriving soon.

1195

**Hon. E J Phillips:** Just one final question, for all those individuals in our community who are concerned about this particular activity and breaches of our laws, particularly those relating to nature protection, marine and tuna: is he satisfied, therefore, with the last eight years in terms of the work being done in relation to the protection of our environment and any prosecutions they have had? Is he satisfied with the number?

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1205 **Hon. Prof. J E Cortes:** Yes, Mr Speaker. The hon. Member is indeed calling for the implementation of GSLP Liberal Government policy as opposed to the GSD policy, which was to do absolutely nothing. So he is encouraging us to carry out our policies. I now assume that he is clearly supporting the GSLP Liberal Government in this. (*Interjection*)

1210 I have absolutely no doubt whatsoever that the current level of enforcement of our marine laws is better than it has ever been, and it is more effective than people even want to imagine. The fact that there have not been that number of prosecutions and that number of fines does not mean that the instances of contravention of our marine laws, now that we have them, has not decreased tremendously in recent years. Evidence of that is the fact that marine life has responded and now we have a large number of marine species living happily in our waters, which was not the case before. As I am a professor of birds and bees, I can mention grey herons, which are now regularly in our waters, fishing throughout the year, particularly in winter; great cormorants; and the population of the green cormorant, which is a very rare species only found in Gibraltar and not for many miles around the Iberian coast, has increased and is greater than ever before. We have even had an otter resident in our harbour for over a period of a year. Those facts speak for themselves, as does this professor of birds and bees.

1220 **Hon. E J Phillips:** I am grateful for the indulgence. Just one question. He bases his analysis on the work that the EPRU may do at sea in relation to warning vessels about breaches of our laws, for example. He talks about that and talks about the number of prosecutions, and I can probably take from the answer that he is generally satisfied with the work that we are doing in our community. But none of the officers who are out at sea are trained to prepare dockets for prosecution; neither are they trained insofar as the handing out of fixed penalty notices to locals or foreigners who contravene our laws. How does he reconcile the two? You have to resource and train individuals to enforce the law, but they do not have the requisite training or skills to do that.

1230 **Hon. Prof. J E Cortes:** Mr Speaker, the hon. Member is clearly directly criticising the ability of public officers to carry out their duties, and I suppose that reflects those who clearly also have conversations with him.

1235 I am satisfied with the commitment of these staff. They have received extensive on-the-job training in things like rescuing, citations, safety at sea and all other sorts of training that is provided to a large range of law enforcement officers. I am satisfied that they perform their duties and therefore I take exception, as the Minister responsible for them, that this hon. Member has criticised their ability as public officers.

**Mr Speaker:** Next question.

**Q504-05/2023  
Ammunition jetty –**

**Plans and whether wave energy project abandoned**

1240 **Clerk:** Question 504/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state whether it has now abandoned the wave energy project?

1245 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I will answer this question together with Question 505.



**Clerk:** Question 505/2023. The Hon. E J Phillips.

1250

**Hon. E J Phillips:** Mr Speaker, can the Government state what plans it has for the ammunition jetty?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

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**Hon. Prof. J E Cortes:** Mr Speaker, at present there are no plans for the ammunition jetty. The Government has not abandoned wave energy as a potential renewable energy option for Gibraltar. Unfortunately, this specific pilot project did not yield the result we had hoped for.

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**Hon. E J Phillips:** Mr Speaker, the Chief Minister says it was a third party from a sedentary position. *(Interjection)* Well, in fact, it had government support. There was a huge fanfare around wave energy that the hon. Gentlemen across the floor supported. Of course, we would all support something that does that. *(Interjections)* Let's get to the question, then. *(Interjections)* Mr Isola is sat down, as always, shouting from afar, uttering something that we do not want to hear.

1265

But anyway, Mr Speaker, the question was in relation to abandoning the wave energy project. If anyone walks past the ammunition jetty, it has clearly been left to rot. It is actually quite a beautiful view of our Rock and our ammunition jetty, which should be repaired or at least developed, so what is the Government going to do about that – leave it to rot further?

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the ammunition jetty has nothing to do with the Ministry for the Environment. It is part of the general set of land assets of the Government of Gibraltar. The hon. Gentleman will, I assume, know the history of the ammunition jetty and why it was built. We no longer have a need for the ammunition jetty. In other words, the hon. Gentleman knows why the ammunition jetty was built. He knows that the volatility of explosives today is different. He knows that there is a blast circle around the Z berth down at the dockyard at the South Mole, and he knows that blast circle, because of the new volatility, which is relevant to explosives today, not at the time of the Bedenham is not what it used to be. It is unlikely to blast the windows in the city and therefore we do not need an ammunition jetty on the Eastside.

1275

We have not, as the Hon. Minister said to him, abandoned either the ammunition jetty nor the wave-to-energy project, because it was not ours to abandon. It was something that was proposed to the Government as an experiment that somebody wanted to do here. All we needed to do was say yes or no. If we said yes, we supported it. If we said no, we did not support it. If we had said no, the Opposition would have said, 'This is terrible, this is an opportunity to try wave power and you have not supported the opportunity, at no cost to the taxpayer, to see whether it works or not.' We said yes. So they were waiting for us to say, when the time came, whether the company wanted to continue or not, whether we supported them not continuing their experiment, or not, to say, 'Ah, you have abandoned the project.' This is the classic damned if you do, damned if you do not.

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We believe it was right to support an Israeli entity wanting to use Gibraltar as a test bed for this technology. We believe it is right to attract that opportunity, and if you want to attract that opportunity, what you cannot do is when they tell you they have finished the experiment, fine them, require them to carry on etc. So we have not abandoned anything. The experiment is over. The results are very interesting. They will continue to benefit the opportunities for this sort of technology going forward.

1285

What was being done at the ammunition jetty before this experiment? Nothing, because we were no longer using it to munition our fleet of war-going ships. We have no plans for the fleet of war-going ships for which we are responsible. We have no need for the ammunition jetty. To repair a jetty on that side of Gibraltar would cost – and he should hold on to Mr Clinton's hand whilst I say this – millions of pounds, for no commercial purpose whatsoever.

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1300 So I am very sorry to say that we have neither abandoned that project nor abandoned the  
ammunition jetty. We have continued to see the ammunition jetty develop as it was when it was  
handed over to us in their time, or in our time, or in anybody else's time. But what I would say is  
1305 that the ammunition jetty is part of the history of Gibraltar. It is part of the crumbling history of  
Gibraltar. Part of the history of Gibraltar has to crumble. It is natural because otherwise it is not  
the history of Gibraltar. Otherwise, what we would have is a new ammunition jetty, because we  
have to literally rebuild it from scratch. The foundations have completely gone. It was not built for  
a thousand years. We were not the thousand-year Reich. It was built for when it was needed, and  
1310 it is no longer needed, but the history of Gibraltar includes that this is the place where James Bond  
was born, that Operation Goldeneye was the operation to protect Gibraltar from the invasion of  
the Nazis, and that *Thunderball* is based on the Italians coming to attack Gibraltar. 007 is part of  
the history of Gibraltar, but we cannot spend millions repairing the ammunition jetty, and we have  
not abandoned that project.

**Hon. E J Phillips:** Just one question in relation to the wave energy project. Given the fact that  
1315 the Government has not abandoned it – or at least the individuals concerned, the company  
concerned that was investigating, the Israeli company – what steps are being taken to reintroduce  
the project elsewhere in Gibraltar?

**Hon. Prof. J E Cortes:** Mr Speaker, this is not our project. As the Chief Minister has said and  
1320 repeated several times, it is not our project. In fact, we did not abandon it. I suppose you could  
say it abandoned us. I repeat what the Chief Minister said. They finished the experiment, they got  
the conclusions they wanted, they are trying that technology elsewhere with more or less success,  
depending on a number of factors, but the experiment finished and we were very happy to be a  
part of it.

1325 Wave power, unfortunately, at the moment has not got the technological advancement that  
the whole world would like, and this was part of a process of achieving it. If part of this helped  
them in improving the output and one day they can come back and provide wave energy here –  
clearly not on the ammunition jetty – then fine, but it is not our project, it never was our project.  
We have said this many times. I have answered many questions on this and I have always  
1330 explained it was not a government project, it was a private pilot project which the Government  
was very keen to support and correctly did so.

**Mr Speaker:** Next question.

**Q507/2023**  
**Eastern Beach –**  
**Provision of beach for summer season**

**Clerk:** Question 507/2023. The Hon. D J Bossino.  
1335

**Hon. D J Bossino:** Is the Government satisfied that it will deliver a beach at Eastern Beach,  
instead of a construction site, in time for summer season 2023?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.  
1340

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, yes, sir, it did.

1345 **Hon. D J Bossino:** Mr Speaker, is he telling the House that it is no longer a construction site? It certainly does not look like that when one visits the area. Is he able to therefore state that a completion certificate and a certificate of fitness have been issued?

1350 **Hon. Prof. J E Cortes:** Mr Speaker, I do not know what he wants a certificate of fitness for. It is not for me to ask him questions, but it is an answer that I certainly cannot give. He should clarify what certificate of fitness he is referring to. The beach is a beach – El Mar de Levante, in case the hon. Member is not clear.

1355 **Hon. D J Bossino:** The hon. Member is playing games. It is obvious that there is heavy construction going on at Eastern Beach. There are stores on the promenade. I would have thought that would have been obvious to him. The question arose from that, if that helps him by way of assistance.

1360 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the hon. Gentleman should understand that a certificate of fitness is relevant to the structure, not to the area around the structure, and the beach is the area around the structure. So if what he is saying is have certificates of fitness been issued in respect of the stores that have been built, well, the stores that have been built, as far as I am concerned, are not yet complete; the construction has paused now. There is no need for a certificate of fitness for the beach by any stretch of the imagination.

1365 **Hon. Prof. J E Cortes:** May I add, Mr Speaker, if the hon. Member wanted to know whether a certificate of fitness had been issued, he should have asked that question specifically, and then the appropriate Minister would have had a prepared answer. The answer I have given refers to the beach, not a store which may or may not require a certificate of fitness. That would have to be another question.

1370

**Mr Speaker:** Would the hon. Member wish to clarify and ask a supplementary?

1375 **Hon. D J Bossino:** Mr Speaker, I have already clarified. The hon. Member knows where I was coming from. It was obvious why I was asking the question.

The beach is a veritable construction site. By any stretch of the imagination, it cannot be seen to be considered a usable beach, certainly some parts of it. Now that he knows where I was coming from, is he able to answer the question that I posed?

1380 **Hon. Prof. J E Cortes:** Mr Speaker, I answered the question already. I said yes, sir, it did.

**Mr Speaker:** Next question.

**Q508/2023**  
**Construction site dust –**  
**Measures to control**

**Clerk:** Question 508/2023. The Hon. D J Bossino.

1385 **Hon. D J Bossino:** What measures are in place to control the emission of dust at construction sites?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1390 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the Environment (Control of Dust) Regulations seek to prevent, reduce or control dust emissions from the following activities or operations: dismantling or demolition of buildings; construction works and excavations; refurbishment works; mining, road building and all other engineering works; processing or stockpiling of solid bulk materials, including sand, grit, gravel, rock, dirt, sawdust and ash; operation of machines, equipment or vehicles; operation and use of unpaved land for any purpose whatsoever; and any agricultural or horticultural activity or process.

1395  
1400 Any person undertaking any of the above activities or operations must apply for a certificate of approval from the Environmental Agency. A dust control plan must accompany the application and it is recommended that the dust control plan incorporates the recommendations contained in the 'Dust – Best Practice Guide' produced by the Department of the Environment and Climate Change.

1405 The dust control plan details the types of activities the company proposes to carry out and describes the methods which will be used to prevent or reduce dust emissions as far as is reasonably practicable. This document is submitted to the Environmental Agency and if approved, the company receives a certificate of approval to operate. It is an offence to undertake such activity or operation without a valid certificate of approval.

1410 Examples of typical dust mitigation measures include: adequate wheel washing facilities on site entrance and exit; frequent wetting down of vehicle driving routes with a bowser; frequent dampening of stockpiles; all material delivered must be damp on arrival, for example at Victoria Keys; contractors are to be advised to wet down the material prior to loading their trucks and not just to hose down the surface; all trucks entering a site must be covered and secured with a suitable tarpaulin or dust cover; dampening of material prior to being crushed – where there is crushing, clearly; and equipment with integrated water suppression.

1415 Environmental health officers proactively visit construction sites around Gibraltar to monitor compliance with dust control plans. Environmental health officers may issue a prohibition notice on an activity or operation when they are not satisfied that the dust control plan is being implemented, resulting in dust emissions. The notice will state the matters that need to be addressed and the timeframe to comply with the notice. In 2022 one prohibition notice was issued and in 2023 one company was cautioned for not properly implementing their dust control plan.

1420 Plumes of dust and concerns regarding dust from construction and other such activities can and should be reported to the Environmental Agency for investigation.

1425 **Hon. D J Bossino:** Mr Speaker, this question arises from complaints that I have received in relation to a particular construction site, but it is widespread around Gibraltar given the amount of construction that is going on. Is he satisfied that the measures which are in place – and that is what the question was – are being properly enforced? He talks about only one notice being issued in 2022. Would he not have expected the number to have been higher? Does he have a comment in relation to that, or does he think that all the construction companies are very well behaved in this area?

1430  
1435 **Hon. Prof. J E Cortes:** Mr Speaker, once again, the fact that only one prohibition notice was issued does not mean that there was no engagement with people who may have been in contravention or may not have satisfied the Environmental Agency. There will be a proactive approach, as I mentioned in my answer. They will visit the site, they will give advice, they will ask them to improve their performance – on repeated infractions, clearly the next step will be taken – and they are free to take whatever step they wish to take against any generator of dust. Therefore, I am satisfied with the professionalism of the environmental health officers dealing with these situations. That the answer to that, Mr Speaker, is yes.

1440 **Hon. D J Bossino:** Mr Speaker, can he tell the House how many environmental health officers he has available to his department to deploy in order to enforce this, and is he satisfied with that number?

1445 **Hon. Prof. J E Cortes:** Mr Speaker, I do not have that figure off the top of my head, so the answer is no. They have, I think, a sizeable number, they cover a lot of area – and they are not constantly knocking on my door asking for more resources and that must say something. I have every confidence in their ability to perform all the duties that Gibraltar relies upon them to perform.

1450 **Hon. D J Bossino:** Mr Speaker, the issue was not their ability but the number and the ability, therefore, to enforce.

Is he able to provide any information before 2022? He has provided information in relation to the notice issued in 2022 and he mentioned something in relation to this year. Is able to provide information prior to that year?

1455 **Hon. Prof. J E Cortes:** I will, if I am asked, and I can certainly look up the information without having to wait for a question if the hon. Member would be so kind as to remind me.

**Mr Speaker:** Next question.

**Q509/2023**  
**Governor's Parade –**  
**Rubbish collection point**

1460 **Clerk:** Question 509/2023. The Hon. D J Bossino.

**Hon. D J Bossino:** Is the construction of a rubbish collection point at Governor's Parade the Government's idea of renovation of this area?

1465 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, no, sir, it is a positive response to the calls by businesses on Main Street for larger refuse stores, so that they are better able to dispose of their rubbish without cluttering the street.

1470 **Hon. D J Bossino:** And I am sure that is the case, Mr Speaker, but weren't other options considered? It is quite a big area, and I think once constructed it will prove a source of defacement, I would say, of the area, such a large rubbish collection point. Were other options not available to the Government? For example, I understand that there is a large underground area in that square.

1475 **Hon. Prof. J E Cortes:** Mr Speaker, other options were considered. It is very difficult to find locations for refuse cubicles. Nobody wants them on their patch and it is difficult to find places for them.

1480 Yes, indeed, there is a space underground, which I believe may have been used as an air-raid shelter in years gone by. We did explore that, but unfortunately at some stage a previous administration – and I do not know which one – in restoring that area, or providing the car park or whatever, sealed the entrances and therefore there is no easy access, we would have to dig, and there are no stairs so it would have to be a vertical approach. So it was considered and not

1485 found practicable. It would also have been extremely expensive to open that space up. So we did consider it, but it was not practicable. But there was a great deal of pressure from the business community to improve. You see, Mr Speaker, we are trying to get the business community to work with us in improving cleanliness on Main Street, but they constantly came to us and said, 'Yes, of course we can do it, but we need more space.' This is one of the spaces being provided.

1490 **Hon. D J Bossino:** Mr Speaker, finally, does he not agree with me that in fact this is not an issue as to whether people do not want that type of thing on their own patch, it is something which is a complete and utter eyesore? It is not going to produce particularly pleasant smells in an area which should have been the subject of urban renewal. As he himself said ... I think, in answer to one of my questions at the previous session of the House he cited Governor's Parade as an area  
1495 which he said under his watch he had beautified.

**Hon. Prof. J E Cortes:** Mr Speaker, no matter what we do to review our urban space, we need to dispose of rubbish. Clearly we have improved that area, the area certainly to the north of the area that the hon. Member is referring to. If we were to, at some stage, embark on a wider  
1500 beautification of the area, we would need to re-provide or incorporate these cubicles in some way.

I must point out that this went through the planning process and therefore had the approval of the Development and Planning Commission, which obviously considered the need for this kind of cubicle, because the community requires areas in which to dispose of refuse.  
1505

**Hon. D J Bossino:** Once this is constructed, unless I am guessing the finished product wrong, this is a significant area of the park by the Church of Scotland. This is not a few cubicles, as he has put it; this is a massive area. How does he expect that to be incorporated in the future? What is his vision in relation to that specific point?  
1510

**Hon. Prof. J E Cortes:** Mr Speaker, it is in the car park. This has been built in the car parking area and there was already a refuse cubicle there. This is an enlargement of the existing refuse cubicle.

1515 What can I say? We need to dispose of our rubbish. No matter where we decide to park – if I may use that word – a refuse cubicle, there will be questions from the Opposition and there will be an accusation that it is the wrong place. They have to go somewhere. We have to take that responsibility. We went through the planning process, the planning process approved it, and therefore it is being constructed there, and I hope that the result will be cleaner streets in the surrounding area.  
1520

**Mr Speaker:** Next question.

**Q510/2023  
Victualling Yard –  
Proposed aquarium**

**Clerk:** Question 510/2023. The Hon. D J Bossino.

1525 **Hon. D J Bossino:** Does the Government support the setting up of the recently announced aquarium at the Victualling Yard?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1530 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the proposal is an interesting one which will be subject to the planning process as well as to an environmental and regulatory screening. The Government will therefore take a view at a later stage.

1535 **Hon. D J Bossino:** Is he able to share initially the Government's views in relation to the project? As I understand it, the idea is that the current creatures living there are meant to continue to live there. Does he have a view in relation to that? And does he have a view as to the management of the traffic and things like that? Those are the concerns which have been brought to my door in relation to this particular project.

1540 **Hon. Prof. J E Cortes:** Mr Speaker, I do not believe anybody lives there. Maybe the hon. Member would like to clarify what he meant by living there. *(Interjection)*

1545 Mr Speaker, this a private project. The Government is aware, but we have to wait for them to propose the detail. Keeping an aquarium of the type that they want to keep is not like keeping a goldfish in a tank. It is a complex issue. There are certain requirements, and in fact there are regulations elsewhere than in Gibraltar as to how you can keep aquaria. We would have to see whether we would need to legislate to ensure that it is properly maintained. So it is a complex process.

1550 I think it is a very interesting idea. I think if it works well, it could be a valuable addition to the tourist product, but it needs to be properly managed and we are awaiting the detail of the design and how they are going to run it. This is a private project. It will have to go through the planning process. I certainly hope that they will be able to satisfy all the requirements, but they have to satisfy those requirements.

1555 **Hon. D J Bossino:** Mr Speaker, what I take from his answer is that the Government has a completely open mind in relation to this project. Will this result in any government contribution in terms of financing?

**Chief Minister (Hon. F R Picardo):** We could give them a couple of goldfish.

1560 **Hon. Prof. J E Cortes:** No, sir, there is no plan for Government to contribute financially to this. *(Interjections)*

**Q511/2023  
Devil's Tower Road –  
New schools**

**Clerk:** Question 511/2023. The Hon. D J Bossino.

1565 **Hon. D J Bossino:** Does the Government have plans to build new schools in the area of Devil's Tower Road?

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1570 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, it is possible that Gibraltar will need another primary school within the next five to 10 years, and most likely in the north. Current trends are being studied to determine whether this will indeed be necessary or whether the projected increases can be absorbed into our news schools.

1575 **Hon. D J Bossino:** Mr Speaker, is it something that will only impact a primary school? In other words, there will only be a need for a primary school? Will there not be a need for other schools? Can you give some information in relation to the nature of the study that he says he is conducting?

1580 **Hon. Prof. J E Cortes:** Mr Speaker, there may not be a need. It is being assessed; it is possible that there will be. I am confident that the size of the current secondary schools, if we include the new College – which is now in process, the planning applications and so on are out ... I would have thought that we are well-catered for, for the foreseeable future, in secondary, by the size of schools that we built. But the younger school age range is increasing. Our population is increasing not just by locals but also by people moving to Gibraltar. Although we have flexibility in the new schools we have built ... For example, the new St Mary's School currently is two-form entry but it has been designed for potential three-form entry and we have some flexibility in some of the other schools. This is precisely the exercise we have to carry out before we determine that Gibraltar may need another primary school. It is possible, but it is work in progress.

1590 **Hon. D J Bossino:** Mr Speaker, just to take him back to the question, because the sense I got in his reply is it was more wide, the Gibraltar application. My question related to Devil's Tower Road. Will the study look particularly at that area? And can I ask him to confirm whether his reply applies to that particular area or whether it is a Gibraltar-wide answer?

1595 **Hon. Prof. J E Cortes:** I think it is likely that the need would be in the northern district. We have a youngish population in the new terraces there and we have the Eastside development that will come online, so to speak, over the next few years, and we also have Chatham Views and Bob Peliza Mews, and they are all located towards the northern end of Gibraltar. Therefore, the likelihood is that the demand for school spaces will be in the northern areas. We would have to change and reallocate the catchment areas depending on where the space is, and it may be that once that has been analysed there will be a need for new primary schools, but I repeat that I am pretty confident that the secondary schools will be fit for purpose size wise – obviously for quality and so on for a long time, but size wise for much longer than the primary sector.

1605 **Hon. D J Bossino:** In relation to the primary school, is it too embryonic a stage in terms of the analysis for him to be able to identify an area that he is considering for the construction of the primary school?

**Hon. Prof. J E Cortes:** Yes, Mr Speaker, it is far too soon.

1610 **Mr Speaker:** Next question.

**Q512/2023**  
**68 and 72 Prince Edward's Road –**  
**External rendering works**

**Clerk:** Question 512/2023. The Hon. D J Bossino.

1615 **Hon. D J Bossino:** Please state which company and under whose instructions have external rendering works been carried out at 68 and 72 Prince Edward's Road.

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.



1620 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, necessary works to prevent a problem of considerable water ingress are being carried out by A&D Services under the instruction of Gibraltar Cultural Services, who manage cultural premises on behalf of the Ministry of Culture and the Land Management Committee.

1625 **Hon. D J Bossino:** Is the hon. Member satisfied as to the quality of the works which have been rendered in that area?

**Hon. Prof. J E Cortes:** Mr Speaker, the works are ongoing, so I am not yet satisfied, but I am sure that I will be satisfied once they are completed.

1630 **Hon. D J Bossino:** Does he have any concerns in relation to the heritage value once those works are completed?

1635 **Hon. Prof. J E Cortes:** No, Mr Speaker. The hon. Member may be referring to some posts about the use of Portland cement. That was an error by the contractor. Immediately that was spotted, it was changed to lime mortar on the recommendation of the Government Archaeologist.

**Hon. D J Bossino:** Is it the case that no long-lasting damage has been made to that building as a result of that error?

1640 **Hon. Prof. J E Cortes:** That is the information that I have, Mr Speaker. They have been able to rectify it in time and the plan is that it should be okayed by the archaeologist.

**Hon. D J Bossino:** May I ask the hon. Member the cost of the works?

1645 **Hon. Prof. J E Cortes:** The hon. Member may ask me, but I do not have the details. I do know, though, that there were three quotes and this was the most favourable one. I do not have the information as to what the cost is, but I can get that for him.

1650 **Hon. D J Bossino:** Mr Speaker, can he give an indication as to when the works are likely to be completed?

**Hon. Prof. J E Cortes:** No, sir.

**Q513/2023**  
**Southport Gates –**  
**Update re works and cost**

**Clerk:** Question 513/2023. The Hon. D J Bossino.

1655 **Hon. D J Bossino:** Please provide progress on the works at Southport Gates with an update on costs.

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1660 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the works carried out at Southport Gates have consisted of the dismantling and reinstallation of part of the pillar and the wall forming part of the Victorian Gate, currently

1665 the traffic gate. The disassembly and subsequent reinstallation of the shield was also carried out, a highly complex task as the piece is moulded out of mortar. Further work will remove some tree root systems to prevent future damage. The total cost at present is £63,265 and this includes scaffolding, contractor, materials and a specialist restorer.

1670 **Hon. D J Bossino:** Is that the total cost of the entire works – in other words, what has been spent to date and what is expected to be spent in totality once it is completed?

**Hon. Prof. J E Cortes:** That is the cost to date, Mr Speaker.

1675 **Hon. D J Bossino:** Does he have an estimation as to how much the works, once they are complete, are likely to cost the taxpayer?

1680 **Hon. Prof. J E Cortes:** Not really, Mr Speaker, because these works ... when you start, you do not really know when you are going to finish. They are old walls. You may uncover some other faults. You may see that there is a tree root that you did not know was there, which you then have to deal with. It is very hard to predict, so I would not like to hazard a guess. I would not think it is the same amount again, because we are now seeing the end of this work, but I would not like to hazard a guess.

1685 **Hon. D J Bossino:** Mr Speaker, I asked a question – I think back in October; I do not recall when – and I think he told me at the time that the works were likely to take about three or four months. Is he able to provide an estimation, given that he has breached that estimation as things stand at the moment?

1690 **Hon. Prof. J E Cortes:** Yes, Mr Speaker, I would very much have liked to have got the works finished and the scaffolding removed and opened the gate again, but because we identified other issues with one or two particular tree roots that we did not realise were there, it seems a pity and not really very cost effective to remove the scaffolding only to find that in a short period of time we are going to have to go back. So we took the decision, after discussing with the archaeologist and with the specialists from the National Museum, that it was best to carry on with the works probably a few months more and finish the whole of that area, and then it will be restored, hopefully, for many years to come.

1700 **Hon. D J Bossino:** Is he satisfied as to the progress of the works? Clearly he will say no, that he would have loved to have had it ready and completed. I think this has been going on for about three years, but I stand to be corrected. At the end of the day, it is about five square metres of wall. If one were to refurbish the entire walls of Gibraltar ... I think we are running to 10 km. If we take this long for five square metres then how long, for goodness' sake, are we going to take for 10 km?

1705 Is he satisfied that the progress is that the works are progressing well, in the sense that they are just encountering these heritage-sensitive issues which just need to be dealt with and were not encountered when they first envisaged and provided the hon. Member with a time estimate of the works?

1710 **Hon. Prof. J E Cortes:** I am satisfied, Mr Speaker, that the works are progressing well, meaning that they are being done well. Clearly, as the hon. Member predicted, I would have liked to have seen it done more quickly, but I am not going to rush it. It is not a job that can be rushed. If we rush it, then it is likely that we will get something wrong. These are historic walls that have been there for hundreds of years and they deserve the respect and the time that restoration requires.

**Mr Speaker:** Next question.

**Q514/2023**  
**Parson's Lodge –**  
**Cost of development**

1715 **Clerk:** Question 514/2023. The Hon. D J Bossino.

**Hon. D J Bossino:** Please state what the cost of the recently announced development of Parson's Lodge will amount to.

1720 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, works are currently in progress and will be partly done in house, so the total cost is not yet available. The works are being paid for by the contractor as the normal part of the development of the Museum, one of their contractual obligations. The only difference is that a new venue is being used as an extension to the Museum. There is no additional funding being paid to the contractor for these works.

1730 **Hon. D J Bossino:** By 'the contractor' I assume he is referring to Knightsfield Holdings Ltd. He is nodding.

Can I ask him to explain what he means by 'in house'? This is, presumably, Gibraltar Government? Is that what he is referring to?

1735 **Hon. Prof. J E Cortes:** No, Mr Speaker, I mean the Museum staff. They have a conservator and they have staff in house who are able to develop the displays. It will not just be restoration works on the monument, it will be the preparation of displays, interpretation material and so on, and that is going to be done in house within the budget of the Museum and is not being charged in addition to the budget of the Museum.

1740 **Hon. D J Bossino:** I think he has answered the question at the tail end of his reply. So just so I have it clear in my mind, what he is saying is that these works will not result in extra cost to the Government because it is going to be paid for by the fund that the company currently receives. The hon. Member can confirm that my understanding is correct.

Is the hon. Member able to state when this project is likely to complete?

1745 **Hon. Prof. J E Cortes:** It is a phased project, so the answer is probably never. I have recollections of when I took on the Alameda Gardens – I knew I would never finish it; this kind of project is never complete. We will have a phase that is due to open right after the summer, and I suppose that the plans as announced in the recent launch will probably take, I would say, a year as a whole, but that is just a guess. I have not consulted the Director of the Museum for a date as specific as this.

1755 **Hon. D J Bossino:** Mr Speaker, does he have an explanation as to why it is the case that this particular company has been at the receiving end of a substantial amount of money from the Gibraltar Government, in excess of £1 million – he provided us with the details at the last session of the House – since at least 2014 when this Government entered into the current contractual relations with that particular company, and it is only now, a few months before a general election, that the company decides, lo and behold, to refurbish Parson's Lodge when it has been in a state of dereliction for so long?

1760 **Hon. Prof. J E Cortes:** Mr Speaker, I take issue with the definition of dereliction. I think the hon. Member may define dereliction as including the growth of wild species of plants, and I would call

1765 that beauty. Therefore, I do not concur with the hon. Member's assessment of dereliction. (**Hon. Chief Minister:** Rewilding.) Rewilding either. The Hon. Chief Minister is up to date completely with all these terms, as you would imagine from such a progressive Government. Thank you, Chief Minister. I do not think it was in a state of dereliction.

1770 These plans have been in the making for a considerable period of time. They have been doing a lot of other work within the Museum. They have done things like the reconstruction of the Neolithic remains. They have opened new galleries, the new Medusa Gallery, the Pillars of Hercules. They have done work on the World Heritage Site, and there is more, actually, which will be announced quite soon, another initiative at the World Heritage Site. So no, I do not see there is anything untoward in this at all, and I am very pleased that this is happening.

1775 **Mr Speaker:** One final supplementary.

1780 **Hon. D J Bossino:** I am grateful, Mr Speaker, for that. Let him just answer this question: how long has this company been thinking about the refurbishment at this particular place? I think he has said, using his words, a considerable amount of time. They have had the current contract for almost 10 years. At a very rough calculation, the company would have received almost, if not in excess of, £10 million from the Gibraltar taxpayer. How is it that now, three or four months before a general election, the company decides to announce, but not do anything in relation to it, its development of Parson's Lodge?

1785 **Chief Minister (Hon. F R Picardo):** Mr Speaker, that question is out of order. It is a question about –

1790 **Mr Speaker:** Excuse me. It is digressing. The supplementary you have put is digressing from the original question. There was a reference to Knightsfield Holdings and now you are moving away and following supplementaries into the amount of Knightsfield – Yes?

1795 **Hon. Chief Minister:** Knightsfield Holdings is not here. The hon. Gentleman asked the question 'When did Knightsfield Holdings think of ...?' Knightsfield Holdings is not here. The hon. Gentleman is perfectly entitled to write to Knightsfield Holdings and ask him that question, but he cannot ask the Minister what Knightsfield Holdings think.

1800 **Hon. D J Bossino:** Mr Speaker, I am asking a supplementary on the premise of the answer the hon. Gentleman has given. Knightsfield is not here, but he has said that Knightsfield ... presumably ... because quite properly, the Gibraltar Government knocks on Knightsfield Holdings' door because it receives more than £1 million a year from it. I want to find out what it does. He knew that Knightsfield Holdings had been considering this project for a considerable period of time and I am asking for more specificity in relation to that. He cannot now say he cannot answer the question because the company is not here.

1805 **Hon. Chief Minister:** No, because the question that he asked, Mr Speaker, is when did the company think of this. The company is not here to answer that question. (*Interjection by Hon. D J Bossino*) No, he did not. The Hon. Minister said Knightsfield had been meaning to do this for some time. That is what they have told him. But you then asked a question of Knightsfield, and Knightsfield is not here to answer it. It is that simple.

1810 But having said that, the hon. Gentleman is right. Knightsfield receive an amount of money from the Government every year, in excess or in the region of £1 million, from the Gibraltar taxpayer, and the Gibraltar taxpayer has had a Gibraltar heritage site recognised by UNESCO as one of the most important sites, in respect of Neanderthals, in the world. We have made the front page of the *New York Times Magazine* for Gibraltar as a result of Knightsfield Holdings, so if the

1815 hon. Gentleman wants to ask questions about value for money and Knightsfield Holdings, there he has it – although he does not like it because all he wants to do is attack, attack, attack.

**Hon. D J Bossino:** Mr Speaker, a point of order.

1820 **Mr Speaker:** What is your point of order?

**Hon. D J Bossino:** Mr Speaker has called me to order because I have asked a question which the Speaker has said is not relevant to my first question. The hon. Member has gone off on a complete and utter tangent and he ... If I am called to order and Members of this House are called to order, then he must be subjected to the exact same treatment. That is why I am raising a point of order and I am quite relaxed at –

**Mr Speaker:** Right.

1830 **Hon. Chief Minister:** And, Mr Speaker, that point of order deserves a reply. *(Interjection)* Sorry, Mr Speaker, he has raised a point of order and you must hear both sides in respect of a point of order. He has raised an issue in respect ... It is called *audi alteram partem*, he might care to remember. He has raised an issue about dates in respect of which Knightsfield, who are not here, have decided to do something, the answer to which is that Knightsfield is not here. You have rightly raised with him, Mr Speaker, that he was digressing, but he, in all of the aspects of the supplementary that he put, raised issues as to value for money in respect of Knightsfield. What he does not like, and why he has raised a point which is not a point of order, which is to attempt to tell the Speaker what to do, is because – **(Hon. D J Bossino:** No.) He should have the decency of hearing my response to his point of order in silence, Mr Speaker. The point is that he has not liked the riposte to all the preambles that he has put in respect of his – rightly, in your view – irrelevant supplementary.

1845 **Mr Speaker:** I think, with respect to the hon. Member and the Hon. Chief Minister, it is very discourteous and disrespectful to suggest that somehow I am curtailing your ability to ask supplementaries and to allow the Chief Minister the opposite. It is disturbing and it is not something that I am going to tolerate from you. *(Interjection)* When I intervened, I said it was because you were digressing from the original question and the question in the supplementary. You were digressing and I wanted to point this out to you in order for you to understand what I was getting at. The fact was that I wanted you to complete your supplementaries and move on. That was the only reason for my intervention, and I think my intervention was absolutely correct.

1850 If the hon. Member has an issue with the Chief Minister, he can call or he can bring a motion to the House to debate Knightsfield Holdings, if that is his desire, but what I am not going to permit is the Speaker *(Interjection)* being subjected to disrespect and discourteous allegations. *(Interjection)*

1855 We now move on to the next – *(Interjection)* We are now moving on to the next question. *(Interjection)* No, the person who presides over this Parliament is the Speaker. *(Interjection)* With respect, you do not. We are now going to move to the next question on the Order Paper.

**Hon. D J Bossino:** Mr Speaker is absolutely correct.

1860 **Mr Speaker:** We are not talking about something – *(Interjection)* We are not going to continue this line of questioning and we are not going to be having any supplementaries. We are now going to proceed to the next question on the Order Paper.

**Q515/2023**  
**Moorish Castle –**  
**Details of restoration and cost**

**Clerk:** Question 515/2023. The Hon. D J Bossino.

1865 **Hon. D J Bossino:** Please provide details of the restoration which the Government states was conducted at Moorish Castle with details of the cost.

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1870 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the restoration works at the Moorish Castle are the Almond Tower, completed in 2018; the walls by the arch on Upper Castle Road, completed in 2019; and the Tower of Homage, completed in 2022. The Almond Tower and the walls involved a restoration of the fabric. The works to the Tower of Homage involved the removal of trees and shrubs on the façade, including roots, which were causing damage to the structure. There are works proposed at the Gatehouse, which will include removal of trees and shrubs and their roots and subsequent consolidation of the structure. The cost of this is still not known.

1875 The total cost of these works was Tower of Homage restoration, £8,138.85; Almond Tower and Moorish Castle wall restoration, £69,049.99; Moorish Castle arch restoration, £33,324.60

1880

**Hon. D J Bossino:** Mr Speaker, has the hon. Member not visited the site himself or seen the photographic evidence which suggests that none of the things he has said have been done to the Moorish Castle, by way of refurbishment and improvements of the site, have had the desired effect? The state of that particular historical monument is ... I am sorry I am going to disappoint him when I use the word again, but it is in a state of dereliction and it is actually shameful that it is in that state. Can I ask him, does he not agree with me that much more needs to be done?

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**Hon. Prof. J E Cortes:** Mr Speaker, I do not agree with everything that the hon. Member has said. Of course I have been to the site and I have seen that the works that I have specified have tremendously improved the areas which have been improved. This is a huge area. It would be a multi-million-pound project to do it all and it has to be done step by step. The hon. Member will be very pleased to hear that only last week I received a proposal for a considerable refurbishment and reutilisation of a sizeable part of it, which will have to be costed and perhaps may be paid for in other ways. So it is work in progress, there is a lot to be done, but it is a multi-million-pound project to completely maximise the full potential of the Moorish Castle complex, and that is something that over the last few years we have not been able to undertake for reasons well known to him and to the remainder of this House.

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**Hon. D J Bossino:** Can I ask him what those reasons are? Presumably it is COVID. Is that what the hon. Member –? *(Interjection)* Ah, okay. Let's leave it there. *(Interjection)* No, let's leave it there. *(Interjection)*

1900

Mr Speaker, is he able to state that the figures that he provided this House a few minutes ago in relation to the cost and the information that he currently has, are cost to the Government? In other words, it is not a cost which is being borne by the company mentioned earlier, Knightsfield Holdings Ltd, which has charge of this particular site?

1905

**Hon. Prof. J E Cortes:** Mr Speaker, I would have to confirm that, but I believe that it is additional to and I believe it has come from moneys voted in this House for refurbishment of heritage.

Mr Speaker, if I may, I think the hon. Member seems to have forgotten that we did go through COVID and that the economy did take a big hit, but that conveniently is forgotten by some.

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1915 **Hon. D J Bossino:** Mr Speaker, the economy may have taken a big hit and the public finances, but the reality is that this particular company did not take a big hit. This particular company continued to receive the same amount of money – I know he does not like to hear it – in excess of £1 million a year. So these questions are legitimately posed. The hon. Member does not have the information in this House today. Fair enough, we can always ask the question again. But can I ask him this? As he describes it, the multi-million-pound project that he talks about, is this a project which is to be paid for by the Gibraltar taxpayer, or is it going to be paid for by the company mentioned a few moments ago?

1920 **Chief Minister (Hon. F R Picardo):** Mr Speaker, as the hon. Gentleman will know, with the agreement of the Opposition the Government continued to pay all public sector salaries and indeed the salaries of all entities connected to the Government. That is to say, all companies that had contracts with the Government continued to have their contracts paid for during the COVID period even when they were not operating, for the simple reason that the vast majority of the amounts paid by the Government to these contractors, including under the contract with Knightsfield Holdings, which comes from a time before the GSD administration and before this administration ... the vast majority of that money goes to pay the salaries of the individuals who work in those companies. And not only did we, with their agreement, continue to pay public sector salaries and BEAT payments and salaries to members of the public in the private sector who were not able to go to work during the lockdown, we continued to pay these contracts. So the hon. Gentleman needs to remember that it was with their agreement that Knightsfield Holdings was paid the in excess of £1 million that they are paid, and the vast majority of that goes to the salaries of the good people who work for Knightsfield Holdings and all the other companies who provide services to the Government, many of which we inherited from them.

1935 And finally, Mr Speaker, the hon. Gentleman should recall that all of the heritage assets of Gibraltar, including the Moorish Castle, which was one of the jewels in the crown of the heritage of Gibraltar, continue to belong and be the responsibility of the Government of Gibraltar and, therefore, the taxpayer.

1940 **Hon. D J Bossino:** Mr Speaker, I think it calls for another question in this House, but it is shocking to learn that the vast majority of the excess of £1 million goes towards salaries. How many people do these people employ? What are the salaries, for goodness' sake? (*Interjection*) Well, let's see about that, what the hon. Member has just said. The Hon. the Chief Minister and indeed the Hon. the Minister responsible for this have failed to answer the question in relation to the multi-million-pound project. Is the expectation –? (*Interjection*) I ask the question: is the expectation that this amount will be paid for by the good Gibraltar taxpayer or by the company?

1950 **Hon. Prof. J E Cortes:** Mr Speaker, I have not said anything like that. I have said that I had a presentation recently – in fact, I think it was Wednesday of last week – about a potential use and development of a significant section of the Moorish Castle complex. I have not said that it is going to deal with all of it. I have not said whether it is a government project or not a government project, because we do not know yet. It is a proposal that was put to me that I am extremely interested in, but it is in its early stages.

1955 I have to add one thing, Mr Speaker. The complete restoration or reuse of the whole of the Moorish Castle complex will cost a lot more than £1 million a year – that has to be clear – and you cannot expect that to come from an operational budget. I think the important thing is that we are attacking those elements of the Moorish Castle which our archaeologists and the team from the National Museum feel are most in need of restoration. Hence, we did the Tower of Homage, which needed the work, the Almond Tower and the arch restoration, and this can continue. What we cannot do is, overnight, fork out millions of pounds just to keep the hon. Member happy.

1960 **Mr Speaker:** Next question.

**Q516/2023**  
**Landscaping contracts –**  
**Contract details**

**Clerk:** Question 516/2023. The Hon. D J Bossino.

1965 **Hon. D J Bossino:** Please provide details of the contracts that each landscape contractor has with the Government or a government-owned company, to include the cost to the Government or government-owned company, duration and which areas the contractor is responsible for.

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

1970

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, there are three horticultural contractors that have contracts with the Government. I am not going to name them specifically because obviously they are contractors that work in this industry and I believe we should not disclose the actual names company by company. Contractor A has contracts worth £773,950.20 per annum. Contractor B has contracts worth £113,112.36 per annum. Contractor C has contracts worth £9,684 per annum. These are ongoing contracts with no set expiry date.

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**Hon. D J Bossino:** Mr Speaker, starting with the beginning, why on earth is the hon. Member unwilling to provide details which he should be providing in answer to a question by a Member on this side of the House? This money which these three companies, one of them to the tune of – I think I have got it right ... almost £800,000 is received from the taxpayer.

1980

Mr Speaker, I would ask for your intervention in relation to this. I would have thought that this information is in the public interest and there is absolutely no reason why it should not be provided.

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**Chief Minister (Hon. F R Picardo):** Will he give way? We have absolutely no problem in giving the details in respect of those three companies and naming them, in particular the one that they gave the contract to, which is the one that gets the eight hundred-odd thousand pounds.

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**Hon. Prof. J E Cortes:** Mr Speaker –

**Hon D J Bossino:** Ah... you were doing this to protect us were you?

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**Hon. Chief Minister:** Yes to protect... not to protect you, to protect the innocent...

**Hon. Prof. J E Cortes:** Mr Speaker, these were all inherited – well, the majority of them. They have been tweaked since then, but the bulk is there. The three companies are Greenock, Gibralflores and Eden Botanics.

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**Hon. Chief Minister:** I do not want to mislead the House. The Eden Botanics contract is not inherited because they could not get a contract to do anything under the previous administration, who refused to allow them to work in this area because of the first contract that they had given, but we insisted that everybody should have an opportunity, and that is why that company also now provides services.

2005

**Hon. D J Bossino:** Mr Speaker, is he able to provide answers to the other elements of the question that I asked for? I asked for the duration and which areas the contractor is responsible for. I do not think that information has been provided.



2010 **Hon. Prof. J E Cortes:** Mr Speaker, I said that they do not have a specific end, they are ongoing contracts with no expiry dates. Again, that arrangement is inherited.

The areas referred to are, in relation to Contractor A, North Front Cemetery, various government sites, Little Bay promenade, Moorish Castle estate planted areas, the Nun's Well area. By various government sites I mean a large number of the beds that we can see around town. Contractor B again covers a large number, although a smaller number of planted areas and also the area around Catalan Bay. Contractor C manages the areas around the Anchorage and the 100 Ton Gun, Varyl Begg Estate, Governor's Parade and a number of assorted areas around town.

2020 **Mr Speaker:** Next question.

**Clerk:** Question 517 –

**Hon. D J Bossino:** Mr Speaker, can I ask the hon. –? If I may, Mr Speaker?

2025 **Mr Speaker:** You have to ask permission. You cannot get up and continue as if nothing happened. You ask permission to speak and I will grant you permission to speak.

**Hon. D J Bossino:** Mr Speaker, I said if I may, albeit I said it once I stood and pressed the button, whilst maybe others have a different style. But I did ask permission.

2030 **Mr Speaker:** You may proceed with the supplementary.

**Hon. D J Bossino:** Is the hon. Member able to state with any form of precision whether the answer that he has provided includes the parks? In the last session he did say, in relation to my specific question in relation to Champion Park, that Wildlife Gibraltar Ltd is the company which was a beneficiary of that particular contract, as indeed that company is a beneficiary of Commonwealth Park. Is he able to provide information in relation to that?

2040 **Hon. Prof. J E Cortes:** Mr Speaker, the three horticultural contractors are the ones that I have mentioned. The company that he has mentioned are environmental managers and they manage land. It is not considered the same as the horticultural contractors that manage horticulture in assorted areas.

2045 **Hon. D J Bossino:** It is possible that I have used the wrong nomenclature, but I talked about a landscape contractor, so in the next session, Mr Speaker, I will ask the question, with your permission, in relation to the definition that he has used in respect of that particular company. *(Interjection)*

2050 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman has told us that he had the answer in respect of wildlife in the last session, so he has had the answer in respect of wildlife. He has now had the answer in respect of horticultural contractors. He cannot ask the question about wildlife again because he asked it at the last session. If the hon. Gentleman is telling us that he wants to ask a question about a definition, Mr Speaker, of course he can, subject to your approving that question, but that is to get up and make a statement, not to ask a question. I think that would be out of order.

2055 **Mr Speaker:** What is it that the hon. Member is saying and what does he wish to do following this exchange?

2060 **Hon. D J Bossino:** Mr Speaker, I asked a question. I asked it from a layman's perspective. *(Interjection)* No. The hon. Gentleman answered the question using ... I will need to check what

2065 he says. He talks about horticultural I do not know what, and I am talking about landscape contractors. I thought that it would include – (**Hon. S E Linares:** Wrongly.) Perhaps wrongly, but the Hon. Mr Linares is an expert, I am sure, about these things. (*Interjection*) Yes. I thought that it included our parks in Gibraltar. But the hon. Gentleman has volunteered to me a way of putting the question. All I am saying is I will put the question in the way that he wants me to put it in order to get the answer. (*Interjection*)

2070 **Mr Speaker:** No, hold on –

**Hon. D J Bossino:** Mr Speaker, the hon. Member –

2075 **Mr Speaker:** No – (*Interjections*) No, okay, hold on. The question that the hon. Member is referring to was put to the Hon. Minister Cortes at the last session of the House, and as far as I can recall the question was answered, so I do not think the hon. Member will be permitted to ask a further supplementary on that question because it has already been answered. So right now what we have before us are answers which have been clarified in terms of the entities to which these amounts have been referred to, and if he wishes to continue asking along those lines, fine. One final one, and then we move on.

2080 **Hon. D J Bossino:** Simply by way of clarification, I accept what Mr Speaker is saying, that I would not be able to ask a question at the next session of the House in relation to Campion Park. I accept that, but from this exchange I will be able to ask, in my view, a wider question based on the definition the hon. Member has used when applying it to Wildlife Gibraltar Ltd.

2085 **Mr Speaker:** I do not think really it is a valid suggestion. The object of the hon. Gentleman's questioning is to dig down and hold the Government to account for its policies and the rest of it. The answer has been given, so why do you need to ask questions about a definition? The information is here. It has been given to you.

2090 **Hon. D J Bossino:** I can if [*inaudible*]

**Mr Speaker:** By the same process I can deny that question. (*Interjection by Hon. D J Bossino*) We now move on to the next question, so, please, will he ...? Please? He is not helping; let's put it this way.

**Q517/2023**  
**Main Street and Irish Town –**  
**Frequency of wet cleaning**

**Clerk:** Question 517/2023. (*Interjection*) The Hon. the Leader of the Opposition.

**Several Members:** Hear, hear. (*Interjections*)

2100 **Hon. D J Bossino:** Common sense.

**Hon. K Azopardi:** I am not rising to it, Mr Speaker.  
How often are Main Street and Irish Town wet cleaned?

2105 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, Main street is done weekly in sections, and other cleaning, such as cleaning of stains, is done daily. Irish Town is also done weekly.

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**Hon. K Azopardi:** Mr Speaker, I guess that may be the contractual frequency, but I was wondering whether in his information and his dealings with the department and his officials ... What is the mechanism for review of those arrangements and supervision of the arrangements? The information coming to us, and hence the question that I put, was that even though theoretically there was supposed to be frequent wet cleaning, people are not seeing it on the ground. So I wonder whether in his discussions with officials ... Can I invite him? Would he be willing to do that, to discuss that with those in his department that are tasked with supervising these arrangements, to make sure that they are happening and, if they are happening, that they are doing it properly? The people coming to us are saying that they are just not seeing it and not seeing it being done to an efficient manner.

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**Hon. Prof. J E Cortes:** Mr Speaker, sadly, I no longer live in Irish Town. I have not done for decades, but I have fond memories of living there as a child.

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Absolutely. I am told that it is done weekly. There is a suggestion here that this not, in fact, happening. I have no indication that it is not happening. I do know that when there are specific problems the contractors are called in and they do clean in addition to the contractual ... Obviously I will check with my team and I will make sure that if it is not done, it is done, but I suspect it is being done; I have no indication that it is not. We have environmental monitors who oversee this and I suspect I would have known, but clearly there is no problem in my confirming this. *(Interjection by Hon. Chief Minister)* Yes, Mr Speaker, as the Hon. Chief Minister has very kindly pointed out, this is done around 5 a.m., so many people may not see it. I have no indication that it is not being done, but having not seen it for myself, I would obviously take advice.

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**Hon. K Azopardi:** I would be grateful if the Minister confirms it anyway. But if it is happening on a frequent and weekly basis, as he puts it, he may, on his own walks down Main Street and Irish Town, consider that perhaps the state of Irish Town and Main Street could do with some improvement. And to the extent that that is the case, and it is not just my opinion – there are plenty of people who would share that view – what steps could be taken in discussions with the contractor to make sure that the cleaning improves in that respect and whether it may have to do with the fact that the refurbishment is now dated? It may be all sorts of things, but I think a lot of people would say that the state of Main Street and Irish Town leaves a lot to be desired.

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**Hon. Prof. J E Cortes:** Mr Speaker, it happens every year. We do have an enhanced flushing programme in the summer. The summer is just about commencing now. That does happen and the amount of flushing is stepped up. I will confirm exactly how frequent that is going to be this year. I have to go back and confirm, but there is a regular mechanism for increasing flushing of streets during the summer period.

#### Q518/2023

#### St Joseph's area – Noise nuisance from chickens

**Clerk:** Question 518/2023. *(Interjection)* The Hon. the Leader of the Opposition.

2150

**Hon. K Azopardi:** Mr Speaker, what steps are being taken by Government to control the noise nuisance issues caused by chickens in the St Joseph's area? *(Interjections)*

**Clerk:** Answer, the Hon. the Minister for the Environment and Education.

2155 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, chickens are a nuisance (*Interjections*) due to the noise that they create and the possibility of the harbouring and transmitting of diseases, including avian flu.

Removal of chickens in the St Joseph's area and elsewhere has been carried out but has been hampered by some people who object to this either by destroying the traps or harassing the operatives.

2160 I can assure the hon. Member that any removal is done totally humanely, so that the chicken does not suffer.

2165 **Hon. K Azopardi:** Mr Speaker, I thank the Hon. Minister for the answer and acknowledge the issue that arises in the St Joseph's area because, as I said from a sedentary position, when this was first raised with me I tried to get information from those who were raising it with me because it sounded like an incredible story, but when they sent me videos and you see what were then 40 or 50 chickens and that it keeps people awake at night, it certainly is an issue that takes people to the borderline of what they think is acceptable.

2170 I am glad to hear that they are taking steps, but when does the Government envisage that the issues will have been rectified completely, so that people will not face those nuisance issues?

2175 **Hon. Prof. J E Cortes:** Mr Speaker, (*Interjection*) chickens ... I used to say the Barbary partridge is a secretive species. Chickens are not secretive, but they are not easy to catch, particularly when the attempts are hampered, and I must say that some of the operatives have been seriously harassed by neighbours who may well eat roast chicken on Sunday, but they do not want to see the removal of these chickens. So we have to be sensitive to that. And then obviously the chicks are really cute, and if a mother hen is there with chicks ... So there are all sorts of issues, as well as animal welfare issues, but it is done very humanely by people who know what they are doing. I can now only assume that I have the support of the Opposition in taking the programme forward, and we shall do so.

2185 **Hon. K Azopardi:** Mr Speaker, I was not going to ask another supplementary, but I will have to ask him what the programme is, because it sounded slightly Orwellian. I was assuming that the humane way is simply to get the chickens and move them somewhere else, perhaps to the Upper Rock where they can roam free and easy, and not to be served up on plates – unless the hon. Member is suggesting a slightly more macabre and dystopian solution.

2190 **Hon. Prof. J E Cortes:** Mr Speaker, the hon. Member, I recall ... and he reminded me recently when he sent me a clip of a video on GBC when I escorted him through the Botanic Gardens and he held the job I currently hold as Minister for the Environment. But his credentials are somehow at risk if he suggests that we should release chickens on the Upper Rock, because somebody else who sat there as Minister for the Environment, the Hon. Jaime Netto, accused me of going to be the person who was responsible single-handedly for the extinction of the Barbary partridge in Gibraltar. If I were to follow his advice, he might be responsible because the chickens will introduce diseases and will outcompete Barbary partridge. They are bigger and more aggressive and therefore having them on the Upper Rock is not a good idea.

2195 Moving them away is an option, clearly. Humanely putting them down is another option, which a lot of people will not agree to, but we do it with gulls, as people know, and I do not personally like it but sometimes it is the only option. I repeat, it is humane. Obviously we do not have a lot of places where chickens can be legally kept. The trouble with chickens is if they get away, they will spread and they will breed and the population will increase to the detriment of other wildlife and clearly of the neighbours of St Joseph's.

2200 **Mr Speaker:** Next question.

**Q519/2023**

**Bishop Fitzgerald and Governor's Meadow Schools –  
Expected cost**

2205 **Clerk:** Question 519/2023. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, how much is the Government currently expecting to pay in respect of the works to the Bishop Fitzgerald and Governor's Meadow Schools?

2210 **Clerk:** Answer, the Hon. the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, £8 million.

**Adjournment**

2215 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House should now adjourn to Monday, 26th June at 3 p.m.

**Mr Speaker:** I now propose the question, which is that this House do now adjourn to Monday, 26th June at 3 p.m.

2220 I now put the question, which is that this House do now adjourn to Monday, 26th June at 3 p.m.  
Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Monday, 26th June at 3 p.m.

***The House adjourned at 6.12 p.m.***



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.03 p.m. – 3.45 p.m.**

**Gibraltar, Monday, 26th June 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.03 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## Questions for Oral Answer

### JUSTICE, EQUALITY AND PUBLIC STANDARDS AND REGULATIONS

**Q520/2023**

**Vaping products –**

**Policy re displaying in shops, pharmacies and vending machines**

**Clerk:** Meeting of Parliament, Monday, 26th June 2021.

Order of Proceedings: Answers to Oral Questions continued. Question 520/2023. The Hon. E J Phillips.

5

**Hon. E J Phillips:** Mr Speaker, in light of the restrictions on the display, access to and marketing of tobacco products, can the Government state its policy on the displaying of vaping products in shops, pharmacies and vending machines?

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**Clerk:** Answer, the Hon. the Minister for Justice, Equality, Public Standards and Regulations.

15

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, the Government is alive to the concerns that exist regarding the use and sale of vapes, particularly in relation to their consumption by children. As a result, in December 2022 I presented to this House legislation that makes it unlawful to sell to children and makes it a legal requirement for traders of electronic cigarettes to prominently display a notice stating that it is illegal to sell a vaping product to, or to procure a vaping product for, anyone under the age of 18.

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It is now an offence to sell to or procure vaping products for persons under 18, and police officers have powers to confiscate in the same way as this law restricts the sale of tobacco and alcohol to under-18s. Additionally, so important is this that the Office of Fair Trading includes checking compliance as part of their regular site visits.

**Mr Speaker:** Next question.

**Q521/2023**

**Royal Gibraltar Police –**

**Number of officers resident in Spain**

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**Clerk:** Question 521/2023. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, how many members of the Royal Gibraltar Police Force are resident in Spain?

**Clerk:** Answer, the Hon. the Minister for Justice, Equality, Public Standards and Regulations.

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**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I am advised by the Royal Gibraltar Police not to make this information public for operational and security reasons. I will, nevertheless, inform the hon. Gentleman in confidence behind the Speaker's Chair.

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**Hon. D A Feetham:** Mr Speaker, is the Minister aware whether there has been a downturn in the number of Gibraltar residents, Gibraltar belongers, wishing to take up jobs within the Royal Gibraltar Police?

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**Hon. Miss S J Sacramento:** Mr Speaker, no.

**Hon. D A Feetham:** Mr Speaker, is the no because she has not made inquiries and this is the first time that she hears any such suggestion, or is it because she has made inquiries and the answer is that there is no downturn in demand for people within Gibraltar wanting to become police officers?

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**Hon. Miss S J Sacramento:** Mr Speaker, the no is to the fact that I am not aware that there has been a downturn in the number of police officers.

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**Hon. D A Feetham:** And is she aware as to whether there are vacancies in the Royal Gibraltar Police that have not been taken up? Is she aware of that?

**Hon. Miss S J Sacramento:** Mr Speaker, I am aware that there are currently vacancies for which they are being recruited. There was a very recent recruitment drive, and as soon as that process is complete the training process will commence. So I am aware that there are vacancies and these vacancies are already in the process of being filled.

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**Hon. D A Feetham:** Does the Minister know how many vacancies there are? If she has that figure ... And just so that I understand her, what she is essentially saying is that there are no unfilled vacancies, or rather that the vacancies that there are are in the process of being filled and there are no unfilled vacancies as a layperson would understand it.

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**Hon. Miss S J Sacramento:** Mr Speaker, there are vacancies and they are unfilled. However, they are being recruited for. I hope that the hon. Gentleman understands it that way. The way that the Royal Gibraltar Police recruits is that it must recruit in batches because of the way that police officers are trained. So, insofar as vacancies that arise, those are all being recruited for.

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**Hon. D A Feetham:** But are these historical vacancies that were not filled in the past and now there is a new process to try to fill them? Or is this just part of the normal process of vacancies arising and those vacancies being filled without necessarily meaning that there are historic vacancies that have not been filled?

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**Hon. Miss S J Sacramento:** Mr Speaker, there are not, to my understanding, any historic vacancies in the Royal Gibraltar Police. There are vacancies and recruitment is undertaken by the RGP usually twice a year because of the way that they need to train. It is not like any other position, where you recruit and engage people on a one-to-one basis every time a vacancy arises. There is a capacity for the training school that the RGP provides and therefore recruitment is undertaken

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80 in batches. But there is no issue of historic vacancies; these are all live vacancies. As I understand it, there has already been a wave of recruitment this year because there was a passing-out parade not that long ago.

**Hon. D A Feetham:** Mr Speaker, the hon. Lady has not come back on the number of vacancies, if she has that figure. I think that she was going to be responding to that.

85 **Hon. Miss S J Sacramento:** Mr Speaker, it is not a figure that I have to hand.

**Mr Speaker:** Next question.

**Q522-23/2023**  
**Importation or supply of drugs –**  
**Arrests and convictions since January 2023**

**Clerk:** Question 522/2023. The Hon. D A Feetham.

90 **Hon. D A Feetham:** Mr Speaker, how many arrests have been made since January 2023 for the importation or supply of drugs?

**Clerk:** Answer, the Hon. the Minister for Justice, Equality, Public Standards and Regulations.

95 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 523.

**Clerk:** Question 523/2023. The Hon. D A Feetham.

100 **Hon. D A Feetham:** Mr Speaker, how many convictions have there been since January 2023 relating to the importation or supply of drugs?

**Clerk:** Answer the Hon. the Minister for Justice, Equality and Public Standards and Regulations.

105 **Hon. Miss S J Sacramento:** Mr Speaker, since January 2023 I am informed by the Royal Gibraltar Police that 19 people have been arrested for the offences of importation or supply of controlled drugs. Five have been convicted.

110 **Hon. D A Feetham:** Mr Speaker, does she have a breakdown between importation and supply in relation to Question 522?

**Hon. Miss S J Sacramento:** Mr Speaker, I think I have the information, but it is not presented to me in that way. I will, however, calculate it and give it to the hon. Gentleman before the Parliament session is over.

115 **Hon. D A Feetham:** If she can do the same in relation to Question 523, I would appreciate it.

**Mr Speaker:** Next question.

**TRANSPORT**

**Q534/2023**

**Registered vehicles –**

**Total number and hybrid/electric numbers**

**Clerk:** Question 534/2023. The Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, can the Government update this House as to the number of registered vehicles in Gibraltar and, of that number, how many are hybrid and electric?

**Clerk:** Answer, the Hon. the Minister for Transport.

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**Minister for Transport (Hon. P J Balban):** Mr Speaker, there are 49,230 registered vehicles in Gibraltar. Of those, 1,805 are hybrid and 250 are electric.

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**Hon. E J Phillips:** Mr Speaker, insofar as the Government's target to decrease the number of petrol- and diesel-powered vehicles, can the Government give an assessment as to how that is going insofar as the take-up of hybrid and electric vehicles?

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**Hon. P J Balban:** Mr Speaker, other than the statistics provided, there is very little more that can be said – 1,805 vehicles on our roads are hybrid and 250 are electric. These vehicles do receive some benefits. People who choose to buy them will do. Remember the total number of registered vehicles in Gibraltar includes commercial vehicles and every single vehicle in Gibraltar, but other than the statistics provided there is a very little more I can say in that respect.

**Mr Speaker:** Next question.

**Q535/2023**

**Redibikes –**

**Whether new scheme to be introduced**

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**Clerk:** Question 535/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Can the Government confirm whether it will be rolling out a new Redibike initiative?

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**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, at present the Government is not actively considering the rollout of a government-subsidised bicycle rental scheme.

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**Hon. E J Phillips:** Mr Speaker, obviously this Government and particularly this Transport Minister's views on cycling and encouraging it are well known to the public at large. I was just wondering whether there are any public-private partnerships that are being considered insofar as the rollout of initiatives like this.

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**Hon. P J Balban:** Mr Speaker, no. At the moment there is no initiative that is being looked at that involves the sharing of bicycles. As you mentioned, my views on cycles ... We must remember we have tried and tested, between us, two different schemes in Gibraltar – one was the Gibibike

160 scheme, one was the Redibike scheme – and my personal opinion is that we are not ready for such schemes because we do not have the infrastructure to provide safe passage to people who want to use these bikes in that capacity. Those people who feel safe will no doubt buy their own, but at this stage in time for the Government to consider rolling out this sort of scheme I think would be premature in that respect.

165 **Hon. E J Phillips:** Doesn't the Minister think that that approach might be slightly inconsistent with his passion and certainly the drive that he has in pushing a generation of our people on to bicycles? Clearly the infrastructure is changing. He is rolling out cycle lanes across Gibraltar, and that is true across social media and the mainstream media. Isn't there any serious consideration given to a facility that can be used by tourists and indeed people alike to use bicycles? Clearly he is driving one policy and he will need to have that form of resource to enable people to use them.

170 **Hon. P J Balban:** Mr Speaker, yes, the hon. Member is absolutely right – eventually, when we have that infrastructure which will allow such a scheme to grow roots, absolutely I think it goes hand in hand. Every city that is worth anything in terms of its transport structure includes bicycle rental schemes. I think it is the way forward. But for us, remember the software for many of these schemes very quickly becomes outdated. If we are not truly ready to provide the option – and I do not think we are at the moment ... Although you know how keen I am in terms of rolling out infrastructure, at the moment we have just rolled out a very small section of infrastructure. Once you cycle out of Bayside Road, you are in the arena with the gladiators. There is no safe passage in that respect. So for us to even think that we will be able to encourage people to use this sort of shared scheme at the moment is the wrong presumption; I think it would be nonsensical and a waste of time. But the moment that the Government feels we have enough infrastructure to be able to provide the scheme, absolutely I think it is something Gibraltar should have and it is something I would then actively recommend that it does have.

185 **Hon. E J Phillips:** Just to pick up one answer to those questions, he currently believes that any initiative will not secure safe passage around Gibraltar insofar as those particular individuals. Could he explain that in a bit more detail? Currently there are many people on bikes coming in from Spain and we are trying to encourage people to take up cycling as a different mode of transportation for green reasons. He mentioned something about safe passage. Can he elaborate on that particular point?

190 **Hon. P J Balban:** Yes, Mr Speaker, yesterday we had no infrastructure, today we have some infrastructure, but in Gibraltar there are many kilometres of road for such a small place and we have only made safe Bayside Road and the approach to the Frontier. That is all we have. That is where children, parents and cross-Frontier workers can cycle safely in a completely segregated fashion without coming across a car. That makes cycling safe and that makes the uptake more appealing and more attractive to people who potentially want to take up cycling as a way to commute and get to work. That is my reference. So, at the moment, although that stretch of road is extremely safe for cyclists, the moment you arrive at Ocean Spa Plaza you are on the road with the traffic. No parent, I believe, who is scared to allow their child to cycle on our roads will allow their child to cycle to school at the moment, but as we roll out that infrastructure, which is being rolled out as we speak, there will come a point, very soon, whereby children living in certain estates will be able to cycle to school in a totally segregated fashion, which will hopefully give confidence to them and their parents to allow this to go on.

205 **Hon. E J Phillips:** I am grateful, Mr Speaker, for your leave to ask one further question. So it is the Government's intention – let's just get this clear – once the Active Travel Strategy is completely implemented insofar as cycle lanes, to introduce a publicly funded bicycle facility?

210 **Hon. P J Balban:** Mr Speaker, no. First of all, it is going to take ... There may be potential. We  
do not need to have a full network throughout the whole of Gibraltar, or the whole cycling strategy  
does not have to be in effect for us to be able to consider these things. Government is not  
215 considering and will not consider at this moment in time, based on its research and what is going  
on, being able to have that sort of scheme available at the moment. If someone were to see this  
opportunity as a commercial opportunity and were to say, 'We are willing to invest because we  
think the time is right,' then Government, I am sure, would consider that because I think it is  
something that there can be. But us, just like yourselves across the House, having to set up a  
publicly funded scheme when the time is not right now, I think would not be sensible.

220 **Mr Speaker:** Next question.

**Q536/2023**  
**Bicycles –**  
**Number imported in last two years**

**Clerk:** Question 536/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Can the Government state how many bicycles have been imported into  
Gibraltar over the last two years?

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**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, 4,816 bicycles have been imported into  
Gibraltar over the last two years. The hon. Member may wish to note that this figure has been  
230 provided by HM Customs and is specifically indicative of commercial imports by local suppliers.

**Hon. E J Phillips:** And just to be clear, it is not suggested that there are 4,816 bicycles on our  
streets?

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**Hon. P J Balban:** No, but there are four thousand ... I would say there are a lot more than that.  
There are more than 4,816 bicycles in our jurisdiction. Whether they are on the street at any given  
point ... I would hope that people would buy a bicycle to use it on the street. If people decide to  
buy a bicycle as a decoration at home and leave it there, I accept that as well. I cannot tell you  
whether they are all on the street. But remember, this does not stop people from buying their  
240 own bikes and importing them themselves, so this figure is just a rough guide of importations.

**Q537/2023**  
**Cycle lane use –**  
**Monitoring method**

**Clerk:** Question 537/2023. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state how it is monitoring cycle lane use?

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**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, a new automated bicycle and PLETs counter has been installed at the newly opened cycle lane at Bayside Road by the Victoria Stadium. This counter captures all cycle and PLET traffic in both directions using this new road infrastructure. The counter reading at 10.15 a.m. on Saturday, 10th June stood at 12,721, being exactly one week from the date the cycle lane counter was commissioned.

**Hon. E J Phillips:** Does this counter only pick up bicycles, or does it also pick up other modes of transport, for example e-scooters?

**Hon. P J Balban:** Mr Speaker, before I answer that question I would just like to update ... This question was replied to about two weeks ago. The count at week 3 was almost 39,500, so in fact we have gone over 40,000 trips on that bicycle lane already in the period of three weeks. We were scratching 40,000 in three weeks and that includes bicycles and e-scooters. It includes both. I am sure we can actually differentiate, but the machine itself, the actual counter, will only tell us transits. It does not pick up pedestrians, it does not pick up pedestrians with suitcases, it does not pick up joggers. I have actually been there – I am a bit of a stickler; I cannot sit at home. I have been there and tried it for myself. Before I put my foot in it and say something which is not right, I would rather find out for myself, so I had the privilege of witnessing a road runner running on one of the tracks and I was keenly waiting to see whether it clicked. It did not. I do not know what the parameters are, it is a radar, but it does not pick up joggers, as far as I saw, and it does not pick up pedestrians, whether they are walking on the pavement or whether they are walking on the bicycle lane. I need to be a bit more specific. The system will do, but it will not be displayed on the monitor that we have. The monitor will pick up many things, but the counter will display just e-scooters and bicycles.

**Hon. E J Phillips:** Just one further question on that, and I think it links quite nicely to the previous question, where we discussed safety. There is clearly a volume of traffic coming into Gibraltar on bicycles, over 10,000 a week, and one of the concerns that the Minister raised in relation to the previous question was about safety and infrastructure and having the perfect infrastructure, or better infrastructure, to allow for our children to safely use bicycles. Isn't the Minister concerned generally about the volume of bicycles coming across the border and the lack of infrastructure and the issues with safety generally? And what is he doing in order to assist and give more comfort to people and encourage people to cycle in that context?

**Hon. P J Balban:** Mr Speaker, I am not concerned about the volumes of bicycles and e-scooters coming through the Frontier or circulating in Gibraltar. What I am very concerned about is the number of vehicles. Vehicles make the roads unsafe, not the bicycle, so my concern is those vehicles that can cause the most damage. So I am not concerned in that respect.

Remember, we cannot roll out infrastructure all at once. I wish we could. If we could have bicycle lanes falling from the sky, I would love that because then we would ... I think we have to be patient, and I think that is something we have to realise. We have only done one small section of Gibraltar, a very small part, and really a bicycle in its own right is nothing. It is not a network. What we have to provide is a network and we have to start joining the dots. At the moment, in principle, it is possible for someone living at Beach View Terraces to cycle in a segregated fashion, without seeing a car on the way, to the sports stadium, to Victoria Stadium, to the Tercentenary Hall to practise their sport and go back home in a totally safe manner. That is the first step. I think that is a very positive step. As we roll out the infrastructure further, it will be possible for someone to go to the beach, someone who lives, for example, in Portland House or someone who lives in Tradewinds, or eventually somebody who lives in Water Gardens, Varyl Begg etc. So, over time we will see the extent of the network increase, which will give people more options, and then it will become truly meaningful. At the moment, it is a tiny step in the right direction but it is going

to take time, obviously, so it is a question of just being patient. I am the most impatient person you can imagine. I cannot wait to see the next phase and the next phase finished.

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**Hon. K Azopardi:** Mr Speaker, I think the hon. Member has spoken about the placement of one counter – I think that is right – and in the context of the rollout of the cycle lanes that have been laid out and so on can I just ask him is he considering the placement of these cycle counters in other parts of Gibraltar that may not have cycle lanes laid out, in terms of perhaps assisting in the planning of the layout of this infrastructure so that you realise what kind of volumes there are in different parts of Gibraltar? Or is it that you can only place these counters if there is already a cycle lane in operation? Does it require there to be a cycle lane, or is it something that generically could be placed by the side of a road and will only pick up cycles?

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**Hon. P J Balban:** Mr Speaker, in traffic engineering, there are such counters which can be set up. I believe something was set up because of the tunnel to see how many cars, bicycles and pedestrians came through the Frontier and walked across the runway every day before the tunnel was open. They do exist, but remember the type of counter we have works best in an area where bicycles come one after the other. For example, the day we actually cycled – I will not say it was the official opening, it wasn't, it was just an inaugural cycle – most of those trips were not captured because the bicycles came in a clump, so they moved as one massive vehicle-type thing and the counter failed to clock the 250 or 280 or 300. So if you set one of these counters up on a road where you have cars in both directions, bicycles maybe clumped together in traffic and it will be impossible to give you very accurate data.

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There are things that we can do in terms of traffic modelling. In fact, those little black boxes that we have seen around the area, we normally set those up in different areas where we are looking at options at roundabouts or where we want to maybe consider making a road one way or changing the flow of traffic. You use these counters to gauge flow in different areas, but these ones specifically work best in a place where bicycles come one after the other.

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**Mr Speaker:** Next question.

### Q538/2023

#### Cycle lane from Sundial to Waterport roundabouts – Total cost to date

**Clerk:** Question 538/2023. The Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, can the Government state the total cost to date of the design, construction, painting, marketing and commissioning of the new cycle path from the Sundial roundabout to Waterport roundabout?

**Clerk:** Answer, the Hon. the Minister for Transport.

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**Minister for Transport (Hon. P J Balban):** Mr Speaker, the Ministry has to date spent an approximate figure of £14,000 on consultancy design fees from January 2022 up until the end of May 2023 on the first and second phases, which include Bayside Road and Glacis Road. This cost also covers a complete independent safety audit of these phases. The majority of the design work, preparation of documentation, marketing etc. has been carried out by the Ministry's technical office in house, to reduce expenditure. The contractor has not yet provided a final invoice to the Government for the work done on cycle lanes, which I know has the full support of both sides of the House.

**Hon. E J Phillips:** Is the Minister able to give a ballpark figure? I assume that once this plan was rolled out they must have known at some point roughly how much this stretch would have cost the taxpayer. Is he able to help me with that? I am not going to hold him to it, but it would be helpful to have a rough amount.

**Hon. P J Balban:** Mr Speaker, it is not possible to have that figure because as we start building infrastructure there are a lot of hidden costs, so for us to hazard a guess as to what bicycle infrastructure will cost would be impossible. Hidden costs will include things that you find underneath the ground when you start digging – cabling, ducting etc. – and these things sometimes can cause differences in cost either way. Sometimes you think there are lots of ducts, which then there are not, or sometimes you touch the surface and you realise that you cannot proceed unless you move certain things. So it is impossible to give anything like an accurate reply.

**Hon. E J Phillips:** So just to be clear, the Hon. Minister for Transport cannot provide the community with a rough average of how much it has cost so far to construct this stretch of cycle lane. The Government is responsible for spending the people's money wisely and should plan for the costs of a particular stretch. Is he truly unhelpful in that regard?

**Chief Minister (Hon. F R Picardo):** No, Mr Speaker, the Minister has been asked for an invoice amount for the amount that we have paid, not for what the estimate might have been. The Minister obviously does not have here the estimate that we were working against. We would not start a project, because we are careful with the people's money, without having an estimate against which we would work. That is not the question that the hon. Gentleman asked. He just does not seem to realise that he is asking for a figure of money paid and now he has changed it to ask the Minister what was the estimate provided for the works, which is not a figure that I know the Minister has.

**Mr Speaker:** The Hon. Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker.  
Can the Minister advise the House where in the Improvement Development Fund estimates he expects this expenditure to fall? Obviously he cannot undertake expenditure for a project for which he does not have an estimate.

**Hon. Chief Minister:** Mr Speaker, the debate on the Estimates will be on 10th July. We can debate all of those issues then and identify which part of the expenditure relates to this project and many other projects which the Minister will be leading on, which will form the part of his contribution to the House, and I will be making some reference to them too.

**Hon. R M Clinton:** Mr Speaker, with respect to the Chief Minister I do not think this needs to wait for the Budget debate, which is about the Appropriation Bill for next year. I am asking the Minister this year where was this expenditure budgeted. Surely he must know. Does he not know?  
**(A Member:** This year.) This year.

**Hon. Chief Minister:** Mr Speaker, I do not think the hon. Gentleman understands that the year we are in, that is to say this year, is the financial year the estimates of which we will be debating on 10th July, and therefore he has signed an undertaking not to disclose any information about that Book and he has signed an undertaking not to disclose any figures about that. That debate for *this* year, as he has said – he has said this year; this year means the current year – is the debate we start on 10th July. I do not understand how it is he has got it so wrong, Mr Speaker.

**Hon. R M Clinton:** Mr Speaker, I am referring to last year's Estimates Book.

395 **Hon. Chief Minister:** Ah, you said this year.

**Hon. R M Clinton:** Well, this year, as in this year ended. Perhaps I should clarify that for your purposes. Unless, of course, the Minister is saying that the money he spent was not budgeted in the last Estimates Book.

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**Hon. Chief Minister:** No, Mr Speaker, that is the opposite of what we have said. What we have said is that we will identify the expenditure in the Budget debate, which starts on 10th July. As the hon. Gentleman will know, or at least should know, this is the expenditure that has cut across two financial years. If what he wants to do is to have a debate on the Estimates Book during Question Time, then I am afraid the Government believes that that is outside the Rules.

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**Hon. R M Clinton:** Mr Speaker, I think the Chief Minister is stretching a point here. I have simply asked the Minister where in last year's Estimates Book ... As the Chief Minister just said and admitted, this is across financial years, in which case some of that expenditure will have been in last year's Estimates Book. Where, in last year's Estimates Book, in the Improvement Development Fund does the Minister expect this expenditure to fall?

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**Hon. Chief Minister:** Mr Speaker, first of all, I do not think it is a supplementary that arises from the question. Second, I am very grateful that the hon. Gentleman has clarified his question. That is to say, in GSD speak, he has changed it from this year to last year. The answer in respect of last year is very simple: under the STTP line.

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**Mr Speaker:** This is going to be the final supplementary.

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**Hon. K Azopardi:** That is fine. Mr Speaker, the question asks about costs. The Hon. Minister has indicated that the cost has not been invoiced and the Chief Minister indicated in answer to my hon. colleague Mr Phillips that, being careful with the people's money, they would have done an estimate. Can he tell us what that estimate of cost was?

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**Hon. Chief Minister:** Mr Speaker, I refer the hon. Gentleman to the specific answer I gave to that a few moments ago.

**Q539/2023**  
**Upper Town escalator –**  
**Schedule for repair**

**Clerk:** Question 539/2023. The Hon. D J Bossino.

**Hon. E J Phillips:** Please state when the escalator at the Upper Town will be repaired.

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**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, I am informed by our managing agents, namely Gibraltar Parking Management Services Ltd, that the technical advice is that there are several issues which must be resolved before the escalator can be recommissioned. As we have stated in the past, there are a number of issues that result in these long-term breakages. Our managing agents have advised us and have provided proposals that include long-term solutions, which the Government are presently considering and we hope to be in a better position to provide the community with an update within the next few weeks.

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440 **Hon. D J Bossino:** Is he able to states what those, as he put it, several issues are?

**Hon. P J Balban:** Mr Speaker there were issues with vandalism of the escalator, there were issues with misuse of the emergency stop button which forced the escalator to stop and have to be restarted all the time, and there were issues with falling leaves on the escalator which affected  
445 the working mechanism, just to mention a few of the different issues. Another issue is that in Gibraltar generally it is very dry. There is very little rain, but when it does rain it rains very hard. Those are the issues that compounded with all the issues we have had with the escalator and these are the ones that now are being looked at to be able to find a solution that actually works.

450 **Hon. D J Bossino:** He is saying that he will be able to make an announcement in a couple of weeks. Will that announcement include when the works are likely to be completed, so we have a properly running escalator once and for all?

**Hon. P J Balban:** Mr Speaker, the whole purpose of doing this is to try to fix the escalator, so  
455 as soon as we are in a position to know exactly what needs to be done to make sure that this escalator works as trouble free as possible, I think the next step would be to commence works as quickly as possible to try to fix the problem.

460 **Hon. D J Bossino:** And may I ask, Mr Speaker, whether he has an estimate, dare I say, of the costs of these works at this stage? And secondly, does he have an idea as to when he thinks those works are likely to be completed?

**Hon. P J Balban:** Mr Speaker, it is impossible for me to provide an estimate of cost because we  
465 are still looking at the different issues that make up the full picture so we can provide an escalator that works totally. We are going to address the misuse of the button, we are going to address the vandalism, we are going to address the water and we are going to address the leaves. Until we have all the mechanisms in place and know exactly what has to be done to be able to fix and address these things, then I will not have an estimate of those costs. As to when, immediately.

470 **Mr Speaker:** The Hon. Marlene Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, can I just ask, following on, how long this escalator  
475 has actually been broken, in order to understand the three things, mainly, that he talks about – vandalism, misuse of emergency stop button and falling leaves? Did all that happen together? From what I understand, the escalators have been broken for years, so at what point did these issues all conflate to have this escalator broken for so long and deem that these were the reasons for it?

**Hon. P J Balban:** Mr Speaker, I cannot agree that the escalator has been broken for years,  
480 although it may seem that way. The escalator has been put to work constantly. The truth of the matter is that it has been stopped a lot of the time, it has been put back to work, it has lasted a short while and then it has been stopped again. There is also another issue we have had, which I will also share with the other side, which is the noise these escalators make – very little noise, but at three o'clock in the morning, apparently, it was not noise that people wanted to hear and it  
485 also led to some issues as to why the escalator stopped working. That is really the thing. I cannot agree, but the people who live up there have found that the escalator has not been working for a sufficient amount of time because every time we need to call in the maintenance team or even restart the escalator it can take hours or it can take days.

490 **Hon. D J Bossino:** Mr Speaker, one disaster after another as far as this project is concerned. In the light of that, may I ask him whether it is the policy of his Government to ...? Is it still committed to this particular project?

495 **Hon. P J Balban:** Yes, Mr Speaker.

**Mr Speaker:** Next question.

**Q540/2023**  
**Priority parking for over-70s –**  
**Whether Government will consider**

**Clerk:** Question 540/2023. The Hon. the Leader of the Opposition.

500 **Hon. K Azopardi:** Mr Speaker, would Government be willing to consider introducing a scheme which would give priority of parking in certain areas to persons over 70?

**Clerk:** Answer, the Hon. the Minister for Transport.

505 **Minister for Transport (Hon. P J Balban):** Mr Speaker, there are plans under consideration at this moment in time to allow for priority parking in certain areas to persons over 70. More details will be announced in due course. The hon. Member should note, however, that there are already concessions in place in Midtown car park by way of three hours' free parking to existing  
510 Gibraltarian ID card holders. There is also a 50% discount to all Gibraltarian ID card holders over the age of 65. As for the Residential Parking Scheme zones 1 to 4, persons over 60 years of age may purchase their first permit at a 50% discount.

Upon consulting with my team and relevant officials, I am informed that we have not, to date, received requests seeking concessions of this nature.

515 **Hon. K Azopardi:** That last remark is by the by because in your opening remark you did say that plans are under consideration, so can I ask, in terms of the rollout of that, what kind of timescale should we be expecting? Is there a plan devised for the rollout of these?

**Hon. P J Balban:** Mr Speaker, we are hoping to be in a position to announce this by the end of the year.

**Adjournment**

520 **Clerk:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House should now adjourn to Monday, 3rd July at 3 p.m.

525 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Monday, 3rd July at 3 p.m.

I now put the question, which is that this House do now adjourn to Monday, 3rd July at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Monday, 3rd July at 3 p.m.

*The House adjourned at 3.45 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.01 p.m. – 3.26 p.m.**

**Gibraltar, Monday, 3rd July 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.01 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## **Standing Order 7(1) suspended to proceed with laying of papers**

**Clerk:** Meeting of Parliament, Monday, 3rd July 2023.  
Suspension of Standing Orders. The Hon. the Chief Minister.

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

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

## **PAPERS TO BE LAID**

**Clerk:** Papers to be laid – the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to lay on the table the Annual Report of the Gibraltar Regulatory Authority for the year ended 31st March 2023, the Audited Accounts of the Gibraltar Regulatory Authority for the year ended 31st March 2023, the European Union Withdrawal (Application of International Agreements) (Amendment of Schedule) Order 2023 and the European Union Withdrawal (Application of International Agreements) (Amendment of Schedule) (No. 2) Order 2023.

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**Mr Speaker:** Ordered to lie.

# Questions for Oral Answer

## **DIGITAL, FINANCIAL SERVICES, HEALTH AUTHORITY AND PUBLIC UTILITIES**

### **Q530/2023 FATF grey list – Update re removal**

20 **Clerk:** Answers to Oral Questions continued.  
Question 530/2023. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government provide an update as to Gibraltar's removal from the FATF grey list?

25 **Clerk:** Answer, the Hon. the Minister for Health, Digital and Financial Services.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, the FATF has issued a formal public announcement following the June plenary of the FATF. This announcement contains their conclusions on all countries under review, including Gibraltar. A press release was issued by HMGoG in response to the FATF's public announcement.

30 Mr Speaker, that is my answer to the question that was phrased by the hon. Member in respect of what I can say in respect of the FATF process. As the hon. Member and indeed the Opposition are fully aware, proceedings of FATF and Moneyval are subject to strict confidentiality provisions – I have explained this before – which is why I have made it absolutely clear, in this House and outside of this House, that I am not able to say anything more, because if I did it would be against the best interests of Gibraltar and consequently I would not do it.

35 For the last 12 months, to be fair, the hon. Members opposite have been mature, responsible and co-operative in terms of how we have managed the public side, if I can call it that, of the FATF/Moneyval process, but of course, like all good things, they come to an end and the hon. Members could not resist the temptation of throwing politics into this process when the one thing that this process does not need is politics. Mr Speaker, all that maturity and all that responsibility were thrown out of the window in place of an attempt to have a go at me, at the Government and, let's be clear, at every one else who has been involved in this process, for the sake of what I consider to be cheap political points.

45 Since the placing of this question, they have issued two press releases which are really quite astounding. The statements include that the press release that we issued at the same time as the FATF press release was issued was underwhelming in its lack of detail. The hon. Member is fully aware, because I have told him many times, that we cannot give any more information, so in what sense is it underwhelming? Surely he understands that we cannot share details of particulars because we have sworn documents to the contrary. So how can it be underwhelming? If he cares to look back at the other statements that we have issued, it is consistent with all of those, and on each of those occasions he never once complained about the issue publicly.

50 He then says that last year I was 100% certain of delisting. I am 100% sure of our delisting, 100% sure. There is no question in my mind that we will be delisted.

55 He then says – in my view, remarkably – that there may be laws that Government could review to ensure the –

**Mr Speaker:** May I interject there, Hon. Minister? It seems that you are making a statement. I know that you are answering the question in the widest respect, but you are making a statement. That is how I am hearing it. I think you need to answer the question from the Hon. Roy Clinton and then perhaps from then onwards you can start bringing in all those issues that you need to make public, to make clear.

65 **Hon. A J Isola:** Mr Speaker, if it does appear to be a little bit like a statement then I must apologise, but I have perhaps myself fallen for the temptation of doing what the hon. Member suggested, which was that I should come to Parliament and make a statement. I will refrain from doing that and just leave the answer there and wait for other areas that the hon. Member may wish to raise, and I can just deal with those at that time.

70 **Mr Speaker:** The Hon. Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker. Of course, on this side of the House we would welcome a statement from the Minister should he choose to make one, and I am sure if there is an amendment to Standing Orders for him to do so, we would support it.

75 When I asked the question, and obviously it was before we had the FATF result ... When I say his statement was lacking in detail, as he has mentioned, it is because there is some really basic stuff that is not in there, and that is what is the next step. It is only from reading the FATF's own press releases on their website that it is apparent that the next window is October 2023. The Minister could at least have said the next target is October 2023, instead of which we had a 10-  
80 line press release congratulating everybody but not laying out what the roadmap is. That is all we really wanted. If he had come to the House and just made a statement saying this is where we are and allowed us to at least probe where we are, that would have been fine. I am not casting any aspersions on the Minister on how he does his work, but at the end of the day we are in Parliament and it is for Parliament to ask the Minister questions. It is as simple as that.

85 So can the Minister at least answer this question: is the next window of opportunity to be removed from the FATF grey list October 2023, and are there any tangible steps that he can disclose outside the non-disclosure agreement that he envisages that Gibraltar will be taking to achieve that?

90 **Hon. A J Isola:** Mr Speaker, I am astounded that 12 months after we started he still does not know what the process is. There is a process – (*Interjection*) Well, I have told him many times before and he has read the articles about Cayman. Surely he understands that there is a reporting process – I have said that before – there is a face-to-face process after an exchange on the reporting process, and then eventually there is a plenary. How can he be coming to ask what the  
95 process is when we have been in this process for 12 months? Does he honestly not know? I find it staggering when I have told him many times before. Perhaps he should listen a little bit closer.

The hon. Member keeps saying the Minister should have come on Monday and made a statement (**Hon. R M Clinton:** Yes.) a week ago today, and he says yes now. Well, last Monday I was working – not in Gibraltar, I was in London. Incredible. And who do you think I was seeing at  
100 exactly the same time that Parliament was sitting? I was seeing the Moneyval team at Her Majesty's Treasury, discussing the work that had to be done. I do not expect to be chastised, which is the word that was used in the press release, for not being here to give a statement when I am doing my damned work in trying to get the jurisdiction off the grey list as early as possibly can be done. So the reason for not being here is perfectly logical and something that I am sure he would  
105 expect me to be doing, not to be chastised for not coming to Parliament to answer his question and give him a statement on where we are with the process.

Mr Speaker, as far as I am concerned, the approach they have taken in falling for the temptation of trying to score cheap political points is an absolute shame. Again, I have to say that – he talks about the responsibility and he talks about the resources – never in Gibraltar's history  
110 have the Police had two accountants working permanently for them in relation to economic crime, never. Never has GIFU had a very senior prosecutor working within their ranks, together with staff from the FSC to help them with the process. Never have Customs and the Police had the legal services that they now have to help them in their economic crime. So before he tries to put the boot in on suggesting that Government has not given the people the resources they need, perhaps  
115 he should talk to them because I am hugely grateful to the Royal Gibraltar Police, to Customs, to the Financial Services Commission, to the Gambling Division, to the Financial Intelligence Unit, to the Office of Criminal Prosecutions, to the Office of Fair Trading, to the National Co-ordinator, to the Legal Services Regulatory Authority, to each and every one of them for the incredible work that they have done over this past very challenging not just one year, but three or four years, in  
120 doing everything they had to do to enable us to move through this process and to delist, as I am 100% confident that we will.

**Mr Speaker:** The Hon. Roy Clinton.

125 **Hon. R M Clinton:** Mr Speaker, I am gratified to hear that the Minister was meeting with  
Moneyval officials at the Treasury. He could have come here, made a statement and just said that.  
Great, well done. What I want to know is ... I do not know why he looks so astounded. It is a simple  
comment. What I really want to know is, is he confident that by October of this year FATF will be  
130 in a position to remove us from the grey list? He talked about process and we should know the  
process and the process takes time. Again, I speak not for myself – this is not my personal curiosity.  
These are people in the street, these are people in industry who want to know. Is the Minister  
confident that in October we will be in a position to be removed from the grey list? He can stand  
up and say he is not in a position to say so. If that is his position, that will be interesting to know,  
too.

135 Thank you, Mr Speaker.

**Hon. A J Isola:** Mr Speaker, he does not need to worry about the financial services sector  
because I am very regularly in touch with them. I meet with a body that looks after every single  
aspect of financial services, every month, and they are told every month exactly where we are. So  
he does not need to worry himself about representing ... The financial sector, I have to say, is far  
140 more supportive than he is. *(Interjection)*

If you want to know if I am confident, *(Interjection)* that we will, at the next hearing, be delisted,  
yes, Mr Speaker, I am entirely confident that at the next sitting we will be forward, ready to be  
delisted.

145 **Mr Speaker:** Next question.

#### Q531/2023

#### Mount Alvernia, Dr Giraldi and St Martin's staff through recruitment agencies – Numbers broken down by time spent in organisation

**Clerk:** Question 531/2023. The Hon. the Leader of the Opposition on behalf of the Hon. D A  
Feetham.

150 **Hon. K Azopardi:** Mr Speaker, in relation to the answer provided to Question 365/2023, how  
many of these agency workers have been working within those organisations for (a) less than a  
year and (b) more than one, two or three years?

**Clerk:** Answer, the Hon. the Minister for Health, Digital and Financial Services.

155 **Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, within Mount Alvernia eight staff members have been working for less than a year,  
one staff member has been working for more than a year and one staff member has been working  
for more than two years.

160 Within Dr Giraldi, 24 staff members have been working for less than a year, 21 staff members  
have been working for more than a year, five staff members have been working for more than  
two years and six staff members have been working for more than three years.

Within St Martin's School, four staff members have been working for less than a year, one staff  
member has have been working for more than a year and 11 staff members have been working  
for more than three years.

165 I am now informed by the Department of Education that of the number of agency workers  
submitted in Answer 365/2023 who worked in St Martin's School, three staff included in the

original answer are Community Care individuals and have therefore been omitted from this reply, as they are not working.

170 **Mr Speaker:** Next question.

**Q532/2023**  
**Mount Alvernia –**  
**Staff transferred to other parts of GHA or ERS**

**Clerk:** Question 532/2023. The Hon. the Leader of the Opposition on behalf of the Hon. D A Feetham.

175 **Hon. K Azopardi:** Mr Speaker, since 1st January 2023, how many staff working at the Mount Alvernia facility have been transferred, for whatever reason, to other parts of the GHA or the ERS, identifying where they have been transferred to?

**Clerk:** Answer, the Hon. the Minister for Health, Digital and Financial Services.

180 **Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, four members of staff have been transferred from Mount Alvernia. One administrative officer has been transferred to Government Law Offices, one nursing assistant has been transferred to the domestic department at the GHA, and one registered nurse and one nursing assistant have been transferred to John Cochrane Ward, which comes under the ERS.

185 **Hon. K Azopardi:** Mr Speaker, can I ask if the Minister is aware of the state of discussions as to the staffing at Mount Alvernia and the intentions of whether some of them will be transferred later this year, for example, to the new Rooke residential or nursing facility?

190 **Hon. A J Isola:** Mr Speaker, my understanding at this moment in time is that none of them will be transferred to the Rooke nursing facility.

195 **Hon. K Azopardi:** None because a decision has been made that none will be transferred, or that there are still discussions going on as to whether or not any staff would be transferred? Or is it that the new home will run its own staff?

**Hon. A J Isola:** Mr Speaker, I say none at this moment in time because at this moment in time we do not expect any of them to transfer over to the new Rooke site.

200 **Hon. K Azopardi:** I hear what the hon. Member says. I think he has just repeated the answer. Can I just tease this out, if I may? Is it because there are ... at least it is not clear whether, at the moment, the residents at Mount Alvernia wish to move down to the new home? Is it tied in with that question, or is it irrelevant? In other words, if people at Mount Alvernia wished to be transferred down, it would still be the position that there would be no staff transferred to the new home?

205 **Hon. A J Isola:** Mr Speaker, to engage in these issues now is premature. I do not want to alarm anybody. I do not want to cause any more speculation than is necessary. The position is that at this moment in time we do not expect any of the people in Mount Alvernia to be transferring over to the Rooke site. And I know that is the third time I have said that in my answer, but that is the position.

**Mr Speaker:** Next question.



**Q533/2023**

**Transgender surgery –  
Protocol to determine clinical decisions**

**Clerk:** Question 533/2023. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, will the Government publish the protocol the GHA is following to determine clinical decisions on requests or recommendations for transgender surgery, and is there a minimum patient age for the consideration of such surgery?

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**Clerk:** Answer, the Hon. the Minister for Health, Digital and Financial Services.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, the Gender Identity Disorder Service in Gibraltar is run under the guidance of a UK-based specialist, Dr John Dean, following NHS guidelines. For surgery, patients are referred to a specialist provider in England. UK regulations stipulate that individuals must be at least 18 to qualify for surgery.

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**Hon. K Azopardi:** Mr Speaker, I am grateful for that. The hon. Member knows that this question was tabled against the backdrop of an exchange of correspondence. He wrote to me on the issue because I had asked a different question in another parliamentary sitting, and as it is tied in, and given the original answer, can I just ask him, because I am not sure he did actually answer the question ...? My original question was will they publish the protocol, and the reason for that was that in his letter, if he recalls, he had indicated that they were developing what he called then a gender-affirming surgery pathway. I took that to mean a specific document or protocol which was being devised with the help of a specialist, and so I am asking whether they would intend to publish that protocol so that people are aware against which guidance people are being considered.

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**Hon. A J Isola:** Mr Speaker, I will have to go back and refer to that letter and better understand what it is in terms of the protocol and where we are at. If it is at all possible to be published, I certainly will. But let me come back to the hon. Member with more specific details, as I do not want to guess. My supplementary information does not cover that point and therefore I am not able to say any more at this stage, but I certainly will do, as I did last time.

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**Hon. K Azopardi:** And can I ask which of the procedures would be publicly funded? Some of them, presumably, depending on what it is, would not be publicly funded. Again, this stems from the original answer. And also, in the letter he wrote to me there was an indication that consideration was being given as to which of the procedures was being funded. Presumably that would be in the document, if a document is being devised.

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**Hon. A J Isola:** I assume so, Mr Speaker, but again, as I said before, I need to have a look at it and where it is in the process to be able to answer that question fully.

**Hon. K Azopardi:** Mr Speaker, when he talks about the minimum age ... I think he said according to UK regulations the patient has to be at least 18. Can I take it from that answer that that is the policy position of the Government?

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**Hon. A J Isola:** Yes, it is, Mr Speaker. As I answered in my question, the service that we provide in Gibraltar is run under the guidance of a UK-based specialist following NHS guidelines, so very much aligned to that.

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**Hon. K Azopardi:** And finally, Mr Speaker, can I just ask: the letter he wrote to me implied that there were patients awaiting a decision in respect of these matters currently in Gibraltar. I will just read from his letter, if he does not have it in front of him. After giving me an explanation about the process that they were following and the advice being sought, he referred to the engagement with a private provider in the UK awaiting a response regarding cost, and then the Minister said, 'This is with a view to urgently outsourcing treatment required by patients in Gibraltar.' That implied a degree of urgency. He used the word 'urgently'. Can I have an indication from the Minister as to the backdrop of that? When and how many people are we talking about and will the Government ...? Presumably the Government is alive to the fact that it needs to take decisions in relation to that fairly soon, or at least the GHA is. Does the Minister have more information to give to us on those aspects, as to the urgency required?

**Hon. A J Isola:** I have some detail which I would rather share with the hon. Member privately. I am also aware, with regard to the urgency, that some patients have been seen, some patients have pending surgery, and one of the more complicated issues is that there is a significant waiting list with the NHS in the UK, and that also has an impact on some of the surgery that is pending. In other words, it is beyond our control. We are seeking to do it as quickly as possible, but this is subject to both our own and the UK, in certain areas, waiting lists. I have some numbers which I am happy to share with the hon. Member privately, and maybe that will give him some more information.

### Adjournment

**Mr Speaker:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House should now adjourn to Tuesday, 11th July, when it is my intention to suspend Standing Orders and start with the consideration of the Appropriation Bill at 10 a.m.

**Mr Speaker:** I now propose a question, which is that this House do now adjourn to Tuesday, 11th July at 10 a.m.

I now put the question, which is at this House do now adjourn to Tuesday, 11th July at 10 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Tuesday, 11th July at 10 a.m.

*The House adjourned at 3.26 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.02 a.m. – 12.33 p.m.

Gibraltar, Tuesday, 11th July 2023

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# The Gibraltar Parliament

*The Parliament met at 10.02 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Standing Order 7(1) suspended to proceed with laying of papers**

**Clerk:** Meeting of Parliament, Tuesday, 11th July 2023.

Order of Proceedings: Suspension of Standing Orders. The Hon. the Chief Minister.

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

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

## **PAPERS TO BE LAID**

**Clerk:** Papers to be laid – the Hon. the Minister for Housing, Employment, Youth and Sport.

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**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, I have the honour to lay on the table the Employment Survey Report 2022.

**Mr Speaker:** Ordered to lie.

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**Clerk:** The Hon. the Minister for Business, Tourism and the Port.

**Minister for Business, Tourism and the Port (Hon. V Daryanani):** I have the honour the lay on the table (1) the Tourist Survey Report 2022, (2) the Hotel Occupancy Survey Report 2022 and (3) the Air Traffic Survey Report 2021.

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**Mr Speaker:** Ordered to lie.

## **Standing Order 7(1) suspended to proceed with Government Bills**

**Clerk:** Suspension of Standing Orders. The Hon. the Chief Minister.

25 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with Government Bills.

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

## Order of the Day

### BILLS

#### FIRST AND SECOND READING

##### **Appropriation Bill 2023 – First Reading approved**

30 **Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024 be read a first time.

35 **Mr Speaker:** I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

40 **Clerk:** The Appropriation Act 2023.

##### **Appropriation Bill 2023 – Second Reading – Debate commenced**

**Mr Speaker:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the distinct honour to move that the Bill now be read a second time.

45 This is my 20th Budget address as a Member of this Parliament. It is my 12th Budget address as Chief Minister. I am conscious of the honour that it is to be able to say those words, because Gibraltar will go to the polls this autumn and, as a result, this may be my last Budget as Chief Minister. I take nothing for granted. Indeed, the last thing I would ever take for granted is the support of the people of Gibraltar; I work to earn that support every single day.

50 In moving this Second Reading, I therefore appreciate that it is indeed an honour to present the Estimates of Government's revenue and expenditure for the year ending 31st March 2024, that is to say the current year. I will also present the outturn for Government's revenue and expenditure for the year ended 31st March 2023, which was the 11th full financial year of a Socialist Liberal Government since we took office in December 2011 and started to deliver policies, projects and changes which have positively transformed our nation for the better.

55 We have also had to deal with issues in these 11 years that have been without precedent in our democratic history – a full-on, worldwide respiratory pandemic that required us to shut down our economy and most of our public services and private sector, and of course we are dealing now with the seventh year post the Brexit referendum. Remarkably, we have now been in Government more years since the referendum than before it. Additionally, a major European war arising from Vladimir Putin's illegal invasion of Ukraine has created inflationary pressures that have caused cost of living issues for many of the least well-off in our community and more so beyond our

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65 shores. Of course, all of Brexit, COVID, the effect of the Kwarteng budget and the cost of living will temper and affect the statement I will make to this House today in support of this Appropriation Bill. I will say more later about how each of these has affected our economic performance and how they influence the measures I will announce today. Indeed, apart from our work to adhere to our golden rule on recurrent expenditure, little has shaped this address more than those three evils that have beset these past two terms.

70 As we start to see off these challenging times and start to round the corner, we do so because we have known how to manage matters responsibly and prudently in the depths of the worst moments we have faced. And so we will continue to act in this Budget as we have in the past, in a manner that is both responsible and prudent because to get beyond the pandemic, continue to manage Brexit and to ameliorate the cost of living issues faced by the less well-off, we must do so without creating future public finance issues for our children. Therefore, in taking the steps we will need to take today we must continue to act with a view to protecting the overall integrity of the nation's public finances in the short, medium and long term. That is the touchstone on which these Estimates are based, not on short-term electioneering; I will leave that to others. My concern is to ensure that at the end of my third term as Chief Minister and Minister for Finance we have restored financial stability and that said financial stability is secure going forward.

80 Integrity, stability, affordability, social justice – those are the litmus tests we have established for every measure that I will announce today, and that is the way we, as a people, ensure that we are ready for whatever else is thrown at us. In doing so, we will provide for repayment of the extraordinary COVID debt that we have incurred with the support of the Leader of the Opposition and Mr Clinton. Indeed, Mr Speaker, I vividly recall Mr Clinton saying, in your absence, to the Presiding Member who was then in your Chair, the following words:

85 now is not the time for us to nit-pick as to is this prudent or is this the right thing to do at this stage. We need to do what is necessary and we will work out later on how we pay for what we need to do. This is something I thought I would never say, but it is true.

That was on Friday, 20th March 2020. It is at line 644 of the *Hansard*, should any one wish to check my quotation. It was the right attitude then from the GSD Opposition. We, on this side of the House, stand by what we said and remain committed to in respect of the COVID debt being repaid as efficiently as possible and in a manner that provides as little drag as possible for future generations of Gibraltarians, because we must accept that we must all now contribute to paying back the BEAT scheme and the COVID funding that all of our people took the benefit of in the extraordinary funding that we managed of our health and care services for the pandemic period.

90 I have, therefore, worked diligently with the Minister for Financial Stability, the Financial Secretary and the Treasury to continue to ensure that the spirit of prudence and responsibility is the golden thread that laces these Estimates, as it has each Budget I have delivered in this House and as will continue to be the case should the people of Gibraltar so decide later this year. With Charles Santos, the talented new Financial Secretary, the third Gibraltarian successively appointed to the post, we have designed these Estimates once again to protect the most vulnerable in our community, as they are the ones now feeling the pressures that arise from the increases in the cost of living. We have ensured that our key public services can continue to be seamlessly provided and that the cost of these is not growing unnecessarily. And we have worked with colleagues in the trade union movement to ensure that they have understood how we have structured support for our employees in the public sector at this time of cost of living increases.

100 Despite the continued and repeated calls for cuts from the Members opposite for the GSD, I am very pleased that once again this year this Budget will contain no austerity, because it contains no cuts of jobs or services. That is the only way you can save money. Moreover, the income of the worst-off in our community will grow with the measures we will announce, because the measures I announce will all seek to do social justice above everything else.

110 Just like last year, the most vulnerable and those on the lowest incomes, disability benefits and  
state pensions, as well as those on public sector occupational pensions, will see their incomes  
continue to grow. By doing that, we will achieve what we achieved last year: we will protect the  
most vulnerable. In doing so, we in the Socialist Party that I represent and our Liberal partners  
have always been clear that we believe we must never be spending more than we collect. Annual  
expenditure must not exceed annual revenue. We are ready now to demonstrate our  
115 commitment once again to that rule.

The truly exceptional circumstances of the joint financial years between 2020-21 and 2021-22  
are now over. The COVID Fund is the past. From now, we are back to ensuring that annual  
expenditure does not exceed annual revenue. In the past financial year we have managed to get  
closer than we expected. The deficit was reduced, as I have already announced, from the  
120 anticipated almost £50 million to £15 million. This year we will go further and we will work towards  
restoring a surplus. That is to say we will balance the books and have something left over at the  
end, too. We re-establish financial stability and we do so sooner than most other nations on the  
planet after the pandemic. In doing so, we correct the anomalous position of the past three  
financial years and we return to adherence to our golden rule, as set out by Sir Joe Bossano in his  
125 first address as Chief Minister in a Budget debate after 1988.

I remind Members that the last time the golden rule was breached, other than due to the  
exceptional situation arising as a result of the pandemic, was actually under Members opposite in  
the financial year 2007-08. It was not breached by the GSLP Liberal Government I lead, despite  
their many accusations of profligacy and protestations that we spend too much. It was breached  
130 by them in 2007-08 when the extenuating circumstance leading to expenditure having to exceed  
income was the General Election. I know it costs money to get Daniel Feetham elected, but my  
goodness! So hon. Members will forgive me for not taking lessons from them on how to balance  
the books, although I have no doubt we can expect hours of pontification on the subject in coming  
days. Their theory and rhetoric are unmatched by their record in Government, so we will take  
135 everything they say with the proverbial pinch of salt.

What is worth doing is reflecting on the fact that the man who laid down the golden rule was  
unable to deliver his 50th Budget address last year. Last year he was afflicted by COVID – or rather  
COVID was afflicted by him. It is not coincidence that after he got it the pandemic came to an end.  
This year, he is back, fighting fit as ever and ready to provide us with the analysis that this House  
has had the benefit of since 1972, the year I was born. I am sure I speak for the whole House and  
for the whole of Gibraltar when I set out the appreciation of our nation for Sir Joe's continued  
efforts for each and every one of us. No one can describe him as an easy taskmaster. No one would  
describe him as easy to please. I don't think he cares, Mr Speaker. Win the GSLP a third successive  
General Election and you may be lucky to get a kiss on the cheek and a pat on the back followed  
145 by the inevitable '*Me voy pa la oficina, pisha,*' or 'I'm off to the office, old boy,' but no one would  
describe him as anything other than the most committed Gibraltarian patriot amongst us all. At  
84, if he is still here, still arguing and still defending Gibraltar and our people, frankly, whether you  
agree with him or not – and I do – then you need to respect the contribution that Sir Joe is still  
making today. He is more than a legend in his own lifetime, he is a legend in all our lifetimes, a  
150 legend for our homeland and for all time. It was he who first established the principle that the  
Budget debate was to be led by an elected representative of the people of Gibraltar. It was he  
who first reflected that the debate on the annual Appropriation Bill was, for our Parliament, the  
equivalent of our state of the nation debate, and there are many matters that fall to be assessed  
in this last state of the nation debate in the lifetime of this Parliament, for this year is such a year  
155 and this debate is such a debate.

In these tough times, which have required strong leadership and necessarily unpopular  
measures, it has been the greatest privilege to have been entrusted by our people to navigate  
Gibraltar successfully through these storms. I say 'successfully' advisedly and I say 'successfully'  
objectively because when we come to look at the main subject of this debate, the numbers in the  
160 Estimates Book, there is undoubtedly a success story underlying the performance of the Gibraltar

economy and, therefore, the public finances of His Majesty's Government of Gibraltar. In less time than we expected, in less time than most of the rest of the world, we have reduced our deficit and now we are predicting a surplus for the current financial year, a modest surplus which, in my view, we may even exceed. Indeed, as I showed the House in this debate some years ago, we have  
165 traditionally exceeded our estimated surpluses in each year since we have been elected. But for now, I want to tie together a number of themes because I have spoken about our prudent financial management, I have spoken about our Golden Rule and I have spoken about Sir Joe Bossano, who first set this rule out in this Parliament, and our deficit reduction and our return to surplus has  
170 been guided by each of those together, not least by Sir Joe's constant and difficult work in the Ministry of Financial Stability.

There are many detractors of the Government, of Sir Joe and of me out there – that is democracy. The social media experts who have degrees in everything and nothing all think they know better than anyone about everything. It is the curse of modern politics to see a small band of negative social media warriors try to negatively influence the majority. So be it. But I believe in  
175 Gibraltar and I believe in the Gibraltarians. They see the work we do, they see the effect of the work we do, and I know they like the results they see. The Gibraltarians will like what I am going to announce today – the reversal of deficits into surpluses – and they like the modern physical, political and egalitarian Gibraltar we have built in the past 12 years and the way we have changed our nation for the better, not just paying for COVID and the BEAT measures, not just dealing with  
180 Brexit, but also changing Gibraltar beyond recognition.

I remember when we were first elected, and the Gibraltarians remember when they elected us. Gibraltar was by no means a waste land in 2011, but neither was it in 1996 nor 1998, yet I remember a Gibraltar in 2011 where the Hospital was full and no beds were ever available. Now there are beds available every night.

I remember a Gibraltar when the issues facing those with mental health problems came after honouring a deal with Spain to build an airport that would never operate as intended. Immediately we were elected we built Ocean Views and now mental health provision in Gibraltar is improving like never before.

I remember a Gibraltar where charities were shunned and the service they can better provide was lost to our people, and now, with Clubhouse, Childline, GibSams and PossAbilities we provide better services to more people at greater value for money.

I remember a Gibraltar where schools were old, not fit for purpose and lacklustre, and they let down our pupils and our excellent teaching fraternity, where the boys' comprehensive school was half a century old and falling to bits, and now we have schools that are the envy of every nation  
195 in Europe and the world. We have spent £160 million on new schools. Should we not have? Are those the savings that hon. Members would like to have seen us make? We were absolutely right to do so. That is not an extravagance, it is catching Gibraltar up from where we found it, and as a result every government school from 1st September this year will have been delivered by a socialist administration. That is a record to be proud of, as is the massive increase in resources we  
200 have provided in the brilliant learning support facilities we are providing in our schools.

I remember a Gibraltar where there was only one LSF and it was not well resourced. Now I see a Gibraltar with better LSF facilities than most countries in Europe and with a better pupil-to-teacher ratio than anywhere else. The ratio is better than classes at Eton. On that we do spend money and we are proud to spend the money, and we are proud of the work our magnificent  
205 teachers do – and they are magnificent, because I have met them all.

I remember, however, the Gibraltar where who you loved and who you married was an issue and having children on IVF was not possible. That was the GSD's Gibraltar. Now we defend loving who you want, how you want and having children because you want, whatever your gender and sexual orientation.

I remember a Gibraltar where a woman asserting her reproductive rights was one thing and one thing only, a crime, and yet now a balanced law provides for choice in the right way.



I remember the GSD's Gibraltar with half the doctors at the Primary Care Centre. I remember a system without a Primary Care Centre for children. Not anymore, as we have delivered a new PCC for our children only and doubled the doctors at the PCC.

215 I remember when we disgracefully dealt with dementia and Alzheimer's patients in the acute ward that was already unfit for purpose at KGV. That was the GSD's Gibraltar – not anymore, as we developed a fit-for-purpose facility that is the envy of any in Europe.

I remember a Gibraltar of rundown estates which have now been fully refurbished, with more refurbishments to come.

220 I remember a Gibraltar with a budget of only £750,000 for domiciliary care. This year we have spent over £4 million on giving our people the option and the dignity to stay at home, to be cared for at home and even to die at home, where possible.

I remember a budget of just over £200,000 for children in care in Gibraltar and just over £100,000 for the Dr Giraldi Home, and now we spent more than £1.2 million on children in care and the Giraldi Home. That is where we spent the money. That is what has transformed Gibraltar. That is what they tell me they want to stop.

I remember a budget of £10.5 million for policing, with only 253 police officers available to the Commissioner when we were elected. Now the budget for policing is £17.2 million and the total number of police officers is up by more than 10% to 284. Therefore, even with the issues that have arisen as a result of the McGrail inquiry, the number of officers available to the Commissioner is greater than ever before and with more being recruited already.

230 So yes, Mr Speaker, there are issues. Of course there are issues – Government is a constant, ongoing project, it is always about dealing with issues, to deal with crises and to deliver change and new projects – but when you look objectively at what we have done, when one looks genuinely at our record and not through the partisan spectacles of Members opposite, what you can see is a record of achievement unparalleled by many, except perhaps by the first GSLP administrations of Joe Bossano and the post-war administrations of Joshua Hassan. I give credit also to the closed-Frontier push, in three years, of Bob Peliza. But in overall terms, as I stand with my party and the Liberals to face the judgement of the people, I am proud of the record of achievement that we have delivered.

240 More new homes than any Government in our history. Some delayed – I get it – but still more than ever: Hassan Centenary Terraces phase 1 in snagging and being handed over already; Hassan Centenary Terraces phase 2, Chatham Views and Bob Peliza Mews all already under construction; and Mons Calpe Mews and Beach View Terraces a huge success alongside Charles Bruzon House and Sea Master Lodge. In 12 years, with Brexit and COVID, more than in 16 years under the GSD. More new schools than any Government in our history, and more new parks and areas for leisure than any Government in our history, and that despite COVID, despite Brexit and despite the day-to-day issues that blight us. We have delivered.

250 We are still – okay, sure – down a theatre and a military museum, I understand that. Because some projects just cannot be deliverable in the time available after the hiatus of COVID and with post-Brexit negotiations going on, we will be criticised of course, but let us not have debate that suggests, as we have heard before during the course of exchanges at Budget time, that we were not a new dawn but a false dawn. It is disrespectful to the people of Gibraltar to part from such a premise because it is demonstrably not true. And let us not have a debate about debt based on a nonsensical addition of the cost of every project without deduction of income, repayments etc. It is just an attempt to scare the people of Gibraltar into choosing stagnation over progress to talk direct and indirect debt up in that way. I see the Hon. Mr Clinton smiling. I can see he is reaching for his scariest mask, Mr Speaker. He might have wanted to go to Monsters University.

260 Sir Joe, who is our guru on these matters – and they now see as their guru too, sometimes, having long referred to him as a villain – is clear about debt not being a bad thing when it is for good projects and projects of important social value, yet all of this unfair criticism is literally water off a duck's back because we continue in order to deliver progress for our people. We look now, at the end of the lifetime of this Parliament, at the work done with deep satisfaction. We can see

265 achievements delivered in the face of adversity, we can see achievements crowning our time in  
government so far, and we can see all of these things achieved in the teeth of constant criticism  
of the unimaginative official Opposition, who present no alternative to our people.

When it comes to having faced the challenges we have faced, I am clear that the people of  
Gibraltar know that at every turn we have made the right decisions for Gibraltar, the same  
270 decisions nine or 10 out of 10 Gibraltarians would have made faced with all the information we  
had at our disposal at the time we made each of the decisions we made. Not all of that information  
was or is available to the public, it could not be and it cannot be, but as a Gibraltarian patriot I can  
assure all the other 32,000 Gibraltarian patriots that they would have made the same decisions I  
made – that we made collectively – if faced with the facts and the information we had. I know my  
275 fellow Gibraltarians know and understand that and that the difficulties we face today with delayed  
affordable housing and COVID debt would be faced by the GSD if they had been in Government  
too.

Of course, that is relevant to the idea that Members opposite want to put about that we are  
somehow to blame for delays to affordable housing. We are not. We do not deserve to be  
punished, as they have suggested, for delaying the projects. Brexit and COVID are not controllable  
280 aspects. They are not excuses, as they have shamefully been referred to by some Members  
opposite in some of their flights of fancy. How can the loss of life of over 100 of our fellow  
Gibraltarians be referred to seriously as an excuse? But in the end, we subject ourselves to the  
judgement of our people. In the end, it is my responsibility to have got things right. It is the Cabinet  
represented here that collectively made the decisions and it is on my political shoulders that  
285 ultimate responsibility, politically, lies. I carry the weight of that responsibility on my shoulders  
because I must. That is what people have paid me to do, and it has been my privilege to lead  
Gibraltar in this difficult time and generation. We have not cowered, as others might, when the  
time came to make difficult decisions. We did not falter, as others might, when we had to decide  
to borrow to keep the nation going. My hand did not tremble when it came time to lock down our  
290 people, to pay BEAT to all those furloughed. My hand did not tremble when it came time to unlock,  
either. This Government team did it together. That is leadership, not the sniping from the corners  
that we get from some quarters. It has been remarkable, in the troubled lifetime of this  
Parliament, to see some agree to spending money and then cower in the face of the debt that  
that spending has incurred. Some have urged us to do more and spend more and do things more  
295 quickly, and then they run for cover when they see the cost. Come on, the people of Gibraltar see  
through such cheap devices and such convenient political hypocrisy and cowardice.

When the time came, the people of Gibraltar know we acted when they needed us to act. Did  
we get everything right? Probably not, but we made every decision in good faith based on the  
information available to us. We were not rabbits stuck in headlights unable to make the decisions  
300 our people needed us to make. That is what you elect a Government for, to make decisions, good  
decisions, the best decisions possible on the basis of the information available. We did that  
together also, in some respects, with the Leader of the Opposition, who attended Cabinet on a  
number of occasions and agreed with our views on the most crucial decisions made by a  
Government in the history of our democracy, literally life-and-death decisions, as close to a  
305 Government of national unity as this nation has ever seen; something not done even in other  
more mature democracies in Europe or the world. And so I want to thank the Leader of the  
Opposition for the work we loyally did together in those harrowing moments. That is the Keith I  
know, not the Mr Azopardi who has given way to the basest partisan instincts since then as he  
faces his last chance to fulfil the ambition to see his name etched on the woodwork at No. 6  
310 Convent Place. I say the same to the Hon. Mr Clinton, who I thank today, in the last state of the  
nation debate in the lifetime of this Parliament, for the weeks in which we worked together with  
Albert Mena on the BEAT measures, but I deprecate him for quickly running for cover on the  
COVID debt incurred as a result of the decisions we made together.

By the way, Mr Speaker, as an aside, given the bleak analysis of the public finances they are  
315 doing outside of here and will no doubt repeat during the course of this debate, I assume that

Members opposite are not going to go into an election promising to build another rental housing estate or any other affordable homes. If they truly believe what they are saying about the public finances, they cannot commit to anything but austerity, hellfire and brimstone for the next four years. I can imagine a lovely cover with flames on it for their manifesto, if they like. It is coming  
320 with the cuts and the scissors. They will have to go to the election promising only to raise Social Insurance, raise taxes and raise all government charges. If they do not, then when they publish their manifesto in the General Election campaign, if they tell me today that we have spent too much, that we cannot spend more, that the debt is too high and they talk about the billions they say we owe ... when they publish their manifesto they will show that everything they have said  
325 today is untrue. If they have one spending commitment in it they will be admitting that our analysis of the public finances is the correct one and theirs has been false all along. They cannot have it both ways. If Mr Clinton stands behind a manifesto promising public sector pay rises, maintaining the size of the public sector as it is – which they used to call bloated – and providing more services, Mr Azopardi doing videos talking about jobs in the public sector for your children  
330 etc., bigger public sector, more money, then everything they say today is related to the genitalia of the male cow. Everything they have said in the past eight years will have been shown to be false, as has been the case in respect of the tactic that Mr Azopardi has been deploying on the continuing post-Brexit treaty negotiations. Can one really believe that if a safe and secure deal could have been done we would not have done it already? The reality is that we are continuing  
335 the negotiations and have had to stop only as a result of the calling of elections in Spain. We must respect the democratic process in Spain, as our own electoral period will have to be respected. I remain optimistic that the issues that are live in the negotiations can be resolved without concessions by either side. None will have to lose and none will have to win on the perennial issues that divide us. In this respect I have to thank Michael Llamas, the Attorney General, for his  
340 extraordinary contribution to this work. It was undoubtedly his destiny to be an expert in EU law to world standards, to be able to deal with the depth of the technical expertise required to take on the EU in this negotiation. He is the cornerstone of the government team which the Deputy Chief Minister and I proudly lead and he is ably assisted by Daniel D'Amato and the rest of his team. The teams from London, Brussels and Spain are also to be recognised and thanked for their  
345 diligence and ingenuity in addressing the difficult technical issues that arise. I publicly thank them all today for their continued perseverance.

The House and the public know that I was quizzed on the negotiations most recently by the European Scrutiny Committee of the House of Commons. There is little more I can offer the House by way of update other than to say that on the British side we continue to work to try to advance  
350 matters as much as possible in readiness for a recommencement of negotiations as soon as possible after 23rd July, regardless of the outcome of the Spanish negotiations. Surely Mr Azopardi is not going to seriously try to argue that if a safe and secure treaty could have been reached he would have been able to do it where we have not. That argument is tantamount to trying to push every drop of torrential rain upwards through a jungle ravine, because if it had been possible to  
355 do such a deal, we would, of course, have done it. I am clear that we will keep on working for such a deal, but no such deal has yet emerged, at least not one that passed our strict filters of what is safe and secure. Perhaps what is on the table might have passed Mr Azopardi's filters, as he has already said that, as far as he is concerned, an Andorra-style solution is not joint sovereignty, as he sets out in his book *Sovereignty and the Stateless Nation*. Well, for us in the GSLP Liberals a  
360 modern Andorra-style solution *is* joint sovereignty and we would not consider it safe or secure for Gibraltar. But we will keep working. We are almost there, and because we are almost there we must continue as soon as we can after 23rd July.

Mr Speaker, it is time to now start to get under the bonnet of the economy before turning directly to attend to the guts of the public finances of our nation. In doing so, I will remind the  
365 House that last year I advised that the preliminary estimate for the GDP for financial year 2020-21 was £2.416 billion. In fact, the final GDP estimate for financial year 2020-21 has come in at £2.42 billion. There has been no material difference, therefore, between the forecast, the

preliminary estimate and the final estimate for 2020-21, for which I congratulate the Statistics Office and our Chief Statistician in particular.

370 The forecast for the GDP for 2021-22 was for £2.59 billion, already surpassing the pre-pandemic GDP. I told the House that this pointed to a strong bounce back in the economy which should have a positive knock-on effect on the public finances. That pointed to a solid performance with an increase of £173 million on the previous pandemic double year, or a 7.2% increase in nominal terms over the final year estimate for 2020-21. In fact, the forecast was substantially met and the estimate now for 2021-22 is £2.55 billion, which is as near as damn it to the forecast. 375 Again, I congratulate the Statistics Office for their estimating prowess. That represents a growth of 5.4% or £130.2 million added to the size of the economy.

I turn now to the preliminary GDP forecast for 2022-23. The Statistics Office forecast for financial year 2022-23 is £2.74 billion. This represents a very credible and positive growth of 7.5%. 380 That is an economic growth in cash terms of £190.94 million in terms of the size of the economy. This surpasses the pre-pandemic GDP estimate by 6.6%, as it was in 2019-20. The gross trading profits of companies grew by 8.2% over the year and income from employment increased by 7.3%. The number of employee jobs rose by 2.5% over the year to reach a record high, and average earnings increased by 5.1% in nominal terms. We can analyse which sectors of the economy 385 affected that growth. The economy is really dominated by four main sectors: tourism, financial services, remote gambling and shipping. Tourism is 20% of GDP and 10% employment, financial services is 20% of GDP also and 13% of employment, remote gambling is 28% of GDP and 12% employment, and shipping is 10% of GDP and 5% employment. I will have something to say about the docks in Gibraltar later in my address.

390 The Gibraltar public debt to GDP ratio fell in net terms to 22.4% of GDP in 2022-23 from 25.6% in 2021-22. These ratios continue at a lower rate than that of the UK and most other European countries. Importantly for the purposes of this debate, the ratio is considerably lower than when we took office during the course of the financial year 2011-12 when the GDP to net debt ratio stood at 25% with no pandemic for the GSD to blame for the increased debt. So, not a bad record 395 for the GSLP Liberals to be able to come out of a pandemic with a GDP to net debt ratio lower than the GSD's 2011 GDP to net debt ratio. Indeed, the whole House will recall that when we were first elected, the former Chief Minister, Sir Peter Caruana KC, and Mr Feetham came to see me and the Deputy Chief Minister at No. 6. At that meeting, as Sir Peter would repeat at the ceremonial opening of the House on 21st December 2011, he told us at the leaders' debate that 400 the gross public debt had grown to £517 million and net debt was £304 million. It became apparent that we were about to exceed the debt ceiling as then set out in section 3 of the Public Finance (Borrowing Powers) Act 2008 and that we would require a resolution of the House for more borrowing because we were going to exceed the debt ceiling under the GSD. In fact, Sir Peter said at the ceremonial opening, 'We will support the new Government in any Parliamentary 405 approval that may be required for additional borrowing'. You do not require parliamentary approval for additional borrowing, unless you have the device that you need, which is a resolution of the House, when you are going to bust the debt ceiling, which is exactly what he told us was going to happen and exactly why he was offering the resolution across the floor of the House. And then they come to talk about debt and say that we have taken too much. When we were elected 410 – and the people of Gibraltar were not told during the general election campaign by the GSD that they were about to bust the debt ceiling – and we were told only the morning after we were elected that we were about to bust the debt ceiling, Mr Azopardi and I both had faces of surprise when we were told by Sir Peter in the leaders' debate that the debt had gone up to £570 million.

Now, not only are we on a lower GDP to net debt ratio, we have massive headroom for extra 415 borrowing should we need it, although we are not going to take it up. We are not about to bust the debt ceiling, which is what was going to happen under them. We have a lot of headroom. We are not going to take it, but should we need to, as at 31st March 2023, the end of the last financial year, the net public debt ceiling restricted by the GDP parameter stands at one billion and ninety

420 five million pounds. Net public debt as a percentage of GDP stood at 22.4% as at 31st March 2023, leaving headroom for an additional borrowing of £481.8 million.

Mr Speaker, just to reflect on that, they are the ones who come here, to this debate in particular, to pontificate about how much debt we have taken, how much debt we have incurred, how terrible the debt that the GSLP Liberals have incurred is – ‘Isn’t it terrible?’ At the last election they were in government, they did not tell the public that they had three or four million left before they bust the debt ceiling. They hid that. The GSD hid it from the public with some of the characters who defend the same position now in the GSD fighting that election and some of them in their executive committee. They hid from the public that they were about to hit the wall, bust the debt ceiling. I am telling the public before we go into a General Election that we have almost £500 million of debt available to us should we need it. How can they even think of coming here to preach to us about whether the debt is too big under the GSLP Liberals? Because it is easy. That is why they do it, because they do it politically. They do it in a way that does not look at the numbers in the Estimates Book, does not take people to the numbers in the Estimates Book. That is why they say ‘Please ignore the Estimates Book, it does not contain the truth,’ thereby denigrating the work of the Treasury, the Financial Secretary, hundreds of civil servants as controlling officers etc. Why do they want you to ignore the Book, Mr Speaker? Because the Book tells a story they do not want you to know, a good success story of the GSLP Liberal period in government, with £480 million of headroom, of more debt than we can take, and under them we were days away from busting the debt ceiling, something which they hid from the public in the General Election of 2011.

440 Aggregate debt – gross debt – now represents just 30.9% of GDP as at 31st March 2023. According to the Office of National Statistics in the United Kingdom, since last month, for the first time, the United Kingdom already exceeded 100% aggregate debt to GDP ratio. In fact, when we took over, in financial year 2011-12, aggregate debt, which was £517.7 million, represented 43.1% of a GDP of £1.2 billion. So, even on the aggregate debt measure we hold a better record than that of the GSD. And Mr Speaker, can I just save them a bit of time? The comeback to this is not that there is some government debt through government companies, because of course the £517 million does not include the debt in government companies that they incurred and it does not include the £100 million almost of debt on the Hospital, which was under sale and leaseback. So if the comeback is, ‘Ah, but you have other debt in government companies,’ well you had other debt in government companies which if you were to include then would have immediately busted the debt ceiling before December 2011. So they can save their ink on that old chestnut, Mr Speaker.

We have also been lowering the GDP to tax ratio considerably in our terms in office. This year is no different. The ratio was 13.5% when we took over with a GDP of £1.082 billion and £146 million in total collected in Social Insurance at £24.1 million and personal tax at £122.5 million. Last year, the ratio was already one third lower at 8.7%, with a total of £225.6 million collected in Social Insurance at £45.6 million and person tax at £180 million. This year is going to be even lower, where the ratio is going to be 8.6%, despite the temporary tax increases of 2% for two years that I had announced last year. This is based on a Social Insurance collection of £53.6 million against a personal tax take of circa £182 million on the factor cost GDP calculation of £2.7 billion. A GDP to tax ratio of 8.6% measures super-favourably to the GDP to tax ratio in the UK of 32.7%, which is 73.4% higher than in Gibraltar. That is a good comparison to do between Gibraltar and the UK that some might want to reflect on. The GDP to tax ratio in Spain to the end of 2021 is 36.6%, which is 76% higher than in Gibraltar. Sometimes, it is worth Gibraltarians considering just how well off we are compared to residents of other nations, and this statistic is an important one in demonstrating that.

Finally, Mr Speaker, on the GDP, with all the usual caveats I want to give the GDP per capita calculation. I have long insisted that this is not an exactly meaningful calculation. It is a measure, however, that is often used internationally. The GDP per capita in Gibraltar is £80,517 per person. At the exchange rate on 16th June of US\$1.28 to the pound sterling, the GDP per capita of Gibraltar

amounts to US\$103,000, drawn with that of Ireland, which is third in the world ranking, just below Luxembourg and Norway. It does not mean much, but it is a measure that the Hon. Sir Peter Caruana introduced to this debate and therefore I maintain it. The GDP per capita in the United Kingdom is US\$45,295 and in Spain US\$29,421, making these important reference points 23rd and 40th in the ranking respectively.

Mr Speaker, underlying that magnificent GDP performance is the entrepreneurship of our business men and women and the hard work of our people and those who travel to Gibraltar to afford us the benefit of their hard work too. In 2022 the yearly average for Gibraltarians registered unemployed was 29, a staggering 93% reduction in unemployment since 2011 when it stood at 442, despite the many pre-election meetings held in the Minister for Justice's offices in No. 6 Convent Place. That is a reduction of 413 more Gibraltarians in employment each month in our time than in their time. In 2023 we have continued to maintain low unemployment levels, where in the second quarter of 2023 the average of registered unemployed stood at 26. That represents a staggering and hugely creditable 95% reduction in unemployment since the first quarter of 2012 when we were first elected. I am proud of that record and I credit the Future Job Strategy and the very committed staff of the Employment Ministry, in particular the indefatigable Debbie Garcia, for these excellent results. As a result, the Employment Survey, which hon. Members have received today, shows that total employee jobs increased year on year by 2.5% – that is 747 more jobs – from 30,403 to a record high number of jobs in our economy of 31,150. That is an all-time high number of individuals registered as working in our economy. It is in keeping with the GDP growth we have reported. The growth comprised an increase of 797, or 3.1%, full-time jobs and a decrease of 50, or 1.1%, part-time jobs. The increase was concentrated in the private sector, which grew over the year by 915 – that is 3.9% – from 23,638 to 24,553 in 2022. The MoD also increased marginally by 13, or 2.7%, over the year from 486 to 499 in 2022. The public sector decreased by 181, or 2.9%, year on year from 6,279 to 6,098 in 2022.

Average gross annual earnings in respect of all employee jobs increased by 5.1%, from £32,443.47 in October 2021 to £34,105.45 in October 2022.

Mr Speaker, one of the drivers of our economy, as I set out in the analysis of the GDP, is tourism. The effect of COVID on this area of activity therefore greatly knocked the economy, and consequently government revenue and the public finances, for six. In the past year, total arrivals including non-Gibraltarian frontier workers increased by 38.2% – 2,244,655 – over the year to 8,120,685 in 2022 compared with 5,876,030 in 2021. The estimated total number of visitor arrivals, excluding non-Gibraltarian frontier workers, increased year on year by 75.1%, or 2,107,855, from 2,806,830 to 4,914,685 in 2022, reaching 61% of pre-pandemic levels already.

Arrivals by land in 2022 including non-Gibraltarian frontier workers was 7,708,394, increasing from the previous year by 34.5%, or almost two million, although still remaining below pre-pandemic levels. The largest positive impact came from visitors arriving in coaches, which increased by 96,000. Visitor arrivals crossing by motor vehicle increased by 30%, or 1.349 million. The number of pedestrians also increased by 40%, or half a million. The number of visitor arrivals by land, excluding non-Gibraltarian frontier workers, rose by 70%, or 1.8 million. The numbers are all in the Tourist Survey.

Visitor arrivals by air in 2022 grew by 64% almost, or 72,000 people, reaching 89% of pre-pandemic numbers of visitor arrivals by air. Visitor arrivals by air staying in Gibraltar increased by 34% over the year and surpassed pre-pandemic levels during the month of April, rising by 14% – not just because we were the only air corridor to the UK; this was the year after that, this was the year when the airways were open. The percentage of total visitors by air staying in Gibraltar stood at 45.2%.

Arrivals by sea in 2022 continued to increase compared to the previous year as coronavirus restrictions were lifted. Arrivals by sea grew by 583% year on year, mainly due to the increase in cruise calls and the smaller impact from the reintroduction of the ferry commencing around mid-2022. The number of cruise liners increased by 131, or 298%. Cruise ship passengers grew as a result of this, when compared to the previous year, from 22,229 to 213,383 in 2022.

525 Tourist expenditure is estimated to have grown by 63.1%, or £80.86 million, year on year, from  
£128.19 million to almost £210 million in 2022, driven largely by an increase in the number of  
excursions from Spain and the influx of cruise ship visits. Expenditure by excursionists from Spain  
increased by £65 million, or 83%. Spending by cruise excursionists increased by £10 million over  
the year.

530 Visitor arrivals at hotels increased year on year by £3.4 million, or almost 10%, as hotel arrivals  
rose by 22% despite the closure of the Caleta Hotel. The largest positive impact came from tourist  
arrivals, that grew by 28%, to our hotels. Room nights sold grew year on year by 15.4%. Room  
occupancy increased significantly by 72.4%. Guest nights sold increased by 10%, reaching 86% of  
pre-pandemic levels. Isn't that remarkable?

535 When we come to Question Time and we listen to the Hon. Mr Bossino attacking Mr Daryanani,  
one would think that all these numbers were going in the wrong direction. They are all going in  
the right direction. When you look at the numbers, when you look at the reality of what is  
happening on the ground outside of this Parliament, when you look beyond the rhetoric to the  
reality, what you have is the success story that I have just set out and is in the Tourist Survey that  
hon. Members now have. Mr Bossino might want to get up and say, 'You should have done better,  
you should have done more.' Of course it is easy from the side lines – the bulls are seen very well  
540 from the barrier, which I am sure is a phrase Mr Bossino is well acquainted with – but when you  
are in the arena to deliver these numbers, diligently working hard every day, these are numbers  
to be proud of in tourism.

All that brings me to the effect of all those indicators on the public finances of this community.  
I can confirm that the draft Estimates Book is once again published online, in similar fashion to  
545 last year. If those beyond this place cannot find it, it is on all my last social media feeds. There is a  
link to the Book and you can click onto it there. I trust that members of the public will thus be able  
to see clearly where every penny of their tax pounds comes from and where it is going. The public  
should be able to follow as they listen to the deliberations of this House. I therefore refer all those  
watching or listening who want to follow the economic part of the debate to look at the Estimates  
550 Book as we go through the next sections. I will refer to the relevant page numbers of the Book  
during the speech to make it easier to follow, although unlike Tinkerbell I will not be sounding a  
sound when I do.

Inflation, world events and uncertainty in the markets all continue to create pressures which  
have made the next 12 months extremely difficult to predict. As always, we have taken an  
555 extremely prudent approach when it comes to our figures. Let's start by looking back first at the  
year gone by. We were projecting a loss for 2022-23 of £45.26 million. That is to say a deficit of  
close on £50 million. As I have made public already, we have come in at a projected loss of  
£15 million, £30 million less of loss in real cash terms. What a recovery. And to be clear, I am not  
claiming credit for that, I am announcing it, as is my responsibility, but I am thanking every  
560 economic actor in our economy for the increased revenue that we have had. I am thanking every  
controlling officer in the Departments and Ministries for sticking as closely as they have to their  
spending targets. Apart from demand-led areas like health and electricity generation, we have  
largely stuck closely to our spending targets. I thank my ministerial team, in particular the Minister  
for Financial Stability, Sir Joe Bossano, for taking the decisions we had to take to ensure we  
565 reduced the deficit as we have. Greater revenue to government coffers – for that, I thank our  
entrepreneurs and the private sector and every taxpayer in this economy. Sticking to spending  
targets – for that, I thank our controlling officers, Ministers and the public sector as a whole on  
behalf of taxpayers. That is the recipe for this magnificent performance in the last year.

Mr Speaker, let me see if I can break this down into a more relevant analysis for those listening  
570 and watching to understand. Our third-party revenue came in at £730 million, over £90 million  
more than our projected revenue of £637 million. That is record revenue again, the highest  
revenue in the history of our public finances. This shows that government revenue streams were  
recovering sooner than anticipated, despite all the adverse effects of the pandemic. That is  
evident from page 5 of the Estimates Book for those following using the Book.

575 Personal and corporate tax came in at some £100 million in excess of our projections, and that is on page 6 of the Estimates Book. This is, in part, the first-year effect of the increase of 2% on personal tax and the increase of corporate tax of 2.5% which were announced during last year's Budget and not factored into the Estimates Book when it went to print at the end of April last year.

580 With regard to import duty we were hopeful that we would see an improvement from 2021-22 and provided an estimate of £120 million. Unfortunately, import duty revenue once again was disappointing and came in at £93 million. The COVID Fund stepped in for the last time to cover the difference. I will say more on the COVID Fund later on and how and why it will no longer impact the Estimates going forward.

585 General rates and salt water charges were actually down, but this was due to discounts still being applied and businesses still catching up with the impact of COVID.

GHA Group Practice Medical Scheme revenue came in around £3 million over our Estimates. For those following the Book, this is visible on page 9. This is directly in line with the increases in Social Insurance and enables the public to see the direct effect that this has had on the affordability of our Health Service.

590 Revenue from the increased electricity tariffs is also reflected in the Estimates Book, as this came in some £3 million higher than estimated. Again, this is on page 9 of the Book.

Tourism began to recover during 2022-23 and this is shown by the £3 million of additional tourist site receipts collected in comparison to the estimate. This is visible on page 7 of the Estimates Book and puts into its proper context Mr Bossino's constant, self-serving, negative and unconstructive criticism of Mr Daryanani's work as Tourism Minister. In fact – funny how the numbers do not lie – Mr Daryanani is the Minister for Tourism who has presided over the highest revenue in tourism and tourist site receipts in our history, which have more than doubled over the receipts we inherited from the GSD, which Mr Bossino holds up to us as the pinnacle of achievement, because he refers to it as the 'golden legacy' that we were left by the GSD. More than double means 100%. Inflation was 29% in that period. In the circumstances, when we hear Mr Bossino's no doubt vicious criticism of Mr Daryanani in days to come – 'Yawn!' I hear the public cry – we shall all be reminded that it is a hollow criticism, as demonstrated by this magnificent financial performance in those lines of receipts in the first year post COVID – not in 2023, I am reporting 2022 – because the strong rhetoric from Mr Bossino is not matched by the reality on the ground actually delivered by them when they were in government, especially when compared with the more than double performance from us in this area despite the intervening pandemic.

600 Additionally, port revenue was in line with our estimate, even despite the limited cruise line activity, as this industry was the most impacted by COVID and is still recovering worldwide. That is on page 10 of the Estimates Book and is also a credit to Minister Daryanani, who is also Minister for the Port, despite the constant and negative criticism from his shadow in that portfolio, also. I wonder who it is ... Ah, yes, Mr Bossino. The objective facts just do not cut it for Mr Bossino. They demonstrate that all his criticism is simply political rhetoric and not actually a criticism of what is happening on the ground when it comes to tourist expenditure, when it comes to tourist receipts and when it comes to port receipts.

610 Most of the other revenue you will see in the Book, in the blue pages at the beginning, was in line with expectations. This, in itself, is to be welcomed and is a credit to the estimating process undertaken by the Ministry of Finance, which I have the great honour to lead. All of that is evident on pages 6 to 10.

620 On the expenditure side, I believe we once again managed reasonably well. We projected Consolidated Fund charges of £99.4 million and the forecast figure came in at £110.3 million. That is on page 13 of the Estimates. The difference is made up of an additional £5 million in respect of borrowing costs as interest rates soared – thank you Kwasi Kwarteng – and £4 million in respect of additional tax refunds. We provided for a potential increase in borrowing costs, but no one could have expected the sharp increases during 2022-23 arising especially after the Kwarteng

625



budget, which saw interest rates literally jump within 24 hours. No one could have projected for those in February 2022 when last year's Estimates Book was being cast.

As for tax, we maintain our policy to give back as soon as possible, and this was shown by the £4 million increase beyond the estimate we spend on refunds. It is important to note that these payments were repaid to taxpayers and they were made in a deficit year. We could just as easily have held back tax refunds and made the deficit even smaller. In fact, I think I should just quickly do the analysis – I believe we paid, in total, £14 million. So we provided £10 million to pay refunds, we added £4 million to that and we came in at a deficit of £15 million. If we had not paid the tax refunds, if we had done that which I found was the case when I was elected in 2011 and refunds went back to the age of Alexander the Great, we would likely have had a surplus even in the year that I am reporting the deficit for, because the amount we gave back to taxpayers and the amount of the deficit is almost identical. But we did the right thing and we gave it back to taxpayers when the taxpayers needed it most. There is a cost of living issue affecting everyone and these are hard times, so the Treasury should not hang on to taxpayers' money when it should be refunded, and that is why we spent the £10 million that we had provided for and added £4 million, to put more money back into taxpayers' pockets.

As for departmental expenditure, we projected £552 million and the forecast outturn came in at £605 million, a difference of 10%. Three quarters of this is not unexpected, with a £35 million overspend in the demand-led areas that are the GHA, ERS and the Care Agency. There are a number of reasons for this and I am going to go through them.

In the last six months of the financial year, all COVID costs were absorbed by the departments. This added an additional spend to the GHA, ERS and Care Agency, which we did not provide for and previously would have been met by the COVID Fund. The cost of medical supplies, drugs and pharmaceuticals have all increased worldwide. This is another cost that we did not envisage and could not estimate for, but which we could not avoid. We continue to give the best care and service to our patients and this resulted in an additional cost of around £4 million in sponsored patients-related expenditure. Again, we would not seek to curtail this spending, even though it puts us over our estimates and even though we are criticised by the GSD for overspending. It is overspending on people's health, on sending them to see a doctor in the UK, to have their operations in the UK, on paying for the medicines that have got more expensive. How can they tell us that we should not be spending this money, when it has to be spent?

The GEA is another authority that came in at higher than expected cost, with a total of £78 million when compared to an estimate of £54 million. That accounts for the balance of the overspend that I have referred to the House. Exclusively health, care and electricity generation. The increase in price of LNG accounted for over £9 million of this overspend. Whilst we have done away with some of the temporary generators, we are not yet able to safely dispose of these and we have to therefore continue to maintain them, and they run on diesel. Maintaining these in conjunction with the higher fuel costs is another reason for the GEA overspend. Otherwise, again broadly in line with other years, most departments fell within the boundaries of their Estimates whilst others overspent slightly. The slight overspend was compensated for by the savings.

I now turn to the COVID Fund, and that can be seen on page 279 of the Estimates Book. At the time of the preparation of the Estimates Book we took the optimistic approach that the worst of the pandemic had passed and all that remained was the impact of COVID on our main revenue streams, for which we provided £40 million for 2023-24. In terms of expenditure, we believed we would be over the worst, and such was our optimism that we only estimated expenditure of £120,000, specifically to protect our most vulnerable, the elderly. Of course, it was not that simple, and whilst being close, we were still off and the COVID Fund has had to absorb over £2 million in respect of COVID-related costs for the Gibraltar Health Authority. As has been said many times in this House, the COVID Response Fund has been funded by Government borrowing. The effect of this shortfall in revenue for 2022-23 was why the Government needed to borrow. It got to a point during 2022-23 that we had no choice but to accept that COVID was now part of everyday life. This led to the decision to dissolve the COVID Fund and any COVID-related expenditure would now

680 be departmental expenditure, another reason for increased costs across some departments. The remaining balance in the fund, £2.86 million, is the total from all donations received from the community. These donations were from citizens, including children and senior citizens and, of course, our business community, some of whom made substantial donations. We have always said that these moneys would be used for an exceptional purpose for the benefit of the entire community, linked of course to the GHA. I am pleased to announce that we will be investing in a significant overhaul of the entrance to the Hospital, in which the entrances to the PCC and 685 St Bernard's will be one and the same and will include new modern and comfortable waiting areas for the entire Hospital, with digital check-in facilities and enhanced meeting spaces adjacent to the new entrance for patients and visitors. A visual representation of how this will look will be published in coming days. The new areas will also create a new mezzanine floor which will house and centralise administration for the whole Hospital in one area. This change will mean that 690 waiting areas and administration areas around the entire Hospital will be released for clinical use and centralised within the new facilities. It is our intention to acknowledge the magnificent contributions received by the GHA in the new entrance and we shall shortly consult widely with the detailed plans to ensure this is a real Team Gibraltar project, funded by all for the benefit of all. I hope that this will be the last time I will have to speak on the COVID Response Fund to this 695 House.

Mr Speaker, I have already informed the public, during an address to the Chamber of Commerce annual dinner, that we are projecting a £2.5 million surplus for the current year. That does not mean we are fully recovered from the last few years, far from it, but we are certainly back on track and back on the right track. Additionally, aside from COVID, we cannot ignore the 700 other external factors producing challenges for us. Continued inflation above the 2% target and rising interest rates also affect the public finances. These are not factors we can control, but we have nonetheless tried to factor all these into the estimating process. We are conservatively estimating revenue for the year 2023-24 of around £723 million. That is some £7 million below the forecast outturn for 2022-23. The reasons for this are as follows.

705 Tax receipts are pitched slightly lower than the outturns – they always are. Again, we consistently estimate conservatively in this area.

We have reduced our import duty estimate in line with last year's outturn and no higher, so we are going to keep an eye on that revenue. Again, it is prudent to be conservative with this particular revenue stream. The first three months of the year are on track to achieve the 710 £95 million estimate that we have made.

We remain hopeful that the number of visitors and tourists continues to increase, as the tourist survey shows, and that the forecast outturn will improve. Again, we nonetheless estimate prudently. All other revenue streams are also estimated on a very prudent basis, to ensure that if there is any error we are underestimating our revenue and not overestimating it.

715 Mr Speaker, in terms of expenditure we are projecting Consolidated Fund charges at £120 million and departmental expenditure at £570 million. The reasons for this are as follows. The Consolidated Fund charges factor increases in our external cost of borrowing assuming an average base rate during this financial year of 4.25%. Similar to last year, we may find that the outturn exceeds the estimate given the approach in recent months by the Bank of England on increasing rates further, contrary to what was originally envisaged. Indeed, since the Estimates Book was presented to Members of the Parliament, interest rates have gone up already by ¾%. Given the Prime Minister's statements to the effect that inflation must be controlled, the Bank of England is likely to take that as an instruction, in effect, although it is independent, to be more aggressive than the Federal Reserve and the ECB in continuing to raise interest rates.

725 As I said last year, borrowing costs are mitigated by channelling costs through the General Sinking Fund, but this of course impacts liquidity and surplus.

Departmental expenditure is estimated at £570 million. This is down by £35 million from the year just closed. We continue to be prudent on spending whilst providing for the increases in

730 inflation and other external factors and we must continue to be controlled and ambitious to deliver the surplus estimated and, if possible, an increased surplus.

Additionally, we are making a commitment to repay 10% of any surplus toward the COVID debt. Given the anticipated £2.5 million estimated surplus, we are providing £500,000 for such a repayment, to allow for the surplus to be up to double the estimate.

735 Last year I raised in this House that back in 2003-04 – 20 years ago – the GSD entered into a finance agreement to purchase and fund the current St Bernard’s Hospital. That was an agreement we have previously said was bad for the taxpayer. In fact, it was an agreement done in Mr Azopardi’s time as a Minister, but which Mr Feetham himself has been highly critical of. To be fair, it is the one thing I always accuse Mr Feetham of being consistent on, his criticism of the GSD deal for the sale and leaseback of the Hospital. He does not often get faint praise from me. This was a deal done under the former, former, former leader of the GSD whilst the current leader of the GSD was a Minister, but criticised by the former, former leader of the GSD and with that former Minister now being the current leader of the GSD. *(Interjection)* I know.

740 I raised last year that the initial finance raised by the GSD of £54 million would end up costing the taxpayer £109 million, so long as we paid it all back last year. If we did not, the £54 million would have cost even more than £109 million. So no lectures from them, please, on how to manage debt. In the Budget debate last year I advised that we had been given the opportunity to get out of this agreement. It was what is colloquially known as a no-brainer that we should get out of that GSD arrangement, and in July 2022 we filed the relevant documents to not only benefit from a rebate of £825,000 but to give us the opportunity to terminate this historic sale and leaseback – historically bad sale and leaseback – and enter into a new agreement to repurchase the Hospital building and vest title away from the bank. Had we not done so, we faced an obligation to make a £17 million bullet payment that was due under the GSD arrangements in January 2023.

745 So we exercised the option to buy Gibraltar out of those massively unfavourable GSD debt arrangements, which were not on the balance sheet, which were not in the Book. Once we exercised the option, we looked at several different repayment options taking into account different repayment period lengths and the various rates offered, but always trying to make a saving on paying for the building we had owned and the GSD sold, and to have more money left over after that exercise to spend on healthcare. Given the volatility of the interest rates in the negotiation period, we have opted to secure a short-term, fixed-term product. We have agreed a three-and-a-half-year term to repay the full outstanding balance of £16.9 million at an all-in rate of 4% at a time when the Bank of England base rate was 3.5% and there was no certainty it would stop increasing any time soon. This facility has been obtained with the Gibraltar International Bank. Other options available were on a longer-term basis and at variable rates which would now already have seen us paying a rate of over 6%, so we made the right choice. The Hospital is now once again owned by GCP Investments Ltd. The building is valued at over £40 million on our books. This new deal is extremely beneficial to the taxpayer in the short and long term, and most importantly, these arrangements undo the sale and leaseback which was so rightly vehemently criticised by Mr Feetham 20 years ago. We are already saving over a million pounds a year over the long-term option we had been offered, which is now at 6%, and in three years’ time we will have freed up a further £5 million available to spend on healthcare for our people. Ironically, this is the GSLP Liberal Government undoing indirect borrowing that the GSD incurred – with Mr Azopardi in it – the very thing that they criticise us for in this debate.

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770 It is high time that we stopped differentiating between mental and physical health and I much look forward, therefore, to welcoming the service users to our new Community Mental Health facility in the coming months, which will be partly funded by a charitable donation, particulars of which will be announced shortly, and this will also be at St Bernard’s. I am also grateful to the Mental Welfare Society for their helpful comments on the improvements to our Mental Health Services, which are most welcome.

780 Mr Speaker, last year I announced that the Government had made the decision to exercise our  
de facto option to acquire all the issued share capital of AquaGib. I am pleased to report that we  
continue to make progress on our acquisition of AquaGib. I had hoped to have completed this by  
now, but as hon. Members will know, the Government will only conclude agreements as and when  
785 we are satisfied that they are in the taxpayers' best interests and we have negotiated them in the  
best possible way. Additionally, of course, since the last Budget session a lot has happened, not  
least the fire in Powers Drive which occupied two months of senior AquaGib executives' time and  
has therefore undoubtedly delayed us. We are, nonetheless, working through a review of the  
assets of AquaGib, and when this is finalised we will proceed to complete. I will not set a deadline  
790 for doing so, as I do not want that to work against the taxpayers' interests in the negotiation. I  
shall very much look forward to making the announcement that the acquisition has been  
completed in whatever timeframe we can.

I now want to address the separate issue of the COVID debt. Last year I discussed our strategy  
for the repayment of the COVID debt once this had fully crystallised. The strategy was always, as  
I have told the House before, to enter into a 25-year repayment plan in December 2023. The top  
795 cover for that would be a UK government sovereign guarantee for that period to amortise the  
interest rate liability for the debt over the period and we had achieved agreement from HM  
Treasury to the initial period. The one thing that no one expected was the volatility of the markets  
and the sharp changes in interest rates in the last 12 months. The reasons for the sharp increase  
in interest rates since last October are well known and I have already alluded to them during the  
800 course of my address. As a result, in order to save the Gibraltar taxpayer millions of pounds in  
interest rates over the next 25 years, our strategy has had to be adjusted in order to be as prudent  
and cost effective as possible. It is clear that entering into a long-term repayment plan now, when  
interest rates are at their peak, would simply have had Gibraltar enter into the most unfavourable  
plan, and burden us all for 25 years. That was something I was not willing to do. A quarter of a  
805 century of higher than necessary interest rates on £500 million of borrowing would be the wrong  
decision for Gibraltar, even if it meant that I could not come here now and say that we had settled  
the 25-year period for the debt.

We changed our strategy in partnership with and with the full support and advice of HM  
Treasury. We therefore engaged with the banks and extended the current facility for a further  
810 three years, to December 2026. That means that we can fix for the final 22 years when interest  
rates are again expected to be lower, thereby taking the benefit of those lower rates for the  
taxpayer. If they have not come down yet, we can fix again for three years, if we have to, and wait  
until the best moment when interest rates are deemed to be again at a low, and then fix for the  
remainder of the 25 years. I am therefore pleased to be able to announce to the House today that  
815 we have agreed the same terms with RBSI/NatWest for a further three-year extension of the  
current facility. This facility is covered by the UK sovereign guarantee. Documentation is being  
reviewed and should be finalised within the next few weeks. This not only shows the excellent  
work being done between HMGoG and the banks but also the faith that the banks have in us and  
our ability to deliver. We are hopeful that during the next three years the markets will settle and  
820 we will be in a better position to negotiate the best long-term deal for Gibraltar to repay this  
facility. This long-term facility will include a commitment – this is hugely important – to repay 10%  
of any surpluses in our Budget towards the debt, which has always been the idea from day one  
and is something we proposed and was not required of us by the lenders.

The UK government and HM Treasury have always maintained that they will continue to  
825 support Gibraltar on the long-term repayment plan on the COVID debt. I take a moment to remind  
us all that without the guarantee back in 2020 the facility that pulled us through COVID would  
have been much more expensive. It simply is not the same to go into negotiations with banks and  
institutions having a UK guarantee and going in without having one. Changing the focus of the  
repayment of the facility into a further initial three-year term for the reasons I have set out has  
830 obviously resulted in us having to change the focus of the guarantee. Discussions to extend the  
guarantee have been ongoing with the UK government to secure the three-year extension to the

guarantee, given we are rolling over the facility for those further three years. The Financial Secretary has been working closely with officials in both the FCDO and HM Treasury to secure the extension to the loan guarantee. The extension has now received FCDO official approval and is going through the HMT, ministerial and parliamentary approval process. The whole thing will have to be laid on the table in Parliament for a particular period of days in the UK, as we will have to lay also the loan document here. Our thanks to the UK government, in particularly HMT and the FCDO, for their work and consideration on this matter which exemplifies both the confidence the United Kingdom has in Gibraltar and its Government and how much we can rely on the United Kingdom when it matters.

Beyond these three years, we have had a political commitment from the UK government from the beginning to continue to work with us to assist by the provision of the guarantee in respect of the remaining 22 years. This is, of course, subject to the terms of the final 22 years of the facility being agreeable and the guarantee receiving official, ministerial and parliamentary approval as necessary when the facility is agreed. Over the next few years we will be looking at different options in respect of the long-term plan. Indeed, initial conversations have already been taking place, so it is not something that we would leave till the last minute. In the final analysis, what is important is that I see no reason whatsoever that we will not, as we anticipated, have the facility and the guarantee for the next 25 years to amortise the repayment of the extraordinary multigenerational debt we had to acquire to deal with the COVID pandemic, which we acquired with the agreement of Members opposite.

Mr Speaker, the rainy day funds have continued to be available and in great measure have been uncalled upon. The Savings Bank now has a reserve of £67.5 million, estimated to go up to well over £70 million in this financial year. It is remarkable to think that when we were elected the bank's reserves had been entirely depleted by the GSD. There was literally only £1,000 left in the kitty then. Today the kitty is full and getting fuller under the auspices of the management of Sir Joe Bossano. We have not had recourse to that reserve, even in this time. We will not be taking many lessons, again, from them on savings, given that they left the Savings Bank with no savings, only £1,000, and we now have it at £68 million. Additionally, the trustees of the independent charitable trust Community Care report that they hold a reserve of £38 million. Although that is less than we would have wanted them to have – we were aiming for much higher – it is £38 million more than what they had when the GSD were in power. They allowed the charity to have its funds also depleted to zero. However much they preach and pontificate about prudence, the fact is that the one time they got their hands on the purse strings they stripped the rainy day funds bare. Just remember that the Savings Bank had a thousand pounds – that is to say it was stripped bone dry under the GSD – and it has £68 million now. Just remember that the independent charity Community Care had £60 million when they were elected and it had zero, zilch, by 9th December 2011, and it has £38 million now. Indeed, the former GSD administration said it was raining – I remember the former Chief Minister coming in one day and saying, 'It's raining,' – because they wanted to spend the rainy day funds, but there were no materially adverse political circumstances applying at that time. There was no pandemic, it was nothing to do with the joint sovereignty challenge, it was just raining – raining because they said so, raining because they wanted to bung more. Now, £69 million in the Savings Bank and £38 million in Community Care. The GSLP Liberal administration, conversely, has preserved the rainy day funds even when it has been pouring pandemics and political problems like Brexit. So by any objective standard, by any genuine analysis that is not party political in its focus, it is clear that it is the GSLP Liberals that are prudent with spending and, in particular, with the promotion and protection of the rainy day funds.

I now turn now to my responsibilities in respect of the Civil Status and Registration Office. The department continues to provide all services relating to citizenship, registration of births, deaths etc., and we can see by the rising number of requests for services that there is a clear indicator that Gibraltar is returning to pre-pandemic activity. With regard to marriages and civil partnerships, a total of 1,761 marriages were performed in Gibraltar. In addition, 43 civil partnerships and 11 conversions from civil partnership to marriage were also undertaken. The

885 department has been promoted in television programmes in France and we see this having an  
effect in the number of marriages that are taking place in Gibraltar. Mr Speaker, I want to lay on  
the table today – and hon. Members have had already, I think, circulated to them – a short report  
on the other excellent work being done by this department, which includes data on births and  
deaths registered as well as applications for Gibraltarian status, nationality, permanent residence  
and visas. I ask that these be taken as read into the *Hansard* as a handout is at Question Time at  
890 the end of my Budget address.

On Customs, I also want to address my responsibilities as Minister. HM Customs continues to  
work as part of the Government team in the treaty negotiations in order to ensure the best  
possible outcome for Gibraltar with regard to the cross-border movement of goods is achieved.  
The department has continued to deliver a value-for-money service through its collection of  
895 import duty and fees and the prevention and detection of crime. As a result, this past year has  
seen an officer being assaulted whilst trying to curtail some smuggling activity, and a customs  
vessel being fired upon, this time using a firework. These acts, conducted by criminal groups, have  
been meant to intimidate our officers and disrupt their operations. Notwithstanding, officers have  
remained resolute and determined to uphold the law for the benefit of all our community. Their  
900 work includes seizing two tonnes of cannabis and almost 200kg of cocaine in the various  
operations they have been involved in this past year. The Government stands with all our officers  
in such circumstances and I thank them all genuinely for their work in every regard. Every time  
they succeed the criminals fail and all our people, especially our children, are safer as a result.  
Mr Speaker, I now lay on the table a short report on the other excellent work being done by this  
905 department, which includes data on training, seizures of items being smuggled into Gibraltar and  
data on the control of attempts to trade illicitly in tobacco. I ask that these, too, be taken as read  
into the *Hansard* as a handout, as at Question Time. Hon. Members will welcome the fact that  
that curtails the length of my speech this morning.

Mr Speaker, taxation is the lifeblood of any government. It provides the necessary resources  
910 to fund public services and infrastructure development. It is a significantly important contributor  
to our economy and consistently accounts for approximately between 40% and 50% of recurring  
government revenue. It is, therefore, essential that, as is customary, I update Parliament on  
developments in this field that are relevant to our jurisdiction, our community and the general  
public in their capacity as service users.

915 The total amount of tax collected in the 2022-23 financial year is £406.8 million. That comprises  
£247.7 million in personal taxes and £159.1 million in corporate tax. This year, we have seen  
£47.3 million more in personal income tax and £37.3 million more in corporate tax than in the  
previous financial year 2021-22. The increased rates announced in previous Budget sessions for  
both personal and corporate tax are delivering the results envisaged. Whilst unpopular, their aim  
920 was to stabilise our economy moving forward. Stabilised our public finances they have. No  
government willingly increases taxes unless it is absolutely required to do so. Those that do  
typically do so to secure an economically prosperous future for their citizens. That is what my  
Government has done. Hard times require strong leadership; strong leadership and robust and  
affirmative decision-making. These decisions may sacrifice personal political popularity in the  
925 short term but ultimately seek to ensure financial stability and future successes. That is the type  
of leadership Gibraltar needs and deserves. That is the type of leadership we who are in  
government deliver. Short-term gains need to be balanced with long-term economic strategy, and  
that is what we are doing. The evidence is clear and the numbers speak for themselves, especially  
on tax revenue. Personal tax revenue has increased by 24% and corporate tax has increased by  
930 31% from the previous financial year.

The management of Gibraltar's finances is not a political tool that should be manipulated to  
gain popularity. The Government I lead does not do this and will not do this. The Government I  
lead takes its obligation on our public finances very seriously indeed. We understand that holding  
Gibraltar's purse strings requires serious and mature thought and a good collegiate approach with  
935 experienced Cabinet colleagues in conjunction with the expertise of successive Financial

Secretaries and the Commissioner of Income Tax. Responsibility for public finances needs long-term vision and the ability to navigate a roadmap to get to where you want to go. Many might ask where it is that we are seeking to go. The answer is simple. The answer is: renewed economic success – Gibraltar’s renewed economic success, our renewed economic success. We are now  
940 close. Our forecasts show that there is light at the end of the tunnel, a tunnel that was dug deep by the impact of the pandemic and our exit from the EU. In overcoming these last hurdles, we must all stand united, patient and resolute as we continue with our prudent financial management plan. This is a plan designed to deliver a return to prosperity in Gibraltar, a Gibraltar for everyone to enjoy, a Gibraltar that our children and our children’s children will enjoy, a home for  
945 generations, a financial Rock standing steadfast against economic adversity and emerging stronger than ever before. That is what we aim for, that is what we stand for, that is the path we are on, and this is what we are determined to achieve. As I have said previously, it is not an easy path. This is evidenced more than ever by the manner in which we have forecasted future tax receipts. Our financial estimates for the 2023-24 financial year are conservatively projected as  
950 £405 million. This cautious estimate ensures that any residual impact and risk from both our EU exit and the pandemic are considered and suitably hedged against.

Mr Speaker, during the 2022-23 financial year, my Government continued investing to ensure ongoing progress is made in issuing tax refunds. During 2022-23, £10 million was allocated in the Estimates to the payment of tax refunds, exhibiting our commitment to ensure that as many  
955 taxpayers as possible are repaid the moneys due to them. Prudent financial management does not mean cutting all spending indiscriminately. It means spending wisely. It means investing meaningfully for the benefit of the majority. There is no better example of this than the continuing investment this Government makes towards the repayment of tax refunds, putting money back into the pockets of taxpayers. Despite the shrewd approach to public spending, we have not  
960 reneged on our duty to the taxpayer to ensure that they are paid back in taxes what they are owed. These continued investments represent the highest amounts ever provided for tax refunds in government Estimates – the highest amounts *ever*. This is why my Government has been able to achieve such a significant improvement in the payment of tax refunds and the eradication of the infamous lengthy backlog we inherited in 2011. For this reason, significant amounts will  
965 continue to be allocated to tax refunds, with a further £10 million allocated in the financial year 2023-24. Taxpayers are not to blame for the financially difficult time we find ourselves in. This is solely due to a series of uncontrollable factors no one could have ever imagined. We would not have believed when we were voted into government in 2011 that we would face the challenges that we face. It is, therefore, unfair for the taxpayer to assume the burden unnecessarily and not  
970 get repaid what is owed to them. That is why we remain committed to giving back to taxpayers as soon as possible. The Commissioner of Income Tax’s Office advises me that the team continue to make progress with their tax refund programme, despite the lasting impact of the pandemic and resourcing constraints. Presently, refunds for 2019-20 have been completed and the team at the Income Tax Office continue working tirelessly to expedite the remaining refunds for 2020-21 and  
975 2021-22. I wish to take the opportunity to publicly thank all of them for their continued efforts.

Mr Speaker, there is a lot more I need to refer to the House on taxation that is deeply technical but very important. In order to minimise the time that I take on this address, and to assist  
980 practitioners in the field of taxation, I am laying on the table the additional 130-plus paragraphs that relate to this aspect my address. I ask that it be taken as read in this House to form part of *Hansard*. The matters in that additional material included matters related to the simplification of taxes, Pillar 2 measures, the digital tax office and a consultation on international tax matters. This is substantial and important material, but I will not read it all out, allowing instead that the material be reflected as the policy of the Government, in effect from today, now, and permitting it to be analysed in greater depth by technicians. All the additional material I am laying on the  
985 table will appear as annexes to the published version of my speech today, which will be available on the government website and social media when I finish this address.

I now turn to the specific Budget measures that will apply in this financial year. I will start with measures related to taxation. I will take personal tax rates first. The tax rates that were increased last year have contributed significantly to notable increases in tax revenue. As explained earlier, we are well ahead in the game. Our financial recovery journey is at a more advanced stage than we estimated. This is extraordinary news, a return to budgetary surpluses by financial year 2023-24. This significant achievement and the expectation that our weaker economic position of recent times has now been reversed are sufficient reasons to announce today that the 2% increase in personal tax rates implemented last year can be halved for those on incomes below £100,000. The Government is all too aware of the pressures households are now facing with the increases in the cost of living. Accelerating the reduction of these rates well ahead of time is now the right thing to do. Unfortunately, these increased rates of personal tax must continue into the second year as originally intended, albeit reduced by 1%. This will allow our future economic growth to be steadily supported as we return to the stability we had previously enjoyed, but Government does not feel it is right to collect more tax than is necessary from those families that are facing difficulties. For this reason, we are bringing the personal tax rates down by 1% for all incomes below £100,000. This means that the maximum effective rate for anyone earning above £25,000 and below £100,000 will be 26% and not 27% when taxed under the GIBS. Similarly, the effective rate will decrease from 19% to 18% for anyone earning below £25,000. Those earning above £100,000 will continue to have that income taxed at 27% for another year. If we are returned to government, all rates will return to 25% next year – once again, proof that this Government is all about giving back whenever we can. This is the satisfying result of making hard decisions, the ability to reverse such actions early and ease the financial burden on all taxpayers, as we have worked hard to do. This once again demonstrates that we are a Government that successfully manages short-term financial crisis, with the long-term economic prosperity of the community being the net result.

Mr Speaker, in these times it is essential that we ensure that we do social justice in the deployment of the fire power available to the community, and just like last year one of the things that our Budget must do is insulate the most vulnerable from the effects of continued high inflation and the increases in the cost of living that we are seeing affecting everyone, but in particular the lowest paid in our community. So keeping to the analysis that the key factors in economic vulnerability are earnings and dependence on state payments, my Government will continue to act to protect the incomes of the most vulnerable. In the circumstances, we will be ensuring that those on the Minimum Wage, those on disability benefit and recipients of the state or old age pension will all enjoy the benefit of increases in line with inflation to the payments that they receive. We will also take measures to assist the lowest paid in the public sector and we will provide a tax stimulus to encourage private sector employers to assist the lowest paid in the private sector also. I will take each of these in turn to announce the relevant increases that this Budget will provide, as follows.

The Minimum Wage will increase, in line with our estimate of inflation, at the rate of 6.2%. The Minimum Wage will, therefore, increase by 50 pence to £8.60 an hour. The Government considers this year, like last, that this is the best way to ensure that the minimum sum of money that people earn in our economy keeps pace directly with the cost of living in our economy. We are not increasing the Minimum Wage by more than inflation, but neither are we failing to increase the Minimum Wage at least by inflation. As a result, based on a 37.5-hour week, the Minimum Wage will go up from £15,855.75 to £16,770, an increase of £914.25 per annum. Based on a 39-hour week, the Minimum Wage will go up from £16,489.98 to £17,440. This is an increase of £951.80 per annum. Those worst-off in work will, therefore, enjoy the benefit of salary increases in the region of £950. Last year, the Minimum Wage went up by £1,200, this year by £950. Despite that, there are some sitting opposite us who pretend that they are the champions of the working class, and yet Mr Feetham and Mr Azopardi have sat in GSD Governments that failed to raise the Minimum Wage in many of the years that they were in government. Under the GSD, the Minimum Wage usually went up only in an election year, so the GSLP Liberal reality here really catches up



1040 with the great untruth that underlies GSD rhetoric in this area. It is the GSLP that introduced the  
Minimum Wage in its first Budget after the 1988 election. Now, in our second stint in  
administration, the GSLP Liberals can say that we have raised the Minimum Wage in every single  
Budget since 2011. And now, with the cost of living rising, the GSLP Liberals that I proudly lead in  
this House can rightly boast that we have delivered an increase of £2,150 in the Minimum Wage  
1045 in two years. That is an average increase of over £1,000 a year over the past two years on the  
Minimum Wage. It was £5.40 an hour, or £963.30 per calendar month, when we were elected.  
That equates to a Minimum Wage of £11,559.60 a year under the GSD. If we had just adjusted for  
inflation, the figure would have increased by 29.5%, or approximately £1.60 an hour, making it £7.  
1050 In fact, it is now £8.60 an hour, or £17,440 per annum. That is an increase of 60% in the Minimum  
Wage over 12 years, an average increase of 5% a year, an increase of almost £6,000 in 12 years,  
or an average of £500 per year under the Socialist Liberal Government that I proudly lead – proof  
positive, objective proof, that working people, especially those on the Minimum Wage, have no  
better representatives than the GSLP Liberals and are never better off than with a GSLP Liberal  
Government.

1055 Mr Speaker, it will not just be the Minimum Wage that will go up by inflation. The state pension  
and disability benefit will also go up by inflation, which we expect to be in the region of 6.2%. The  
increase will be rounded up to 7%. It is right that the old age pension and disability benefit should  
go up by the rate of inflation, in order to ensure that those who depend on those amounts are not  
affected adversely by the increase in the cost of living. There will also be an increase for  
occupational pensions from the Government, which will increase by 2% in line with the provisions  
1060 of section 6(2) and (2A) of the Pensions (Increase) Act. Those pensions have been increasing by  
2% each year for the last 21 years, even in the years when inflation has been lower. They will also  
rise by that rate today.

The student maintenance grant will increase from the next academic year by 15% for last year  
and this year, in order to assist with the cost of living increases in the United Kingdom over the  
1065 past two financial years. No student, no parent and no Gibraltarian or Gibraltar resident should  
ever take for granted the great benefit that having all tuition fees paid for and a full maintenance  
grant to attend any UK university to study any course any student may wish and achieve a place  
at actually represents – a GSLP policy which was roundly decried but has been the foundation of  
our people's professional development.

1070 The sponsored patient allowance will also increase by the rate of inflation over the last two  
years, or 15%. Our patients are in the United Kingdom and they need to be able to fund the time  
that they are there with dignity.

1075 Mr Speaker, I have had several very positive and very constructive meetings with Unite the  
Union, the GGCA and the Gibraltar NASUWT in relation to the cost of living issues that arise from  
world events beyond Gibraltar over recent years. These are, of course, principally the illegal  
invasion of Ukraine by Russia and the effect of the Truss/Kwarteng budget of autumn 2022 which  
has sent interest rates soaring. We acknowledge that this is detrimental to the workforce and that  
those worst hit are individuals on the lowest incomes, as they may find it harder to make ends  
meet. As the largest employer in Gibraltar, it is my Government's responsibility to lead on  
1080 mitigating such difficulties. We will do so, but without forgetting that we are a socialist party. With  
this in mind, I am delighted to announce to this Parliament the measures which will benefit those  
at the lower end, with a progressive system of thresholds to meet the most urgent needs of almost  
the entirety of the workforce.

1085 The Government is fully committed to helping all public sector employees and has decided to  
pay a single, non-consolidated lump sum in September 2023. The payment will not be subject to  
tax deductions. That is to say it will be a tax-free lump sum paid at the end of the second quarter  
of the current 2023-24 financial year, in time to help bridge the gap that the cost of living increases  
may be creating for the lowest paid in the whole year. It is designed to be fairly administered  
between grades. An extensive exercise has been undertaken which has led us to apply a staggered  
1090 payment approach. To this end, I now announce the following measure. Public sector workers

below a basic salary of £50,000 will receive a non-consolidated, non-taxable lump sum assistance payment of £1,200, which is the equivalent of approximately £1,500 if taxed; public sector workers with basic pay between £50,000 and £75,000 will receive a non-consolidated, non-taxable lump sum assistance payment of £900, which is the equivalent of approximately £1,100 if taxed; and public sector workers with basic pay between £75,000 and £100,000 will receive a non-consolidated, non-taxable lump sum assistance payment of £600, the equivalent of approximately £750 if taxed. All of these sums will be paid in one lump sum at the end of the current quarter, which is the end of the first half of the current financial year. The total cost will be in the region of £6.5 million, distributed between all public sector workers whose basic pay is less than £100,000. Public sector employees will no doubt welcome the payment, which will be paid separately to their payroll before the end of September 2023. The bandings and thresholds the Government has identified are progressive and will afford payments to almost the entirety of the workforce. Those earning basic pay above £100,000 will not receive any assistance payment. The payment will not apply to Members of Parliament in other employment or in receipt of occupational pensions. Given the public finance constraints that the Government is operating under in this post-COVID/Brexit environment, those on such incomes are unlikely to suffer the hardship we seek to use public money to ameliorate. Therefore, that payment will not apply certainly to any member of the Government. The objective is to use public money to help those on the lowest incomes and not those on the highest incomes. It must be noted that the Government will not cross the line of borrowing to fund public sector pay. Consequently, this extraordinary assistance payment, although not recurrent, must be met by the projected surplus of £2.5 million and savings which do not affect frontline services. Given that the payments the Government will announce will exceed this projected surplus, Ministers will be asked to identify savings of a minimum of £500,000 within their respective portfolios without these savings impacting the provision of public services. In any event, we also anticipate that the estimate will be higher. Additionally, in order to assist private sector employers who may wish to also ameliorate the effect of cost of living pressures on their employees, the Government will, in the 2023-24 tax year, permit similar assistance by tax-free payments up to the amounts and on the same terms as is being paid by the Government to employees in the private sector also, within the same salary thresholds. The payment must be excluded from payroll reporting and the deduction will not be allowed against the employer's profits. The Government has consulted with the Commissioner of Income Tax to ensure that we make our workers the full beneficiaries of this assistance programme through the provision of a tax-free payment. We want to ensure that we give employees all of the money. We will, therefore, introduce a specific exemption in the law applicable for the current tax year.

*The Times* front page on 16th May 2023 opened telling the world that the UK had lower salaries and higher taxes – and more taxes, too – than ever before. That is a good comparison to do, between Gibraltar and the UK. One fifth of all taxpayers in the UK are in the 40% tax band. On 17th April, the Deputy Governor of no less than the Bank of England said that UK households had to get used to feeling poorer. I do not accept that for Gibraltar. I do not believe that that is where we need to take Gibraltar. I will *not* accept that for Gibraltar. For that reason, these measures are designed that we start to show that we will not settle for feeling poorer and this is the start of how we return to the prosperity that we have known and repay our COVID debt timeously, as we have agreed to do.

Mr Speaker, some employers are genuinely finding it hard it to wait the 10 days to employ a person. In the circumstances, the £15 penalty introduced to ensure that the 10-day vacancy period is respected will be waived, in the discretion of the Director of Employment, upon application of the employer showing why there was a good reason why the 10-day vacancy period genuinely cannot be respected. Additionally, the £18 charge for the registration of a vacancy will be reduced to £8.60 and will increase in line with the Minimum Wage. In other words, the cost of registration of a vacancy will be reduced by more than half and will now equate to only one hour of work on

the Minimum Wage. No employer can persuade me that they cannot afford one hour on the Minimum Wage to register the employee.

1145 In addition to this, I am also pleased to announce that the Government will amend the entry-level salary of all public sector jobs to £21,674 per annum. This will positively impact government grades and public sector employees including care workers, administrative assistants, nurse assistants, school crossing patrol officers, special needs learning support assistants and many more. This measure aligns with our ongoing commitment to the parity principle with UK salaries. This is not to be taken lightly and equates to an enhancement of 16.61% for lower earners in the lowest entry point of these grades. Coupled with the 6.64% public sector support payment, which is what equates to that level, this will equal a 23.25% increase in this year's take home of the lowest entry point in the service. This is a testament to the Government's commitment during the past 12 years to public sector employees and meeting the needs of its workforce, and this year, more than ever, emphasising the needs of those who may be facing genuine hardship.

1155 The Civil Service and the wider public sector enjoy the full support of His Majesty's Government of Gibraltar. The Civil Service knows and understands my Government's commitment in relation to it. Our commitment is in our manifestos and proven track record over 12 years in Government; a commitment to the manning level of at least the Civil Service when we were elected. In fact, we have grown the Civil Service from 1,910 people to 2,694 civil servants – and we do not agree that this amounts to a bloated Civil Service, which is how the GSD has referred to that increase. Let's not forget that, when they try to pretend to side with public sector workers and civil servants, they have referred to the Civil Service as being bloated. That was the GSD position. Bloated means grown beyond where it needs to be and plays directly to the underlying reality of their rhetoric of cuts, cuts, cuts. We have grown the public sector as a whole from 3,900 to 5,200. I defend the size of the Civil Service and the public sector generally. In fact, in particular I defend their excellent work, not least but especially when COVID hit and the nation needed the public sector. That is why everything we have done in government that has or had the potential of having an impact on the Civil Service and the wider public sector has been done in consultation with the staff and unions, and these measures are no different. We will maintain our commitment to ensure that the Civil Service is adequately resourced so that it delivers the required results to fulfil our manifesto commitments. I am, therefore, delighted to inform the Members of the House and the public that we will start the Administrative Assistant (AA) external recruitment process tomorrow morning. Furthermore, as per my earlier announcement, new entrants into the Civil Service as Administrative Assistants will benefit from the measures announced in my Budget speech and commence with a salary of £21,674, a 13.4% increase to the previous starting salary, because we stand by the parity principle and the parity agreements that were signed in the 1970s and in the past months the salaries have increased in the United Kingdom, pushing the entry grade to that level, and therefore we immediately honour the parity agreements. Much is being said about the public sector and the Civil Service, but my Government fully supports this central pillar of our civic and business communities.

1180 In terms of the services provided by the public service, as from 1st August all fees charged by any government department and payable to the Government, including licence fees and forms, will increase in line with inflation, rounded to the nearest half point and to the nearest 50 pence. This is a very minor increase but it is essential in order to ensure that government fees do not, once again, fall to ridiculous levels where you pay, for example, five pence for something.

1185 Last year, I announced that electricity and water billing would increase by 8%. The increase of 8% was an estimate at the time based on available figures taking into account any inflation to 31st July 2022, and that was the total increase for the year. The total for the year was 8%. As all members of the public and hon. Members will have seen, the increases in electricity charges in Spain, the United Kingdom and the rest of Europe have exceeded 300% in some instances – 300% elsewhere, 8% in Gibraltar. The EU, therefore, had to agree a capping mechanism to permit a subsidy for Spain and Portugal as costs of fuel and, consequently, electricity rocketed. Here, although people complained of an 8% increase, the increased costs were fixed and modest by any

1195 measure compared to every other country in Europe and the United Kingdom. There was,  
nonetheless, a statement from me that we would increase these charges annually on 1st August.  
This year, water and electricity bills should, therefore, increase by a further 6.2% at least. In fact,  
the cost of generating electricity is still high as a result of the war in Ukraine continuing to keep  
1200 fuel prices high, though not as high as they have been. However, recognising the increase in the  
cost of living is not abating, the Government, this year, will not increase water and electricity  
charges whilst inflation continues to be above 5%. This will help every resident of Gibraltar. Again,  
this is a measure that will be particularly appreciated by the lowest paid in our community, but it  
will also benefit those with mortgages, who will have seen costs increase as interest rates have  
risen, as does the subsidy on electricity and water production which is now being shown on the  
bill and reflect the subsidy of 10% for water and 50% for electricity. So not only did we not put up  
1205 electricity by 300%, like every other electricity company and government in Europe, almost, we  
continue to subsidise by 50%.

Mr Speaker, many young Gibraltarian professionals are buying in the open market and not just  
in the affordable housing market. The first-time homebuyer allowance will, therefore, increase  
from £260,000 to £300,000.

1210 The current stamp duty brackets were introduced more than 10 years ago. As a result, stamp  
duty on sales over £800,000 will now go up from 3.5% to 4.5%. I am also asking LPS, in particular  
the Commissioner of Stamp Duties, and the Financial Secretary to commence a consultation, to  
report to me by 30th September, on whether we should introduce stamp duties on the assignment  
of purchase contracts for real property. These are often-times contracts entered into by  
1215 purchasers off plan for new developments and can be flipped at a profit of hundreds of thousands  
of pounds, so it is right that we should consider whether stamp duty should be applied on those.

The current measures reducing import duties to ameliorate the effect on higher fuel prices will  
continue in respect of fuel duty at least until the end of the third quarter of this financial year,  
that is to say 31st December 2023.

1220 At present, private vehicle importations carry higher duties than those imported by dealers.  
These are, nonetheless, being circumvented by some by agreeing that some dealers should use  
their licences to import these vehicles for a fee. Apparently, £500 is the going fee. As a result, the  
measure is useless and defunct. Private vehicle importations will now, therefore, attract the same  
duties as the importation of vehicles by dealers.

1225 Fully diesel or petrol cars currently have a cap on duty payable of £25,000. Many are, therefore,  
using Gibraltar to bring high-end cars, some worth over £1 million, just to register them. This  
proves that the cap was a good idea. It will, nonetheless, be increased to £35,000.

A similar cap will be introduced on the importation of pleasure vessels. The cap will be fixed at  
£35,000, as it is for vehicles. This will also make Gibraltar an attractive jurisdiction for the  
1230 importation and ownership of such vessels.

The import duties on fitness trackers, bicycles, bicycle accessories or spare parts, treadmills  
and all other gym or fitness equipment will be reduced to zero. We want to promote the use of  
this type of equipment, to ensure that more people take up the challenge of getting fitter and  
reducing obesity and the problems that are associated with being overweight. The minor loss of  
1235 revenue will be compensated massively in savings to the Health Authority as we improve the  
health of our community and prevent long-term health problems associated with being  
overweight.

Continuing on the issue of the nation's long-term health and leaving aside the issues of politics  
associated with this particular commodity, the attraction of which I confess I have never  
1240 understood, duty on tobacco goes up by £25 per master case. That is to say 50p per carton, or 5p  
per box of 20 cigarettes.

Similarly, duty on vapes and all associated products will be half that on a box of 20 cigarettes.  
It should be cheaper to vape than to smoke, as vaping is likely better than smoking, but it is not  
without its own health problems.

1245 Individuals who are enrolled in a gym or who contract a personal trainer who is registered with the Tax Office will be able to deduct 10% of the verified cost of their training against the bottom line of their tax bill. Let's get the health of the nation on a better footing all year round and not just when trying to squeeze into our bikinis or mankinis.

1250 Parents who are funding private tuition for their children in Gibraltar will now be able to set off 10% of the cost of that education against the bottom line of their tax bill.

1255 Whist I am Chief Minister, owners at Cumberland Terraces will be able to count on the continued assistance of the Government to correct the issues that have arisen at that estate developed by the GSD contrary to advice and with GJBS having to step in to save the development given the liquidation of the earlier developer and contractor. This arose after the GSD Government lost £7 million it had loaned to the developer and was one of the reasons, actually, that Barclays quoted to us for shutting shop in Gibraltar. We will also continue to help all other affordable estates and stand behind any construction defects in such estates and continue our refurbishment programme of government rental estates.

1260 Mr Speaker, as a member of the legal fraternity, I have to regard Shakespeare's most pernicious phrase, at least at first blush, to be 'the first thing we do is kill all the lawyers'. In fact, the phrase is a defence of lawyers. It is uttered, as I told the House some years ago, by Dick the Butcher in *Henry VI, Part 2*, and Dick, there, is a particularly villainous character. The meaning Shakespeare intended is that society could not exist in a state of fairness and peace without the protectiveness of both the law and its staunch guardians, the lawyers. Dick the Butcher is suggesting that in order for the coup that he is planning to get Jack Cade into power to succeed, they must eradicate society of the very defenders of justice who could both stop the revolt he intends to help spur and then remove the power that he hopes to grab for Jack Cade. In other words, this suggests that Shakespeare represented lawyers as the most fundamental defence against the grossest manifestations of power-hungry antics wrought by the worst of humanity. US Supreme Court Justice John Paul Stevens shared this reading of the line, even analysing it in a 1985 decision of the United States Supreme Court, although it was a dissenting decision:

As a careful reading of that text will reveal, Shakespeare insightfully realized that disposing of lawyers is a step in the direction of a totalitarian form of government.

1275 For all those reasons, the attacks on the alleged 'barristocracy' in politics is, in my view, as misguided as Dick the Butcher's phrase is poignant, but the defence of the defenders of rights and the rule of law cannot just be political. The Government recently commenced the Legal Services Act. That includes requirements of compliance which are designed to protect the public and the legal profession. It also introduces fees which are mandatory for the first time. These will be easier for firms to bear than single practitioners, but single practitioners are an important part of the life blood of the legal system, the rule of law and the criminal justice system in particular. For that reason, the Government will introduce a tax credit for single practitioners, a term that will literally affect those who practise alone and not in a chambers or firm or company setting with others in the same building, that will allow each of them a deduction of 75% of the fees they now have to pay to the LSRA against the bottom line of their tax bill.

1285 Mr Speaker, in late 2022, with market turmoil and the threat of rising interest rates, the Gibraltar International Bank launched a 4.25% fixed mortgage proposition to provide both certainty and protection to its customers. The 4.25% rate, fixed for three years, has been taken up by almost a thousand homeowners with a value of £161 million on the mortgage portfolio of the bank to both the bank's existing customers and new customers, an important support in uncertain times for our residents, in particular those who have mortgages and are homeowners. Today – this morning, in fact – BBC reports that mortgage rates in the United Kingdom have soared to the highest level in 15 years already. With Prime Minister Sunak's de facto instruction to the Bank of England to get inflation down to below 2% – although the Bank of England is independent, many commentators are saying that the Prime Minister's clear strategy has been communicated

1295 to the Bank of England by his statement and therefore they will take that as an instruction – we  
can only expect to see mortgage rates rise further. Last month, the Gibraltar International Bank  
revisited fixed rates, prior to the latest base rate rise to 5%, extending both three- and five-year  
1300 fixed rate offerings of 4.49% focused specifically on supporting the purchasers at the Hassan  
Centenary Terraces (HCT) development. They could be charging 6% or more, but they are charging  
4.49%. To date, mortgages offered and in the course of offer are supporting 135 borrowers to a  
total of £16.8 million in that development. The HCT proposition also factors in no lending fees,  
1305 £1,000 cash back and no valuation fees, all with the intention of combining certainty, protection  
and practical day-one support to new homeowners. In addition to the HCT mortgage proposition,  
the bank has launched new three- and five-year general market fixed rate mortgages of between  
4.55% and 5%. This is exactly why the Government set up this bank, to assure Gibraltar and its  
residents of retail banking services. Who would have thought that I would today, some nine years  
1310 since we started operating, have repaid all of the start-up costs? The bank’s performance remains  
strong during 2023 and the expectation is of full-year profits above £10 million, against the  
£8.1 million recorded in 2022, but in particular keeping mortgage rates down in this community  
by making that offer with the Government as shareholder, obviously, forgoing the greater profit  
that we could have if the bank were charging the higher rates.

1310 Mr Speaker, as I announced at the Gibraltar Federation of Small Businesses annual dinner, the  
Business Nurturing Scheme returns this year also. The Hon. Mr Daryanani will say more in coming  
days about the details of that.

I now want to address two extraordinary matters before I move on to my conclusions. The first  
1315 is the cost of the ongoing McGrail inquiry. The second is the performance of the entity that took  
over the running of the dockyard. The McGrail inquiry that the Leader of the Opposition is so keen  
to speculate about is also reflected in the Estimates Book. Those following the Book can see the  
reference on page 2. Expenditure to the end of March 2023 already exceeded £1.5 million. This is  
an expensive exercise. External costs, approved by the secretary to the inquiry, were already  
1320 £963,000. The Government’s related costs amounted to £410,000. That gives a total of  
£1.373 million and a bit more cost investigating why someone decided or agreed to apply for early  
retirement. Expenditure for the current year to 30th June has further increased. External costs  
approved by the secretary to the inquiry for the year to date stand at £452,000. That makes a  
total, up to now, of £1,825,481.32 on the McGrail inquiry, a lot of money that could be put to  
1325 much better use – exactly the reason why, when I agreed to convene the inquiry, I nonetheless  
said it was unnecessary, as I am sure will be proven to be the case once the matter is resolved.

I recently referred the House to the acquisition of GibDock by Balaena. I explained to the House  
1330 in a Statement the many advantages we had been able to negotiate over the deal which the GSD  
had negotiated for the shipyard. Today, I can report on the facts as they have developed. In the  
time since GibDock was taken over by Balaena we have negotiated new environmental covenants  
with them. There have been only three noise complaints under the new management. These were  
all minor and related to the period literally just after 8 p.m., one at 8.01 and one at 8.10.  
Additionally, I am able to report to the House that the company will pay a total contribution to  
the Treasury of £3 million this year. That is made up of just shy of £180,000 in corporate taxation,  
1335 £2 million of PAYE and £850,000 of Social Insurance. These figures are provided by the company  
itself, not by the Commissioner, as that would be confidential information, but the company is  
keeping to the commitments it entered into with the Government and has agreed that we should  
be free to report that to the House. The company’s EBITDA is up from £3.8 million to £8.5 million.  
Peak employment in the first year of Balaena operations is up from a maximum of 210 people pre  
1340 Balaena to 440 post Balaena, and for the first time in many years, probably since the yard was a  
Royal Navy dockyard, it has had work ongoing in its three dry docks at once. Additionally, we are  
working on other projects with the Balaena management team, who see great scope in the  
increased use of Gibraltar for other aspects of their worldwide business and see opportunities to  
attract others here too.

1345 Mr Speaker, as I start to round up, I want to thank all the public servants of Gibraltar for their support these past 12 years. Everything that Gibraltar does is delivered thanks to them, as they, in effect, represent our reach. They are literally our arms and legs. In particular, I want to thank you and the Clerk of the House for your fantastic parliamentary support to me as Leader of the House and to other Ministers throughout the year and the whole lifetime of this Parliament.

1350 I also want to take this moment to thank all of my remarkably hardworking Cabinet colleagues for their support throughout the past four years as we have led Gibraltar together through the most difficult and challenging times in our recent history. It has been tougher than tough, tough and unforgiving. These past four years have required an effort like never before. When we look back – and in this I fondly include Mr Licudi also – this is the Cabinet team that dealt with COVID, this is the team of Gibraltarians who stood in the arena, who were at the crease when the time came to tame the threat that came upon the world and on our shores in February 2020. Thank you to each one of them from me. I may be the lead singer, but I make no music on my own.

1355 I must also record my thanks to the Chief Secretary, the Attorney General, the Financial Secretary, as well as the former Financial Secretary, and the Chief Technical Officer for their incredible support, their energy and their single-minded determination to defend Gibraltar's interests. What a team we have at Gibraltar's beck and call. I will not tire of referring to the most extraordinary dedication and the most incredible ability that they each represent. It is a thrill to work with you all to date and I sincerely hope I will be afforded the honour of doing so again – one more time only – after the autumn General Election, if the people of Gibraltar so decide.

1360 Of course, that leaves my personal staff at No. 6 to thank. They are more than just a team. Wow, they really are an extension of family. Given the hours we work, that may not be surprising ... excuse me ... so my deepest and most personal, sincere thanks to them all for the 12 years so far. It is so easy to say 12 years, but that is a hell of a lot of problems faced down thanks to the support of the teams I have just referred to, a hell of a lot of time in the office, a hell of a lot of family hours lost ... three, two, one ... and so all that work is, I know, valued by the community and the nation as a whole.

1370 That is why, even before they start to address you, with the predictable rhetoric of the Opposition, I want to expose the fallacy of the arguments we repeatedly face – this will be the easy part now for me to get through, if hon. Members allow me – because no one in our community should fall for the arguments of the sirens opposite without having their eyes wide open to the reality of what is behind what they are saying. The reality is that they will undoubtedly attempt to manipulate the numbers in the Estimates Book again this year. They will use arbitrary methods to calculate debt and they will denigrate the work of the magnificent team at the Ministry of Finance and all the controlling officers of the Government by pretending that these meticulously prepared figures are somehow inaccurate or not fully representative of Government spending. They will apply different rules to us to those they applied to themselves in government, and they will seek to do so in order to paint a picture of allegedly burdensome obligations of debt created by me and now hanging around our nation's neck – we know because we have heard it all before – but none of it will be true. Of course. But that never matters to the GSD. Their aim, as always, is to strike fear into the hearts of our citizens regarding the actions of this Government, to sow discord and doubt among our citizens regarding the actions of this Government.

1385 But the people they are trying to dupe are the Gibraltarians, and the Gibraltarians are not easily duped. They can see that the GSD Opposition does one thing in government and then says another in opposition. They see that even the things they say are contradictory. Whenever a task remains incomplete, what is their immediate reaction? Having said we are spending too much, do they propose that we conduct an economic analysis to assess affordability of a project? No, because they do not want to tell parents or patients or athletes or swimmers or rugby players the truth. They do not want to tell them that they will not fund their new facilities. They want to start by beating us with a stick for spending too much. Then they want to beat us with a stick for not spending quickly enough. Their knee-jerk response is to issue a press release pointing fingers at the Government and demanding answers for the delayed construction of houses, schools, sports

centres and other vital facilities that they said we did not have the money to fund. They want us to build more and build more quickly, and spend less and save money. That is to say they want to hold us to an impossible standard of doing more, more quickly for less and without spending. In colloquial language, they are operating in *el mundo yupi* of public finances.

1400 Moreover, they cannot possibly claim that everything they advocate for, which our dedicated government officials diligently execute, could have been achieved by them at a significantly lower cost. In fact, their record suggests they are the last people to give advice on bringing projects in on time. At least I am smiling now. The cost overruns on the Airport, which cost four times as much as they originally budgeted, or the Theatre Royal, suggests they should actually try to keep  
1405 their heads low on these matters. The one time they had a chance to prove that they could bring projects in on time and on budget, they did the opposite. The one time they had a chance to prove that they could protect the rainy day funds, they sucked them bone dry. It is evident that without actually making an investment you cannot build anything, and that investment which we have made, if they had been in government, would also have contributed to borrowing, just as they did  
1410 with the Hospital, with the disguised borrowing called the sale and leaseback – Mr Feetham used to say that was hidden debt, until he joined the GSD; he remained consistent, saying it was a bad thing, but he did not talk about it much – just like they did with the government car parks, which they financed through a company as well, just like they did with RBS in the contracts they executed for the new power station which was going to destroy the Upper Rock Nature Reserve. If I may say so again, Mr Speaker – and I know they balk at this because I know they are fearful of their  
1415 history being recalled by the public in an election year – we had to save Gibraltar from the particularly terrible idea of a grimy, smelly, diesel power station – a GSD power station – on the Upper Rock’s front door, by the Nature Reserve, where now we have the Lathbury sporting facility, and with the cost of electricity going up 5% a year for 20 years, that is to say 100%, and those  
1420 contracts signed.

Therefore, Mr Speaker, I find myself having to seriously question the existence of the economic miracle that the GSD appear to promise the people of Gibraltar. It seems a bit like a Ponzi scheme that one might fall for. The GSD are selling an illusory notion that they can deliver everything without borrowing or reducing available funds. *(Interjection)* The GSD are selling the idea that you  
1425 can have something for nothing. But the people of Gibraltar know that real leadership is not about telling fairy tales, it is about telling people the truth and standing up to act as necessary. They must stop treating the people of Gibraltar like children, pretending that the people of Gibraltar do not understand the arguments. Our people do understand the reality of the arguments. That is why they repeatedly reject the GSD, and I believe they will again reject the GSD at the next General  
1430 Election because the fact is that they find it so easy to criticise, but proposing viable alternatives requires true leadership.

Regrettably, I have yet to hear anything from GSD Members opposite other than tired repetitions of their previous Budget speeches. Every year, they dust off their old speeches, their old scripts, rehashing what was said in previous years, yet every year when I present a  
1435 comprehensive plan, they fail to respond, opting instead to recite their pre-prepared dogma. Indeed, every year it is the same old story, the same speeches, the same criticisms, the same monotonous dogma, and also the same dearth of ideas. The GSD say that they yearn to be elected to run this esteemed institution that we call the Government of Gibraltar, yet they can only point out what they say is wrong. They ignore they are often complaining about things they used to do  
1440 themselves, and they fail to offer any alternative or any solution. We are, instead, committed to progress. We refuse to be trapped in a cycle of stagnation. Our Budget represents a vision of a brighter future for all Gibraltarians, especially young Gibraltarians, a future built on innovation, investment and resilience. We understand the complexities of governance and the financial realities we face. Our proposals are rooted in pragmatism and a genuine desire to uplift our nation.

1445 I know this community, this nation, the good people of Gibraltar will not be swayed by the empty rhetoric of the GSD Opposition. The electorate is discerning. They will not be persuaded by their abundance of criticism served up with a dearth of ideas. How can the GSD expect to earn the



1450 trust of the people when they rely on the same tired and exhausted lines year after year, proved  
wrong year after year? Our citizens deserve better. We deserve an Opposition leader who offers  
innovative solutions. We deserve an Opposition that presents an alternative vision for progress,  
not a reversal of progress achieved on women's reproductive rights, which is what they stand for.  
We deserve an Opposition that possesses the determination to turn an alternative vision for  
government into reality. But we have no such alternative in the same old GSD. Has-beens and  
wannabes do not a constructive alternative make. That is why our people rise above the negative,  
1455 destructive, repetitive dogma of the GSD. They embrace our vision of the future filled with  
promise and prosperity and designed to keep Gibraltar safe, for that is what we have done and  
that is what we will always do.

In the face of adversity and in the face of challenge after challenge, we keep Gibraltar safe. On  
the international level and in facing national challenges, we keep Gibraltar safe. It is the job the  
1460 people entrusted us with and it is the privilege and honour we discharge each day as we keep  
Gibraltar safe. And as we do, I know that most Gibraltarians would class themselves as socialists.  
Very few would associate themselves with the policies of the Partido Popular or Vox. That is why  
the Gibraltarians want to see continued, affordable and prudent investment in better services in  
health, in education, in elderly care, in services for the most vulnerable and in investment in the  
1465 living environment around us. They do not want to see Clinton cuts and Azopardi austerity. They  
prefer Picardo prudence and Bossano brilliance. They prefer the GSLP Liberals-Socialist approach  
to the GSD's PP- or Tory-style cuts and austerity.

We do not represent giveaways to buy votes. We will not give nor promise to give £500 a  
1470 month to those who do not need it. We represent annual increases in the Minimum Wage. We  
represent social justice. We represent those who work hard every day and those who are having  
such a hard time that they cannot even work. That is the aim of every one of our Budgets, to  
deliver for working people and to deliver for people who cannot work; to ensure that those who  
can work have the jobs available and are taxed as little as possible and, in the context of the public  
sector this year, have that little bit more help to get through these difficult periods; to ensure that  
1475 those who cannot work are, therefore, also provided for and those who work in the private sector  
are also provided for. That is why, once again, as all our Budgets have been, this is a careful Budget  
that honours the sacrifices of yesteryear, works for today and protects those who will come  
tomorrow.

Like many others, I remember a Gibraltar where our parents were all paid in small paper  
1480 envelopes on a weekly basis. I do not fail to wonder about how far we have come, and I confirm  
once again that we are on the right road, we are on the right track. Today, after COVID as before,  
I see a Gibraltar of entrepreneurs and workers in partnership, I still see a Gibraltar we have built  
through generations that have never had an easy ride, and that is why, with the COVID debt to  
deal with and with Brexit still to be safely resolved, the measures announced today are not  
1485 designed to deliver spending on goodies to win an election. Instead, these Estimates are designed  
to deliver spending properly, and carefully calibrated to protect the whole nation, because this  
economy is back, the great people of Gibraltar are back, these public finances are secure, financial  
stability is restored. We have sailed the ship successfully through the storm. We have safely  
reached the shore with deficits behind us. We have kept Gibraltar safe, and in doing so we have  
1490 confirmed the confidence that the people of Gibraltar deposited in us as the team that could keep  
Gibraltar safe. We remain the best option to keep Gibraltar safe, and as Gibraltar goes to the polls  
later this year, that will be the choice that we represent, the choice that has always been to keep  
Gibraltar safe, delivering a people's Budget, a fair Budget, a renaissance Budget to leave COVID  
behind, to make Brexit history and to propel our nation forward, doing so as the people's  
1495 Government, delivering fairness for many, not the privilege of the few, because that is my  
responsibility, that is our obligation and that is always our aim.

Mr Speaker, three terms successfully delivered, 12 years, the best economic performance in  
Gibraltar's history, a new dawn delivered for our people, the strongest foundations established  
for our people, a green Gibraltar taking root and the best is still to come, keeping Gibraltar safe at

1500 every turn. And to think that we were once called unfit to govern by those whose performance in  
government was never as good as ours. Once again, I stand before you, the Parliament and our  
people to deliver a serious Budget coming out of the toughest times, budgeting for these serious  
times, budgeting by serious people always looking to achieve the same thing – every generation  
provided for, every generation cared for, every generation with us as we continue our work to  
1505 keep Gibraltar safe and continue to propel our nation forward toward a brighter, even more  
successful future with financial stability restored, taxes cut for all earning under £100,000, a lump  
sum for our public sector workers, a tax break for the same for our private sector workers, no  
increases in utility charges, all costs controlled, all spending geared to do social justice every time;  
all our measures carefully designed to responsibly give back to every worker and to keep Gibraltar  
1510 safe always, equally responsibly continuing our policy of stimulating different parts of our  
economy to deliver both growth and social justice. Once again, under the GSLP Liberals, that is  
what this Appropriation Bill represents. That is what this Socialist Liberal Budget delivers, financial  
stability restored, and that, more than anything else, is how we keep Gibraltar safe. And so, for all  
of those reasons and each of them, I unhesitatingly commend the Bill to the House and the GSLP  
1515 Liberal team to the people.

Before I sit down, Mr Speaker, and given the length of my address, I would propose that the  
House should now recess and return at 3.30 this afternoon. I trust the short recess will avail the  
Leader of the Opposition the time to take into consideration the things I have said as he prepares  
his reply. *(Banging on desks)*

1520

**Mr Speaker:** The House will now recess until 3.30 p.m.

*The House recessed at 12.33 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.30 p.m. – 5.46 p.m.**

**Gibraltar, Tuesday, 11th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.30 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

5       **Hon. K Azopardi:** Mr Speaker, and there I was tempted to say no, but ... What a performance  
this morning. What a performance. It was almost like going to see Neil Diamond at his last concert.  
Let's unpack what the Chief Minister has said this morning. He already wrote the electioneering  
headline he wanted for today some weeks ago when he said the Government would announce a  
10 my analysis will show, this projection is built on a hopeless fiction. It does not stand up to scrutiny  
and is constructed on a simple manipulation of figures and an underprojection of Estimates in  
areas where the Government must know the projections are downright fanciful, unrealistic or  
lacking in any substance whatsoever. It is a fiction because it is a convenient narrative months  
before a General Election, but a fiction nonetheless.

15       For the Government and the Chief Minister in particular to seek to rewrite its financial record  
and cast its projections in this way by pretending that things are better than they are is a disservice  
to the electorate and a disservice to the need to have a responsible approach to our public  
finances at this very delicate juncture. That pretence that things are better than they are can only  
generate natural expectations, when the reality is that people should be told how serious things  
20 are. And for what? The perceived short-term electoral gain of the party in power, but to the  
detriment of Gibraltar's wider interests. We refuse to tell our people electoral fairy tales.

25       Anyone seeing the Chief Minister wave the Budget book at the Chamber of Commerce dinner  
a few weeks ago would have been struck by the backdrop of sheer incredulity or stunned silence  
in the faces attending that event. After all, there he was, having taken the confidential Estimates  
of the Government, which could not be published till today, as a stunt prop for his speech, waving  
it about to emphasise the financial miracle he was going to announce today. It was waved about  
as a starter to what he promised was a feast of financial recovery, unparalleled and years ahead  
of its time – an expression he has repeated today; from his toughest Budget ever, as he described  
the one last year, to an upbeat pre-electoral message of recovery, and all in a bare 12 months.  
30 What a magician and how lucky we are to have him steering us to success and wealth.

35       But of course the reality is somewhat different to that spin. In fact, the surplus projected for  
2024 is built on a deeply massaged set of figures which given the history of unrealistic figures and  
lack of discipline will likely lead to a year in which they will, once again, not deliver what they  
promise in many key areas. The surplus will not materialise, if this analysis is right, without some  
heavy changes of position or other adjustments or savings throughout the financial year affecting  
parts of the current Estimates.

The picture is worse still because the people are bailing out the Government with the higher taxes that they are paying. The Government has been unable to tighten its belt and do what it promised. It talks big but does not deliver; if it did, then taxes could go down more quickly and wages could go up more steadily. But because its spending projections are massaged, unrealistic or, where realistic, are simply not met through indiscipline or because there is waste or recklessness, we continue in this spiral of financial crisis with a Government addicted to debt and in an unbreakable cycle of unrealistic projections masking the real picture.

That is the true picture being taken to the election. Presenting a false picture of solvency and financial health to the electorate is what they did this morning, but the people will see through such tactics because the realities are all around them. They are the ones feeling the pinch, the pressure of the cost of living crisis. They are the ones tightening their belts while the Government loosens its own belt from the obesity of its reckless financial management. It is the people who bail out the Government year and after year, the same people who are penalised by tax increases and Social Insurance hikes, the same people who are told their wages cannot rise and the same people who will see through this Government at the next election and want something different.

Before I turn to that financial analysis in detail, and as this is a state of the nation debate, I want to say something about the longstanding Brexit negotiations and the state of play of them. Our policy is and continues to be that we would like to see a safe and beneficial agreement concluded with the EU which establishes a new relationship with the European Union. While we have been critical of the Government in what we consider were negotiating lost opportunities, concessions or failures over the last seven years since the Brexit referendum, we have also given them significant space to negotiate an agreement in the way that they have chosen.

They have chosen to negotiate on their own, and that, of course, is their prerogative. We do think there have been failures along the way and missed opportunities to secure lasting rights for residents of Gibraltar which could already have settled aspects of what we all want. Today is not the time to get into the detail of all that, but it is clear that as we have drifted along over the last seven years we have precious little to show of a lasting nature that secures our future. That is a reality.

Additionally, and while there has been much positive music from time to time, the opportunity of negotiating something with the present political government in Spain may be coming to an end. We will see what the result of the Spanish general election is on 23rd July. The main political parties contesting that election have published their manifestos, most of which mention Gibraltar in one particular light or another. The result of the Spanish election is a matter for the Spanish people and I will not comment on that process. Whatever the outcome of the election, I would assume that we would agree that the objective of seeking to conclude a safe and beneficial agreement will remain and that a Gibraltar Government should continue to seek the same. Additionally, and because the result of the Spanish election will be known before our own General Election is held later this year, what I will say is that whatever the outcome of the Spanish elections and for the remaining lifetime of this Parliament, the Chief Minister knows he can rely on us to make common cause with him against Spain as necessary for the defence of Gibraltar's interests. We would hope, likewise, that we could count on him on the fundamentals if there is a subsequent change of government in Gibraltar.

Mr Speaker, the activity of the COVID Fund dominated a lot of the work in the 2019-21 and 2021-22 Budgets. We did remark last year that we were surprised, in some respects, that the COVID Fund was still being used to supplement departmental expenditure when the worst moments of COVID had, thankfully, long passed. This year we see those have reduced significantly, although some payments were still made during 2022-23, not least £2 million to the GHA, although the bulk of the remaining activity went to plug so-called 'lost' general income. Whether some of that lost income is properly due to COVID, however, is a moot point given the Chief Minister's acceptance, for example, that a lot of the import duty reduction is directly related to other matters. In February 2023 Mr Picardo said, talking about import duty on tobacco, in this House:

When we had the revenue that we had, there was much more activity. Now we have much less revenue, there is much less activity, there is much less illicit activity, there are many fewer prosecutions. It is a really neat curve ... that is borne out and justified by the low levels of revenue, which the hon. Member has seen in the Estimates Book, and with the COVID Fund if we were taking 2019 as the year. If he looks at the years afterwards, there is much less activity in respect of tobacco, licit and illicit.

90 He added, a couple of questions later in the same meeting of Parliament, that this was in part due to the MoUs entered into with Spain on the price of tobacco and other measures introduced by the Government. That being the case, the booking of some of this loss of revenue in the COVID Fund in the last financial year was questionable, as by the Government's own admission this was not due to COVID at all, and any continued use of the fund for that was similarly doubtful for the same reason – it will give a partially unrealistic figure for the cost of COVID. So we welcome that  
95 the Government appears not to intend to continue that practice and will not be booking further expenditure in the COVID Fund. We also welcome that the COVID Fund would not continue to be used for the most basic reason that thankfully means we are not in that unprecedented global pandemic we were in during 2020 and the time that followed.

100 Mr Speaker, like they did last year, the Government is only intending to make a contribution of £1 million to the Improvement and Development Fund. That fund, from which projects are delivered, will depend on income on continuing sales of land to continue to fund its activity, but there are some projects there that could affect the overall financial picture in relation to that fund. For example, a notional sum has been provided for the awaited urban waste water project, which is likely to cost tens of millions. It is also striking that there is still £265,000 provided in the fund  
105 for the never-ending completion of the Island Games facilities, which were held four years ago now, in 2019, with over £560,000 spent last year on this. The so-called 'digital transformation' saw an extra £3.35 million spent last year and a further £850,000 allocated for this year on top of all the millions in previous years, and the Sustainable Transport Plan, within which we assume lies the cycle lane cost, incurring a spend of £1.2 million this year, after spending over £475,000 last year. Many of my colleagues will address those issues in coming speeches.

110 I turn to the analysis of the state of public finances, the revenue and expenditure and the Budget measures. I start, because that is where I must start, with the headline-grabbing notion that the Government is projecting a small surplus of £2.5 million for the end of March 2024. At best, what could be said is that this is an entirely superficial presentation, that it is not much more  
115 than putting a sticking plaster on a deep, festering wound to keep it out of sight, because in reality, when you look under the sticking plaster, which to the outside world indicates repair, in fact there are the same systemic problems there were 12 months ago, unaddressed because either the Government does not have the courage to address them or the ideas to do so. It is, as I have described it already, a wholly unreal projection built on a hopeless fiction, and that can clearly be  
120 seen by looking at the year's numbers and comparing them to last year's projections and expenditure. Indeed, it is important to do so, because that and what went on before provides the context to understand the current narrative. Once we delve into what has happened, we can see clearly that this present story of financial recovery could have been scripted by George Orwell.

125 For the financial year 2021-22, the Government predicted a deficit of £50 million, £1 million per week. In other words, they predicted that the public sector would cost £1 million per week more than it would generate in revenue. That was like losing over £136,000 per day or £6,000 per hour. That calculation of daily loss was based on the fact that they were going to borrow £50 million pounds to prop up public finances – Sir Joe Bossano had then described it, candidly, as the worst deficit ever – but undaunted by that grim reality, an out-of-control Government could  
130 not even keep to that Budget in 2021-22. Instead of borrowing £50 million, it had to borrow £100 million just to keep afloat, to pay wages and other recurrent expenditure. There was a total overspend of £91 million, of which £35 million was overspent by departments alone in 2021-22. In the estimate for 2021-22 the Government promised it would spend, and was authorised to spend, £768 million. In fact, the actual expenditure for 2021-22 was £859 million, a figure of  
135 around £91 million above the estimated Budget. Some of that was additional contributions to lost

revenue, but a big chunk of that was simple departmental overspend, namely £35 million of that total. If this was the worst deficit ever in the worst financial year ever, there should have been the strictest adherence to the approved Budget ever. Instead, there was overspend. In the year of the worst financial deficit ever, Mr Picardo's Government could not keep to their Budget. And so what was the recipe to get out of the crisis last year? Well, simple: tax the people more, pass the bill on for the people to pick up, get the people to bail the Government out of their mistakes, their years of directionless financial management, years of borrowing and racking up of debt, years of playing poker with the people's money. So after the need to borrow £50 million more than expected just to keep afloat in 2021-22 and the overspend by departments, you would have thought that the lesson would have been learnt and they would keep to their Budget this year. Wrong. The departmental overspend is still there, but bigger. I say all that because it is the context of all that that demonstrates why this Budget surplus is built on a fiction. The sleight of hand and massaging of the figures in the presentation of the rosy narrative today cannot hide that reality or the ever-increasing catalogue of financial promises Mr Picardo does not keep.

I see some Members opposite shrug their shoulders – perhaps in dismay at the analysis because they know it is true, because in 2021-22 the forecast total Consolidated Fund expenditure was £768 million. In fact, as stated, they spent much more, at £859 million. When the Government came to this House last June, June 2022, to present the Budget for this last financial year, 2022-23, they promised to spend £136 million less than they had done the previous year. We warned then that those projections were unrealistic given the previous results, with some stunning examples in certain departments. But it is their Budget; it is for them to defend how realistic it is. We said it was unrealistic; they said it was not, that it was realistic. In overall terms the Government promised to spend £723 million in 2022-23 as Consolidated Fund expenditure – in other words, £45 million less than their promise for 2021-22, which had been £768 million, which they had not kept to anyway. And like they did in 2021-22, the Government failed to keep to their promises for 2022-23 and in fact spent £791 million this last year, instead of the £723 million they promised to spend. In other words, £68 million more. The departmental overexpenditure alone last year was in the region of £55 million.

So having had a departmental overspend in 2021-22 of £35 million, no lesson was learnt and there was an even bigger departmental overspend in 2022-23 of now £55 million. This worsened position was indicative of either an inability to keep to their Budget or that the figures presented last year were hopelessly unrealistic. Either way, the citizen has little comfort. If the figures were realistic last year and the year before that, then what you have is a Government that is unable to keep to its Budget. These are not our figures, they are theirs. What confidence can you have in Mr Picardo or his Budget surplus if his Government cannot stick to its promises on handling your money? How can you trust such a Government on public finances? You would have thought that the figures in the Budget book would be realistic. That would be the least you should expect from your Government. If, on the other hand, the figures were not realistic, this would reveal a much wider and dangerous malaise that is symptomatic of a Government that is unwilling to be transparent with its citizens, that is opaque with its finances and deliberately masks the true financial picture from the voter.

I regret to say that I think it is the latter. I simply cannot believe that some of the figures presented last year were realistic. They were obviously not so, when you analyse them. For example, the projected £128 million expenditure for the GHA in 2022-23 looked extremely unrealistic, as it was over £40 million less than it had actually spent in 2021-22. Last year, I warned, in respect of the GHA expenditure, 'Are these figures realistic? Will they keep to their budget this time? And will they do so in a way that the public service is not impaired? That is what the user expects.' And indeed, as we had warned, the GHA could not keep to their budget of £128 million and spent £155 million this year.

Equally, this year we are being treated to the same unrealistic figures, and that is important because it affects the bottom line. So beyond the eye-catching miracle headline of the £2.5 million surplus, in fact there are very clear reasons for the projection and pretence of the restoration of

so-called financial stability, and none point to any government-inspired brilliance. First, the prospect of the small surplus for 2024 has only been possible by a patent set of unrealistic figures in the health and care sectors particularly. If unrealistic figures had not been presented in the health and care sectors, then the projection could only have been one of a further deficit. Let's look at those examples in detail.

How is it realistic that having spent £155 million last year the GHA will now go on to spend £129 million? In other words, the GHA is going to spend £26 million, or 17%, less than last year. How is it realistic that the Care Agency that spent more than £27 million last year is now going to spend £19.8 million, more than £7 million less? It must be clear that those numbers are unattainable and without them the projection would only be for another deficit. And those unrealistic numbers are not the only ones in this Budget.

So Mr Picardo can go and tell Health Service workers and nurses, physios and patients, doctors and paramedics that this year the magical £2.5 million surplus is built on the fact that the costs of visiting consultants are supposed to be £700,000 less than last year, that the drugs and pharmaceuticals budget is being cut £2 million from what was spent last year, that the Government wants to spend £2 million less on prescriptions, that the Government hopes to spend £3 million less on sponsored patients, that they want to spend £1 million less on medical and surgical appliances, that the budget for office equipment in the GHA has been slashed by 85% from what they spent last year, that the Care Agency is supposed to spend £1 million less on home support, supported living in the community. Those Health Service or care workers already suffering from low morale would likely laugh in the Government's face.

Go and tell teachers that this year the magical £2.5 million surplus is built on the fact that the Government has provided only £1,000 for temporary cover for teachers. This is a provision that they know 100% they will not keep to, because the Government knows they will have to spend moneys on cover for teachers. They know because they know they spent £1.6 million on temporary cover in 2018-19, they spent £3.99 million in the double year 2019-21, they spent £3.15 million for temporary cover in 2021-22 and they spent £1.9 million in 2022-23. In other words, it is a complete fiction to pretend that they will spend £1,000 on this item, but all of these things are affecting the financial bottom line on which the cash surplus of £2.5 million is built.

So what happens if some or a combination of those items happens? Bang goes the surplus; it is as simple as that. If the GHA spends the same amount of money as it did last year on sponsored patients, bang goes the surplus. And bear in mind that we already know that, because they provided only £1,000 for temporary cover in education, there is a certainty that at least £1.5 million or £2 million will be spent on that, so the surplus is shrinking all the time. Very little needs to happen beyond that – and as the analysis will show, we have probably lost the surplus already – to swallow up the entire projected surplus.

Digging a bit deeper in the GHA examples shows how farcical these numbers are and how a Government properly planning would know that they are unrealistic. In 2018-19 the GHA spent £11.4 million in relation to sponsored patients, in the double year 2019-21 they spent £33.65 million – in other words, an average of £16.8 million – for each of those years, in 2021-22 they spent £14.75 million on sponsored patients and last year, 2022-23, they spent £13.72 million. All of those figures between £11.4 million, the lowest sum, in 2018-19, almost six financial years ago, to £16 million. How, then, is it serious to project that the sponsored patients budget will cost less than it did in 2018? The sum projected for 2023-24 is lower than the sum spent in 2018-19. The sum projected for this year is £10 million. That is the same sum they projected last year, and we told them that was unrealistic last year. And what happened? They ended up spending £13.72 million. As we said, that figure was unrealistic, so how is £10 million realistic this year? The same goes for GPMS prescriptions. These cost the GHA £11.9 million in 2018-19; £25 million in the double year 2019-21, so around £12.5 million a year; £12 million in 2021-22; and £11 million in 2022-23, last year. So how is it realistic that this year it is going to cost £9 million, in 2023-24?

There are others, but just those few examples show how fragile the foundations of this £2.5 million surplus are and how easily those foundations will crumble as soon as there is a need



240 to deal with the realistic needs of the Health Service, the care service or education service, things  
that are inevitable. This is not an infrastructure project that you can decide as a Government not  
to do, or postpone, and save millions and therefore the cash surplus is built on an infrastructure  
project that is not happening. It is built on unrealistic health, education and care figures. And let's  
be clear, I am not criticising the provision of funding for health and care or teaching when further  
245 funding through the year is necessary. If it is necessary, of course it should be provided. What I  
am saying is that the figures set out in the Budget are unrealistic from day one because the  
services will cost more. This is likely from the figures of the past, and the Government must know  
that. And if it does not know that, then it has not heeded the warnings we gave last year, which  
have turned out to be true. I cannot believe that they are not heeding the warnings that must be  
250 being given by officials in those departments, given their experience of managing those budgets  
in the past. That is a political decision of the Government, and by following the same tactic of  
underproviding through a set of unrealistic figures it knows cannot be delivered, it produces a  
false picture of the financial bottom line. In other words, the small projected surplus is totally  
unrealistic, too. It is a work of fiction to suppose that on those unrealistic projections it will  
255 materialise unless other numbers change and they make big savings elsewhere, and we know that  
making big savings just isn't their track record.

Additionally, and at its most basic, the Government would have you believe that it will spend  
less in overall terms than last year. Basically it says it is going to spend £68 million less than last  
year. That is the way they will produce their projected budget surplus. Again, as an overall picture,  
260 that is what they are building the cash budget surplus on – on them saying, for people to believe,  
that they are going to spend £68 million less than last year, when they have a track record of not  
being able to do that.

Second, the projection is not only suspect because of the lack of realism of some basic  
projections, but it is premised not on some great incisive financial work of the Government but  
265 rather largely on the cash bailout that the people have given the Government by way of increased  
tax. Indeed, had it not been for the much higher yield in tax revenues last year in both personal  
income tax and corporate tax, the Government could also not have projected the surplus for 2024.  
That is presumably partly due to the 2% increase in income tax and rises in corporate tax, as well  
as other factors. My colleague the Shadow Finance Minister, Mr Clinton, will have more to say  
270 about that.

And what happens next year? The increase in tax was said to be for a temporary two-year  
period only, and now will only be partially for two years because of the announced cut today, so  
how does that affect the prospect of stability going forward? If there is a reduction of tax as  
promised, then presumably the tax revenue will reduce, affecting, therefore, the bottom line  
275 beyond 2023-24 and maybe even 2024-25. We cannot see how, on current critical assessments of  
the Government's public finances and figures, that would not plunge us into a bigger deficit,  
because the current Government is clearly unable to keep to its forecast Budgets. So without the  
projection of unrealistic figures or the increased moneys by way of tax that workers and  
businesses have given the Government, any pretence of a possible surplus in 2023-24, projected  
280 in the way the Government has, would be impossible.

Any so-called recovery is not due to sophisticated planning or diversification by the  
Government. It has been enabled by the blunt instrument of raw taxation and taking more money  
from people to fund the continuing excesses of Government. Again, to put it into context, after  
massive overspending and a big deficit in 2021-22 and not having learnt that lesson, the  
285 Government again did not keep to its own Budget in 2022-23. You would have thought that having  
asked people for a handout of more money from the hard-earned wages of workers by way of  
higher tax, it would have led by example with great discipline and demonstrated it could keep to  
its Budget. You would have thought that this was the necessary quid pro quo of having to ask  
people for more money, that the Government would not then have the cheek not to keep to the  
290 Budget it presented. But maybe it cannot keep to its Budget because the figures are unrealistic  
and its numbers cannot be believed. Is that the narrative, that the figures are unrealistic? Or is it

the other narrative fed to us by Mr Picardo this morning, that savings are possible but they have not yet been prepared to make them? This morning he made a stark admission when he said he wanted to fund the lump sum payments to public sector workers out of the cash surplus and savings that he had directed Ministers to make. That is going to cost £6.5 million on their own figures, and given that he has directed that, there must then be savings to be made, it is just that they have not been prepared to make them before. Or is it that the story changes constantly and he just cannot keep up with his own story?

To compound things in such a year of deficit and overspend, and when discipline should have been there, in a stunning example there was an overspend in the budget for travel costs and expenses of Ministers of about 89%, but less money than forecast spent on children's services. The priorities are just wrong. And the absolute dearth of ideas and direction in how to manage a recovery was demonstrated last year by the announcement of the imposition of a so-called COVID business recovery tax of £1,250 on all companies, more than a thousand pounds per company, that was rapidly ditched in the quickest U-turn in history the day after. It spoke to the mess of financial planning, the desperation of the thinking, the mindless endangerment of the financial services industry and the recklessness of the approach of Government.

The Government is not projecting to borrow to underwrite recurrent expenditure this year. This would be welcome news if it is borne out, but of course, even here, we must remain sceptical because in the last two financial years they have been unable to keep to their financial projections and financial promises on borrowing. In 2021-22 they promised to borrow £50 million but instead were forced to borrow £100 million to fund recurrent expenditure. Last year they said they would borrow £50 million but in fact had to borrow £75 million. Let's see if they can keep to their borrowing promise this year, having failed over the last couple of years and given the impact of other measures I will analyse later.

Mr Speaker, when making his excited announcement of the incredible projected Budget surplus for 2024, Mr Picardo said to the Chamber of Commerce that this would, in effect, restore financial stability. Of course, being financially stable and having financial stability means much more than just being in surplus. It is about the long-term financial health of the community or whether government finances are being handled sustainably. It is about whether we are on the financial cliff-edge or whether we have systemic long-term problems with our public finances. As the saying goes, two swallows don't make a summer, and here, just because there is a projection of a surplus built on unrealistic figures and with people's hard-earned tax moneys, it does not mean that Gibraltar is in a stable place.

To get to financial stability will need much more work, which will start with a change of government because the present administration is uncommitted to doing what needs to be done to establish proper financial stability, transparency and accountability. Integral to that is the basic notion that in exchange for the people entrusting you with their hard-earned money, the Government should tell the people what it does with the people's money. Instead, Mr Picardo presides over the most secretive administration in Gibraltar's history.

For example, it is impossible to judge our true financial health or stability because of the opaqueness of public finances. We now have hundreds of millions of pounds, almost £1 billion, parked in off-book transactions through a series of entities. We do not know how much of that money has been spent or remains. The structures underpinning that intransparency have gone beyond a simple web of companies, transforming itself into what Sir Joe Bossano, the ironically titled Minister for Financial Stability, has described as a jungle of opacity – a GSLP jungle where they have stashed the people's money away. That jungle needs to be pulled down.

That jungle has just got worse in the last 12 months, with hundreds of millions being planned to be deployed in projects at Coaling Island or Laguna Estate or at Eastern Beach through the Community Supplies and Services Ltd structure (CSSL) – of which my colleagues will say more – a structure where the Government seemingly is the financial hand and the organising brain, while at the same time disowning it by saying it is a charity with independent thinking. The fact that civil

servants working to Ministers sign planning proposals or seem to direct decisions is a massive contradiction to this factual farce.

345 Financial stability is also influenced by your financial leeway as a government and your debt. That impacts on everything the Government can do and how much the people are taxed. The reality is we already had gross direct and indirect debt of £1.3 billion before COVID arrived on the scene, and he knows that when we supported the emergency COVID Budget in March 2020 we expressly reserved our position on the issue of the historical debt and whether it had been  
350 responsible, or not, to be so much in debt at that point. The fact that we were already £1.3 billion in debt before COVID was due to one of the biggest breaches of promise by Mr Picardo, which in this election year is worth remembering.

In 2011, in his New Dawn promise, he solemnly declared to people in his manifesto that he would halve the then existing gross debt of £480 million. He was unequivocal in an accompanying  
355 video that it was that spiral of debt that could lead us to ruin. In 2012, in his first Budget speech as Chief Minister, Mr Picardo added:

[...] in Opposition, we raised issues about the creeping growth of our nation's gross debt and why we have a clear commitment to deal with gross debt and net debt levels, as we set out in our manifesto [...]  
That is why, Mr Speaker, our manifesto specifically provided, in clear and unambiguous terms, our approach to the reduction of national debt.

Mr Picardo continued:

Our manifesto provides on page 27 that in respect of gross debt: 'Our commitment is that Gibraltar's public debt will be brought down by half of its current level, whatever the current level is after the election, so that by the time of the next election in 2015 there will have been a 50% reduction. Gibraltar's gross debt is presently stated to be at £480,000,000.00 ...'

By 2015 they were going to halve the debt to at least £240 million. Of course, this was a promise shattered and buried. Instead of halving it, because that 'spiral of debt' would 'lead us to ruin', he  
360 has proceeded to almost quadruple it to an atmospheric £1.9 billion. What happened to his concern that the spiral of debt would lead us to ruin? He converted it into an ever-increasing, downward, faster spiral.

His is the Government of financial records, it is true: record debt, record deficits and record breaches of promise affecting financial governance to the people of Gibraltar. The problem is that  
365 that debt does haunt us, deprives us of financial leeway and hampers our emergence in a post-COVID period. It means our people have to pay more and do so, as well, because of the inability to keep to its Budgets and its promises.

His rather contorted explanation this morning about the debt ceiling and the new formula on the calculation of debt and how he has the headroom to get to £1.09 billion in debt was feeble.  
370 Has he not realised that when you count the indirect debt, to use his own terminology, he has already bust through the debt ceiling a long time ago, well before COVID arrived, and not just by a few million but by hundreds of millions?

The stable management of our public finances should be a vehicle to deal with social and economic policy, but if public finances are in disarray then social objectives are not dealt with, our  
375 economy is not properly repositioned and people continue to suffer in a cost of living crisis because of government inefficiencies. People have been penalised significantly because of the handling of public finances over the last few years. Having brought Gibraltar to the financial precipice, shackled our people to a legacy of debt, spent hundreds of millions of the people's money, hidden hundreds of millions in a financial jungle and presiding over an administration  
380 mired in inefficiency without a clue to get out of their own financial mess, the only resort left has been to ask the people for a bailout by taxing them more. This is happening when we have the worst cost of living crisis in decades and when homeowners are facing the pressure of higher

mortgages, but because the Government has no financial leeway, because it is up to its neck in debt, it has no other real plan.

385 In 2021 the Government massively increased Social Insurance, which hurt businesses trying to  
recover from the effects of loss of business after COVID. The Social Insurance price hikes were  
penal. They hit business and eroded wages, so that there were employees worse off, even after  
receiving a wage rise. Let me repeat that: they were worse off, even after receiving a pay rise.  
That is how profound they were in effect. But those increases were against a backdrop of much  
390 lower inflation in 2021, and even then there were concerns on jobs, wages and business viability.  
It is worth recalling that the Social Insurance increases in 2021 were from 20% to 107% and that  
voluntary contributions were increased by 142%. When the Chamber condemned the Social  
Insurance increases in 2021, which were done without consultation, they noted ‘the precarious  
state of the Government’s finances in the wake of not only the COVID pandemic but also’, to quote  
395 from their press release, ‘years of rampant recurrent and capital expenditure.’ The Government  
also increased electricity charges in 2021 – 20% for commercial electricity and 16% for home  
consumers. In 2022 there were further increases of 8% in electricity and water charges, so over  
the last two years, a 24% increase in electricity. Conveniently, the Chief Minister only talked about  
last year earlier this morning. Additionally last year there was an increase of income tax by 2%.  
400 Now we know there will be a reduction, in part, for some.

In the run-up to last year’s Budget the Chief Minister had drip fed into the public domain that  
it would be his toughest Budget ever. He is developing a habit of wanting to prepare the ground  
for his speech. This is now the renaissance financial stability Budget, apparently. Of course, it is  
election year – it would not do to run with ‘toughest election 2’. This year, election year, it had to  
405 be a better story, however fantastical.

Mr Speaker, a family on average income in 2022 after 2% income tax, a 24% increase in  
electricity, higher Social Insurance, big rises in interest rates that will have had an effect on  
monthly mortgages if they are homeowners, high inflation especially hitting supermarket prices,  
and static wages or wages that cannot keep up with inflation, know that they have less money in  
410 their pockets. They also know that they must tighten their belts as a household. They know that  
to live like before and to spend more than you earn is a recipe for disaster. Everybody knows that –  
everybody except, apparently, for this political Government that somehow lives year after year in  
the same cycle of spend as you please, not keeping to their budget and expecting people to bail  
them out at the end of the year. This is a Government that does not learn from its mistakes and  
415 why it is appalling for the Government to overspend in its own Budget. This just pressurises  
ordinary families, workers and small business. In financial year 2021-22, the worst financial year  
for deficit ever, Mr Picardo’s Government could not keep to their Budget, and they did not do so  
either last year, financial year 2022-23.

People will be unable to understand how the Government cannot do what ordinary families  
420 are doing all the time. They will be dismayed that they have to endure higher taxes or lower wages  
because of the Government’s inability to keep to its own Budget. People are tired of a decade of  
borrowing without restraint, people are tired of a decade of breached promises on debt, they are  
tired of a decade of spending without discipline, a decade of not controlling public sector  
contracts, a decade of not controlling waste and abuse and a decade where systematically the  
425 people’s money has been spent without restraint and without transparency. People are tired of  
working hard to bail out this Government’s mistakes. Why should this carry on any longer? Soon  
they will have a chance to tell them enough is enough and show them the door.

For all those reasons, Mr Speaker, and those that will be set out by my colleagues, we cannot  
support this unrealistic Appropriation Bill built on continuing opaqueness, a fiction and an  
430 approach to public finances that we simply do not share and would want to radically change. Given  
the context and the fact that we just do not buy the rosy pre-electoral headline, we continue to  
consider that the public finances are in a deeply delicate state and that there is no point  
pretending otherwise. It would be an important objective of a GSD Government to overhaul the  
management of our public finances, tell our people the full picture and ensure, through our

435 policies, that we are firmly restored on the road to financial recovery. We are some way from that  
objective yet. We have no faith in this Government doing so when they often do the opposite of  
what they say.

Budget measures constructed in this public finances climate need to not only take account of  
the real state of our finances but of the macro-political context and the continued uncertainty  
440 that our economy is facing when we still do not know if will be possible to conclude a safe and  
beneficial agreement with the EU.

The priorities need to be to help the vulnerable, families in need, the lower paid and the  
elderly. Equally we need to ensure that business remains competitive and we are not shackled by  
unnecessary bureaucracy and can be the engines of recovery that would provide an all-important  
445 boost to productivity. New markets need to be considered, and further diversification into existing  
markets. Narrow and short-term thinking that led to last year's so-called COVID business tax on  
companies needs to be discarded. The plan has to be for real financial stability, for tax reductions  
and better debt management in the knowledge of all taxpayers' moneys that the Government and  
entities are handling, and that the recurrent expenditure is being managed in a sustainable and  
450 disciplined way without the risk of borrowing to cover recurrent expenditure. We do not have that  
financial stability yet.

Mr Speaker, I turn to the Budget measures announced. We welcome adjustments and  
increases to assist those on low incomes, on benefit, and pensioners. That includes increases in  
disability benefit or the Minimum Wage or the state pension and occupational pensions. We  
455 welcome, also, assistance to students through higher maintenance grants, as well as increases in  
the sponsored patient allowances. Not increasing electricity charges again this year will be good  
for households, although, of course, it comes after increases of 24% in the last two years. The  
increase to the entry-level salary in the public sector is supported, as it helps those on low incomes  
specifically, and the opening of AA recruitment is long overdue as there are many vacancies in  
460 many departments given the various statistics provided to us in Parliament.

We, the GSD, are the party of tax cuts and we will take no lessons on that from the GSLP. After  
all, when we were elected in 1996, income tax was at 49% and we slowly brought it down to an  
effective rate of tax of 25%. We returned thousands of pounds to working families because it is  
their hard-earned money and, philosophically, people should retain as much of their earnings  
465 from hard work as possible and the state should manage taxpayers' moneys better. Equally, and  
despite GSLP promises in previous manifestos to lower tax, in their 12 years they have not done  
so and in fact all they have done is raise it by 2% last year. While we have always favoured a policy  
of returning money to people via tax cuts, the issue is whether the 1% cut announced today is  
affordable given the inability of the current Government to properly manage public moneys for  
470 the reasons we have given and that my colleagues will set out, and fundamentally whether the  
cut is affordable on the numbers of the Government's own estimates, some of which are  
demonstrably unrealistic.

The reductions in penalty charges on filling vacancies and costs in registering employees are  
welcome, but beyond that and any restored business nurturing scheme, the business sector will  
475 feel there is absolutely nothing to help businesses in this pre-election Budget.

The Budget measures will be equally disappointing to the unions' aspirations for public sector  
wage increases after no increases for the last four years, and to public sector workers. Instead,  
what there has been is nothing more than a naked attempt to sweeten the pill with an attempt to  
buy votes weeks ahead of an election, at a cost of £6.5 million to the taxpayer. These are, in effect,  
480 pre-election handouts happening maybe weeks before or in the middle of a campaign. We agree  
that those on lower incomes in the public sector should be helped, but this does not provide them  
with pensionable increases to salaries at the lower end for those on low income. What they are  
getting is a one-off payment. The nakedness of the raw politics of it comes in the fact that all public  
sector workers up to an income of £100,000 are getting this in a staggered way. That is more about  
485 votes in the public sector than helping people on low income, because if they really had the spare  
cash – which we doubt – such help should have been more targeted to those on average incomes

and thresholds below £50,000 by giving more assistance to those people on lower incomes. Handouts to persons on higher incomes, which is what this measure partly represents, will be inexplicable to the thousands of workers in the private sector with incomes below £50,000, who will balk at the prospect of their taxpayer moneys going to pay election handouts to people with income more than double theirs.

So let's be clear what the effect of this measure is. Let's be clear that a family with income of £30,000 or £40,000 in the private sector is contributing their hard-earned moneys to the gimmick of an election handout to a person earning £95,000 in the public sector, or to a household where there may be two senior civil servants earning a joint income in excess of £180,000. Neither the private sector nor the low-paid public sector worker will welcome such a measure. It is the same old GSLP with the same old politics of handouts seeking votes, like they used to do, before 1996, to pensioners.

The effect of all this is also that Mr Picardo has, in effect, eliminated the already unrealistic cash surplus. So ignore everything that I have said so far to seek to persuade people that actually it is built on a fiction. I do not even need to go there – ignore all of that – because he has already eliminated the cash surplus on his own figures. If the cash surplus of £2.5 million was built on a hopeless fiction before, he just burned the house down. It also, of course, in effect breaches the golden rule he was waxing lyrical about, because funding the election-time lump sum payments, the election handouts and the tax reduction will likely force him to borrow money, what he said he would not do earlier in his speech, to make sure you do not borrow to pay wages or fund recurrent expenditure. I say that using his own numbers. No spin. I am not inventing the numbers. He projects a Budget surplus of £2.5 million on numbers that we say are unreal, but let's be clear: even if he was right – which we say he is not, clearly – his leeway, if it is to be believed, can only be what he says it is, so his leeway is £2.5 million. The election handouts are going to cost the taxpayer £6.5 million. Bang goes the surplus, because he says it is going to be produced from what? From the cash surplus. Well, the cash surplus has gone.

Last year they said in Parliament that the 2% increase in income tax was going to generate £17 million. I do not know if that is still an accurate projection, but I am going to take their figure – not mine, their figure. So let's say that if you reduce it by half it is at least going to cost a few million, when instead of ... If 2% generates £17 million, 1% will generate half – maybe less than half; whatever the projection is. Well, that, together with the reduction, together with the election handouts, has wiped away the cash surplus and puts you into deficit. And that is not even taking into account that you have provided £1,000 for the temporary cover of teachers and you have underprojected in the Health Service massively. The real figure actually is that you will overspend on this Budget again and the cash surplus is no more than a total fiction.

This combination of measures, together with the analysis I have made about the underestimates in health, care and education, show what a shameless political exercise this is, and how irresponsible it is from someone desperate to hang on to power – so desperate he does not know what else to do, so he resorts to the politics of handouts in a fragile state of public finances, the opposite of what he says he is because he pretends to say he is responsible and then flushes the surplus away with one budget measure. It was fictitious anyway, so I suppose it does not matter. 'Re-elect me just one more time,' he said ... just one more time. A Chief Minister running out of ideas, immersed in so much spin that he is like a spinning top, taken in by the emotion of the desperation to survive politically, so much that it is driving him to exasperation, so much that when I watched his performance this morning – because that is what it was, a performance, part bombastic, part bravado, part fake outrage and part emotion – what a performance! – it brought to mind that quote from TS Eliot:

This is the way the world ends  
This is the way the world ends  
This is the way the world ends  
Not with a bang but a whimper.

535 He is right that they were described as being unfit to govern, but I thought that was the  
*Panorama* newspaper. Or have we forgotten the headline? ‘God help Gibraltar if this GSLP lot are  
ever elected to government’ screamed the *Panorama* newspaper at the top of its voice. A case of  
friendly fire, I suppose, perhaps, but maybe this socialist Chief Minister – because he also  
mentioned several times that he is a socialist this morning; people will make their own judgement  
as to whether or not this is a Government that leads in that way, but maybe this socialist  
540 Government that knows such lingo as *el mundo yupi* stopped reading *Panorama* a long time ago.  
*El mundo yupi de Picardo*. He really has been going to Madrid far too often. (*Interjection*) The  
problem with that phrase (*Interjection*) is that it can also be applied to him, because in his *mundo  
yupi* we had the biggest crisis ever, last June, and the toughest Budget ever, only for him to have  
miraculously restored financial stability in his *mundo yupi* a few months later so he can splash the  
545 cash, glad-hand lots of people in pre-electoral stunts and be supported one more time – one more  
margarita. I have nothing equivalently snappy to respond to his *mundo yupi* with, except *déjame  
de rollo*.

This is not a renaissance Budget or a Budget for young people. What specifically is there for  
young people, other than the student grants? He says this is not the Government of the privileged  
550 few – people will make their judgement – as if that was enough for anyone in Gibraltar who  
actually believes that this is what precisely they are, the Government of the privileged few. He  
says his Government has saved Gibraltar. Wow, that really stuck in my throat, that the GSLP has  
saved Gibraltar, that he remembers the Gibraltar of 2011 and reminisces with romantic nostalgia  
for the GSLP of the past, as he looked at his predecessor with teary eyes.

555 Well, Mr Speaker, I remember the past, too. I remember the Gibraltar of 1996, of the culture  
of fear, (*Interjections and banging on desks*) of the fast launches, (*Interjections and banging on  
desks*) of the jobs and contracts for the boys, (*Interjections and banging on desks*) of the secretive  
companies, of the riots, of the absence of opportunity for young people, of the dead-end jobs, of  
the Gibraltar of the GSLP where you were with them or against them, of the sheer desperation  
560 that people had, with no future. Sounds familiar (*Interjection*) because those themes have come  
back, except the web of companies is now a jungle and the debt makes the Joe Bossano of 1996  
look like a saint, and, like *Back to the Future*, we have seen a return of the politics of ‘you’re either  
with me or against me’.

Mr Picardo has the gall to talk about the GSLP saving Gibraltar. Well, maybe people will say  
565 soon, ‘If that’s the way you’re saving us, no thanks, we prefer not to be saved by you.’ It is clear  
from his repeated attempts to misdescribe it that way that Mr Picardo started his re-election  
campaign today, trying to present the GSD as one of austerity and cuts. We are not the party of  
austerity and cuts, we are the party of realism and responsibility, calling it what it is. Of course, as  
he would not recognise responsibility if it walked in through the door, it is easy to understand that  
570 he would regard that foregoing presence as something else. What we do insist on is responsibility  
and discipline and to tell it how it is. We will see what people, tired of his broken promises, spin,  
the crisis of truth and governance, will make of his approach soon enough.

So what of the future? The inability to deal properly with public finances only reveals part of  
the picture which shows how people are being left behind and how the Government is unwilling  
575 or unable to face the rampant need for reform. We have a creaking housing infrastructure in which  
not enough houses are allocated on a monthly basis to cope with the demand of people put on  
the various housing lists. Endemic housing problems will never be dealt with radically that way. In  
parallel, the delivery of the affordable housing schemes has been pitiful. Years behind schedule,  
the Government is not going to finish delivering houses it promised in 2015 till 2027, 12 years  
580 later. By then, young families who in 2015 had been excited at the prospect of a new home to  
bring up their children will find that they are getting their home when they have outgrown it or  
when their children are about to go to university, in some cases. For those waiting for the delivery  
of the houses or who languish for years on the housing lists, the experience of interface with a  
Government that does not listen is frustrating and the people who live in disgraceful slum-like

585 conditions or with medical problems classified as urgent by the Government itself wait patiently  
without their medical or social conditions being adequately prioritised.

Despite the vast sums spent on health, the complaints are legion and the morale of the staff is  
at a low point. There are failures in special needs and social services. The lack of delivery of  
opportunities for young people who do not wish to or cannot take an academic route to a career  
590 is striking. There have been promises from this Government for too long on the issue of vocational  
trades and technical skills for them to retain any credibility.

There is no real commitment to transparency. The reverse is true. They prefer the opaqueness  
of the jungle and revel in it. The commitment to parliamentary reform or to changing the way we  
are governed is window dressing with a set of parliamentary committees that have not met in  
595 years. The Anti-Corruption Authority Act commitment is electorally driven box ticking of no real  
change, with a law that is toothless and has not even been commenced, and only passed on the  
eve of the election because it would have been far too embarrassing to seek re-election when this  
had been promised in 2011 and not done. In practice, any new Government committed to making  
real changes will need to overhaul that law.

600 Overall, this is a tired Government. It has been 12 years and that reforming zeal of 2011 has  
gone. Many of those promises were breached and the personalities are looking jaded after more  
than a decade in power. Gibraltar will not see the reforms that it wants or needs until there is an  
end to this administration which now stands in the way of solutions and reforms. They have  
become part of the problem and they must go. (*Banging on desks*)

605

**Mr Speaker:** The Hon. the Deputy Chief Minister.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, I obviously do not intend to answer  
the outrageous remarks made by the Leader of the Opposition and I will leave that to the mover  
610 of the Bill, who will be summing up at the end, as is customary.

This is my silver jubilee Budget. I have been a Member of this House now for 25 consecutive  
Budget occasions. Some, unfortunately, were marred by the pandemic.

My hon. Friend the Chief Minister this morning set out the Budget numbers, not only in relation  
to the surplus but also in relation to other areas of the economy. The figures show that the  
615 economy is working and that the public finances of Gibraltar have been turned around. That  
Gibraltar will move from a deficit to a surplus is only part of the picture the Chief Minister went  
through this morning. It would be unfair and churlish to cloud or diminish the importance of such  
a development, in particular when other countries in the world continue to post huge deficits.  
Gibraltar must be confident and it must be proud of where we are today.

620 This will obviously be the last Budget before a General Election. The last time Gibraltar went  
to the polls was in October 2019. We had no crystal ball; nobody could possibly have foreseen at  
the time what lay in store for everyone. It has been a complicated and difficult term of office for  
that reason. A range of critical issues, largely unprecedented, have had to be dealt with, and that  
has not been easy. True, being in government is never easy, but true also that no Government has  
625 been faced with the multiple challenges that we have had to confront: a global pandemic, a  
lockdown within five months of the election, economies closed around Europe and the world, and  
millions of people dead, everywhere.

Sadly, Gibraltar, as the House knows, did not escape unscathed, and over 100 people lost their  
lives here, too. It was a particularly hard and difficult time for the elderly, who were judged to be  
630 most at risk; for our young people, who saw their studies and examinations disrupted; and for the  
population in general. But they were dark days, too, for those in government dealing with the  
unknown, trying to keep a killer virus at bay, taking hard decisions in order to save lives, waking  
up in fear of what the new day might bring. It was a physically and mentally draining experience,  
but as so often happens, we all rose to the challenge and we faced the threat and stared it down.  
635 Gibraltar came very close, as my hon. Friend the Chief Minister said this morning, to the formation



of a government of national unity. The Leader of the Opposition attended some Cabinet meetings; both sides of the House worked together to address aspects of the crisis.

640 So as the pandemic unfolded in front of us, we dealt with it. We sourced medical supplies and equipment, including PPE and ventilators, at a time when other countries were struggling with the supply chain. We topped the global league when it came to testing and we vaccinated the entire population in world record time, the first territory on the planet to do so. We found workarounds and solutions to the problems that cropped up, but those solutions cost money. Medical equipment, medical staff, private sector salaries and business support all had to be paid for, so the pandemic created a pressure on public finances which was without parallel. Economies worldwide  
645 turned to borrowing. Record levels of debt have now become the norm everywhere. The priority was to protect citizens and businesses. Economies came second. This was a once in a lifetime event and it happened in ours.

That cost, coupled with the loss in revenue, continues to be broken down in detail in the COVID Response Fund, and we have heard this morning how that is now being addressed going forward.  
650 The figure stood at over £400 million and this pushed the public finances of Gibraltar into a deficit for the first time in a decade. The House knows that the deficit for the last financial year was projected at over £50 million. As hon. Members have heard, that has come in at the considerably reduced figure of £15 million. And the good news, too, is that the projection for 2023-24, the current financial year, puts Gibraltar back in surplus territory. Despite everything that has been  
655 said, prudent stewardship of the economy has now taken Gibraltar out of the red and there can be no denying that it is an important step in the right direction.

Mr Speaker, as the House knows, Spain will go to the polls on 23rd July. This has obviously impacted on the negotiations for a treaty to govern the future relationship of Gibraltar with the European Union. It is one of a series of unconnected and connected events to have impacted on  
660 the timing of such treaty. Indeed, the new elements introduced by Spain in the final stretch of the negotiations have proved to be an obstacle to an earlier agreement. My hon. Friend the Chief Minister could not have been clearer. He said that the ingredients of sovereignty were creeping into the picture. The proposal on the table, therefore, was not safe, secure or beneficial for Gibraltar and it will fall on whoever is elected in Madrid to continue those discussions, or indeed  
665 to discontinue them. The final approach will probably depend on the political complexion of the new Spanish administration.

We were first elected into government in 2011. This was only a few weeks after the Partido Popular had also won elections in Spain. We therefore bring plenty of collective experience to the table in dealing with difficult politics from Madrid; more than that, considerable experience in  
670 handling their most difficult Foreign Minister since the days of General Franco. I refer, of course, to José Manuel García-Margallo. So if the Partido Popular were to win, with or without Vox, people should know that their Government is prepared. In the event that the PSOE-Sumar coalition were to renew their mandate, we are also best prepared to take the treaty negotiations to a safe conclusion. So the message is that we stand ready to protect Gibraltar, whatever the future may  
675 hold.

Looking back now, it is obvious that the negotiations have taken up a disproportionate amount of government time. The breadth of topics under review has made this a genuinely cross-ministerial exercise. Evidently, the Chief Minister and I have been more involved. We have been present at high-level political meetings, without officials. There have been formal negotiating  
680 rounds with the European Union. The process has also seen countless pre-meetings with the United Kingdom, with Spain or with both of them. Those meetings, contacts and engagements have been ongoing at different levels and in different locations, practically on a daily basis. In addition to that, the process has seen a huge volume of important technical and legal work. This has been very ably led by the Attorney General, Michael Llamas, with the support of the Director of Gibraltar House in Brussels, Daniel D'Amato.  
685

It is easy to forget that the negotiations only commenced in October 2021, which is when the European Union declared itself ready to talk. The structure has been characterised by what we

690 have termed ‘variable geometry’ between the four relevant parties. These are the governments of Gibraltar, the United Kingdom and Spain, together with the Commission of the European Union. The House already knows that we are close to an agreement. Given the elements introduced by Spain now, it is conceivable that the talks could collapse, so those sovereignty and jurisdictional concerns may catapult Gibraltar into a no-treaty scenario. Hon. Members will be clear that there are certain fundamental lines that this Government will not cross.

695 There are those who argue that the conclusion of a treaty has taken too long. Clearly, had we signed up to everything that Madrid and Brussels wanted in October 2021, then we would have had a treaty 19 months ago. However, the reason for the timescale is precisely because the UK and Gibraltar have held the line. That is what a negotiation is all about: opening positions, wider high-level principles, detailed technical discussions, proposals and counter-proposals, and then convergence around the common ground. The intensity of that detailed work has taken its toll. 700 However, we remain determined to continue to do battle in order to secure a treaty which is safe and beneficial for Gibraltar. The Government remains firm in the belief that this is the best option for Gibraltar’s future, for our families and our children, for our businesses and our citizens, and for our country as a whole.

705 The conclusion of such a treaty raises the practical question of implementation. This, too, will involve a considerable amount of legal, political and technical work in order to ensure the smooth operation of the process as any new treaty comes into force, so implementation itself will be a mammoth task. The Government remains in the best position to see this workstream through until the end. The Chief Minister and I have been present at every high-level political meeting. Issues have been discussed and commitments have been given in our presence. Policies have been 710 formulated in front of us and decisions have been taken, so we can personally hold Spain and the EU to account for what they have said to us in private. We have been immersed in the detail of this world for some seven years now. It has, to a considerable degree, taken over our lives, and we know the issues, the personalities and the discourse inside out. We promised, in 2016, to leave no stone unturned. That is exactly what we have done ever since.

715 The alternative to treaty implementation is a no negotiated outcome (NNO). The United Kingdom and Gibraltar governments have been working very closely to mitigate the negative impact of no treaty. Those effects are set out in the public communications that the Government has issued ever since the vote to leave the European Union took place. This has included two booklets which were published and sent to thousands of households all over Gibraltar. The first 720 was entitled ‘Preparing for a no deal Brexit – Get Ready’, and the second was entitled ‘Guidance to Citizens – No UK-EU treaty on the future relationship of Gibraltar’. Some 60 subject-specific technical notices to the general public have also been published. These included a specific ‘Guidance to businesses and certain public services’, which was issued at the end of October 2022. All this remains available online. Separate briefings have also been given to stakeholders, some at 725 their own request, others at the request of the Government when there has been something new to report. This NNO work has been guided by the need to balance the dissemination of information in a sensitive way which does not create a general panic. The Government is very grateful to all the entities that have taken part over the years, including the Members opposite, for respecting this delicate balance.

730 Mr Speaker, the Brexit structures we have put in place have continued to operate. The Brexit Strategic Board, which I chair, generally meets once a fortnight. There are also meetings between subgroups, which cover a wide variety of different subjects. The general areas are commerce, critical services, waste management, health and social care, law and order, legal and EU matters, public services, special projects and the supply chain. In addition to this, there have been deep 735 dives into a number of specific subjects.

The NNO Board between the Gibraltar and United Kingdom governments has met 26 times. I chair this at a ministerial level together with the UK Minister for Europe, and at an official level with senior UK officials. The close co-operation and working relationship between the two governments could not be better. I want to thank all the different UK Ministers who have been

740 involved in this work, including the current Minister for Europe, Leo Docherty MP, who has shown  
a keen personal interest in Gibraltar. The Government is grateful, too, to the many officials in  
London, Brussels and Gibraltar who have made invaluable contributions to our NNO work over  
the years. UK officials have defended and promoted the interests of Gibraltar in the same way and  
to the same degree as those of the United Kingdom itself. The challenge that Gibraltar would face  
745 in the absence of a treaty is already well documented.

A total of 132 Brexit-related queries have been received at the [brexit@gibraltar.gov.gi](mailto:brexit@gibraltar.gov.gi) email  
address from May 2022 to date. These have all been replied to or the sender has been provided  
with the details of the department in a better position to assist. Those queries have related to  
eligibility for S1 certificates and health cover, passports, residency, customs requirements, road  
750 haulage, driving licences, pets and the registration of medical devices and products. I want to take  
this opportunity to thank Civil Contingencies Co-ordinator Ivor Lopez and my Principal Secretary,  
Ernest Francis, who have played a vital co-ordinating role in taking this work forward. I must also  
thank the countless officials of the Government of Gibraltar, its agencies and authorities, who  
have all contributed positively to this process.

755 The Government is grateful for the bridging measures that Spain continues to unilaterally apply  
at the border for Gibraltar residents with a red identity card. It is well known that the default  
position would now be passport stamping for everyone. We very much regret that Spain has not  
reintroduced this facility for Gibraltar residents with a blue or magenta civilian registration card.  
The House will know that this concession was terminated following changes to the immigration  
760 controls exercised on EU and Spanish nationals on entry into the United Kingdom itself. In other  
areas, like reciprocal healthcare, road haulage and cross-border ambulance services, bridging  
measures have now come to an end. The helpful consequence of this staggered approach has  
been to soften the landing zone as we left the European Union.

The Government sincerely hopes that in the coming months we may be able to conclude a  
765 treaty on the future relationship of Gibraltar with the European Union. However, in the event that  
we do not, Gibraltar will need to adapt to the new world that no treaty will thrust upon us. There  
are many areas where no mitigation is possible. The new scenario will simply reflect what it is to  
be outside the European Union. But even then we are a tough and resilient people. Over the  
centuries we have shown that we are adaptable, we find new opportunities, and we have  
770 demonstrated that we can thrive on change. Gibraltarians can and will take advantage of any new  
situation.

Mr Speaker, I now turn to report on our office in Brussels. It has been eight years since the  
Government made the move to expand Gibraltar's presence in Brussels, and what a timely  
decision that turned out to be. The office has continued to provide critical support since our  
775 withdrawal from the European Union. It has also provided a firm base from which to defend  
Gibraltar's interests. The relationships which our staff there have forged and the expertise they  
have developed over time are invaluable. This has allowed them to provide the Government with  
decisive advice as we have moved ahead in these challenging times.

During my last Budget address I underlined the important nature of the treaty work that  
780 Gibraltar House is involved in. This has not changed. Indeed, it could be said that the treaty  
negotiations, or work linked to those negotiations, take up almost the entirety of their day-to-day  
activities. The Director, Daniel D'Amato, has in particular provided the Attorney General with solid  
support as they both attended, in person, formal rounds of negotiations with the European  
Commission. Preparations for these rounds have been intense, methodical and required a lot of  
785 work over the many areas intended to be covered in the treaty. Since the last Budget session there  
have been six more formal rounds of negotiations with EU Commission officials. That is 14 formal  
rounds in total. In addition, there have been numerous technical sessions with subject-matter  
experts, and many more at diplomatic and political level. These have taken place in London,  
Madrid and, of course, in Brussels, but there have also been meetings in Gibraltar.

790 Beyond the technical support in the negotiating room, Gibraltar House in Brussels is expected  
to play a key role if an agreement is actually concluded. In such an event, as I said earlier, we

would still need to implement the treaty. It would be important to ensure that it functions and is governed as was agreed. This will create a new workstream which will endure while the treaty lasts. That work will include political stakeholders as well as officials in Brussels. The EU will need to be appraised of developments on the ground as they happen, every step of the way. The team at Gibraltar House, through their network of contacts and relationships, are well positioned to take this forward as and when necessary.

Despite the intensity of the treaty negotiations, the office in Brussels continues to support the Government in lobbying and engaging with the European institutions. In March, I had the opportunity to visit Brussels on official business. The main purpose of my visit was to participate in a meeting of the European Committee of the Regions United Kingdom Contact Group. The UK Contact Group brings together EU and UK regional politicians to foster dialogue in the post-Brexit era. The meeting was the eighth such occasion of this configuration and the second time I have attended in person. As part of the UK Contact Group, I was invited to a ceremony in the European Parliament commemorating 25 years of the Good Friday Agreement. The ceremony coincided with the announcement of the Windsor Framework. It was a fitting tribute to the importance of the resolution of issues relating to Northern Ireland. The meeting of the Contact Group itself highlighted the many opportunities that UK-EU relations can bring for the future. In my contribution, I highlighted the importance of reaching a UK-EU agreement about Gibraltar as part of that future framework. I also took the opportunity to meet a number of senior MEPs in the European Parliament. All shared their close interest in Gibraltar and their views on issues arising from the negotiations. However, they all agreed that Gibraltar was the last missing piece in the construction of a post-Brexit edifice of solid relations between the UK and the EU.

During my stay in Brussels, I chaired a round-table meeting of the heads of office of the devolved administrations, the Crown Dependencies and the British Overseas Territories. The opportunity to compare notes with them and exchange views on how we are each navigating the UK's withdrawal from the EU is always enlightening and instructive. We share many common goals as a UK family of nations in Brussels.

One of the key takeaways from my visit to Brussels was precisely the marked improvement in the UK's relationship with the EU. Indeed, all interlocutors, MEPs and fellow representatives of British interests in Brussels agreed that the conclusion of the Windsor Framework had brought about a new era in relations. These are now underlined not by ideological differences but by pragmatic solutions to real problems that affect real people. That same approach will, in our case, help us to find a way to a beneficial treaty.

Our office in Brussels regularly attends events organised by the UK Mission to the European Union. They also engage with those of the devolved administrations, the Crown Dependencies and the other Overseas Territories. One example of this was a St David's Day event organised by the government of Wales. The fact that they held an event in Brussels, hosted by their First Minister on Wales's national day goes to show how much stock our UK friends have put into their Brussels engagement. Gibraltar, too, is redefining that relationship and our presence in Brussels. One of the benefits of having a base there is not only that you can speak to EU interlocutors but also to everyone else who has a representation there. Countries and states referred to in EU speak as 'Western European Partners' are very relevant to our own engagement. In fact, the unit of the European Commission that is responsible for the Gibraltar negotiations is called the Western European Partners Unit. Brussels is the best place to understand the many differences between the needs of those with a similar geographical configuration to Gibraltar and their respective relationships with the EU. These partners include small states such as Andorra, San Marino and Monaco, with whom we have longstanding working relationships.

Third country EFTA and EEA countries also have a relationship with the EU. These include Liechtenstein, Norway and Switzerland. Some of these states are in active negotiations with the Commission, while others have already concluded agreements which may prove not too dissimilar to our own. It is important to better understand those third countries as well. Whilst recognising that we are we all different, we do have lessons to learn from each other. These third countries

all have the same experience in dealing with the EU on the other side of the negotiating table.  
845 However, they all seek very different solutions, tailor-made to each of their individual  
circumstances. The relationships that we have built with some of these states in Brussels have  
proven to be very useful indeed. Gibraltar House has therefore been and continues to be at the  
centre of Gibraltar business in Brussels. Their engagement there will remain necessary whatever  
our new relationship with the EU might turn out to be. The Brussels office can be found at Head  
850 11, Subhead 2(7).

Mr Speaker, I move on now to Gibraltar House in London. I am pleased to report that after the  
disruption of the pandemic, the last financial year was largely a return to normal for Gibraltar  
House. However, even to the present day the work-from-home pattern continues in Whitehall  
and in many institutions and large companies, so some meetings have become a mixture of in-  
855 person and virtual encounters. Sir Bob Neill, chair of the APPG, made his first visit to the Rock  
since the pandemic, in January 2022. The Government and commercial entities once again have  
started making use of the facilities at Gibraltar House for in-person meetings. The first in-person  
APPG was held in February 2022 as the parliamentary estate began to open up to visitors. In  
addition to supporting ministerial visits to London, the office continued its work liaising with  
860 diplomatic and political contacts. The Swiss Ambassador visited Gibraltar for a full briefing tour in  
March 2022, the Austrian Ambassador in April and the Australian High Commissioner in July.

Gibraltar was also represented at several major events in London. This included the last  
Commonwealth service in the presence of Her Majesty Queen Elizabeth II. Gibraltar's  
Representative, Dominique Searle, was also at the Commonwealth flag event hosted at the  
865 Westminster Parliament by the Speaker, Sir Lindsay Hoyle. He also attended the Commonwealth  
Jewish Council event and other such functions. Gibraltar has continued to form a strong  
relationship with the Office of the Westminster Speaker. This connection was the driving force  
behind a Speakers' conference which was held in London. It was also the spur to greater access to  
Parliament and it has facilitated Gibraltar's attendance at diplomatic and Commonwealth events  
870 hosted there. There are plans to allocate a room in the UK Parliament to the Overseas Territories,  
where representatives and their guests can have pre-booked access for meetings.

Gibraltar was represented at the State Opening of Parliament in May 2022; later that same  
month also at the National Service of Thanksgiving at St Paul's Cathedral, which commemorated  
the Queen's Platinum Jubilee.

875 In July, Gibraltar House assisted the House of Commons EU Scrutiny Committee during their  
formal visit to Gibraltar. This provided an important opportunity to make our case to an influential  
group of MPs so that they better understood the impact of Brexit on Gibraltar.

In September, as MPs and peers gathered in Gibraltar for National Day briefings, the tragic  
news broke that Her Majesty Queen Elizabeth II had passed away. This impacted greatly on  
880 everyone, and as the people of Gibraltar mourned their Sovereign, visiting parliamentarians were  
able to participate in the tributes made locally to mark such a great loss.

The autumn of 2022 also saw the Government's participation at different UK party political  
conferences. The Chief Minister opened the Gibraltar reception at the Conservative Party  
conference in Birmingham before leaving for the United Nations in New York. I stayed there for a  
series of prearranged meetings and engagements. I was also happy to represent the Government  
885 at the Labour Party conference in Liverpool. The Government hosted a reception there for  
Members of Parliament and delegates. Shadow Europe Minister Stephen Doughty pledged the  
Labour Party's support for Gibraltar at the event. Plans for the Liberal Democrat conference fell  
through when the event was cancelled after it coincided with the late Queen's funeral. Gibraltar  
890 was also represented at the SNP and DUP conferences.

A number of well-known external factors obviously impacted on our lobbying work, not least  
the fact that just over a fortnight after the Conservative Party conference Liz Truss was forced to  
step down as Prime Minister. She had only taken over from Boris Johnson 44 days earlier. The  
political upheaval that ensued forced the postponement of the Overseas Territories Joint  
895 Ministerial Council. Nevertheless, Gibraltar Day in London, which involved finance centre

meetings and a diplomatic event, went ahead with a high attendance. The reception at the Shard saw UK Ministers, High Commissioners, Ambassadors and diplomats present.

900 More recently, the House of Commons Public Administration and Constitutional Affairs Committee also paid a useful visit to Gibraltar. Again, as with the EU Scrutiny Committee, the visit was a decision taken by them and financed by them. Gibraltar House assisted in making arrangements and providing logistical support. In a separate visit, 18 Members of Parliament from the Armed Forces Parliamentary Scheme also came to Gibraltar at the beginning of last month. They were hosted by the MoD. These visits help significantly in getting influential parliamentarians to understand the nuances of the complex situation that has arisen for Gibraltar as a consequence  
905 of leaving the European Union. They are also very useful in laying the basis to lobby them afterwards for support.

Mr Speaker, the Government continues to develop and promote links between Gibraltar and the Commonwealth. In London, Gibraltar House liaises regularly with the Commonwealth Foundation, the Commonwealth Enterprise and Investment Council and the Commonwealth  
910 Parliamentary Association. In May, I was pleased to renew our contact with the Secretary General of the Commonwealth, Baroness Scotland. I also used the opportunity to meet with a number of High Commissioners in London. This visit provided the opportunity to raise some passport and e-visa issues which affect the Hindu community in Gibraltar. I also met with the Commonwealth Foundation. Gibraltar has been a member for decades and we wanted to obtain a better  
915 understanding of how to make the best use of this longstanding membership.

Hon. Members will know that Gibraltar participates in some Commonwealth bodies in its own right, and in others by virtue of the membership of the United Kingdom. The Government is determined to build upon our relationship across the board. Sixty per cent of the citizens of the Commonwealth are under the age of 30. It is vital to engage young people going forward. I want  
920 to congratulate the four winners of the different categories of our annual Commonwealth Essay Competition. These were Luca Trinidad in lower primary, Gianella Pitto in upper primary, Haylee Pincho in secondary school and Gabriella Chipol in the university student category. That policy of encouraging youth engagement continued during 2022. In June, two representatives of the local Commonwealth Youth Association participated in the Commonwealth Youth Forum which was  
925 held around the Heads of Government meetings in Kigali, Rwanda. And in November, two youth delegates represented Gibraltar at the Commonwealth Youth Parliament in Trinidad and Tobago.

In April this year, Gibraltar hosted the main global Executive Committee of the Commonwealth Parliamentary Association. This provided a very useful opportunity for Members to exchange views with MPs, Speakers and Ministers from all over the Commonwealth family. And the  
930 Gibraltar flag flew proudly once again during the Commonwealth Games in Birmingham last summer.

Finally, one practical change for Gibraltar House in London has been the pedestrianisation of the area immediately in front of it, which now stretches all the way to Australia House. This greatly improved streetscape has cut down on the level of noise and other pollution from traffic.

935 I want to take the opportunity to thank Gibraltar Representative in London Dominique Searle and everyone at Gibraltar House for their work over the past year. Gibraltar House can be found at head 11, subhead 2(6).

Mr Speaker, the Government has continued to develop commercial and political links with the United States of America. I was delighted with the success of the local AMCHAM branch recent  
940 visit to Raleigh, in North Carolina. The twinning of Gibraltar under the Sister Cities programme has worked very well. The delegates were joined by David Liston, our representative in the United States. They were received by the Secretary of State and the Governor at an event held there to commemorate the Coronation of King Charles III.

The House knows that the Government has maintained, and will continue to maintain, the  
945 ongoing work at the United Nations. In October, the Chief Minister addressed the Fourth Committee in New York. In May, Sir Joe Bossano represented Gibraltar at the annual seminar organised by the Committee of 24, this time in Bali, Indonesia. The Chief Minister and I went to

950 New York last month for the annual session of the Committee of 24. I stayed behind an additional day for a number of separate meetings; there is considerable work to be done there, discreetly and away from the glare of the cameras.

955 In May we resumed our work in Washington. I was delighted to meet with Members of Congress from both the Republican and Democratic parties in order to put across the wider Gibraltar point of view. The hectic schedule saw 26 meetings in two and a half days, right until we made our way directly to the airport from the last meeting. One of those meetings was with the head of the American Battle Monuments Commission. They are responsible for the upkeep of the US War Memorial in Line Wall Road. The monument was completed in 1933. The inscription on it says that it was 'erected by the United States of America to commemorate the achievements and comradeship of the American and British Navies in this vicinity during the World War'. This was obviously World War I. We exchanged ideas with the Commission as to how we can work together to upgrade and improve the area. The Government expects those contacts to continue during this financial year.

960 I move on now to report to the House on the work of the Gibraltar National Archives. I want to start by paying tribute to the former Archivist, Anthony Pitaluga, who retired earlier this year. Mr Pitaluga has taken the archives into the digital age. He was instrumental in setting up a number of virtual exhibitions which kept our people entertained during the lockdowns, and he also curated important physical exhibitions which marked milestones in our journey as a people. He was assisted in this by a highly skilled and enthusiastic team. On behalf of the Government, I wish Mr Pitaluga all the very best for the future. I am told that the process of recruiting a new Archivist has already commenced.

970 The website [www.nationalarchives.gi](http://www.nationalarchives.gi) continues to be very popular. There were 21,998 hits from 144 countries registered on the GNA website. On average, an online session lasted about 12 minutes. 81.9% of those hits came from new users. The remaining 18.1% came from returning visitors. There were a further 79 enquiries from 30 countries received by email or post. These came from Europe, Africa, North and South America, and Australia, and all were dealt with.

975 The staff of the Archives took part in a series of training events and conferences over the last financial year. Hon. Members will be aware that three exhibitions were organised during 2022. In April-May there was an outreach on the 40th anniversary of the liberation of the Falkland Islands. This was followed in June and July with another one to mark the Platinum Jubilee of Her Majesty Queen Elizabeth II. A third one took place in November to commemorate the 80th anniversary of Operation Torch. Attendance at those events by schoolchildren has picked up. I am told that the latter two saw numerous schools visit.

980 I want to draw attention to two collections which we are now in the possession of the National Archives. The first is the historical book collection of the late Mr Lionel Culatto. This consists of a vast corpus of historical publications which are a most worthy addition to the archives. In addition to this, the Archives are also now in control of the historical reference library of 18th- and 19th-century records from the Gibraltar Courts Service. The collection consists of an extensive number of legal documents and correspondence. This will prove to be an essential resource which offers the opportunity for advanced study of legal documentation and administration of that time period. I want to thank the Acting Archivist, Mr Gerard Wood, and the staff of the National Archives for their enthusiastic support throughout the year.

990 I now move on to civil aviation. The Director of Civil Aviation has continued to actively encourage and promote flight safety activity in all areas involving civil aviation in Gibraltar. This includes the oversight of agencies, operational activities or the maintenance of international standards and practices by operators in Gibraltar. The International Civil Aviation Organisation (ICAO) audited the UK aviation safety oversight system in November 2022. The Crown Dependencies and Overseas Territories were not individually audited during this visit. However, the Director of Civil Aviation was required to complete the compliance checklists and the protocol questions for all 19 of the annexes to the Chicago Convention. This task took up a considerable amount of time over the past year. A large number of the published directions, procedures and

1000 policies were updated, too. The ICAO has stated that it wishes to audit one of the Crown  
Dependencies or Gibraltar over the next two years. The continued update of the compliance  
checklists and protocol questions will remain a high priority moving forward. The Director of Civil  
Aviation (DCA) continues with an ongoing separate audit programme of activities at the Airport.  
1005 This is necessary in order to demonstrate continued compliance with stringent international civil  
aviation requirements.

Work on aviation legislation continues. This is both part of the ICAO audit process described  
above and also in order to comply with other international obligations relating to aviation. In  
November 2022, legislation was gazetted to enact the requirements of the Carbon Offsetting and  
Reduction Scheme for International Aviation. In October 2022, amendments to the Civil Aviation  
1010 Act were gazetted. These provided the power for the relevant authorities to be able to act during  
the period when Winston Churchill Avenue transforms from a public highway into a runway. The  
changes to the Act were followed by the Civil Aviation (Winston Churchill Avenue) Regulations  
2023, which were gazetted in February.

Drone activity has reduced slightly over the last year. Nonetheless, there remain a significant  
1015 number of local commercial and recreational operators registered with the DCA. In addition, there  
is a steady stream of film companies coming to Gibraltar wishing to incorporate drones into their  
filming activity. The support of stakeholders such as the Department of the Environment, the  
Ministry of Defence and the Port in making those flights possible is greatly appreciated. The last  
year also saw a significant increase in contact with Spanish drone operators. This allows the DCA  
1020 and Air Traffic Control to ensure that those drones, too, operate in a safe manner. It is very  
welcome to see the positive impact that drone imagery has had on the co-ordination of rescue  
operations in the wake of the OS-35 incident and during the subsequent ongoing recovery  
operation.

The DCA and the Airport authorities are consultees to the Development and Planning  
1025 Commission and advise on the impact of buildings on aircraft operations. It is clear that developers  
are much more keenly aware of the limitations imposed upon them when constructing  
developments close to the runway. Moreover, the inclusion of wind and aeronautical studies to  
prove the compliance of such developments has now become an accepted practice.

The DCA continues to represent Gibraltar on the United Kingdom State Safety Board in order  
1030 to ensure that Gibraltar's safety interests are safeguarded. There are also quarterly meeting with  
the United Kingdom Department of Transport to discuss safety and security related issues. In  
addition, the Director meets on a six-monthly basis with his counterparts from the Crown  
Dependencies and the Department for Transport to discuss areas of regulatory concern and  
emerging new technologies. I would like to thank the Director of Civil Aviation, Chris Purkiss, for  
1035 all this work.

I will now move on to update the House on progress at the Northern Defences. This can be  
found in the Improvement and Development Fund head 102, Projects, at subhead 4(zzt). This  
network of military defences has been an integral part of Gibraltar's history. It has played a crucial  
role in protecting our country from foreign invasion. Over the years, those defences, formidable  
1040 as they are, became neglected, overgrown with vegetation and in need of attention. The  
Government acted slowly on a policy decision taken in 2016 to slowly and gradually rescue this  
asset. This is a sensitive project which cannot be rushed. Its full restoration will take many more  
years to complete, but the results are now visible. The potential of the area is undeniable from a  
heritage, environmental and socio-economic point of view.

Last year, while clearing operations continued, work focused on laying a new water main to  
1045 feed Hassan Centenary Terraces and future developments at the Eastside reclamation. This was a  
significant project. It was similar to the upgrading of infrastructure carried out during the 1990s,  
which supplied the then Westside reclamation. Those works have seen the laying of approximately  
1,650m of pipes, all the way from reservoirs at Willis's Road near the Tower of Homage, down  
1050 through tunnels, ramps and steps to Laguna Estate. This has been achieved while respecting the



heritage value of the site and minimising the inconvenience to the public. It was a commendable exercise for which we owe AquaGib a great debt of gratitude.

1055 Whilst those works were carried out, the rest of the site continued to be used by families and visitors. School groups, charities, visiting students, lecturers, videographers, bloggers and academic institutions now visit the area on a weekly basis. Whether it is for team building or a family picnic, the defences have already become a popular area to experience locally. Amongst those who visited this year were *The Financial Times*, Subterranea Britannica and the UK charity Alabare. Members of our local Mindspace Project charity have also embraced the area and will be visiting shortly as part of their youth programme. International exposure was provided by the  
1060 tactical table-top game SN team, who very recently held their 12th international ‘No Retreat’ event there.

A special mention has to go to the Royal Engineers, who are present on the site tomorrow, and the Gibraltar College, who ran a successful ‘1789’ charity event. This was organised by the College Business and Travel students and is testimony to their dedication, leadership and community  
1065 engagement. The event drew attention to the site’s date of construction – the year 1789 – and £1,789 was donated to GBC’s annual open day. The Government is very grateful for this. It is rewarding to see interest in the site continue to grow. Students seek inspiration from it in developing their academic profiles. The programme’s emphasis on project-based learning highlights the significance of such practical education. The Government very much looks forward  
1070 to seeing this initiative grow further still.

Hon. Members will have seen that the Government intends to allocate further funds towards the restoration of the Northern Defences during this coming financial year. The focus will be threefold. First, infrastructure works will continue with the provision of water and electricity to key locations. This will see the commencement of some uplighting to display the northern walls  
1075 of our Castle Keep. The second focus will be on clearing-out works. The removal of vegetation along walls and fortifications will continue after the nesting season. In addition to this, previously closed off sections of tunnels such as the Queen’s Lookout will be cleared and added to the visitor experience. The third area will lie in education, leisure and tourism. The completion of the mains water supply project has allowed for a new tourist product. This is a military trail which connects  
1080 the Tower of Homage to Grand Casemates Square via the Northern Defences. Works to make this a reality will commence after summer. A thousand years of military history will be experienced in the descent through those steps and ramps.

This year will also see the installation of new technology, such as cameras and sensors. The objective is to enhance our ability to detect any potential threats and respond accordingly. We  
1085 will also ensure that, working with the project director, a team are equipped with the necessary skills to operate those new systems effectively. Such an investment of funds, time and effort should serve as testament to our values and commitment towards our heritage. I want to thank the project director, Carl Viagas, who has been instrumental in taking all this forward.

The very building where we meet is also finally receiving some much-needed attention. This  
1090 historic building is the heart of our democracy and the centre of our parliamentary system. However, over the years, it has become clear that the building requires significant renovation work to ensure that it continues to serve its purpose. Therefore, we will be investing in a comprehensive renovation of Parliament House, along the lines of the presentation given to hon. Members opposite. We have incorporated their ideas into the design. This will include repairs to  
1095 its historic fabric and the installation of a new lift. The latter will address the problem of access for persons of reduced mobility. The objective is to ensure that the building remains fit for purpose, and also to preserve its cultural heritage for future generations.

The current ongoing works are focusing on two main elements. The first is the external fabric. Here, the contractor is carrying out investigations into the condition of the roof, the walls and the  
1100 columns. The stripping-out works have been completed and this has allowed for surveys to determine the condition of the building. As part of those investigations, the condition of the render was assessed. I am told that it has come as a surprise to discover that a simple paint finish

concealed solid sandstone columns and features. It is our intention to have these consolidated, restored and exposed, as they once were. The second element is the lift, offices and new infrastructure which will be provided inside. The Government would like to thank the Parasol Foundation for their generosity in respect of this project.

The Parasol Foundation has, in addition, pledged £1 million for the Mount. The Government, too, will continue to allocate funds towards this property and its grounds. This remarkable piece of real estate shares a common ancestry with the Northern Defences. Designed by Col. William Green and home to numerous Admirals, the Mount is similar in size to the Alameda Gardens. Unfortunately, this, too, was an area which had been unkempt for decades. Due to its size, historical significance and rich ecosystem, it was decided to deal with this project in a similar way to the Northern Defences. The key is a gradual and phased approach. In this way, we have embarked on several smaller projects within a master plan, in order to make such a refurbishment more manageable. This will take time. However, the improvements are palpable already. The clearing out of vegetation is almost complete. This has exposed paths and trails within the vast grounds. Some of the paths connect to the Upper Rock Nature Reserve and potentially it can provide a new access route for those living in the south district. This exercise so far has revealed the true scale of the project ahead. It has allowed us to carry out the necessary investigations on the state of its retaining walls and existing infrastructure. Those studies will better inform us of the necessary steps which need to be taken in preparing for the next phase. Running concurrently with this exercise are works to two other locations. These are the Porter's Lodge and the old tennis courts. Work has started on the Porter's Lodge, located at the northern entrance of the estate, and this will continue through this financial year. The building will serve as a registry office for weddings and, together with the hall, will be the first step towards the future use of these facilities for ceremonies and other events. Preparations for creating two new paddle tennis courts are also under way near the southern entrance to the grounds. These are planned to be completed during this financial year and will provide facilities for our community, which are in high demand.

In conclusion, the investment that the Government continues to make in the Northern Defences, Parliament House and the Mount demonstrates our commitment to preserving our history. The Government welcomes that these restoration projects have, by and large, counted on cross-party support in this House, and is grateful for that. Some of these investments will have a significant positive impact on our community and will enhance the facilities available for visitors at the same time. I again want to thank project director Carl Viagas, whose track record in the restoration and refurbishment of heritage sites of this kind is second to none.

Mr Speaker, connected to the King's and Queen's Lines within the Northern Defences is another area on which the Government has focused as part of its urban renewal initiative. This has been a real cross-departmental effort together with the Minister for Urban Renewal, my colleague Prof. John Cortes, and the Minister for Housing, my colleague Steven Linares. The Road to the Lines is a charming part of our old town which is of special significance. Hon. Members will know that this area consists of a series of houses, steps and narrow passages within the walls of our castle. As you walk along those passages, you can see the massive walls and fortifications. These structures are a testament to the ingenuity and resourcefulness of the people who built them. They serve as a reminder of the sacrifices that were made to defend this important outpost of empire, but the road to those defensive lines has unfortunately been neglected for decades. The area has suffered a similar fate to that endured by the core of many other old towns. Simply put, populations move out towards more accessible properties which offer modern comforts like car parking and other amenities. It was precisely the work on the Northern Defences that has helped to unlock the plans for the renewal of Road to the Lines. Indeed, I am told that the intervention in what was once known as 'the jungle' has also seen some reduction in anti-social behaviour. However, there is still plenty more to be done. Nonetheless, the work so far has enabled us to be in a position where we can focus now on a meaningful urban renewal initiative in this part of the upper town. The proposal currently under discussion involves the introduction of modern infrastructure, improved accessibility, quality of design and the potential to attract a

1155 diverse market across social strata. The plans include charming residential properties, cafés and  
alfresco dining within the confines of a medieval castle. The new Road to the Lines will reward  
residents and visitors with an experience which celebrates the beauty and majesty of this historic  
zone. This House was advised last month that the final negotiations for an MoU between the  
1160 preferred developer and the Government are now very close to a conclusion. That remains the  
position today.

Moving on now to other developments, the Government has signed an agreement for the  
development of the Rooke site. Some detail on this was already provided to hon. Members in  
May. The proposal is based on a low-rise development on 80% of the site. The gain to the taxpayer  
is a cash premium of £30 million. The gain to the public is a huge podium park and leisure area, a  
1165 car park and a retail area which presently provides for a supermarket. The incorporation of the  
historic No. 4 dock into the scheme has also been agreed with the prospective developers.

A memorandum of understanding has been concluded in respect of the site of the Queen's  
Hotel and the Queen's Cinema. This follows two separate expressions of interest for the site,  
which were published in 2017 and again in 2020. The proposal provides for a mixed-use  
1170 development. The gain to the taxpayer is a premium of £11.2 million. The gain to the public lies in  
the separate senior citizen accommodation proposed, a dance hall for the Ministry for Culture and  
a retail and restaurant complex on the ground floor. However, this proposal remains subject to  
planning approval.

Negotiations continue with different preferred bidders for the old air terminal site and the  
1175 former GBC site, following public expressions of interest for both locations. Separately, a panel  
was convened to consider three of the proposals received in respect of a plot of land at Europort.  
The outcome is that negotiations with a preferred bidder for the site are expected to commence  
shortly.

No preferred bidder has been formally selected, as yet, in respect of the AHQ and Rosia Bay.  
1180 The next step in that process will be to invite three of the entities who submitted proposals to  
deliver a presentation to a panel. This will assist the Government when making its determination  
as landlord, and obviously the planning considerations will be separate. The Government is very  
grateful here to Mr Kevin de los Santos and the management and staff of Land Property Services  
Ltd, whose professional advice and guidance in such matters has always proved invaluable. We  
1185 are grateful also to the Lands Office in No. 6 Convent Place.

And so, Mr Speaker, as I set out my concluding remarks, I want to take the House back to where  
I started. Every Government will face a challenge in a given four-year period, but even our most  
ardent opponents should accept that in many ways the challenges we have faced have been pretty  
much unique. This is a matter of fact. A global pandemic within weeks of the last General Election,  
1190 two lockdowns with serious economic consequences and two further periods of curfew. If all that  
were not enough, we have witnessed unheard of political instability in the United Kingdom: four  
Prime Ministers since 2019. And all this obviously impacted on the negotiations to secure a treaty  
for our future relationship with the European Union. The truth is that nobody else could have  
done more, because we have, indeed, left no stone unturned, and we have yet to hear what  
1195 anybody else would have done any differently in our position faced with the same circumstances.  
(**Two Members:** Hear, hear.)

My hon. Friend the Chief Minister is correct. Given the nature of the threat to our country and  
given the uncertainty that remains, this will, indeed, be a Brexit General Election. The people will  
have a choice. They will have to decide. One of those choices will be that the Government in office  
1200 should finish what we started, because we are best placed to continue the negotiations following  
the General Election in Spain. We are also in a prime position in the event of a no negotiated  
outcome. So, one way or another, we are confident that we can and will deliver for the people of  
Gibraltar, but as my hon. Friend has also said, we will never surrender one iota of our sovereignty  
or our jurisdiction in that process. (*Banging on desks*) The people can rest assured that their future  
1205 will be protected, with a treaty or without one, but we need to be here to be able to do it.

And so, Mr Speaker, in closing, I want to thank my personal staff: my Personal Secretary, Coral Schembri; my Personal Assistant, Stephen Britto; and my Principal Secretary, Ernest Francis. They continue to support me in everything I do.

1210 I am very grateful also to the Clerk and the staff of the Parliament, and indeed to you, Mr Speaker. Thank you. (*Banging on desks*)

### Adjournment

**Chief Minister (Hon. F R Picardo):** Mr Speaker, with grateful thanks to the Deputy Chief Minister for that intervention, can I propose that the House should now adjourn to tomorrow morning at 10.30?

1215 **Mr Speaker:** I now propose a question, which is that this House do now adjourn to Wednesday, 12th July at 10.30 a.m.

I now put the question, which is that this House do now adjourn to Wednesday, 12th July at 10.30 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Wednesday, 12th July at 10.30 a.m.

*The House adjourned at 5.46 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 10.33 a.m. – 1.12 p.m.**

**Gibraltar, Wednesday, 12th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 10.33 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## **Procedural – Removal of jackets**

**Clerk:** Meeting of Parliament, Wednesday, 12th July 2023.

Mr Speaker.

5       **Mr Speaker:** During the time of the speakership of Speaker Alcantara, he made a ruling  
regarding the removal of jackets during particularly hot days in the Chamber. Of course, we now  
have air conditioning so it might not arise, but I would just like to quote and then offer that  
opportunity, if anybody desires to remove their jacket. I do not really need to go into the Standing  
Order – it is here, there is a ruling, and if everybody is content, we will take it as accepted. Thank  
10 you.

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Clerk:** We continue with the Second Reading of the Appropriation Bill 2023.

**Mr Speaker:** The Hon. Prof. John Cortes.

15       **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E  
Cortes):** Good morning, Mr Speaker. This will be a long speech given the tremendous work done  
and planned. To do all this justice, but to spare the time of this House, the version of my speech  
that will be circulated to the media and that I will publish in my social media will contain additional  
information.

20       This is my 12th and possibly my last Budget. As the Chief Minister said in his thoroughly inspired  
presentation yesterday, it is potentially the last speech here for all of us, something that, rightly  
so, is in the hands of the people of our beloved Gibraltar, whom I have had the honour to serve in  
this role for 12 years.

25       This job can be most unrewarding. Our adversarial system puts the party in government at a  
disadvantage, as the system is such that the expectation is to undermine even the good in order  
to try to usurp our position. The system has, of course, an inherent flaw, for it flies in the face of  
what society strives to be – considerate, understanding, encouraging, tolerant and accepting –  
and yet our system expects the very opposite. This, and the unforgiving social media that seem to  
30 like to play the very same game, will concentrate on the negatives, the things not done, giving  
very little credit to the positive. So here, today, I will concentrate on the positive.

Gibraltar has moved in huge strides from where we were when I started this journey nearly 12 years ago, including the last four years. But wait, has it really, effectively, been four? The human mind likes to play tricks on us, often in an autoprotective mode, and isn't it true that it tries to make us forget the two years plus of COVID, tries to package all that we went through in one little corner, rarely accessed, and pretend it never happened? But it did happen. We were confined, 35 unable to move freely, unable to work. Ministers and public servants had to freeze their usual activities, put aside their plans and projects, and concentrate on pulling our community through. It took up our time, our mental space, our money, drained us emotionally and socially and left some of us with long-lasting physical effects, and yet, incredibly, we sometimes forget it 40 happened. Oh, the tricks of the mind. We have to be so focused to not be fooled by them. But that is something that the Opposition has clearly not mastered, for they have been fooled and speak and act as if they had somehow been living elsewhere, like Peter Pan in some magical COVID-free Never-Never Land, while we were all here, day in and day out, dealing with the horrors of the pandemic ticking like the clock in the entrails of the crocodile.

45 With that I think important preamble, Mr Speaker, I launch into my introduction, which, as in the last few years, is a stark warning on the future of our world. Last week saw the three hottest days ever recorded on Earth. It is thought that it was the hottest week since records began. The effects of climate change continue to hit community after community, country after country. Parts of our planet are becoming uninhabitable. Drought, heat and hunger are forcing peoples to 50 migrate and wars to break out. Figures just released estimate that 62,000 people died in Europe from heat related causes in the summer of 2022. The future of our species is at risk, and yet we are seeing increasing support for extreme right-wing politicians – happily not in Gibraltar, but close – who are not just questioning this reality but actively working against the measures that we desperately need, against the progress that we have achieved. Even moderate governments are 55 failing to see that climate is the overriding priority that must govern policy, and are reversing decisions that future generations will not forget and will not forgive. Even in Gibraltar some sectors of our community are lagging behind. Happily, these are fewer and fewer, and I have seen tremendous progress, particularly in the private sector, some of which I will refer to later.

The Opposition however, do not seem to agree, as Mr Azopardi yesterday kept on saying he 60 wanted to clear the jungle, when the world desperately needs to keep its rainforests. I wish we did have a jungle here. The only jungle I know in Gibraltar is in the Northern Defences, and the Deputy Chief Minister is doing an excellent job in clearing that particular one up. (*Banging on desks*) I sincerely thank the Deputy Chief Minister, my friend the Hon. Dr Joseph Garcia, for his work in heritage-related projects and most especially in his leading from the front in promoting 65 the climate agenda, and not just as Chair of the Net Zero Delivery Body.

Mr Speaker, the Government will this month be publishing its 25-year plan for the environment. This high-level but critical document encompasses all areas of environmental responsibility and sets important standards as we embark on our goal of delivering a clean, green, 70 pleasant, safe and resilient Gibraltar. I trust that the Opposition will be able to embrace it and not criticise and undermine it, as they did with our Vision for Heritage, because these are visions for the whole of Gibraltar, and that includes them. Indeed, one of my greatest successes as Minister for the Environment has been to influence the policies of the GSD and turn them towards the environment. Of course, they do not do anywhere near as well as we do, but they no longer dare to publicly push for grimy, slimy diesel (**A Member:** Hear, hear.) or refuse to use the words 75 'sustainability' and 'energy efficiency' as they did just a dozen years ago. I am still waiting for them to thank me for having so significantly influenced their party's policies. (**A Member:** Hear, hear.) Indeed, because of the then policy of the GSD, terms like 'climate change', 'renewable energy' and 'energy efficiency' were non-existent within the public service, and the Department of the Environment would struggle to be taken seriously. Now, 12 years later, not only have we provided 80 an ambitious Climate Change Act and strategy, but I am happy to report on progress in gearing up to delivering net zero, and once again must point out the work and leadership of the DCM.

85 The 2020 Greenhouse Gas Inventory saw a significant drop in emissions in line with what would be required to meet our net zero targets. While we do expect to see a bounce-back in emissions following COVID, it appears that the trend continues and we will not be going back to pre-COVID levels.

90 The very successful Aspire conference on sustainability in the built environment served to drive home the message about the scale of the problem and the challenging steps we need to take. Both the Deputy Chief Minister in his opening address and environmental celebrity Tony Juniper of Friends of the Earth as keynote speaker spoke of the need for revolution in the way we think and the way we act. That the message resonated equally from Government and the private sector as well as from environmentalists was a sign that the revolution may have begun. We will now be working with the recently established Gibraltar Sustainable Buildings Group to expand on ideas and to develop the necessary policy and legislative frameworks needed to deliver these essential changes.

95 The Net Zero Delivery Body has met four times in the last year. Members are currently working on their sectoral plans across energy, transport, finance, education and more, and we look forward to sharing this information in due course.

100 Accountability is of the essence and this is also brought by the independent Climate Change Committee, which recently fulfilled one of its statutory obligations in reporting on the state of play. I welcome their assessment, which recognises the significant amount of work that went into the Climate Change Strategy and also commends the level of ambition set by the Government. It correctly highlights that much work remains to be done in setting out detailed sectoral pathways to net zero and understanding the likely economic impacts of climate change to Gibraltar's economy.

105 The private sector continues to work on the environment and climate change agenda. Of particular note are two bunkering firms. GibOil have been providing carbon credits to marine customers in Gibraltar to offset their carbon emissions. Peninsula Petroleum, too, is making great strides internationally in reducing its carbon footprint by moving to new fuels and investing in new technology. These initiatives are significant in their scale and reach and I commend all companies taking similar steps. We will continue to work on developing green finance initiatives.

110 Mr Speaker, at long last, this year the World Health Organization declared the global public health emergency from COVID to be over. Therefore, Public Health Gibraltar has been able to start a programme to address the wider determinants of health. How we live our lives will affect our health more in the medium to long term in terms of the risk factors for developing cancer, diabetes and heart disease. It can be done, as I think I have been able to show, when after a diabetes scare last autumn I have lost 18 kg in weight and returned my blood count to within the normal range. *(Banging on desks and interjection)* And for the benefit of the Leader of the Opposition, I am pleased to say that I am feeling better than ever and neither tired nor, much less, jaded. *(Interjection)* He said that yesterday. **(A Member: Ah, right.)**

120 Later this year we will be publishing the first part of our Joint Strategic Needs Assessment, which will help us understand what affects how healthy we are and how long we live. *(Interjection)* We have undertaken a large-scale vaping survey in schools, the results of which we published last week. The study has provided information that will allow us better to address ways of preventing young people taking up the habit. Discussions have now commenced on carrying out a similar study on the use of mobile devices by young people.

125 Gibraltar now has an established research resource in the University that is being used to inform evidence-based policy development and decision making, yet another step in the growth in sophistication of our community brought about at this Government's initiative.

130 The Department of Environment continues to expand its marine surveillance and monitoring capabilities. From monitoring key habitats to the presence of invasive species, sampling water quality and rescuing wildlife, this work forms the backbone of marine biodiversity policy development. Crucially, enforcement at sea is something in which we take great interest and in which, despite ill-informed criticism, there has been great improvement. Our presence at sea



135 matters. The new assets that are being provided to the Department's Environmental Protection  
and Research Unit (EPRU) will ensure that our officers are suitably equipped to meet the  
challenging conditions they face in protecting the marine environment. I would like to take this  
opportunity to thank all the officers in EPRU and others in the Department of the Environment  
who assisted the Port and other services in responding to the OS35 collision, and all the volunteers  
who give up their time to protect our coastline.

140 Once again, the exceptional marine awareness and educational work of the Nautilus Project  
has to be recognised, along with the yearly awareness and clean-up work co-ordinated by the  
Environmental Safety Group and monitoring of seabird migration by GONHS. I thank the NGOs for  
their tremendous collaborative contribution in this and all other aspects of our common work on  
the Environment.

145 Mr Speaker, administrative delays continue to exist in relation to waste transfer licences post  
Brexit. I am grateful for the effort and work of staff at Environment, Technical Services and the  
Environmental Agency for always finding a workaround. To ensure greater efficiency and self-  
sufficiency in our waste management, we have published a tender for a waste sorting plant at  
Europa Advance Road. This will allow us to separate solid waste into recyclable streams and  
150 reduce the portion which might need to go to landfill. It will also allow us to ship waste to other  
European destinations if issues were to become overly complicated in future.

In relation to litter and cleanliness, we have recently increased litter fines to £250, and £1,000  
for dangerous litter, and have introduced offences for placing normal litter in recycling bins and  
littering from cars. Collection times have been modified with a new collection in the middle of the  
155 day, and we have increased cleaning frequency and enforcement effort. Improvements are  
already evident. We are increasing the capacity of bin stores, which are always a problem as no  
one wants them to be located near them. We all know that we need to clean because others litter.  
It is a matter of civic pride and changing habits. We can clean and clean, and fine and fine, but if  
we do not work together as a community we will not succeed. It is a collective responsibility.

160 I can confirm that a new and much-awaited tender process for a sewage plant closed on  
Monday. We expect a preferred bidder to be appointed before the end of summer and works to  
commence on the ground shortly after. I am determined to make this happen despite the many  
challenges that have had to be surmounted thus far. This project is one of the most critical in our  
environmental agenda and we will continue to ensure that it receives the priority and urgency  
165 that it deserves.

The Gibraltar air quality website was updated and modernised and continues to provide up-  
to-date measurements of pollutants. The new website now also provides climate change data to  
support the work of the Net Zero Delivery Body. The most recent fully ratified data, in 2021, from  
the air quality network shows stable levels or continued decline in key pollutants. All were below  
170 the limit values, something that was simply unachievable before 2012. We will now continue to  
focus on emissions from traffic and shipping. At this juncture I want to make special reference to  
the work of my hon. colleague and friend Paul Balban and his relentless energy and commitment  
to cleaning up the transport sector by promoting alternative forms of transport.

The new air quality instruments were installed last year to replace the existing. With these  
175 improvements Gibraltar now reports reference standard automatic measurements for PM10 and  
2.5 at both Rosia Road and Bleak House. Gibraltar now has five AQ mesh pods, with two new pods  
installed last year. The pods' mobility allows for them to be moved to locations near identified  
sources. One pod was installed on North Mole Road to try to better understand the impact of  
maritime activity and the second was installed at Governor's Lane to continue monitoring known  
180 major traffic routes. The website hosts up-to-date hourly measurements of pollutants from the  
five AQ mesh pods.

We will also be seeing more progress on solar power as both private initiatives and government  
projects progress. To date, Solar PVs have exported around seven million kilowatts to the grid.  
This has resulted in government subsidy savings of about £400,000. We currently have an installed  
185 capacity of nearly 4,000 kW over 14 sites, with the cruise liner terminal, St Joseph's School and

St Mary's School coming up soon. This constitutes just over 10% of Gibraltar's daily average peak power demand. Further projects will also be announced soon, so getting ever closer to our target, which suffered a setback during the years of industry inactivity due to COVID.

190 The electrification of the vehicle fleet is part of the move to better air quality. We are already seeing an increase in the number of EVs and hybrids being purchased and there is strong pressure from the industry, which is moving in this direction globally. We are responding to this with an increase in the number of publicly available charging points.

Mr Speaker, the Environmental Agency continues to advise and enforce in many areas. It has participated in the review of legislation in areas of public health, littering, waste and food hygiene, and is working to introduce important allergen legislation.

195 The Agency received 1,853 complaints from the public in 2022, and 787, so far, in 2023, and continues to operate a 24-hour on-call service, which has seen environmental health officers and the pest control team engaged in 320 call-outs in 2022 and 86, so far, this year. Eighty four abatement notices have been served in 2022, with 20, so far, in 2023. Action resulted in fines issued to a total of £17,050 in 2022 and £10,060, so far, in 2023.

200 The Agency also continues to make a significant contribution to the Government's anti-dog-fouling campaign. In 2022 the Agency collected 173 DNA samples with 16 fixed penalty notices issued, and so far in 2023, 98 samples have been collected with nine notices issued to offenders. Officers also carry out patrols during which they check that dogs being walked on the public highway are licensed and registered. Last year, 55 patrols were carried out, with 150 dogs checked, which resulted in 15 notices being issued for no registration or licence. Thus far this year, there have been 61 patrols with 85 dogs checked and five notices being issued. Most dog owners are totally responsible and resent those who are not, who unfairly give them and dogs a bad name. They will be pleased to know that we are now working on detailed plans for setting up a dedicated dog park.

210 The Agency recently hosted HSE inspectors, who carried out a successful emergency planning and climate adaptability inspection as part of the bi-annual inspection regime of the LNG plant. This is the plant that the GSD said would blow up half of Gibraltar.

Like air quality, bathing water quality has been improving steadily over the past 12 years. (Interjection) Yes, indeed. That brings back memories, Mr Speaker. Five of our bathing waters continue to be classified as excellent, with Western Beach improving and now being classified as good.

Ongoing construction projects at Eastern Beach delayed preparation works leading up to the official bathing season. Our beaches were, however, with some work left to do at Eastern, well ready for the summer, thanks to the great efforts of sections of Environment, Technical Services and contractors. There were a number of key improvements at Camp Bay, for example, following representations from my friend and regular Camp Bay user, Adolfo Mor. This year we have carried out a far more extensive rock clearing and sand sifting operation than usual at both Eastern and Catalan Bay, including mechanical removal of rocks and debris beneath the water, from up to five metres in from the shore. At Little Bay, a new and improved access to the shore has been constructed which will facilitate access for beach users, especially the elderly and those with mobility restrictions. Little Bay has also seen an improvement to the internal shower facilities. At Camp Bay, the old wooden beach umbrella store and beach accessibility equipment store have been replaced. The problem of ponding, which used to occur in areas of flooring around the large pool at Camp Bay, potentially becoming a bacterial focal point, has been resolved. General yearly preparatory works at our beaches have also included much other work and are listed in the published version of the speech – just as well, as there are many pages there.

235 There have been improvements in the lifeguard service, thanks to enhanced training. We also now have round-the-clock supervision of the beach service to ensure that it is running up to expected standards for the safety of all beach users.

Major changes have been taking place in the cemetery in terms of administrative procedures, including recording and plotting of graves, staffing and the management of graves and vaults.

Works are ongoing to repair the niches, entrances, public toilets and staff offices. This will be followed by construction of a dedicated columbarium for the internment of ashes.

240 Nature-based approaches to tackling climate change are now recognised as essential. Indeed, it is also established that green areas in cities improve both physical and mental health. Relevant to this, I can report that there have been 240 trees planted since autumn 2022. Any trees removed in any project need to be either transplanted or replaced, and legal action will be taken against transgressors. New green areas have been created, such as the new roundabouts at both access  
245 points to Kingsway. There has also been additional removal of non-native invasive species, and habitat for native plants has increased. We will continue to provide better green spaces that improve our urban environment and increase the quality of life of our residents, also diversifying the wildlife in these spaces.

The Gibraltar Botanic Gardens continue with their core objectives of maintaining and  
250 beautifying the grounds, educating the public and researching the ecology, and conservation of plants and animals. Improvements to the Gardens' aesthetics continue and the very hard and enthusiastic work of the grounds staff is clear to see. The popular children's education programme continues to go from strength to strength, performing excellent outreach work as well. The new, bespoke education area is now ready and will be inaugurated this autumn, thanks entirely to the  
255 contributions of a number of very generous private donors. In the meantime, we continue to plant the very rare Gibraltar endemic, the Gibraltar Campion, back into the Gibraltar Nature Reserve. This relies on seed from the Gibraltar Botanic Gardens, raised by the Gardens, where the species has been propagated successfully every year after it was rediscovered and rescued from certain extinction, and work also done by Greenarc.

260 We have recently seen the establishment of the Gibraltar National Park by Act of Parliament, sadly not supported by the Opposition. The first meetings of the newly established Park Co-ordinating Board have been held and plans are moving ahead to use this new entity to better co-ordinate the work of the constituent parts and to better promote Gibraltar abroad.

265 Visitor numbers to the Upper Rock have continued to increase. A recent small increase in the entrance fee for non-residents, which is still well below what you can expect to pay for similar experiences in many tourist destinations, has increased revenue. This has been helped by the new Nature Reserve website, which now allows visitors to buy tickets online and customise their visitor experience. Improvements continue. Sites are now controlled via speed gates, making it possible to have complete visibility of every ticket sold and to track individuals and groups throughout the  
270 Nature Reserve – important in case of an emergency. We have already been able to increase revenue by about £2 million per annum and we forecast that we will be able to increase this by a further £1 million in this financial year.

275 New, improved signage is being rolled out along with interpretation panels. This is being extended to areas of ecological and heritage interest throughout Gibraltar. We are investing in the improvement of our main attractions such as the World War II tunnels, soon to reopen after refurbishment; St Michael's Cave; Mediterranean Steps; and O'Hara's Battery, recently reopened. New picnic sites have being created and more are planned. This year has also seen a drastic improvement to the parking facilities available to visitors, who can now make use of Lathbury car park.

280 Building on the successful rewilding programme, which started with the reintroduction of Barbary partridges and wild rabbits, new species that once inhabited the Reserve are being brought back. I highlight the majestic Bonelli's eagle, which once nested in the Rock and which, I can reveal today, has nested here this year in captivity, raising two young, which are in the process of being released from a secret location. This is thanks to the undoubted world-class expertise of  
285 the team at GONHS, as well as the Upper Rock management team. The recently created Tovey Cottage interpretation centre is helping to raise awareness on this and all the habitat management and conservation work being carried out in the Reserve, and I take the opportunity to thank all those involved, many of them volunteers, in making this happen.

290 I highlighted last year that the long-term trend of yellow-legged gulls in Gibraltar is one of decline. The results of this year's breeding gull survey confirm this trend of continued decline. This is testament to the excellent work done by the Avian Control Unit, which ensures that the gulls will never again be as abundant as they were during the 1990s and early 2000s. The Avian Control Unit provides an excellent service which I believe is unique in the world.

295 The GONHS Bird of Prey Unit, already referred to, continues its excellent work in rescue, rehabilitation, release and tracking of injured and exhausted birds of prey. They do excellent conservation work and are also very involved in education on migrating birds of prey and their preservation.

300 The Nature Reserve is this year again receiving large numbers of tourists, which, as always, puts pressure on the macaques and their natural behaviour. There is now a full-time wildlife warden to help educate the public and reduce interactions between macaques and people. Macaque numbers have remained stable now for several years after a concerted effort to sterilise females through laparoscopy, so that numbers of births annually have fallen to a level that will sustain a stable population. This, and rapid deployment of staff when needed, has meant that incursions into urbanised areas are now the exception and not the rule, as they once were. 305 Macaque blood samples were tested last year for diseases and were found not to carry diseases that can be transmitted to humans. However, monkeys are always vulnerable to catching illnesses from humans and then spreading them back, so this further cements the point that contact between the macaques and people should be prevented.

310 Our work on the Environment is recognised beyond our shores, as I know from my work as Chair of the Environment Ministers' Council of the Overseas Territories and Crown Dependencies. We are seen by many as a model in ambition, commitment and achievement. Indeed, I know from my meetings with ministers from the Territories and with UK government ministers and senior officials, some of whom have visited Gibraltar recently, that there is tremendous respect for our environmental stewardship.

315 I now turn to heritage. The Ministry for Heritage, together with other heritage stakeholders such as the National Museum, the Garrison Library and the Heritage Trust, have continued to work together in seamless collaboration, as never before. The Heritage and Antiquities Advisory Council continues to advise me on all matters relating to our heritage and is proving an invaluable asset. A sub-committee of the Council produced a heritage vision for Gibraltar. Feedback from the 320 consultation draft has been analysed and required no significant changes, and so the vision is now formally adopted. This will guide us in developing and implementing management plans in order to protect not only our tangible heritage but also less tangible aspects of our cultural heritage, such as our languages.

325 A Bill before this House will amend the Heritage and Antiquities Act to incorporate greater protections and supervision in the importation and exportation of antiquities and on the use of metal detectors.

330 We have also declared our first ever scheduled archaeological area east of Arengo's Palace. We pursue the scheduling of other heritage-sensitive properties with all relevant parties and are working on a register of properties of historical value. The importance of scheduling buildings of historical importance has been well demonstrated given the recent sale of St Andrew's Church, as it will clearly ensure that its heritage value is conserved in whatever use it is put to.

As I highlighted last year, after 50 years of neglect, the 9.2-inch gun that was once at Levant Battery was removed from the Eco Park in Flint Road and transported to a holding and restoration area at Brewery Crusher. The plan is to return it to its original home at Levant Battery.

335 Restoration works continue on major sites such as the Convent Façade and the new St Mary's Lower Primary School. The restoration of Southport Gates will also be finalised by the end of the summer and we will finally have our medieval shields that have stood there for nearly 500 years brought back to life. We have undertaken heritage works through the removal of vegetation on the facade of the Tower of Homage and we restored the last whipping post, located outside the 340 Shrine of our Lady of Europe. We are also well underway in the protection of graves of historical

interest, having listed a number of these in the schedule to the Act. These are all examples of the Government's unwavering support for heritage.

Another unseen but fundamental part of the work is archaeological supervision through watching briefs. All developments are regularly supervised by the Government Archaeologist. The close working relationship the Ministry for Heritage has with other heritage stakeholders as well as with other departments such Town Planning, and Technical Services, ensures that heritage-sensitive work is undertaken to the highest standards.

The close relationship with the Heritage Trust continues to go from strength to strength. The Trust's Heritage Awards continue to show that there is a desire and pride in the community for heritage. Indeed, one government-supported project, the restoration of Central Hall by GCS, proudly received a heritage award last year. Work at Witham's Cemetery by Trust volunteers continues and is now focused on the cottage and garage areas, which have been given over to the Trust following their request.

A lot has been said recently from one particular Opposition bench about the budget of the Gibraltar National Museum. A lot has also been said from the same bench about Government underspending on our heritage. Typical Opposition inconsistency, Mr Speaker – you cannot argue both ways.

The fee the Museum receives for its inspiring work in Gibraltar and beyond is just one way that the Government invests in heritage, including our World Heritage Site. There, the excavations at the Gorham's complex continue with students from Liverpool John Moores and Leiden Universities, together with local volunteers. As in previous years, the students are accommodated in the Museum's field centre in Parson's Lodge. The excavations follow a research and conservation strategy for the site which was approved by the International Research and Conservation Committee in March of this year. In addition to providing accommodation for students, Parson's Lodge also houses the sieving laboratory. The continuing use of this field laboratory, which has for some years now housed the popular summer programme of activities for children, allows access to a public that may not be able to go to the caves themselves. I am pleased to report that a wonderful stone monument, in the shape of the Rock with Gorham's Cave within, will soon be inaugurated at Europa Advance Road as part of a plan to attract visitors to the World Heritage Site viewing platform. We plan to develop a cliff-top path between the viewing platform and the monument, allowing for safe pedestrian access.

The World Heritage Site has just completed its first participation in the process of periodic reporting to UNESCO. The team at the World Heritage Office has worked closely with the Department for Digital, Culture, Media and Sport in the United Kingdom, who represent the state party at UNESCO. The new management plan for the site, covering the period 2023-28, is now complete and will shortly be published online together with the research and conservation strategy and the risk preparedness plan. Worldwide media interest in the complex continues. During this field season alone, three major international crews have covered work at Gorham's Cave. There is interest from at least two other teams and a major production, filmed last year, is expected to be out by the end of the summer.

The development of the extension of the National Museum as a natural history museum in Parson's Lodge is a major step forward for our museum services. The transformation of the Museum into an international centre of excellence has been truly impressive and I am hugely excited about this next stage.

Conservation and restoration of the Moorish Castle is progressing inside the castle walls. This has included test archaeological soundings and studies of the fabric. The result of this work is in the process of being put together into a monograph on the Moorish Castle, which will be part of a series covering our important monuments, based on original research.

Events organised by the Gibraltar National Museum continue. This year's Calpe Conference will commemorate three anniversaries: the end of the Great Siege 240 years ago, the discovery of the Gibraltar 1 skull 175 years ago, and the start of the construction of the Gibraltar Dockyard 130 years ago.

395 One wonderful event was the recent lecture by Mensun Bound on the discovery of Ernest Shackleton's *HMS Endurance* under the Antarctic ice in 2022. Those of us who attended the lecture – and I did notice that some of our new-born heritage gurus were missing – will know why he came. He described his past work with the Gibraltar Museum team as among the best of his entire career, and his friendship and association meant that when the call came there was only ever going to be one answer. This is a little cameo of what years and years of professional endeavour achieve in the promotion of Gibraltar and its unique heritage.

400 This is a greatly significant year for the Gibraltar Garrison Library, too, as it approaches its 230th anniversary, on 27th August. There is much to celebrate here as we have now come to believe that it was the first of the garrison libraries to have been established, with those that followed adopting the Gibraltar model. Also significant is that this year brings a real game changer, with the Library entering the digital age through the establishment of a digitisation lab, the first output of  
405 which will be the digitisation of the Gibraltar newsprint archive collection. These data will be fully searchable and available online, offering global access to Gibraltar's history. Digital access will offer greater protection to hard copies, which will be physically handled less often. This is being achieved with a generous donation from the Kusuma Trust. Over the last few years the Garrison Library has increased its projection on social media, with an Instagram page now also forming a  
410 part of its outreach, their first Instagram post, in March, being viewed over 5,000 times. My purpose continues to be to open the Garrison Library, with all its history and heritage, to the whole of the community and beyond.

Mr Speaker, the structural and systemic improvements introduced by the Government have allowed heritage to become central to government policy. We are the only ones with a vision, the  
415 only ones who have and are capable of protecting all aspects of our heritage, both tangible and intangible, allowing Gibraltar to develop into the future with the evidence of its past fully protected and enhanced. In the last 12 months my teams have worked on around 30 pieces of legislation, ranging from the creation of a National Park to environmental governance, a review of education, management of contaminated land and the regulation of fireworks. Later this week  
420 I will be publishing a Bill for an Act for the protection and enhancement of Gibraltar's culture.

Now to education. The education of our children and young people is one of the most important aspects of good government. This Government has done more for education than any other in our history to build on the critical changes in the scholarship system introduced by Sir Joe Bossano's GSLP Government. This is not just by providing new school buildings and facilities. The  
425 realignment of key stages has proved most successful, co-education now is firmly established and seen, even by those who had doubts, to have been the right step to take. We have revised the remuneration of the much-valued and hardworking teaching profession and increased the numbers of both teachers and special needs learning support assistants to reflect growing needs and diversification of the educational offer, now greater than ever, project based and,  
430 importantly, with equal opportunities in education for all. This was never the case before.

And still the Government continues to invest in making meaningful, real changes to the educational estate which will improve the quality of the learning environment for generations of children. The educational estate legacy of the already lived-in seven new school buildings – and I will list them: St Bernard's Lower and Upper Primary, Notre Dame, St Anne's, Bayside, Westside  
435 and St Martin's – together with the significantly upgraded St Paul's will be extended with the upcoming opening of three further magnificent schools, St Mary's, Governor's Meadow and Bishop Fitzgerald. These new buildings will provide bespoke high-quality learning environments for children, as well as transforming the working environment for staff. They include better and more extensive physical resources which will be enjoyed by pupils as from September, and we  
440 cannot wait to open these doors to the public so that all can see what amazing spaces we have created for the pupils.

This private-public partnership has worked extremely well. I want to thank everyone involved in the projects – the contractors and project managers, ITLD and especially the Department of Education team and the heads and deputy heads of all three schools for their hard, nay, exhausting

445 work in bringing these to completion. They have gone well beyond the call of duty, as have all the staff, especially in getting the schools ready for the new academic year just a couple of months away.

We have also commenced the upgrading of the two St Joseph's school buildings to a similar standard to our new schools. We are also well advanced in our plans to build a new Gibraltar College, which will ensure we create a bespoke series of learning spaces that both nurture the current subject offerings in specially designed areas and enable us to extend the subject offering with the provision of additional learning spaces. Plans for the construction of a new Hebrew Primary School at the old St Mary's School site are also progressing.

455 The number of children with special educational needs and disabilities – or SEND, as I will be referring to them in this speech – continues to increase year on year. I have commissioned a study into possible causes of this, being co-ordinated jointly by the Department of Education and Public Health Gibraltar, and calling in UK experts in the field. In order to cater for their needs, we have increased our learning support facility (LSF) provision across both lower primary settings – St Paul's, St Mary's and St Joseph's – and in the secondary sector in the Gibraltar College. For the first time ever, LSF provision was extended to the nursery year group, with such provision being offered in Notre Dame and Governor's Meadow. This provision is extended to five lower primary schools as from this coming September.

We are continuing to adapt our existing educational facilities to cater for the growing needs of children with additional needs and early intervention opportunities. For example, the new St Martin's school building has a number of resources to which children previously did not have access. This enables children to benefit from accessing therapeutic interventions within their school day, which will very much support their holistic development. Work continues in looking at options to increase the footprint of St Martin's to cater for the extending pupil cohort. The creation of the new Wessex campus with St Martin's, Governor's Meadow and Bishop Fitzgerald being interconnected, increases the flexibility and adaptability of provision, as it was meant to do. For example, this year the Early Birds Nursery provision will be housed in the Governor's Meadow footprint. It would be remiss of me not to mention the excellent work being done in relation to SEND by NGOs and I want particularly to congratulate PossAbilities for their new premises and forward-looking programmes.

475 Work is progressing on establishing full pre-emptive maintenance arrangements for all schools. In addition to the new schools, a great deal of improvement work has been carried out over the past year in existing schools. Some examples are re-roofing of the clock tower at St Joseph's, installation of air conditioning at St Bernard's and the completion of the woodland area at St Paul's, where a concreted patio is now an educational natural space and refuge for wildlife in the heart of an urban zone. Works planned for the coming months include our inhabited schools' refurbishment programme at St Joseph's and St Paul's, which will include air conditioning and a phased toilet refurbishment, and the provision of shading to the roof terraces at Notre Dame, St Anne's and St Martin's to increase use of these areas in the hotter months.

485 After a long period of research, discussion, consideration and drafting, necessary revisions to the Education Act before this House have been made, ensuring that the education section of the outdated legislation is brought up to date to reflect current practice. Some key changes have been made in regard to SEND. We have ensured the revised draft includes more appropriate language and terminology and a clearer outline regarding SEND processes, including the appeals process. I thank Opposition spokesman for education Edwin Reyes for his positive engagement and useful suggestions, many of which, as he knows, have been incorporated in the Bill.

495 We are working with Human Resources in reviewing selection procedures for Education staff and we have supported our staff who have had issues relating to their well-being, working very closely with the well-being team to offer a higher level of professional support whenever the need has arisen. I recognise that as rewarding as working with children and young people can be, it can also be tremendously challenging and draining. The Department of Education has worked very closely with school leadership teams to adopt a proactive approach to well-being. We are looking

at a revised structure within St Martin's School, given the much larger pupil and staff numbers, and we are also working on addressing structural inconsistencies in responsibility posts and reviewing the TLRs that have been held in an acting capacity pending the outcome of the paused TLR review.

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In other initiatives, we are continuing focus on training staff to develop skills in supporting children with social, emotional and mental health needs and reviewing our service-wide provision for vulnerable children. Given our concerns with attendance, and in the knowledge of the very much evidenced negative impact that poor attendance has on educational outcomes and positive life prospects, we are keen to give this an even more concerted effort next year. However, we also recognise the already high workloads of senior teams and pastoral leads, so are keen to develop an additional structure of support through pastoral support teams within the schools.

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We have invested in more CPD opportunities for teachers than ever before and have co-ordinated whole-service and whole-school training. We have introduced a formalised induction for new SNLSAs, who make a hugely important contribution to educating our children, which includes a core programme of essential training to better prepare them for their role in the classroom. I am well aware of the importance of the work done by all non-classroom-based staff, too, including technicians, industrial staff, caretakers and attendants, as well as the school secretaries, who so often work in the background, and we are looking at ways in which to improve their situation.

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There are many other developments in our provision for learners with special educational needs and disabilities, such as introducing the pupil profile for teachers to start using next academic year, to have a common framework to track pupil progress through the Early Years Curriculum; continued close liaison with the GHA to support pupils in the services that they provide; we have started our annual dyslexia screening for all year 4 pupils and have delivered dyslexia training in schools; ongoing educational psychology parent drop-in sessions so parents can reach out to discuss any concerns they have; continued support for pupils with SEND at key times of transition between sectors; enhancing, importantly, our offer of post-16 provision for young people with SEND and inclusion of some of the St Bernadette's users identified as individuals who will benefit from attending courses at the Gibraltar College. There continues to be close collaboration between Education staff and our colleagues in the GHA and the Care Agency to facilitate access and support to the children and young people with additional needs. This multi-agency work ensures that the children and young people's needs are clearly outlined, planned for and reviewed, in order to support their holistic development. The pandemic halted much of our projected work, as we had to focus on providing education for our children in a different way. Happily, we are now able to re-embark on our plans and I can confirm that we will be keeping our manifesto commitment of employing more school counsellors and educational psychologists and to review the allowances of both EPs and SENCOs, whose increasing workload deserves recognition.

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Contrary to repeated allegations from the Opposition, we are most definitely keeping to our commitment to provide wider vocational opportunities. For example, the Gibraltar College has worked closely with senior leaders in the Care Agency to develop a Social Services, Health and Social Care course for individuals employed by the Care Agency who wish to develop themselves professionally and acquire a qualification. The College is also exploring the possibility of offering the Cambridge National Certificate in Sports Studies. Other new vocational courses that will be starting this September in Bayside and Westside are a Level 2 Certificate in Design and Craft and Level 3 Food Science and Nutrition, and in the College a Level 2 E-Sports and a Level 3 Drama and Performing Arts BTEC in association with GAMPAs, adding to the existing subjects, which include Music Performance BTEC also with GAMPAs, and the hairdressing BTEC with Mayfair on Main. Never before have our young people had so many vocational courses available.

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There are also a number of workstreams that the Department of Education have been part of which develop the important ongoing work of the ClimACT working party and the Core Committee with the Net Zero Delivery Body work. A Learner Ambassador forum has been created in order to



550 seek the direct input of young people into this critical work. Our review of the Education Act has ensured that along with the other key changes mentioned earlier, it features a commitment to making learning about the climate emergency and climate justice a fundamental principle of education policy.

555 And so, Mr Speaker, to the University of Gibraltar, now so firmly established despite its young age. The University enrolled almost 560 students during the academic year ending 31st July 2023. Its portfolio of academic programmes continues to grow. Last year saw the University offering undergraduate degrees in computing and entrepreneurship, nursing, business and maritime science complemented by a range of access courses and postgraduate degrees in research, education, business and marine science. Students enrolled on these core academic programmes continue to increase, with 30 in the academic year 2018-19, 134 in 2020-21, 188 in 2022-22 and 560 203 as at the end of June 2023. The latter are of 41 different nationalities. Graduates of the University are also increasing, with 21 graduating in December 2020, 38 in 2021, 79 in 2022 and an anticipated 98, including three local PhDs, graduating this coming December.

565 Following extensive consultation with industry and successful completion of a rigorous UK validation process during this year, the University will offer a further three new degrees from September 2023: an MSc in Environmental Science and Climate Change, an MSc in Contemporary Healthcare and an MBA in Gaming. This year, the University will be working with industry to launch an MSc in Advanced Health Practice and a BSc Adult Nursing International Top-up and, in line with many UK universities, a range of micro-credentials to support lifelong learning will be launched in January. Also planned is the development of an MSc in Psychology (Addiction) and an MSc in 570 Sustainable Maritime Operations.

The University Centre of Excellence in Responsible Gaming has continued to grow its reputation both locally and globally. The University was recently awarded funding by the UK Darwin Plus scheme to undertake a biodiversity and conservation project in Gibraltar.

575 In addition to its academic programmes, the University has provided a range of professional, continuing education and short courses, all aimed at addressing local needs, in addition to acting as an exam centre for professional awards and providing a diverse range of English and Spanish courses to local and regional individuals and businesses via its Language Centre. During this academic year, the Professional Development department also completed its inaugural Professional Diploma of Competence in Financial Services. This very relevant qualification has 580 been endorsed by the Gibraltar Financial Services Commission and it saw 14 local students from six licensed industry sectors graduating this year. The course will be offered again this September.

585 The year also saw the official launch, in November last, of the University Maritime Academy. Building on its maritime shipping for local industry courses, and working with its collaborative partner Viking Maritime Group, this year has seen the Academy develop and launch a beyond compliance fire-fighting course targeting local and international shipping. The success of this course has drawn repeat business from operators that include Windstar and Virgin Cruises. Just recently, a significant agreement was signed with FRS for provision of ratings training for seafarers, Maritime English for a thousand crew, provision of cadet sea-time placements, sponsorships and graduate jobs. The Academy is also in talks for provision of customised maritime training for a 590 number of other large local and international operators such as Carnival, including P&O and Cunard. The Academy's strong ties with local bunkering companies has also ensured that despite a continued global shortage of sea placements, all the University's growing number of maritime cadets have been placed on board quality vessels.

595 In spite of extremely challenging targets, an increasingly competitive international market and the constraints posed by processing delays with visas for international students, recruitment of students continues to be successful with tuition fee income increasing from around £1.3 million in the university year ended July 2021 to £1.7 million in the year ended July 2022. Moreover, tuition income is estimated to reach £2.1 million by the end of this July. As a result, the University continues to work towards a much greater degree of self-financing with the proportion of income, 600 excluding donations, provided by the Government subvention steadily decreasing from 86% in the

year ending July 2017 to a forecast 30% in the year ending July this year. Drawing upon research by the London Economics Report on Costs and Benefits of International Higher Education Students to the UK Economy, it was estimated that international students studying at the University for the academic year 2022-23 will contribute approximately £5.7 million net to the Gibraltar economy. This figure will increase to £7.6 million net if international student targets are met for the upcoming academic year.

Finally in relation to the University, I can report that it was recently awarded membership of the prestigious and influential Universities UK.

Mr Speaker, moving on now to my responsibilities for culture, following from my speech last year I am delighted to confirm that our programme to develop culture and its appreciation, both in Gibraltar and abroad, remains at the heart of my agenda, as is evident with daily cultural activities and the increased services that are provided by my team at the Ministry and our executive arm, Gibraltar Cultural Services. Our cultural service is thriving and moving from strength to strength in events, development, cultural facilities and premises, cultural education, promoting our art galleries, our public library and more, together with all the stakeholders. Art exhibitions, book launches, music, dance and drama productions are all prolific, and long may that be so. Gibraltar is seeing a veritable cultural renaissance in every genre. The policy of concentrating on promoting our culture and exporting it is reaping benefits. People are sitting up and taking notice of our uniqueness. The importance of our culture cannot be overstated. It is the essence of our identity and is increasingly recognised as being unique and inimitable. The way we express ourselves through the arts, our established and growing Gibraltarian literature, our unique language, is what will see our identify through any challenges that may come our way. It is our culture that makes Gibraltar Gibraltar and Gibraltarians Gibraltarian. That reality will frustrate those who wish us to cease being who we are, and will defeat them every single time.

It is therefore imperative that we continue to produce these programmes, as we need to make sure we invest in the cultural leaders of the future, in those who will promote Gibraltar outside our shores. We must develop and promote our own. Events with international artists are very welcome, but it is more significant and much less expensive to promote the development of the arts within our community. To this end, there has this past year been a myriad of events organised, including, as part of the Platinum Jubilee celebrations, the Jubilata gastronomic extravaganza. Last year saw the return of the Gibraltar Fair, the Cavalcade, the Christmas Festival of Lights and the Christmas attractions.

A cultural day was held in London in September, which saw a cultural soirée featuring Gibraltarian creatives performing and a networking breakfast, where ideas were exchanged and new working relationships forged, also paying tribute to the many Gibraltarians working in the arts and the cultural scene in the UK. We also held an art exhibition at the heart of the capital, at the Bermondsey Project Space. As examples of how we are taking our culture beyond our shores, the space of a month will have seen four plays written or performed by Gibraltarians being presented in the UK, including one in London's Soho and three in drama festivals, one of which, by Westside and Bayside, swept the major awards just a few days ago, and another by GAMPAs which will be staged in a fortnight, and I will not be surprised if they, too, succeed given their high standards.

The National Gallery celebrated the 150th anniversary of the birth of Gustavo Bacarissas. An extension was launched with new exhibition rooms created and the exhibition of new works curated to provide a more organic experience at the Gallery. A set of stamps was launched in collaboration with the Gibraltar Philatelic Bureau to commemorate the birth of Gustavo Bacarissas. The fourth Cultural Awards aired on GBCTV and cultural social media platforms. Gibraltar Literature Week was held at the John Mackintosh Hall, providing a platform and giving exposure to local authors.

The return leg of the cultural exchange with Morocco took place in Tangier in February. Events have included an art exhibition featuring nine Gibraltar artists and performances by the Gibraltar Sea Scouts Band; a visit to Donabo Botanic Gardens hosted by Lala Malika of the Moroccan Royal

655 Family and the donation of a sculpture to the Gardens by artist Mark Montovio as a symbol of the cultural links between both communities; and a presentation of books, creating a Gibraltar library at the Gibraltar Morocco Business Exchange offices, which I opened earlier in the year.

Once again in the spring we held the Gibraltar International Dance Festival, the Festival for Young Musicians, the Young Art Competitive Exhibition, the International Drama Festival and the ever popular World Book Day celebrations.

660 In May, with the University of Gibraltar we hosted a bilingual language study research project with the University of Vigo and the University of the Balearic Islands.

The GEMA Gallery continues to be a successful cultural heritage space, with several exhibitions and other events taking place over the last year.

We continue to support the Ministry for Sport in its summer and mid-term sports and leisure programmes, providing cultural initiatives and opportunities.

665 We have supported a retreat organised by Accord Literary and the Rock Retreat in Accra, Ghana. Two local artists, Gabriella Chipol and Beatrice Garcia, were selected to take part.

670 On to literature: there has been an increased interest in and awareness of Gibraltarian literature and our languages over the last year, with significant international recognition. In my last Budget speech I promised new ways of encouraging and consolidating recognition of our languages. This is being delivered in style. Very significantly, the Gibraltar National Book Council (GNBC) has been established to encourage writing and reading aimed at supporting writers, illustrators and publishers, and working to promote Gibraltarian literature internationally, be it in English, Spanish or Llanito. GNBC is already becoming a focal point in Gibraltar for all book and literature related activity. I want to thank Mark Sanchez, a heavyweight of Gibraltarian literature, for engendering the idea and agreeing, with other outstanding writers, to become part of the Council. The Bill that I will be publishing later this week will consolidate the GNBC within our statutes. Members of GNBC recently visited the London Book Fair to explore opportunities for Gibraltar and its authors, already making valuable contacts and establishing possible opportunities to promote the Rock and its literary culture. GNBC is currently working on a website, where it will have links and information for authors and illustrators, an author directory and present related events and opportunities.

680 A bookshop has been opened at the Ince's Hall, which will pay for itself, with all profits invested directly back into cultural development.

685 I want to emphasise the work that is being done in studying, promoting and protecting Gibraltarian language. We have for several years now been supporting research by the Universities of Vigo and the Balearic Islands. Now the University of Cambridge, led by Professor of English Laura Wright, is planning a full-scale research project into our language, which will include a symposium at Cambridge in September followed by several years of research, which could lead to Llanito becoming recognised as a language in itself. This makes its protection and use all the more important, and my teams at both Culture and Education, as well as Heritage, are working hard to ensure that this is so. To this end, I am pleased also to be working closely with a new NGO, Gibraltarians for a Multilingual Society. The use of Llanito, including Spanish Llanito, is not something that we should shy away from. *Todo lo contrario, es parte de nuestro heritage, de quienes somos, algo que nos distingue* from all other communities, not just in our way of combining English, Spanish and Genoese words, *pero también en el deje de nuestra pronunciación*, which is raising a great deal of academic interest as to its origins. *Lo dejo ahí por ahora*.

695 We have been working with stakeholders on a new Entertainments Act. Work on this continues as we work together towards encouraging musicians and businesses to entertain while at the same time showing consideration for those nearby.

700 During the course of the year, 49 new artworks have been acquired for the Government's art collection.

The John Mackintosh Hall Library social media platform continues to generate and oversee content promoting related initiatives, storytelling, school visits and literature. Further investments have been made in the purchase of new books and on Borrowbox, a popular platform for the

705 loaning of e-books and audiobooks. The online service this year has added e-magazines to its provision and has already attracted over 150 new members. The library prides itself on having an extensive collection of books written by Gibraltarian authors and books written on themes and subjects related to Gibraltar. This complete collection has been reviewed and catalogued to allow for ease of use.

710 We recognise the vital role that refurbishing and maintaining our existing cultural facilities plays in supporting a wide range of cultural entities, groups and individuals. By enhancing these spaces, we are better equipped to elevate the standard of artistic practice and foster the potential of all those involved in the arts. We have a challenge in such an active community to find suitable premises for all, and I apologise to those groups and associations still waiting patiently. We are,  
715 however, making full community use of our many top-class sports and education facilities and encouraging all developers to include cultural spaces in their projects. We are also developing our own plans to make new space available to organisations. We continue with the refurbishment and maintenance programme for all our facilities to ensure we extend public participation in the arts. Works over the past year have included significant improvements to the Central Hall, Ince's Hall  
720 and the art galleries.

The GCS Premises department continues to make significant progress in managing other premises, having undertaken various works in several locations such as Retrenchment Block, Recreational Rooms, Jumpers Bastion, Wellington Front, Prince Edwards Road and Town Range. An extended list of works will be included in the published version of my speech, and just as well  
725 because it goes to several pages. Many do not realise quite the extent of the work carried out by GCS on behalf of the very small team at the Ministry of Culture. Barely a day goes by without one, two or more articles or stories in the media related to the vast amount of work, and much more goes unreported. Activities already planned for this coming year, in addition to annual calendar of events include a street mural in Landport commemorating the 25th anniversary of the first album  
730 by Melon Diesel, an art residency in Tangier with artists from both cities taking part, and the creation of artists' studios at the Moorish Castle.

The New National Theatre and Cultural Hub at the John Mackintosh Hall remains a priority. The Ministry, GCS and the Gibraltar National Theatre Foundation, whose patron is His Excellency the Governor, remain committed to this, and the Foundation is working tirelessly to raise the  
735 necessary funds to complete this community project. The Foundation received donations from the Parasol Foundation, the Kishin Alwani Foundation, a significant donor who at this moment wishes to remain anonymous, and other smaller contributions from the Musicians Association of Gibraltar and private donors. It also launched the Buy a Seat scheme, which allows for individuals or entities to sponsor a theatre seat. The Theatre and Exhibition Hub will make a tremendous  
740 difference to the world of Gibraltarian Arts, mirroring the world-class facilities that sports are graced with in our community. The Foundation hopes to make a significant announcement on progress soon.

Before I conclude, I have to pay tribute to two friends and colleagues in my work in natural history, former colleagues from my time in GONHS who have passed away over the past year:  
745 Arthur Harper, an excellent photographer and botanist who, together with Leslie Linares and myself, re-discovered our very own Gibraltar Champion and saved it from extinction; and Eric Shaw, so well known for his lifetime work in particular on marine life and the Barbary macaque. They will long be remembered.

Finally, Mr Speaker, I wish to express my thanks to all the staff, including my personal staff for  
750 looking after me, and of course to my heads of department and CEOs, Liesl, Keri, Seamus, Catherine and Helen and their staff for their hard work every day and for their constant support. The administrative staff in my Departments, some of whom look after sections that are huge in terms of personnel and responsibility, are essential to the running of the Departments and keeping Gibraltar going. We have increased so much in outcomes and delivery that sometimes it  
755 appears that those in the offices doing the accounts, managing the leave and preparing the

salaries and wages are not appreciated. They most certainly are, and I am totally committed to recognising and responding to their needs.

My thanks, too, to all the schools, who make me feel so welcome on all my visits; to all the staff in the agencies and contractors that work to my Departments; to NASUWT, UNITE and GGCA for their constructive work; to the Chamber of Commerce and the Federation of Small Businesses; to all the NGOs, associations, schools and academies, environmental, cultural, educational – too many to list, who are so committed to what they believe in, often working as volunteers – for being committed, honest and reasonable in pursuing their aims; to all those many citizens appointed to voluntary boards, working groups and committees for which I am responsible; to the outgoing Mayor, Christian Santos, for all his work and friendship over the past few years; and to those in other Departments with whom I have regular contact, such as the staff at Gibraltar House in London, the team at Human Resources, and at No. 6, including the offices of the Chief Minister and the Deputy Chief Minister, the Chief Secretary and his staff, the Financial Secretary and his staff, the Chief Technical Officer and his staff, the Civil Contingencies Co-ordinator and his staff, and the Attorney General and all at the Gibraltar Law Offices for always being there when I need them – I do give the GLO a lot of work, and I hope not too many headaches.

Thanks to you, Mr Speaker, and your staff, and to the Chief Minister, Deputy Chief Minister and all my colleagues, and of course to His Excellency the Governor, Sir David Steel, for the genuine interest that he shows in the work of the different parts of my Ministry, and for his constant encouragement.

Finally, I want to direct a few words to the children and young people of Gibraltar, for whose education I have been responsible for six of the last 12 years, and through them to their parents, grandparents and families. For most of your lives you have lived in a progressive Gibraltar under a caring, forward-looking Government dedicated to bettering your life and your homeland socially and environmentally – and economically, too, but to you that will be less relevant. In the only Gibraltar that you have known, you have grown up in excellent schools with new and exciting ways to learn, with new schools appearing almost every other year; with cleaner air and green areas that my generation never even dared to dream about; with better access to doctors when you need them, in your own health centre; with opportunities for your future wider and more accessible than ever before, allowing you to be yourself, no matter who you are, to dream bigger and achieve greater than certainly my generation ever could. Treasure this. Despite all the problems and the struggles, which you will remember, as you, more than most, suffered through COVID ... despite all of this, you are living in a golden age for Gibraltar. Long may it continue.

With this, Mr Speaker, I too commend this Bill to the House. (*Banging on desks*)

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**Mr Speaker:** The Hon. Steven Linares.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Speaker, this is my 23rd Budget speech and my 11th as a Government Minister. I will start by giving a synopsis of what has been achieved over the last year and explain some of the things we intend to do this coming year in relation to my areas of responsibility, these being industrial relations, housing, employment, youth and sport.

I begin with my portfolio as the Minister for Industrial Relations. Ever since I was appointed to this role, I have been working well with Unite the Union and the GGCA to resolve matters of concern within the public sector. We have been able to settle many issues which had been outstanding for some time and address new ones that had arisen in the past year. We have engaged positively with both unions and have established a good working relationship. I look forward to continuing this relationship in the same constructive spirit in the future.

The current financial climate still requires a degree of financial prudence and responsibility. This means the Government needs to ensure that taxpayers' money is spent with care on what is necessary. In that context, my Ministry has established routine meetings with the Human

Resources Department, where we systematically go through many issues appertaining to personal claims.

805 I turn to housing. It is now over a year since the Housing Department moved to its new premises at the ICC. The Housing Department adapted very quickly to COVID-19 restrictions during the pandemic at the old offices at New Harbours. They have also been able to adapt to new working practices after COVID-19 counter closures. The move to the ICC has proved to be a success. This has meant that our clients can now access the Department easier and the counters are open to the general public via an appointment system. This works very well, as clients can be  
810 seen to in an effective and efficient manner. A number of daily walk-ins are also seen, although the appointments system has provided the public with a much better service.

The Government fully understands the importance of the Housing Department to our community. It provides a service to applicants, to our tenants and to the community at large. The Housing Department continues to work closely with other government departments, agencies and  
815 authorities. The strong working relationship has improved considerably, after all the necessary data sharing agreements and memoranda of understanding were signed in order to safeguard GDPR concerns. Multi-agency meetings are conducted to ensure appropriate support is given to persons with vulnerabilities, mental health issues, disabilities etc., together with their families. Multi-agency meetings are also used in a safeguarding and management capacity, such as MAPPA  
820 and MARAC. This has provided efficient and improved working practices. All entities have a designated contact person, and this minimises the time taken to undertake tasks. Multi-agency forums are attended by the senior management of the Housing Department, which shows the high level of commitment that the Department has towards working together with others. The senior management team, led by the Principal Housing Officer, forms part of a number of fora. I  
825 will not go through them, just to mention that they include the Gibraltar National Mental Health Strategy, the National Dementia Strategy and the Domestic Abuse Strategic Partnership, amongst others.

One of the important areas of the Housing Department is the Accounts section. They deal with the e-billing system, which sends out an electronic payment link. This link facilitates payment by  
830 taking the user automatically to step 2 of the payment platform, with all details prefilled. There are also many other payment methods accepted now from standing order, credit or debit card by telephone and payment in person at the counter with card, cash or cheque, which now is not used a lot. There are many more which I will not lay out, but they are all there. The introduction of direct debit mandates is in the final stages. The Housing Department has been working well with  
835 both the banks and the Treasury Department in order to set up this process. Unlike with standing orders, tenants will only be required to set up a direct debit once and will not have to amend their instruction to the bank every time there is a change. This new process will also reduce the foot traffic at our counter.

The Housing Department has signed a data sharing agreement with the Department of Social  
840 Security, as well as with other departments, agencies and authorities, to ensure proper cross-communication with the said entities. Information relevant to certain benefits applicable to tenants, like the processing and eligibility of rent relief, will be received by the Department of Housing directly from the DSS. Housing will then be able to assess the tenant in a timelier manner and, in turn, allow for more rapid reduction of housing rent arrears.

845 The Enforcement and Compliance section is tasked with the Department's litigation processes, anti-social behaviour, in-house complaints procedures, ombudsman's queries and recovery of arrears, amongst other enforceable action required in accordance with the Housing Act. Systems are in place and notifications are received to alert the Department of any tenant who may start to default on their rent. This process enables them to contact the tenant far sooner than ever  
850 before, to engage with them before any debt begins to build up and become a burden. The Department continues to assist tenants to arrange a repayment plan or adjust an existing repayment plan to meet both their needs. Since 1st April to date, 130 agreements have been secured to the value of £490,268.90. These meetings are very useful, as they help the Department

855 to identify those tenants who genuine are in hardship and are unable to pay their rent. All tenants  
are looked at on a case by case basis and careful consideration is given to those who may have a  
social and/or medical dimension. This helps the Department distinguish those who genuinely  
cannot pay from those who do not want to pay.

860 Despite all of the initiatives the Department has rolled out, and as much as they continue to  
strive to engage with all those in arrears, there is, regrettably, a minority of tenants who can pay  
but do not want to pay. These tenants have no social or economic hardship that would qualify  
them for rent relief, and yet they continue to default. For these people, the Department has  
therefore been left with no other option but to commence legal action to recover the unpaid debt.  
865 The Department, through the Central Arrears Unit, has engaged lawyers in order to proceed with  
taking those who do not want to pay to court. The Enforcement and Compliance section has  
already filed a good number of cases before court and is currently preparing the next batch of  
cases for processing. These actions are bearing fruit. There are many cases where the Department  
does not need to proceed to court since the tenants have subsequently agreed to pay the arrears  
or enter into a repayment plan. Should they default or not engage on their payments, the case  
will go directly to court. The Housing Department will not leave any stone unturned in the recovery  
870 of arrears. It is totally unacceptable that people who are earning good money do not pay their  
rent. This is despite the fact that rents in government properties continue to be extremely low.

Anti-social behaviour is another issue that the Housing Department has dealt with. On 1st April,  
90 complaints had been logged. The Housing Department follows a set procedure. This is in our  
policy document, which will be published and therefore I will not go reading through the whole  
875 policy now. At present, the Department, together with the Care Agency and the RGP, are in the  
process of decanting tenants due to their anti-social behaviour. This Government will not tolerate  
a minority making life a misery for other law-abiding citizens. Government have engaged the  
services of OSG, who have been providing security services to this effect. The RGP has confirmed  
that the level of complaints previously received by them is now dropping tremendously.

880 The Housing Department works closely with the Department of the Environment and the  
Environmental Agency with regard to the issues of dog fouling, litter control, bird feeding and  
noise pollution etc. Other areas which are closely monitored are the street and stairwell cleaning  
carried out by Britannia in all government estates and horticultural contractors to ensure all green  
areas are well maintained. The parks and playgrounds in different estates are the responsibility of  
885 the GSLA. I will come back to this later when I cover sport. It is important to note that although  
Britannia carries out all the cleaning in the estates, it is also incumbent on the tenants to exercise  
civic pride, try to keep them clean and call out those who do not.

The Allocation section of the Housing Department has been working closely with the  
Digitalisation team in order to have a number of services provided online. In April we announced  
890 the launch of a number of Housing e-services which can be accessed via the eGov.gi portal. The  
services provided are those most used by citizens, and these are now integrated to the Housing  
Department's back office system. This, too, will alleviate foot traffic at the counters. The Housing  
Department will continue to work on the development of future services via the eGov.gi portal.

895 Mr Speaker, the review of all tenancies held continues to be undertaken and all records are  
being updated in our system in order to provide a more efficient service. As announced by  
Government, all citizens are required by the Register of Occupation Act 2021 to register their  
occupation of a property in Gibraltar. A lot of work has been undertaken by our IT provider and  
staff in order to be able to validate records of those persons who reside in a government tenancy.  
This section has worked very closely with the Registrar in order to validate the submissions of  
900 government tenants. Many files have had to be checked and updated as some of our tenants had  
not updated records with the Department, so their submissions in the register were out of date.

It is very important for the Housing Department to ensure that its tenants fulfil the terms and  
conditions of their tenancy agreements as well as comply with the requirements under the  
Housing Act. This year the Housing Department has again initiated 24 legal proceedings against  
905 tenants in relation to the issuance of legal notices or pre-action letters. I will not go through all of

910 them, but I do have a breakdown of this. Six cases have appealed to the Housing Tribunal and five further claims for damages and personal injury have also been dealt with. In addition, the Housing Department has also been dealing with a judicial review filed by a constituent being represented by the Leader of the Opposition. This questions a long-standing housing policy which has been in place since the previous GSD Government was in power, which aims to safeguard Gibraltar as a whole.

915 Tenants wishing to make alterations to their tenancy are required to request permission in writing via the Housing Department Land Works Panel. This must include the appropriate paperwork such as plans, drawings, photos and specifications of the proposed works. If works are approved by the Land Works Panel, tenants are required to obtain permission from the DPC prior to undertaking them. The Housing Department works closely with Town Planning and Building Applications via the e-planning project programme, which links the Housing Department and all relevant departments with the Town Planning and Building Control section.

920 It is important for the Housing Department and the Housing Works Agency to engage closely with tenants. This they do by having regular meetings with the different tenants' associations. In these meetings they discuss issues relevant to individual estates. This has allowed them to handle matters in a faster and more efficient manner, thus ensuring the upkeep of our housing estates. Not all estates have a tenants' association. The Government is therefore encouraging tenants residing in housing estates to establish a committee. The aim will be to benefit and enhance the living environment of their particular estate in collaboration with Housing Departments officials. 925 The feedback received from the tenants' associations is generally positive, and by working together we have been able to enhance the service provided by the Housing Department. The Housing Department and Housing Works Agency staff will continue to support the tenants' associations on a day by day basis.

930 Mr Speaker, despite having well-known differences in policy with Action for Housing, I meet with them regularly. The Principal Housing Officer also meets regularly with members of Action for Housing in order to assist them with all their enquiries. I have recently gone with members of the committee and officials of the Housing Department to visit flats in the Town area in the private sector to ascertain living conditions. Private sector landlords must also take responsibility for maintaining their property in good living condition. 935

The Department has been working to update and review the Housing Act, the Housing Allocation Scheme, the tenancy agreement and all its policies. I am happy to announce that the Housing Act is now ready to be published as a Bill. The Housing Allocation Scheme has been completed and will, therefore, be made public after the Act passes through Parliament. Finally, 940 the revised tenancy agreement is also complete and this will come into place after the Act. I would, at this stage, like to thank all those who were involved in this work. It has been an intense and detailed piece of work, since we have gone through those documents section by section and word by word. This shows that there is considerable work and activity going on in the Housing Department behind the scenes. The Ministry for Housing, its departments and agency do much more than simply allocate flats to tenants. I am forever grateful to management and staff from top to bottom. 945

I just want to add that in relation to housing I am also responsible for affordable homes. I am happy to say that 380 flats at Hassan Centenary Terraces are now going through the snagging process. The reactions of most of the buyers are very positive and they have been very happy with the quality of the finish of the flats. We are working hard to have both Chatham Views and Bob Peliza Mews completed by the dates given. It is incredible to hear the Leader of the Opposition mention the delays, as if we are to blame for the COVID-19 pandemic. I am very happy to see, even belated due to the pandemic, these projects now being built. 950

Our Youth Service has moved in leaps and bounds from what it was before we came into government. They have evolved from a service that hardly opened its doors to cater for young children after school, to one that is now offering our youngsters many opportunities. The Youth Service opens four evenings a week, including Fridays until 9 p.m., and 10 p.m. during summer. 955



960 The club works mainly with young people aged 16 and over and hosts a variety of established projects that members are currently interested in. Further, the Youth Service has extended its service to younger ages and now engages 11-to-15-year-olds on Thursday evenings. Due to this, the Youth Service has experienced an increase in membership across the clubs. The projects offered include Going Green, the Youth Production Group, and the Mingle, which is in its fourth year and supports young adults from 18 to 30 with mild learning needs, with the aim of increasing their support networks and life skills. The Youth Café is an open environment for young people of 965 16 and over to relax and enjoy a safe place where they can share ideas, thoughts and opinions. The Youth Service not only works throughout the week but also holds weekend sessions throughout the year. This is rotated amongst the youth and community workers. Activities at these sessions range from in-house workshops to offsite activities both locally and abroad. These include Army outdoor team building, World War II Tunnels and a barbeque.

970 It is important for our youth and community workers to keep abreast of modern practices. They are, therefore, constantly participating in many training opportunities such as updating courses on health and safety, first-aid refresher courses and data protection awareness with the GRA, amongst others.

975 Due to the fact that in today's world we are very conscious of looking after our children, the Youth Service forms part of and contributes to the Child Protection Committee and the Sub-Training Committee. Their role is important in that there are many young people who show, when they attend sessions in the youth clubs, social, psychological and emotional issues which are then highlighted at the multi-agency forums. These can then be referred to the professionals, who will from thereon pick up the problem and be in a position to give the proper assistance required. This is an example of joined-up work.

980 The Voice of Young People is a very useful group. I often meet them in order discuss, report and explore issues that affect young people's lives. Recent areas of interest have included disability access, employment, mental health and LGTBQ+ topics. The group is currently gathering young people's thoughts via a survey which will then better inform them and the projects director when they reconvene in September.

985 Some young people have been deprived of things that we have often taken for granted when growing up. One example is travelling and going on trips abroad, so this year the Youth Service has been able to organise trips to Spain, as they used to do before the pandemic. A trip to the UK also took place in August of last year. A group of older members of the Dolphin Youth Club had a life-changing opportunity to venture abroad on a visit to London. This trip was made possible by Mr Paul Williams, who donated the funds for this remarkable journey. As part of their visit abroad, these young people focused their efforts on a 'giving back' project to the community, learning about families and vulnerable people in our community. They have welcomed various charities to talk about the work that they do for families and for Gibraltar as a whole. They worked tirelessly to fundraise and organise a heart-warming family and community barbeque event to support these local charities. Their hard work and community-focused events not only raised vital funds but also raised awareness about the community's efforts to bring about positive change.

995 The Youth Service has become a beacon of new and exciting initiatives as they reinvent themselves. They have recently started two new projects which will go a long way to aiding our young people. The first is the Prison project. This is a specialised project to provide support to young people under 25 who are currently in prison and at risk of reoffending on their release. The second is that of partnering with the CIPD Gibraltar branch. Together, they have designed a website full of career information to promote Gibraltar's emerging industries. This website will also have a toolkit section focusing on supporting young people whilst they are selecting a career and job hunting. The site was launched on 27th June. I ask hon. Members to visit the site, which will be constantly updated with new information. I am very pleased that the Youth Service came 1000 second in the Project Achievement Award, which is an initiative that was established by the Chief Secretary to recognise innovation within the Civil Service.

1010 The Annual Youth Day is going from strength to strength. This day is an opportunity to invite  
all communities to take part in a fun day of workshops and activity. In addition, it provides an  
information fair, together with many organisations which offer young people opportunities and  
skills.

1015 Mr Speaker, I now continue with another of my areas of responsibility as Minister for Sport  
and Leisure. Locally, league programmes and development initiatives were completed as  
brilliantly as always by the army of volunteers who organise and run them. These volunteers have  
supported and embraced the fact that they have to go through tier 1 and tier 2 in child protection  
or the bespoke training of their specific association on child protection. It must be recalled that  
when we came into government in 2011 there was not a single course, governmental committee  
or sporting association that considered child protection as a priority.

1020 Year on year participation levels seem to be increasing, with sporting facilities being a hub of  
positive activity. The Lathbury Sports Complex, which has been operational since 1st October  
2022, has been added to these facilities in its entirety. This will now mean that not only can we  
attract more events, we can also promote Gibraltar as a centre for training camps and warm  
weather training. The revenues that will hopefully be generating will not only offset running costs  
but will help to add to the already established economic activity.

1025 The Gibraltar Amateur Athletics Association (GAAA) now have the home they deserve and all  
their operations have been transferred to Lathbury. I would once again like to place on record my  
thanks and the thanks of the Government to the GAAA. They have endured uncomfortable times  
but have worked very closely with us and approached the situation in a very positive manner.  
1030 Their conduct throughout has been admirable, and for this they deserved heightened praise. I will  
now work with the GAAA to push athletics locally to the next level and will support them in helping  
to attract top European events to Gibraltar.

1035 The sports complex has been described by many from abroad who have visited here as world  
class. It is important to recall that we have used the multi-purpose hall for many different sports  
and events. They have ranged from a World Boxing bout, the ordination of an Archbishop, a  
hospital during the pandemic, Rhythmic Gymnastics Competitions, the Darts Junior World  
Championship, badminton when we hosted the Island Games, and many other sports. The main  
pitch was used for the Music Festival in 2019, rugby sevens, hosting the Royal Marines at rugby,  
an international cricket tournament and football training at all levels. Squash have already hosted  
1040 many tournaments in their new premises. This is why we receive interest from many sporting  
entities around the world to make use of them.

1045 Events-led tourism has been an important cornerstone to attract visitors to Gibraltar over the  
last 12 years. This policy is one that we continue to push at many levels, not least in the sports  
and leisure sectors. As a result of our vision, a whole host of international-standard events are  
now being held locally. European and world governing bodies entrust Gibraltar with the staging  
of events that are on their international calendars. This was the case with the Island Games. In  
2025 Gibraltar will host the Junior World Netball Tournament. The exact dates will be announced  
soon. Apart from the obvious benefits to our local sportspeople, this policy puts visitors into our  
hotels, promotes visitors eating and drinking in our bars and restaurants, shopping in Main Street  
1050 and visiting tourist sites. It creates economic activity and, more importantly, they are organised  
so efficiently that we get repeat business. Gibraltar will continue to be the standard bearer for  
such initiatives, and the hard work of our volunteers, as I mentioned above in this regard, cannot  
be underestimated. My thanks to them.

1055 There have also been a number of related businesses that have been set up by local  
entrepreneurs. These are linked to the sports industry and they thrive in providing services to  
them. An example of such are production companies which provide technical support, sound,  
lights and stage, and those that provide editing and cameras for streaming online, the selling of  
tickets and the hospitality aspect of events. The following list is not exhaustive but depicts the  
main events held locally. I have a whole list, but I will just mention a few: Rock Master's Bowling,  
1060 the Gibraltar Backgammon Tournament, the Darts Corporation Junior World Darts Championship,

the Squash International Open, the European Cricket Network T10 Tournament, the Europe Netball Under-18 Open Challenge. There are others which have been organised privately without direct government funding. They have all served to benefit our economy and we will continue to encourage them. Some events that we have traditionally supported have now come to their contractual end. They have, nonetheless, helped us put Gibraltar on the map.

1065 The unprecedented investment in sporting infrastructure has provided a plethora of top-class venues. What is being created is an industry in and for sport which could become yet another pillar of our economy. Participation in international events is crucial and we advocate the fact that all those who are full or affiliate members of their international governing bodies need to be active within their international frameworks. The Government will continue to support associations on many levels, not least financially. To this end the financial support received this year as sports grants was to the tune of £300,000. This figure depicts the expected increase in participation at international events given that the COVID-19 pandemic is thankfully now over. This support was afforded to our sportspeople in spite of the current economic climate. Competing in such events is not only important as it provides exposure to a higher level of competition, but it also means that Gibraltar continues to stand on its own two feet as a full member or as an affiliate of the 23 international governing bodies of sport. This is a considerable achievement.

1070 Aside from the already established local sporting bodies, I am glad to report that two applications were received and considered by the Gibraltar Sports Advisory Council. The popularity of padel tennis at a competitive and recreational level has meant that they have opted to go it alone, and they have now registered independently from tennis. The second is the Gibraltar E-Sports Association. E-sports, contrary to popular belief, is not standard gaming but has extremely strenuous elements which require physical fitness and mental strength. Such is the emergence of e-sports worldwide that it will be a full medal event at the next Commonwealth Games, in Victoria in 2026. I was fortunate enough to be invited to the e-event run parallel to the Commonwealth Games in Birmingham last summer. It was a real eye opener that apart from all the other positive aspects of Team Gibraltar, they reached the semi-finals. I am glad to also hear my colleague mention that e-sports is one of the subjects that will be starting in the College. I urge Members to look at e-sports in a different way. They had an extremely creditable performance. It always fills me with great pride to represent Gibraltar as a Minister at events such as the Commonwealth and the Island Games. Birmingham 2022 had something special about it. Team Gibraltar was exceptional throughout, with very strong performances across the board. It was confirmation, if it was needed, that we belong in the Commonwealth Games family.

1085 I cannot leave this section without mentioning our Special Olympics athletes who participated in the World Games in Berlin. They also make us very proud, not only because they participate but they also come back with well-deserved medals. Unfortunately, due to a private family commitment, I was not able to attend, but I will put my name down for the next one should I be the next Minister for Sport. The Government has invested in these, our proud athletes. Now they boast a magnificent Special Olympics Sports Complex which they can call their home.

1090 Finally, in respect of local sporting bodies, I feel it is only correct that I confirm the fact that after an enforced hiatus, the Gibraltar Boxing Association (GBA) has once again been registered with the GSLA via the GSAC process. They have finally worked through long-standing differences and issues and resolved these positively. The GBA have worked very closely with the GSLA and the association has now modernised its constitution and adjoining procedures that will now allow the sport to develop and expand. This has been a long-standing issue which many have not been wanting to tackle. I hope that we are able to attend boxing bouts locally very soon. My thanks go to the GBA for their engagement and particularly to my staff at the GSLA, who have been persistent in exploring solutions and common ground.

1100 Mr Speaker, parks and playgrounds continue to fall under the remit of the GSLA. In the last financial year, the maintenance programme has continued and the effects of the works undertaken by the GJBS crew in conjunction with the GSLA team are becoming very noticeable. Maintenance will now become more proactive than reactive, and when things do break, which is

inevitable, reaction times for repair have decreased significantly. The rolling maintenance programme is seasonal and based on usage trends. However, all areas are checked as per the maintenance schedule to ensure they are all safe. In addition to the maintenance programme, the Mid Harbours playground has been relocated given the historical issues with water ingress on the podium. From a sustainable point of view, several items from Mid Harbours have been replaced, repainted and relocated to other facilities. This is done in the interest of efficiency.

The GSLA is also responsible for the maintenance and upgrades of both the Europa pool and the bathing pavilion. It was a policy decision of our Government that the pool should be open to the public at certain times, in order for them to enjoy the summer period. As to the bathing pavilion, it must be recalled that it was also the GSLP Government that took the decision to build this amenity for the people of Gibraltar. These decisions have proved to be very popular. It is easy to forget with the passage of time that these have been progressive decisions taken by a progressive Government.

Whilst on the subject of summer, the GSLA's flagship schemes were once again a resounding success last year, and this year the numbers are on the rise. Both the Summer Sports and Stay and Play programmes registered increases in numbers of participants last year. The Summer Sports programme recorded registration figures of 571 children, an increase of 134 from the previous year, which was 437, and this year already we have 733 children registered. Whilst the Stay and Play programme increased by one to 36, this year already 35 have registered but the summer is not over. It is important at this stage to say how grateful we are to the GSLA staff for having started the early programme this year.

I would like to mention at this stage that, as my colleague mentioned about the new schools, these will have a positive impact on sports since the new schools have magnificent sports halls that will be used within our community for sporting associations.

For the first time, participants were able to register online. This saw a massive reduction in cumbersome administration procedures, allowing summer staff more time to concentrate on delivering the sessions instead. Further, the programme this year has had the timing extended from Monday to Friday from 9 to 12.30.

Sports Train saw a repeat of the now highly successful competition week that attracted the highest daily attendance of the entire summer. The highly popular fun evening has also returned and, as usual, attendance was excellent and many families availed themselves of the activities and equipment on offer.

The Stay and Play programme also saw technological advances with the implementation of an app similar to the one already used by St Martin's School. This was done to optimise communication between the staff and parents, aiming to improve the service provided. Through the app, parents were provided with a daily report of their child's day and the parents would, in turn, provide feedback and any relevant information that could be considered and implemented the following day. A new venue was also introduced into the Stay and Play activities rotation, namely the GSLA bathing pavilion. This was very well received by the staff and service users alike.

The summer programme does not only benefit the children but also enhances the programme of training to all the sports leaders and young volunteers themselves. The programme covered a whole range of items like the delivery of generic and sport-specific sessions, leadership training and first aid, amongst others.

As mentioned already in the Youth section, child protection is at the top of the list when it comes to employing or having volunteers working with children. Therefore, all prospective employees are RGP vetted initially during the recruitment stage and provided with safeguarding training. This is in keeping with the requirements introduced by our Government. It is now an obligation on any coach who is responsible for delivering sessions to any children or young adults in any facilities managed directly or in the control of the GSLA. The GSLA's Sports Development Unit delivers safeguarding workshops, with 111 new attendees. This now takes the total number of qualified coaches to 814. The process is a rolling one and, as explained above, those requiring

1165 refresher courses will now be able to undertake these online. This will streamline the process, allowing the database of qualified coaches to increase exponentially.

Finally, I can inform this House that the GSLA has been piloting a booking application scheme so that users can book facilities online. The pilot scheme, which is finalising soon, has been undertaken at the swimming pool complex with a high degree of success. Feedback from users who have participated has been very positive. The next step is to roll out all of the GSLA's facilities available for the general public to book online by the end of the year. Whilst bookings will still be taken at the GSLA counters and over the phone, it is intended that the majority of allocations will be administered via the online portal.

1170 Mr Speaker, I now move on to another of my responsibilities, that of the Kings Bastion Leisure Centre (KBLC). It must be recalled that KBLC use to cost the Government a total of £2.6 million per annum and had revenues of a mere £50,000. This Government has worked hard to cut down the enormous deficit. It was done by rescinding lucrative contracts of OPEX plus 30% which had been awarded by the previous GSD administration. This was cut down to £1.4 million with current revenues this year of £648,014. KBLC continues to perform very well, providing a wide range of leisure activities that all families can enjoy. These include bowling, climbing in the boulder park, fitness gym facilities, a collectibles store and a well-equipped amusement arcade. It must be recalled that the ice-skating rink was replaced by the boulder park and this has become a very popular attraction. Last year, KBLC invested in replacing some of the older arcade machines with a selection of newer models, mostly for young children. They also added two of the latest pinball machines and a photo booth, which they expect to be very popular. From past experience, we know that the money spent on purchasing arcade machines is recoverable relatively quickly, whilst at the same time they will provide a consistent return for many years to come. Projects for this year include the installation of a remote-control boating area above the chiller pit in Commonwealth Park. It was proposed last year but has been carried forward to 2023 as more time was required to ensure that all the necessary preparations are in place. A new operator has also taken over the Bastion Restaurant, Boyd's and Just4kidz, and we hope to work closely with them as we jointly continue to develop and improve all the facilities offered.

1180 1185 1190 I move now to the Department of Employment, where I am happy to report that we continue to maintain record low levels of unemployment. As the Chief Minister mentioned, in 2022 the yearly average of Gibraltarians registered unemployed was 29, a staggering 93% reduction in unemployment since 2011. In 2023 we have continued to maintain low unemployment levels, where in the first quarter of 2023 the average number of registered unemployed stood at 30, a 98% reduction in unemployment since the first quarter of 2012. Hon. Members must recall that when the GSD was in government, the then Chief Minister and the Minister for Employment both considered the norm for persons unemployed to be around 300. They would say that was an acceptable number. It was not acceptable to us. This Government's proven employment record has been achieved by maintaining long-term close working relationships with our employers and the business community.

1200 1205 1210 Understanding and empathising with the specific individual continues to be a priority. The staff at the Department of Employment remain available to all members of the public who are registered with them. Registered persons unemployed or persons registered employed looking for alternative work are given guidance. They also have the opportunity to review all available registered vacancies and apply for those they find of interest. Our employment officers work very closely with individuals to provide support as a means of increasing the quality of their CVs, the interview outcome and the possibility of success of any given job application. This service continues to prove to be extremely beneficial, resulting in many successful individuals achieving gainful employment. Our officers at the Department of Employment, with the Youth Service and the CIPD, will soon be working together to see how they can join their expertise in order to enhance the website careers.gi.

1215 The Labour Inspectorate is tasked with the regulation and enforcement of our employment laws. As part of its ongoing commitment to eradicating illegal labour practices, the Inspectorate

continues to implement a comprehensive strategy and programme of inspections across various industries. It is also important that a level playing field is maintained and the Department of Employment's established close relationship with all sectors of the business community remains steadfast toward this aim. The Labour Inspectorate is, as always, available to both employers and employees to provide information and guidance on employment-related matters.

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I am happy to say that the reforms implemented by our Government in relation to the Employment Tribunal are now bearing fruit. The Tribunal is methodically addressing cases. Rules have been drafted to ensure that chairpersons and mediators are fully accountable for any shortcomings that may materialise. This will enhance the quality of the service for those who may seek to access it. Access to justice, particularly in the context of employment and labour-associated matters, is an important cornerstone of this administration's policy. This is fulfilled by ensuring that individuals have a fair and equitable opportunity to seek legal recourse, receive due process and have their rights protected. I look forward to working with the team at the Department of Employment and the Tribunal chairpersons to further enhance the provisions within the Employment Tribunal for the benefit of the working population of Gibraltar.

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I also look forward to completing the revision and modernisation of the Public Sector Code, which is commonly known as the General Orders. This was an outstanding manifesto commitment which will soon be fulfilled. Together with the staff at Human Resources, we have painstakingly gone through, section by section, the General Orders to amend it and bring it up to date. The current document is obsolete in many respects. It underpins the Civil Service and the Gibraltar Development Corporation, as well as other agencies, government-owned companies and authorities in one form or another. This rebranding and reinvigorating of the Public Service Code will be fit for purpose in the 21st-century public sector and will springboard it to future success. In tandem with this, my Ministry has been working closely with the Human Resources Department to review policies such as injury at work provisions for essential services.

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Mr Speaker, I now take the opportunity to draw your attention to the work I have undertaken in my capacity as Chair of the Health and Safety Advisory Council. Last November, we held the first Health and Safety Seminar since the pandemic. This saw the intervention of excellent local speakers, the heads of our public services and charities. It also included Unite the Union's National Officer on Health and Safety and the IOSH UK president. The seminar was a resounding success. It culminated in the completion of the public sector's policies A and B, which have enjoyed the input of all stakeholders within the HSAC, but principally moved by Unite the Union's National Officer Gillian Birkett. It is a testament to the strength of the relationship that this Government has with other organisations, particularly the trade unions, that despite temporary disagreements we can work for our community on issues that matter. This year we will work towards improving the Health and Safety Seminar and setting it on a path that will ensure its success for many years to come. I look forward to updating this House further on the matter when the opportunity arises.

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Mr Speaker, in conclusion, I would like to take this opportunity to thank all the staff who work within the different Ministries and portfolios that I am responsible for. I would also like to thank you and your staff here in Parliament for the help and assistance given to fulfil my parliamentary obligations.

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I could not end my Budget speech without specifically mentioning my staff at the Ministry. Without them, I could not run the sometimes complex and difficult portfolios that I lead on today. They are the ones who guide me daily in all that I do and are also there for me, whatever time of day. I am forever grateful, so a wholehearted thank you goes to them all.

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Thank you. *(Banging on desks)*

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

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**Hon. E J Reyes:** Mr Speaker, I wish to commence today with sports-related matters by repeating yet again that I remain a firm believer in unity, where possible, for the benefit of Gibraltar's greater interests. Therefore, I am glad to see that Government continues with the long-

1270 existing policy held by successive Governments to assist all local sporting bodies to overcome any  
foreign government's politically inspired attempts to block our membership of international  
sporting bodies. The antics and shameful actions taken, above all by our neighbours to the north,  
are wearing thin and each year that flies past I pray that, slowly but surely, other international  
sports governing bodies will judge Gibraltar's applications on their own merit and not shamefully  
allow themselves to be coerced by our neighbour's unjustified and often unscrupulous arguments.  
1275 Gibraltar's long-standing and cross-party policy of assisting sporting associations will certainly  
continue to receive the GSD's wholehearted support and I sincerely wish all our sporting  
associations all the very best in their continuing battles to obtain their respective international  
memberships, which are rightfully and legitimately theirs.

The Gibraltar Football Association has had a long-standing project towards refurbishment and  
upgrading of its own national stadium. We agree Gibraltar needs a new stadium, but have  
1280 expressed serious misgivings about the project as envisaged and the use of Savings Bank money  
towards it. Despite being supportive in principle of the National Stadium project, as previously  
stated by the GSD, we will not give the green light to using taxpayers' or savers' moneys, placed  
in deposits guaranteed by the Government of Gibraltar, for this purpose. For years the  
Government had promised that the construction of a new stadium would be at no cost to  
1285 taxpayers. Government sold the land to the GFA in 2017 without the payment by the GFA of a  
premium to develop the land, and also on the basis that UEFA moneys would pay for the  
construction of a new stadium. It is clear from answers given in Parliament that the Government  
is unsighted on the details of the proposed project. This is worrying given the size of the proposed  
commitment. It is also unsatisfactory that there are no clear answers why UEFA money is no longer  
1290 available for the upgrade of a national stadium to be owned solely by the Football Association,  
and there remain big questions as to why a stadium of this size is necessary. Additionally, there  
are concerns that the needs for development of the footballing community and youth football are  
not being met in this project. Even so, we are committed to working with the GFA in a positive  
way so Gibraltar can see a new stadium. If we are elected to government, we will discuss ways  
1295 forward with the GFA so that we can assist them in finding private sector third party interest  
following appropriate tendering or expressions of interest processes, so that neither public nor  
savers' moneys need to be used to fund the construction costs of this stadium development.

I must add that it is particularly gratifying to see the Victoria Stadium almost full to capacity  
whenever our national team plays a home game. The home venue, using Victoria Stadium as our  
1300 home ground albeit with necessary upgrades to be undertaken, was the location first promoted  
by the GSD. It seems that where there is a will there is a way, and therefore the GSD has proved  
it was not wrong from the outset in choosing the existing location of the Victoria Stadium as the  
best site for a UEFA and FIFA fully approved facility. It is, indeed, a far more viable and attractive  
option for local sport lovers to attend and support our teams within our home territory than  
1305 having to travel a few hours away to Faro, as is unfortunately the position we are in now. I am  
sure this House is unanimous in wishing our teams participating in international competitions all  
the very best, and I hope that once the necessary upgrades are completed the Victoria Stadium  
will be full to capacity with enthusiastic supporters. The other major point being discussed by  
football fans is, of course, what spectator capacity is the most sensible one for Gibraltar to aim  
1310 for. In this respect, affordability must play an important role and I hope this is very much taken  
into account.

Despite the ambitious projects undertaken in respect of sporting facilities across all disciplines,  
there is still a great need for further training facilities if our future generations are to aspire to  
improving their overall standards. It continues to break my heart to see so many Gibraltar-  
1315 registered teams, across several different sports, having to go into Spain in order to train and  
prepare for local and international competitions. Indeed, more facilities are needed if we are to  
continue to aspire to progressing beyond the qualification stages in respect of international  
competitions. The GSD continues to believe that alongside the new football facilities which could  
be enjoyed by the football fraternity, there is still a great need for extensive training facilities in

1320 Gibraltar to cater for participants in numerous other sports. These facilities should ensure that the introduction and development of our youngsters into the world of sports, very often arising from our schools' curriculum and sporting clubs' commitments, are equally catered for. It is the duty of the Gibraltar Sports and Leisure Authority to make these facilities available for our public at large who wish to participate in sporting activities.

1325 The new facilities, which at long last have been completed despite originally programmed for full use at the 2019 Island Games, should contribute, to a certain extent, to ensure that Gibraltar continues to produce worthy local athletes and develop their wide-ranging sporting talents. Having made very substantial investments in the construction of new sporting facilities, I note that the estimate for the upkeep of GSLA facilities remains at £310,000 despite an estimated  
1330 expenditure of £385,000 recorded as forecast outturn for 2022-23. It will be interesting to see how the GSLA is expected to keep within budget now that they have more facilities to maintain and, in theory, greater numbers of users of their facilities being expected.

The Minister for Sports has previously informed this House that Europa Sports Centre will be run by a company type of set-up, primarily managed by three officially registered sporting  
1335 associations. The costs associated with manning levels and upkeep of the Europa facilities are something which should be accounted for in the Estimates Book, as the facilities have been built with ... and ultimately belong to the taxpayer. May we please have some guidance as to where exactly we may find the expenses and/or government contributions towards the Europa sports facilities? Is there any income expected to be generated? If so, as the Minister has previously  
1340 hinted, where can we find this in the Estimates Book?

Gibraltar often obtains results which make our neighbours and sporting opponents in official competitions envious of our rather good and consistent outcomes. I sincerely hope that the new constructions meet local requirements well beyond the next decade at least.

Many Gibraltarians are currently actively involved and proudly representing Gibraltar at the  
1345 2023 Island Games now taking place in Guernsey. I am sure I speak for the whole House as we offer our collective best wishes to all our participants who, through their committed efforts, have yet again made us proud of our sporting fraternity. We have already won some medals, the latest being a gold, but as the games are still not finished we collectively wish the best of Gibraltarian luck to all our national representatives.

1350 Mr Speaker, we should record a special mention in respect of the fantastic achievements attained by several sporting bodies throughout this past year. There is always a danger when you start to mention individual sporting teams or associations that you may accidentally leave somebody out. Therefore, and I think in keeping with the Hon. Minister, who just spoke before me, I will name only one body: Special Olympics Gibraltar. They always excel themselves across a  
1355 variety of sports and justifiably enjoy our collective congratulatory messages for their notable achievements. If other associations are able to match the enthusiasm and results obtained by Special Olympics Gibraltar, then all investments in sports are certainly worthwhile. Still in keeping with not singling out any particular team or association, I must also add that our female athletes have done extremely well in this past year and this has obviously led to their well-deserved  
1360 promotions within international rankings. At this rate our female sporting representatives will, sooner rather than later, be our national top pride and joy in sporting achievements.

I am glad to say that this year I do not have to repeat the offer I made last year, as well as continuously for a few years before that, during these Budget debate contributions. I am extremely glad to note that the Minister for Sports, more so in his capacity as Chairman of the  
1365 Sports and Leisure Authority, took a particular interest and appropriate action to ensure that publicly owned facilities are used in a fair manner for the benefit of all sports lovers. There is both a duty and obligation for the Sports Authority to ensure that, where desired by a club or individual citizen, membership in their relevant local governing body is open to all in an equal and fair manner. The dispute within the local boxing world which had been dragging on for far too long  
1370 now seems to have been, at long last, resolved. This outcome proves that solutions can and should be found, and I am glad that the Minister and I will be able to celebrate that final outcome.



1375 Mr Speaker, a recreational type of activity which is relatively popular in Gibraltar is fishing and the use of small pleasure boats by families. A specific facility which has been in need of investment for quite some time now is the Watergardens small boats marina. For the last few years the users of this marina have been told that major refurbishment works are imminent, yet so far nothing has ever happened. I note that once again this year there is no provision for this refurbishment made in the Estimates Book. Head 102 Projects, subhead (4) Boat Moorings caters for no expenditure whatsoever. May this House please now be informed how much is being estimated for expenditure towards the Minister's repeated promises that refurbishment projects at Watergardens marina will take place? And where exactly may this estimate be found in the Book for 2023-24?

1385 I now wish to reaffirm my personal conviction that through the collective celebration of social events, participating Gibraltarians contribute towards reinforcing our identity, culture and history as a people and a community. Both the performing and fine arts fraternities have always proved themselves to be very proactive within their own specialised areas and I take this opportunity to congratulate all the groups and individuals who have done Gibraltar extremely proud through their international participation and, in many cases, gaining top awards. It is always a personal and collective pleasure to be able to say how proud we are of the international achievements of our fellow Gibraltarians.

1390 During their last term in office, Government purchased both the Queen's Cinema and the Queen's Hotel sites for the development of a theatre and related activities. We now know that the National Theatre will not be built at the original earmarked site, as other developments have been announced for this location. With the development project in respect of a National Theatre now falling under the planning remit of a charitable trust or foundation, this House seems to have lost sight of projected costs and I am not even sure if the Government can be asked at Question Time for updates as to the project's progress. If Government is making any financial contributions to this project, I once again ask for guidance as to where this overall and general expenditure may be accounted for in the Estimates Book. This year's Estimates once again show a provision of £1,000 under the Improvement and Development Fund Expenditure set aside under head 102 Projects, subhead 4(l) Theatre, but given the appeal made to the general public and business community to sponsor particular items in the theatre such as seats, how far is this £1,000 expected to reach given the cost of materials nowadays? Locals may often be heard to say surely our home-grown performers, entertainers and audiences are entitled to ask for a theatre which is fit for purpose and available throughout the 365 days a year. Given that we are currently in an election year, will Government commit itself to a definitive date by when theatre lovers may enjoy performances at a new and much needed theatre?

1410 Moving on to educational matters, I wish to start by citing once again a passage I have used before in this Chamber: 'Children must be able to play, study and grow in a peaceful environment. Woe to anyone who stifles their joyful impulse to hope!' With this quote in mind, I cannot stress enough the need to ensure we get it absolutely right when planning and building facilities that will serve our children's educational purposes in preparation for adult life. Much has been said in respect of Government's projects for the re-provision and expansion of our schools. For our pupils' benefit I sincerely hope that decisions taken have been based, above all, upon feedback received from the professionals in the field, namely schoolteachers themselves. I hope, for our children's sake, that the new buildings which will come into use as from September prove to be a product conforming to the highest of standards. However, many parents, teachers and even ordinary citizens have expressed serious concerns about the inevitable high levels of congestion which are to be expected in the area around Europort as from September. I sincerely hope there will be a sensible and workable traffic plan in place before the schools open for the new academic year this September. The Minister for Transport sounds very enthusiastic when he announces new cycle lanes such as those he has planned for the Europort area in the immediate future. However, may I respectfully remind the Hon. Minister that, especially in Gibraltar, families depend greatly upon grandparents for the delivery and collection of children from both lower and upper primary

1425 schools? As a grandparent myself, I am often called upon to fulfil such family duties, and I must  
honestly confess that using a bicycle as an alternative form of transport is a total non-starter for  
me and my contemporaries at our age. Much as I would love to be able to support the Minister  
for Transport in encouraging healthier and more environmentally friendly methods of transport,  
his efforts so far only seem to have created bicycle lanes to benefit a great number of members  
of the cross-Frontier commuting community and, worse still, it seems to be to the detriment of  
1430 users of other traditional forms of transport.

Maintenance of existing school premises needs to be properly and promptly executed. It is  
embarrassing to see photographs posted on social media which show toilet facilities closed for  
weeks on end in our newly built comprehensive schools, with notices attached to the doors saying  
out of order. There can be no justified excuses why necessary repairs are not carried out quickly  
1435 and at least within a reasonable period of time, more so as these buildings are new constructions  
and should be a source of pride and not embarrassment.

Private schools have for years existed in Gibraltar and this practice is in keeping with many  
countries, including the British system upon which we base our schooling systems. However, there  
is a lack of detailed information in respect of what the plans are for the existing Hebrew School,  
1440 which is currently publicly funded and comes under the Department of Education. The teaching  
staff at the present Hebrew School have been told that future plans will see the school coming  
under the control and management of a board and therefore not directly under the Director of  
Education. Information provided is that those wishing to remain teaching in said school will be  
seconded by the Department of Education and now fall under the new management structure. I  
1445 feel this House should be fully updated as to Government's plans for the Hebrew School, together  
with details of the funding structure to be used. At present, existing private schools are entirely  
self-sufficient in respect of funding, but it seems this may not be the case in respect of the Hebrew  
School. Whatever plans Government may have for the provision and financial support of possibly  
a new private school, it should do so in a manner equal to the support it offers already-existing  
1450 private educational establishments. If equal support is not offered to all private schools, then this  
could lead to a perceived discrimination based upon religious practices. Gibraltar has always  
prided itself in respect of religious tolerances and this is something we wish to see continue for  
many years to come. However, unless there is a clear explanation as to how any potential new  
privately managed schools will be funded, there is always a risk that divisions will commence to  
1455 become a reality in educational matters. If there is nothing to hide, then details should be publicly  
announced and as soon as possible.

Last year I highlighted that the estimated expenditure of only £1,000 would be required for  
teachers' maternity/paternity leave and that this figure was unrealistic. We now see that the  
forecast outturn is £760,000 for 2022-23, so I still cannot comprehend how we are again  
1460 estimating an expenditure of only £1,000 for maternity/paternity cover for the coming year  
2023-24. We have a relatively high number of young teachers who are still within child-bearing  
age, so I wonder what, realistically, the actual expenditure will be once the financial year 2023-24  
is over. At present trends, the estimated provision for teachers' cover will once again fall way short  
by around £¾ million, at least. Likewise, temporary cover is also estimated at only £1,000 despite  
1465 the logical reality that the more teachers you have employed the higher the expenses for  
temporary cover could be when these teachers need to stay home due to contracting seasonal  
influenza or similar diseases. I also highlighted this last year, and I have been proved correct  
because the forecast outturn for 2022-23 stands at £1,930,000 ... Can we have an explanation as  
to why we have once again been provided with such a misleading estimated provision for  
1470 teachers' cover? The actual expenditure year upon year in respect of this subhead is way higher  
than the Estimates show, so is it the case that we are simply cooking the books and trying to show  
a fictitious rosy picture for the future as compared to reality when we look at what real  
expenditures are? **(A Member: Hear, hear.)**

As both a teacher and a past president of the Gibraltar Teachers' Association, and someone  
1475 who still has educational matters extremely close to his heart, I extend a recommendation to the

Minister for Education to listen and continue to work as closely as possible with classroom teachers, albeit alongside his senior management teams. Classroom teachers want to be part of any process that changes our educational system and want to be involved in meaningful consultation before final decisions are taken. Surely the way forward proposed by these professionals can only contribute to the well-being and best possible future of our children. This is something which I hope we can all agree is paramount.

The initiative already taken by one of our locally based private schools which now offers Computer Science at both GCSE and A-level is to be highly commended. It is courses like these which will serve to prepare today's pupils to become the skilled workforce that Gibraltar will need for tomorrow, as the future will be dominated by digital technology. Likewise, the GSD have raised the concept of modern apprenticeships in the past and we still believe we need to offer more in this field than we currently provide. Those pupils who do not wish to pursue an academic future need to be provided with the opportunity of a modern apprenticeship programme which, if properly structured, has the same standing as higher education. We need to create a gold standard for an apprenticeship programme so that employers have confidence in the system. The time for investment is now, not just in formal academic education heading towards entry into higher education establishments like universities, but also in the co-ordination of training and skills through vocational courses that carry international accreditation. We must not forget the ultimate aim of providing education for our future generations. It is our duty to ensure all pupils always achieve their maximum potential.

If a new building for the College of Further Education is to become a reality, then we have a golden opportunity to review the academic and vocational programmes offered at this College. It could be an ideal opportunity for us to offer accredited qualifications in respect of established technical and construction trades and thereby offer an opportunity to those students who are inclined to pursue a career that is based far greater upon practical rather than academic skills. Gibraltar should be ready for anything the future may throw at us. This includes us having the necessary craftsmen properly trained and qualified for any possible eventuality. It is extremely sad to note Gibraltar's loss of vocational skills and opportunities. The GSD commits itself to making provision for a College of Skills and Technology. We believe in guiding more students into engineering and digital skills and therefore commit ourselves in delivering vocational trades and technical skills.

There is no better formula for success than to cultivate a sense of ownership amongst all tasked with the education of our children. Furthermore, the GSD believes that schoolteachers are a priority that is both needed and from which society will receive huge benefits. The job that they do benefits everyone. Teachers are not a group prone to industrial action or making a fuss about anything. They do not crow the loudest. I concur with the views expressed in the past: teachers have for so long silently and diligently got on with their underappreciated and deeply challenging job of providing an education, formal and otherwise, to generation after generation of Gibraltarians. No one has been more critical of Government spending than the GSD have been over the last 12 years. We have advocated prudence and pointed to the dangers of uncontrolled spending. This does not, however, amount to austerity. It is about prioritising Government's spending in areas where it is needed or where, as a society, we are going to get the greatest benefit. Therefore, education and the teaching profession is but one area.

Mr Speaker, before I sit down, I must take this opportunity to thank you and your staff once again for the patient way in which you have always dealt with us. I know that all members of staff are always available to advise us on both sides of the House, but to see this being done in such an efficient and friendly manner makes life so much easier for all elected Members. Please allow me to highlight that Mr Clerk has personally proved himself of being worthy to hold this position in Parliament. I personally thank him for his organisational skills and support to all Gibraltar's delegates when we attend Commonwealth parliamentary conferences. It is by travelling with others that you get an opportunity to better know people, and Mr Clerk has deservedly obtained an A grade, in my opinion, in this respect.

1530 Having now completed 16 years as a Member of this House, I am conscious that this is an election year. We should bear in mind that no one knows for certain what the future will bring. With your leave, sir, I will end by quoting, as I did four years ago on the eve of the last General Election, from a song made famous by Doris Day. *Que será, será*. Whatever will be, will be, and we may or may not meet again in this Chamber.

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

1535 **Chief Minister (Hon. F R Picardo):** The future is ours, you see, Mr Speaker, and I therefore move that the House should now recess until 2 p.m.

**Mr Speaker:** The House will now recess to 2 p.m.

*The House recessed at 1.12 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 2.02 p.m. – 4.10 p.m.**

**Gibraltar, Wednesday, 12th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 2.02 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

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

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**

5 Thank you, Mr Speaker. This is my 10th Budget address as a Minister. I am a spring chicken in comparison to my colleagues on my right. I understand that the Hon. Leader of the Opposition has taken to asking questions in this Parliament on chickens, but I will come back to that in a little while.

10 I reflect on my 10 years here and why I was here in the first place. I was only here because we lost one of our own. I remember Charles Bruzon at this moment, an absolute gentleman, an excellent servant of this party and this Parliament in Gibraltar, and I think it is appropriate at this time just to reflect and remember him 10 years on from when we lost him. *(Banging on desks)*

15 The line of the Opposition this far, and I am sure it will be repeated ad nauseam by the remainder of the Members opposite in the coming days, is interesting because it was entirely predicted by the Chief Minister in his address.

**Hon. D A Feetham:** Because it's true! *(Laughter)*

20 **Hon. A J Isola:** Well, I will demonstrate to Mr Feetham why it is not true, *(Interjection)* and why, in fact, they should learn from themselves if it is true, because I am going to go back to 1996.

**Hon. D A Feetham:** Oh, my God!

25 **Hon. A J Isola:** Well, he says, 'Oh, my God!' but the only fire in the belly that I saw on the Opposition benches was when they talked about the riots in 1996. It is the only time the Leader of the Opposition had any emotion in his address, and that was a very long time ago. So let's look at what you promised in 1996, which I will come to before we start to talk about 'Oh, my God, going back to 1996', because they seem to enjoy doing it.

30 Mr Speaker, the Chief Minister said the Opposition will strike fear into the hearts of our citizens and he said that absolutely rightly – and again, to be honest, it was not difficult to predict because that is what they always do. Hon. Members opposite will remember, as we do, the great election on the LNG plant. We were all going to die: the bomb zone, the blast zone, the safety, the pamphlet they produced, Mr Feetham raising these papers about how dangerous this facility was going to be. Well, not surprisingly, the day after the election they never raised it again. It was not  
35 that dangerous, it was not that unsafe, because they dropped it, like they were dropped at that very same election by our very intelligent electorate. So, like they do every year, they talk about the same issue; and not just one issue but a number of issues, but all with the same theme running

through them. They talk about secrecy, they talk about off balance sheet, they talk about the money that is in the companies. They have talked in the past but not yesterday, thankfully, about the Public Accounts Committee and why we should have one. *(Interjection)* Oh, I have no doubt, because they are that predictable that they would do it again. And so, if they need one. I would ask the hon. Member why they did not do one between 1996 and 2016 when it was in their manifesto in 1996. The answer, Mr Speaker, is that they say one thing and do something completely different when they are on this side of the House, **(Hon. Chief Minister: Hear, hear.)** but when they are on that side of the House they want what they call enhanced democracy. You couldn't make it up. I will come to some of those examples in a moment as to why it is so absolutely incredible that anybody should give them an ounce of credibility, because they never, ever do a policy. But when we are on this side of the House, 'Wakey, wakey, they've got to do it, even though we didn't do it.' That is the story of the GSD, as brilliantly exposed yesterday by the Leader of the Opposition yet again. In that respect at least they are consistent, if nothing else, because they have no policies that are consistent. Just in respect of when we come to talk about the Budget once a year, the line is like a scratched record: off we go again, off we go again. They have been playing it now for many years. In fact, from day one when we were taking over their own estimates, by their own definition we had to increase the borrowing limits, but it was our fault. Their credibility is just, unfortunately, not there.

So, like the Chief Minister said – I agree entirely – we deserve better opposition. Do you know the Opposition come at this time of year and tell us that the spending on the Health Authority is terrible? I have been in this Parliament looking after Health for just over 12 months. I have answered 185 questions on health. How many of those were on spending, overspending, waste? **(Hon. Chief Minister: Zero.)** None. Not one. How many of those were about doing more, providing more of this and more of that, why have you got more of these and why is the waiting list so long? Waiting lists can be fixed at the flick of a switch by spending more money. *(Interjection)* They want waiting lists reduced; well, so do I, but it is a question of a balance with what money you spend. A hundred and eighty five questions during the course of the year where they are able to scrutinise, which is their job, but they do not do it. How many questions? Nil. It is absolutely remarkable.

And so this is an Opposition with no plan, with too much opportunism, jumping on every single bandwagon they can see left, right and centre, in the hope that they will get some support from it, even if they subsequently roll back – because we are getting close to an election, that may not be popular; jump ship and jump on to something else. They change ideas like the wind. And they do not live up to their own mantra. Secrecy, off balance, Public Accounts Committee. Well, they only had 16 years. Perhaps you could take the view that that is not enough time. With the competence that they have in this Opposition, I would struggle to say that they did. I suspect they would not have enough time with another 16 years.

Mr Speaker, when you look at their position on the Budget, for the last few years it has become trendy for them to vote against. Addicted to debt, borrowing, lack of transparency, off balance sheet; the same every year. But they come at that at Budget time. I do not see any help from the alternative government – supposedly – in ideas as to what we should do in policies which we should take into consideration. *(Interjection)* Where are they? *(Interjection)* No, it is not about needing their help. That is the one thing we certainly do not need or want. *(Interjection)* Somebody who is putting themselves out to the public months away from a General Election and the public today have no idea what their policies are on anything does not sound, to me, like an alternative government in waiting.

The Leader of the Opposition said that Members on this side looked tired and jaded. He was not very convincing when he said that, I suspect because, like the rest of our community, they do not believe it to be true. I do not believe he believes it to be true for one second. But when I look at the Opposition, I do see a group of people who are tired, who are jaded, who are devoid of ideas, devoid of policies. Where is the innovation coming from on that side of the House? Where is it? We have yet to see it. And yet these are the people who want, tomorrow, to walk into a

90 treaty negotiation without a clue, without experience. What international negotiation have any of them done?

**Chief Minister (Hon. F R Picardo):** That is why they want to take us with them.

95 **Hon. A J Isola:** Well, it is the only hope we have got, if we do go with them. They have not negotiated a thing politically in their lives.

**Hon. Member:** Nor have you. (*Interjections*)

100 **Hon. A J Isola:** It is absolutely incredible to compare one with the other, but still we will humour them and we will continue with the lines that they believe are of value to our people.

Mr Speaker, in my first Budget address, 10 years ago, I said that in order to be in politics I felt you had to have a sense of humour, which I think we all do, and an ability to do the right thing for the right reasons, and I still stand very true to that. In that same first address I touched on a number of things at the time, which I have mentioned briefly. I said this:

105

Mr Speaker, I quote from their 1996 manifesto:

‘House of Assembly; there will be regular and frequent meetings and question times... The House of Assembly must be the true expression of democracy at work in our community.’

– wonderful words, but of course they then spent the next 16 years walking a coach and horses straight through their expression of democracy; suddenly it did not matter anymore, it was gone –

They also call for a Public Accounts Committee [ ...] ‘to have oversight on how our money is being spent’. I quote from their 1996 manifesto:

‘We will appoint a Public Accounts Committee in the House of Assembly to scrutinise Government expenditure of your monies.’

110 That was their promise to the people in 1996, and after 16 years with the ability to do it, Mr Clinton is going to illuminate us all again tomorrow and tell us that we still need a Public Accounts Committee. Well, he should have persuaded the people in his own party, because they did not seem to share his view.

115 They talked at that time, in 2014, about enhanced democracy but had absolutely no intention, when given the chance, of doing anything to deliver it, nothing at all. And today there is no change. Members opposite have no energy, no ideas, no innovation, no hope. The truth is – and they know it – that everyone in this community knows that they are not a government in waiting. Everybody in this community hopes that this Chief Minister wins the next General Election and walks into new treaty discussions, because he and the Deputy Chief Minister are the only people in this community who can deliver it to us. They know that, as do their most ardent supporters, who I speak to and tell me exactly the same thing. (*Interjection*) Well, they will be telling you in the polls, of course they will.

120 Mr Speaker, in concluding that part, my view is that Gibraltar does indeed deserve a better Opposition, because the one we have unfortunately fails to scrutinise, fails to hold anyone in check, and of course fails beyond any sense of reasonableness to deliver any form of government in waiting, any policy, anything new. Nothing. Same old drum 12 years ago still today, no change, exactly the same.

125 The Chief Minister, in predicting the Hon. the Leader of the Opposition’s address, really did not have to do that much homework. On Tuesday, 18th April, the Leader of the Opposition wrote a piece in the *Chronicle* ‘In my opinion’ column, where curiously it says ‘by Keith Azopardi, Leader of the GSD and Lead of the Opposition’. I do not know if there was anything untoward in that funny title. I do not know if any of his colleagues on his left or right were interested in perhaps being the new lead. This is April of 2023. He starts off:



I can't help but think we are in a dark Gibraltar – darker than we have been in for a long time.

I wonder where he was going under the title 'The need for a new way'. He pulls back the 1996 election campaign and goes back to exactly the same place. That is the new way. The new way is going back to 1996. It is absolutely incredible. No wonder they are devoid of ideas, with no innovation, no energy. They are going back. They are not looking forward.

**Hon. Chief Minister:** That is why he said back to the future.

**Hon. A J Isola:** Back to the future, yes, very good.  
Mr Speaker:

In 1996 we fought an election which we thought was a crossroads [...] we were campaigning against a lack of accountability ...

Yes, they were, but what did they do about it? Did he deliver the Public Accounts Committee that he promised in that manifesto? No. Was he worried about it? Of course not, because he never did it.

So what are these people coming and talking to us about? The setting up of opaque structures, the same opaque structures that they left in place for 16 years and ran with off-balance-sheet accounting, with PFI loans off the balance sheet. (**Hon. R M Clinton:** Once.) No, not once. No, your memory is failing you, Mr Clinton. (*Interjection*) Car parks, a couple of them, hospitals. (*Interjection*) Well, we got more than one car park, so – (*Interjection*) Two car parks. So there are more than just the Hospital.

**Hon. Chief Minister:** You are saying there is only one company borrowing. Seriously? I have given you a lesson on this for years.

**Hon. A J Isola:** But they never listen. And then, of course, his great phrase 'the financial jungle'. He actually came up with that in April because he says, 'If we complained in 1996 about a GSLP web of companies it was a thin veil compared to the veritable jungle of opacity of structures created since 2012.' The 'jungle'. So not even the jungle is new. In the great financial debacle that we face, not even the jungle is new; it was there in April. So in April he wrote his Budget speech. And as I said before, when he came to this House yesterday and talked about the 1996 riots, it was the first time we have seen any fire in his belly. The rest of his speech, with the greatest of respect to him, was boring, absolutely boring. Why? Because he could have read it last year. Mr Speaker, there are parts of his speech last year which are almost identical to this year, almost identical. I read it and I had to go back and check. I thought, 'This cannot be already in *Hansard*.' It was only yesterday. Identical. His analysis of the spending is identical to what he said last year, absolutely identical, and this is where the 10 years of financial ruin, the Armageddon, the addicted to debt, the opaqueness, the secretive ... It just falls apart. It falls apart when you put in the Hospital, the car parks, the company debts, the company borrowing, which they themselves did. Or is that fiction, too?

And then the Leader of the Opposition says the surplus could be wiped out at a moment's notice. Whoosh! Gone! Two million can be wiped out at a moment's notice. That is disingenuous. The hon. Member has been in this House for many, many years and he has a lot of experience of sitting in this Parliament, and especially at Budget time, so he knows that some things go up and some things go down, and some of the things that go up are often good things. I am going to give one example: gaming, an area that I am responsible for. In 2020-21, we had pay as you earn Social Insurance and corporate tax of £76 million. You budget prudently for the forthcoming year. In 2021-22, the following year, £97 million – a significant jump, a very good jump. Congratulations. And then in 2022-23 it goes up from £97 million to £125 million. So it is not just whoosh, quite

175 simply – as the hon. Member knows full well it isn't – because these are what we all know:  
estimates. These are estimates of revenue and expenditure and we do our best to estimate for  
the forthcoming year, but as the hon. Members know, when it comes to health, it is not very easy  
to estimate what we are going to be doing, especially in areas such as sponsored patients and  
others. But even more so in one area that the hon. Member the Leader of the Opposition referred  
180 to yesterday, where he said, again, the figures last year were hopelessly out. He was talking about  
the GEA and the GHA in care. The figures on the GEA were hopelessly out last year because at the  
time the Book went to print, Russia had just invaded Ukraine and the impact that that had on fuel  
costs I hope we all know. But the estimates were right at the time they went to print. So for the  
Leader of the Opposition to come and tell us that the figures last year were hopelessly out – well,  
185 yes, but not through our design, not through our miscalculation, but because something happened  
in between which has thrown the cost of fuel exponentially higher than it was at the time those  
estimates were prepared. So, if the Opposition is to have any credibility, then in my view they  
have to be at least honest in how they deal with these changes.

Mr Speaker, a number of instances which, to me, demonstrate the lack of credibility that this  
190 Opposition have, I would just refer to briefly. When the OS35 incident happened, the GSD issued  
a press release very quickly afterwards, questioning everything that was happening:

It has been reported

– this is the GSD –

that while the back-up resources from Oil Spill Response Limited have been called upon the equipment would not  
arrive in Gibraltar till Sunday. This makes no sense when the risk of an oil spill was there from the outset. The  
mobilisation of equipment should have been arranged so that this was already in Gibraltar and could be deployed  
immediately at will.

And:

The vessel itself was located off Catalan Bay even though the collision had not occurred there. Given that decision  
it was paramount that oil spill response measures were taken to effectively and entirely ringfence the vessel from  
the surrounding area [ ...]

The pumping out of the fuel has started this afternoon. Again, why this could not have started earlier is  
questionable.

195 Almost immediately, Members opposite jumping on the political bandwagon to have a crack. It is  
a little bit different from the collegiate approach they talk about when they come to this  
Parliament and tell us, 'We want to work together in Gibraltar's interests.' The ship had barely  
been lowered and sunk before they started issuing press releases criticising the manner in which  
the OS35 was being managed. Then, more recently, Mr Bossino issues a press release or a tweet:

The immediate worry is to our environment and the fact that we are entering the Easter break, when there is  
expected to be increased use of our beaches. The GSD will continue to monitor developments.

I have to say that I find that approach, that style, totally uncollegiate and unhelpful at a time  
when, if anything, what the hon. Members opposite should have been doing was congratulating  
200 the Captain of the Port for the best demonstration ever in our history of how to deal with a wreck  
which could have caused huge damage to our environment and huge damage to us, not just  
domestically but internationally and politically, too. (*Banging on desks*) So from where I sit, I  
congratulate the Captain of the Port and his team and the Minister for the incredible work they  
did to have averted a complete disaster in our community, and I think we all owe them a huge  
205 debt of gratitude. (**Hon. Chief Minister:** Hear, hear.)

The Hon. Leader of the Opposition yesterday spoke about lost opportunities, concessions and  
failures in respect of the treaty. He really has no idea. The treaty would have been easy to do, of

course. The Chief Minister and the Deputy Chief Minister could have popped over, signed whatever was put in front of them and come back and said what a great deal it was. That is not  
210 the way we work. If anyone is going to stand up to defend Gibraltar's interests, Gibraltar's red lines, it is this Chief Minister and this Deputy Chief Minister, (*Banging on desks*) and yet there is a tweet from my friend Mr Phillips – he must have known this was coming:

The continued uncertainty about Gibraltar's place in a post-Brexit world is damaging to familial and commercial relationships across our borders. People are tired and fed up of spin, lousy press conferences and statements which say nothing. They need more time to polish the deal. The imagery we saw today of the hugs and handshakes between the two foreign ministers who essentially said, 'Let's talk some more,' did little to reassure anyone.

Well, that is a cracking way to start a diplomatic process, by slagging off the two foreign ministers you are going to work with to try to reach a deal. That's clever. It is called diplomacy and clearly  
215 they do not understand the first thing about it. But then he goes on a little bit further:

If the GSLP Liberal Government cannot negotiate a safe, secure and beneficial deal in the time and space we have all given them, then they need to give way to the people who can.

Good God, help us, please! Even the most fanatical GSD supporter knows that is absolutely not true and indeed is something that puts the fear of God up many GSD supporters as we approach an election with the treaty not having been completed as yet. Again, 'collegiate politics, all in this together, all working together' – first opportunity, off he goes, criticising the foreign ministers of  
220 Spain and the United Kingdom and then saying, 'Let me talk to them.' Wow!

And then the final one is probably the largest land deal in Gibraltar's history, the Eastside deal. If we were in financial ruin, if we were in the place they say we are and we announced that we are receiving £90 million, surely they would be jumping up and down saying, 'Fantastic news! Wow, well done! Congratulations!' That is what I expect from collegiate and friendly people who are  
225 only interested in Gibraltar's best interests – of course. They issued press release after press release challenging the purchaser, the source of funds, whether the appropriate checks have been done, who had paid the money. 'Confirmation needed on source of moneys' – a press release from the Members opposite, when they should have been celebrating the incredible agreement that had been negotiated over a long period of time. Again, a long period of time because if it  
230 takes time to get to the right place, time it will take.

The Hon. Leader of the Opposition, who has now arrived – and I am grateful he has come in to listen to a few of my bits about him –

**Hon. K Azopardi:** If the hon. Member gives way, I just want to say I love to listen to the hon.  
235 Member, so I do not want him to interpret any discourtesy on my part. I was just on radio and walking here. It is, what, the time that it takes, but I will certainly go back and listen to everything he has said so far.

**Hon. Chief Minister:** Listen to this on the radio.  
240

**Hon. A J Isola:** Mr Speaker, no, that was not my intention, in saying that, at all. I was merely welcoming him to the Chamber. I was not making any other suggestion and I am sure he will enjoy listening back to what has been said thus far.

The Hon. Leader of the Opposition made a number of points which I have already dealt with,  
245 some of them, but there are a number of others that I want to talk through. He consistently referred to taxing the people more. In fact, the Chief Minister announced yesterday that the extra 2% was being reduced to 1% for all those earning less than £100,000 – so we are not taxing people more; actually, we are reducing the burden of tax in respect of all those below – and he also announced measures to provide more support within the public sector, obviously because the

250 private sector have been having their increases over the past years, which the public sector have not.

He made a statement which was ‘years of playing poker with the people’s money’. Playing poker, Mr Speaker. Let’s talk a bit about that poker, because what this Government has been doing, and it has unashamedly done it, is invest in Gibraltar, in our infrastructure, which when we  
 255 came in, in 2011, was in a desperate state, so much so that by the end of this term there will not be a single school that has not been built by us because of the decrepit state they were left in when we arrived in 2011. Rebuilding of schools – is that poker? Is that a gamble? Really? The education of our children, is that a gamble? Is that what he means by ‘playing poker with the people’s money’? Or is it the improved health services, the new things that we are doing for the  
 260 GHA that we did not previously do? Is that poker? Or the sports facilities? Or the 50/50 homes? Or the extra domiciliary care, where we have invested significantly more than they left us? Or sponsored patients? Or the parks? Well, no, hang on, not the parks, because the hon. Members will recall that when this Government came into office in 2011, one of the first things that the Chief Minister did was renegotiate the concrete jungle – if I can use that word ‘jungle’ again – that  
 265 they had authorised and given permission to, to ensure that we had a park in the heartbeat and the centre of our city. Was that poker? Was that a gamble? Well, it can’t have been, because we did not pay a penny. The taxpayer did not spend a penny. Or the other parks? Commonwealth Park? Possibly. I do not think anybody in our community would agree that that new Commonwealth Park was poker or a gamble. Indeed, that, too, was in large part sponsored by a  
 270 philanthropic company.

Mr Speaker, can I just ask, in order to understand where the gamble is and where the poker is, could they, once and for all, tell us where it is that they would not have spent the money? It is easy to say, ‘You have spent all this money,’ but where is it? In health? In education? In care? Where wouldn’t they have spent the money? The hon. Member, yesterday, referred to the GEA.  
 275 I have already dealt with the point about the increased cost of fuel. Does he suggest we do not pay the increased cost of the fuel and leave no lights on? This is a cost that is unavoidable. They know that, so how can they come to this House and talk to us about the GEA figures last year being hopelessly out? They were not. They were accurate at that time. So why can’t they say where it is that the gamble was? I can tell them where I think they played poker and lost: with the  
 280 loans of £7 million; with the Theatre Royal; with the Airport at four times the budget. That is poker, that is a gamble, and they lost the game. Tell us where we have. We have always invested in our people, our services and our infrastructure, and we shall not shy from continuing to do that.

The hon. Member then talks about the hidden hundreds of millions in the financial jungle – the same term he referenced in his article in the *Chronicle* in April – all saved by higher taxes. And then he also mentioned the increase in cost for electricity, which was last year; it did not increase  
 285 this year, we left it where it was. But that was still increased taxation because he has to build the story: the ‘continuing opaqueness and the fiction’, ‘Don’t buy the rosy headlines, no point pretending otherwise,’ ‘Tell our people the full picture.’ Promises, promises. Same old story: opaqueness, secrecy ... And, yes, in 1996 when they had the chance to deal with each of those  
 290 same statements, and after being in government for 16 years, they still had no Public Accounts Committee, they still had off balance sheet increased on steroids from when they came into government, still continued to use all of the companies because they saw the sense in using companies. And yet when we do it, it is not okay. ‘We can do it, but you can’t, because we can’t trust you. We trust ourselves.’ Well, Mr Speaker, I do not trust them because in 1996 they made  
 295 promise after promise and never delivered.

When you think of all of these issues, which do not sit well with their view, which talk about a mountain of debt and overspending, and then in the same breath he talks about tax reductions ... He is talking about tax reductions, he is talking about welcoming all the new AA vacancies, more cost, so we are in this incredible position where we get pushed over the four years to do this and  
 300 do more and do that and do this, and yet they come once a year and tell us we are spending too much money. Well, Mr Speaker, maybe they are magicians, because I cannot understand how on

earth we can do more in health services or we can do more in care or more in our schools, like welcoming all the new AA vacancies the Hon. the Leader of the Opposition did yesterday, and yet be against more spending, because of course there is a cost to more AAs. They do not want us to spend more money but they welcome the AAs. I clearly went to a different maths school to the one he did, because I just cannot make those numbers add up. But of course he still talks about tax breaks: tax reductions are coming. Can things be that bad? Can we be addicted to debt? Can we be overspending ... that he is talking about tax reductions? Or is it just that the Chief Minister announced the 1% reduction for people earning less than £100,000 yesterday and he wants to say that he is going to play that game too? I find it incredible to see the total lack of a consistent approach from the Members opposite, a total lack of innovation of thinking. Nothing new – it is tired, it is bored, it is finished. We are just here, waiting, to hope that we limp in again to opposition. It is just not good enough, really just not good enough.

I have had the privilege of being responsible for the GHA for just over 12 months, and before I start to talk about the GHA I would like to announce that the new CEO of the GHA, Mr Kevin McGee OBE, will be joining us from 1st October and that Patrick Geoghegan will continue until 30th September, to ensure that there is somebody driving the bus throughout the entire period. We are very fortunate to have Mr Kevin McGee, and a press release will be issued today giving some of his background. He looks after a whole series of hospitals in the north of England and he has been with the NHS for over 35 years. He brings a mountain of experience and especially in turning round hospitals in special measures to outstanding performance in the UK – two that he deals with, two of the many hospitals that he looks after. So his ability to improve the quality I think will be most welcome in Gibraltar.

I have to say thank you to Patrick Geoghegan, an extraordinary man who, with stage 4 prostate cancer, continues to work day in, day out, and has, throughout the entire period, continued to work day in, day out. I have continued my regular meetings with him on Teams. I met him in London – some time back when he was there having chemotherapy – for two hours, and I asked him, ‘So when do you start your chemo?’ He said, ‘I’ve already started.’ He was in the middle of his chemo and he spent two hours with me, going through, in excruciating detail, all the aspects of the GHA that we were working on. The man is absolutely extraordinary. I have never seen anything like it in my life. When you talk about vocation, that is what he has got. He has an absolute desire to improve the Hospital in every sense of the word and we have been very fortunate to have him with us in the time that we have, and I look forward to saying goodbye properly close to the time when he will cease to be working with us and Kevin comes in.

Mr Speaker, I also must thank the senior team at the GHA, the board and, indeed, the Care Agency for the incredible work they do day in, day out. I have never appreciated the extent of the work that the GHA and our care services put in, the breadth of service that we provide, the quality of the service they deliver. The extent of the care for a community with 32,000 people is absolutely incredible and I want to thank each and every one of them – and there are a lot of them – for doing the incredible work that they do.

Over the last 12 months we have done external reviews; recommendations in orthopaedics, maternity and dentistry; *[inaudible]* approvals in orthopaedics, endoscopy and ophthalmology; a new clinical governance structure, mental health strategy and dementia strategy, with the appointment of the new dementia co-ordinator; collaboration with charities to promote health awareness across a whole range of different elements; the standardisation of the GHA drug formulary, which you know has already been announced; a multi-agency strategy; the re-establishment of the Tertiary Referral Board; the new estate strategy to tell us how we are using the space. The proposed front of the Hospital, bringing together the PCC and St Bernard’s Hospital, is a result of that estate strategy. The idea came from the expert who helped us to think through how we could make better use of space. To be able to have all of our waiting areas in the Hospital in one space, to be able to have the PCC and St Bernard’s having their waiting areas in the same space with digital check-in and enhanced seating for our senior citizens and pensioners, just accommodating for the people that we have and at the same time creating a new administration

355 area on the mezzanine floor for the entirety of the Hospital I think is going to be fantastic, and  
again only made possible through the donations of our people and our businesses to enable that  
to happen.

In the past 12 months, the new Minor Injuries Unit, which is doing remarkable work right  
beside A&E ... People go in and come out having waited, been seen and leaving within 30 minutes  
for minor injuries. It is absolutely incredible how that has been born and how it is operating. The  
360 new neonatal stabilisation pathway. The opening of the CHE for routine GP appointments for  
children. The new PCC appointments booking system. Remember that? How many times have we  
been challenged in this House on the appalling booking systems at the GHA and the PCC? No  
longer: fixed. The new pre-anaesthetic assessment department, new pathways for fractured hips,  
365 new spinal pathway, the first ever cooling transfer of neonatal to Malaga – the first in Andalusia  
as well – the new domestic abuse strategy, the new IVF policy, the new urology one-stop clinic, all  
done, new services, improved services available at our very own Hospital. And I am only picking  
through some of them because there are too many to mention. We have the new TSSU; the new  
ENT unit; the new Philips radiation [*inaudible*] for MES; the new diagnostic equipment for  
endoscopy, for theatre stacks, for ENT equipment; the new rapid response vehicle; the new  
370 mobile health unit, trundling around our community serving people in their own residential areas;  
the new diagnostic ultrasound in A&E; an incredible amount of training going on in the Hospital;  
new practitioners in the PCC and the Treatment Unit; a new nurse practitioner in sexual health; a  
new nurse practitioner in respiratory medicine; a new junior doctor contract; the new  
appointment of a dementia co-ordinator. Cannabis training phase one is being completed. Clinical  
375 governance.

What about the plans for the future: the new front entrance project and the new dental waiting  
list initiative. There are, in fact, two important strategic documents to come out in respect of  
waiting times, which are going to be our waiting times and our clinical waiting times with a new  
strategic document to be published shortly. The opening of the new 111 clinic and adviser desk  
380 and ambulance dispatch; the new ambulance fleet; the new operating theatre; the new mortuary.  
I am delighted to tell hon. Members that within the first couple of weeks we will have two of the  
three viewing rooms ready and open in the new mortuary at St Bernard's Hospital, which will be  
placed where the chapel used to be placed within the hospital building. I am hugely grateful to  
the Catholic Church for agreeing to move their chapel elsewhere within the premises. The Bishop  
385 has been totally supportive and we are deeply grateful to him for enabling that to happen and to  
have the new viewing rooms in the mortuary as early as August. Services will start on the new  
cath lab, CT scanner, two X-ray rooms, fluoroscopy rooms, and of course, as the Chief Minister  
mentioned, the movement of the Coaling Island facility to St Bernard's as we turn the page on  
separating mental health and physical health and bring them together within St Bernard's  
390 Hospital.

Mr Speaker, out of curiosity, which of those would the GSD not have done? Which of those  
would the GSD stop? If they are telling us that we spend too much money in the GHA, which of  
those that I have just referred to – and that is just a sample – would they not have done? Would  
they not have done the domestic abuse or the dementia strategy and appointed the new  
395 dementia co-ordinator? Would they not have done the new TSS unit so we can do more  
operations and be assured in terms of the sterilisation of all of our equipment in the Hospital,  
reducing risk for our patients? Would they not have done that? What is it they would not have  
done? Where is the consistency? If you are telling us to stop spending money in the GHA, tell us  
where. Otherwise, it is a completely unfair manner of dealing with this Budget debate.

400 In respect of the Care Agency, Carlos and April and Angelo, I have already mentioned the  
breadth of work that they all do. It is absolutely staggering. I have been through the various places  
that we have, where we service our users, with His Excellency the Governor and more recently  
with the Chief Minister. It is staggering, the quality and the professionalism of the work that they  
do. And again, I do not do it justice by fleetingly referring to pieces, Mr Speaker, so I will, at the  
405 end of my speech, be giving out a report which goes into a little bit more detail in respect of all of

the other areas that I am dealing with. But Disability Services, St Bernadette's, Adult Services, court protection, Bruce's Farm, the Waterport Day Centre, the Family Services, the Children's Services – in each and every area in which our fabulous team at the Care Agency work, there is professionalism and there is quality, and I have to say how proud I am to be looking after them and having responsibility for them over the past 12 months.

Mr Speaker, in respect of ITLD I have to thank Tyrone and Jonathan for their work this past year. They have spent a huge amount of time this year on security, quite rightly. They have also spent a lot of time on software development and replacing our infrastructure, replacement of data centre hardware, replacement of public key infrastructure, replacement of law courts audio visual systems and growth of the government secure intranet through new fibre connections. And importantly, I am delighted to report that despite the issues that we have had in the past 12 months, I am grateful to them because we are working together well. They are responding professionally. The entire team at ITLD is working closely with us and the results will bear fruit. The whole infrastructure of everything that Government does, whether it is in security software or hardware, is managed and run professionally by our team at ITLD, and I am grateful to Tyrone, Jonathan and the rest of the team for the work that they do.

Digital services, too, Mr Speaker. We continue to work through, despite the criticism from the naysayers and the doomsters across the floor, processing over 60,000 invoices per year digitally; upcoming deployment of Infor Global Human Resources; the entire financial package across the whole of Government now digitally prepared; the integration of HR functions, employee records, time and attendance, leave management and more, all will be coming online very shortly. We have 33,000 fully ID-verified users able to access e-services. Sixty eight per cent of tax returns last year were filed online, and this year with the new app I have no doubt that many more will do so. We are processing over 160,000 applications online and taking some £70,000 a month in respect of payments for those services. I am hugely grateful to the team that has helped to deliver this: Julian, Karen, Stuart, Justin and Heath amongst many others who work with us to deliver these services. So my sincere thanks to Digital Services and ITLD, who are working so well together in delivering quicker, better for the rest of our community as we continue our journey into the digital world.

In respect of online gambling, I am delighted to report that we are in rude health. Thirteen new B2B firms have been licensed in the past 12 months. I gave, earlier, the increase in tax, Social Insurance and corporate tax that we have received each year in respect of the gaming industry, and I am confident that those will continue to grow. In 2011, we had 26 operators; we now have 46 operators. In 2011, we had about two and a half thousand people working in the industry, direct employment; today we have over 3,700 people working in the industry. That is despite Brexit, when you know that the entirety of our European business was taken away. We have still held the operators and the jobs, which is absolutely remarkable, so my thanks to the gaming industry for their professionalism and continued work. My thanks, of course, also to Andrew Lyman and his team at the regulator, who do remarkable work. I mentioned the number before of £127 million, I believe it was, in tax receipts from this industry last year. If you add on to that the £14 million-odd in licensing and regulatory fees, and it cost us less than £1 million for the entire gambling office to look after all of our operators, I think they deserve a huge pat on the back for their efficiency and professionalism during the year. We will continue to work on poker AML as we move forward, and of course we will shortly be publishing the new Gambling Bill, which has taken us so long – held up through Brexit, held up through COVID – but now we are finally at the end of that process and I very much hope to be able to produce that Bill. I am grateful to the gambling regulators, to the three Peters and a number of others who have helped us to deliver that work.

On financial services – again, I am just literally touching on some of the areas – we have done remarkably well this past 12 months and I would like just to highlight a couple of areas which I think are relevant. Clearly, the most important piece of work within the Ministry is the ongoing discussion with His Majesty's Treasury in London, the FCA, the PRA and the GFC and my office as

we work towards the delivery of GAR, which should be coming through next year. We are preparing for the sectoral assessments, which will happen in the coming months, and we continue to work studiously in respect of alignment of our legislation and our regulatory outcomes.

In DLT, 36 firms, over 100 people directly employed in the sector – apart, of course, from the work that is done through all of our lawyers, our accountants and our other professionals dealing with servicing the industry. I am very grateful to Paul Astengo for his leadership in this respect, and especially for having got that 10th core principle out last year on market manipulation – again, the first in the world in this space.

On insurance, I am pleased to report that total gross premium income in 2022 reached £7 billion through Gibraltar firms for the first time ever. It is a staggering amount of money that our insurance businesses are writing through Gibraltar, and so it will be no surprise that two of the big four accounting firms estimate that Gibraltar’s motor insurance collective share the UK motor market exceeded 30% for the first time in 2022. It is incredible what a jurisdiction like ours can do when you specialise in an area like we have done. And so what is the objective? To use that knowledge, that expertise, and use it to grow other areas of insurance. That is what we must do to seek to diversify that insurance base. I can tell this House that in the area of pet insurance, 20% of UK pet insurance is intermediated through Gibraltar companies. Nobody has ever heard of that before. *(Interjection)* I will arrange some insurance for him, if the hon. Member wants. I can understand why people do want to insure him, but I am happy to help him get some insurance. *(Laughter)*

**Hon. Chief Minister:** He will have to have a risk assessment.

**Hon. A J Isola:** Mr Speaker, 20%. Again, my congratulations to the industry.

And again, another new area, travel intermediation, is close to 30% of the UK market written from Gibraltar. This is an interesting one because I know the Chief Minister will remember when we were in the throes of COVID and we were working through the BEAT system and working out how it would work, we always said financial services and gaming do not need a penny. There was one sector that did, and I think the hon. Member may recall himself the travel insurance intermediaries, who ... Travelling stopped. Not only did they have no money coming in, but they had to repay premiums in respect of those that had been issued. They had a serious problem, and so they appealed to Government and the Chief Minister at the time agreed that we would provide financial support in order to ensure that these businesses did not go down. Well, they did not go down and today they are writing close to 30% of the UK travel insurance intermediation business, which I think shows the extent to which the BEAT measures during COVID were calculated, thought through and incredibly well delivered, because that is a result of that work.

We have had a new insurer recently domiciled from Malta in record time to provide a new line of business in Gibraltar. We will be passing, through this Parliament later on in this session, a Bill dealing with another type of insurance rating scheme of arrangement, which again is an important business that we wish to keep. And then, of course, we are currently working on a new business, which is the life business. I talked about seeking to diversify and the need to continue to diversify in the insurance sector. We have a new life business that is currently going through an application with the regulator, and if that comes through – and I hope it does, but obviously it is in the hands of the regulator – it will be a first important big step in terms of diversifying our insurance base. I am told that we have the longest pipeline of new business at the FCC in insurance in 10 years, so I am very pleased to say that in financial services we continue to go well.

We will be setting up, over the course of the next 12 months, the new Insurance Insolvency Fund. We have to do that. We also have a working group going, on insurance non-UK captive regime, where we are almost there in terms of the regulator and the private sector working together to bring it to fruition. We have a working group on Cat2s. We have a working group on the Companies Act, to see how we can best reform it. We have a working group on QROPS, to see how we can design, with very minor tweaks of our legislation, an attractive new proposition for



510 qualifying non-UK recognised pension schemes. And of course we will carry on working with GAR  
and we will carry on working with our DLT community and with our educational institutions to see  
how we can improve what is available there. We are also launching a Gibraltar alumni in financial  
services, working in London to try to rekindle that link that we started pre COVID with  
515 Gibraltarians working in the City. We are also looking at artificial intelligence, and I am pleased to  
say that we are developing a strategy in partnership with the Ministry for the Environment and  
Sustainability on sustainable finance, and I hope that that we will be able to publish shortly.

We are also going through, as hon. Members will know, a sort of restructure of the Finance  
Centre as a result of the departure of James Tipping, Mike Ashton and Timothy Haines. Mr Tipping  
has been with us for over 20 years. He has been instrumental in leading Gibraltar through the  
520 repositioning of our financial services community, going back to the Tax Information Exchange  
Agreements, OECD and IMF reviews, FATF, UK, GAR and Brexit. He has been there and held our  
hand through that entire process, and I am deeply grateful to him for the incredible work that he  
has done for Gibraltar, and continues to do because he agreed with me, when he told me he was  
leaving, to continue to work for us for nothing for 12 months, especially in the areas that relate to  
525 Treasury, GAR and the UK relationship. I am extremely grateful to him, as I am to Mike and to Tim  
for the excellent work that they have done in their respective areas. I am grateful, too, to John  
Paul Fa, who has stepped into that frame and been hugely supportive in the short time that he  
has been with us, not just in this but in a whole host of other areas. Paul Astengo I have already  
mentioned. Kerry and the SNT team at the FSC have been brilliant, as has, of course, Julian  
530 Sacarello in respect of GAR and the ongoing work with the United Kingdom. I am grateful also to  
the Finance Centre Council current president, Shaun Cawdery for his work. I look forward to  
working with him in the future, in particular in respect of the selection of the new CEO of the  
Finance Centre, where I have asked him to come in with us and participate in the process of  
selecting the new positions.

535 At the GEA, a huge amount of work is going on this year: 12 km of high-voltage cabling from  
Waterport to the new Eastside development, and we are going to start the preparatory  
commissioning works of the battery energy storage (BES), which is critical for our future power  
supplies. This is what will step in whenever there is a failure. It is just a very big battery, which will  
last up to an hour and provide a significant amount of power. You will see some expressions of  
540 interest being issued shortly in respect of that BES. We will commence the decommissioning and  
removal of the North Mole temporary power plant as and when the BES comes in. We can finally,  
to the joy of the Chief Minister, rid ourselves of those caterpillars and move on to have more  
reliable, sustainable power.

AquaGib – the Chief Minister has already mentioned the ongoing works there. They were  
545 brilliant during the Powers Drive ... To lose the water that we did last summer and to provide the  
alternatives that they did within the period that they did was really quite remarkable. I am pleased  
to say that we have now more than catered for that loss of supply. We are in better shape than  
we ever have been with our water stocks and, more importantly, our ability to produce, and I am  
very grateful to Paul and the senior team at AquaGib for their work in doing that. They are also  
550 working on the new AquaGib headquarters, where we will have a series of new RO plants at North  
Mole adjacent to the GEA facility.

The Gibraltar International Bank – Lawrence Podesta has been with us from day one. A huge  
thanks to him for what he has done. He was responsible for the set-up, the development and the  
success of the bank and I will always be grateful. I have said this many times before to him. I am  
555 delighted to welcome Peter Horton, our new CEO, who is absolutely brilliant and I am really  
pleased that the GIB is in very good and safe hands. The work they have done recently in respect  
of mortgages is of note and I think requires special mention.

I must thank, of course, my personal office – Karl Triay, Gareth Flower and Natalie Alvarez, who  
look after me, with no fuss, incredibly well and keep me smiling even at the worst of times, and I  
560 am eternally grateful to them for all of the excellent work that they do.

In closing, Mr Speaker, I will again draw from the inspirational words of our Chief Minister. We keep Gibraltar safe. I do not think there is a Government in the history of this community that has had to face the challenges that we have faced. The thought of a new Member waddling in to a negotiation in Brussels, Madrid or London is just terrifying because what this Chief Minister has done, firstly with Brexit ... Let's break it up into little pieces. Whoever would have thought that the Government of Gibraltar would be able to negotiate and enter into an agreement in a document – that is when the tough times come – on tobacco pricing, when that has been the bane of our lives for I do not know how many years? It is absolutely remarkable. That is skill, that is diplomacy, and the ability to do that in order to get the Withdrawal Agreement ... And let's remember, when you talk about the Withdrawal Agreement, the only reason that today our passports are not being stamped every single day, threatening the fluidity at our border for our workers and our tourists, is because of that Withdrawal Agreement which the Chief Minister negotiated. We take it for granted. We all think that the treaty is the success. We are the only patch in the world that can access Schengen with a Gibraltar ID card. If that is not evidence of diplomatic skill at its highest level, I just do not know what is. But that is not enough. To actually enter into a Withdrawal Agreement and then to enter into a tax treaty with the United Kingdom ... Before Mr Clinton jumps up ... Why has Gibraltar never had a tax treaty with the United Kingdom before? This Chief Minister walks in and out of Downing Street and visits the Prime Minister almost at leisure. How many times did the Chief Minister of that Government across the floor in 16 years visit No. 10? How many times? One, two, five, 10?. Nil. Never. How many times did hon. Members meet with the Foreign Secretary? They probably did not have a phone call. The relationship that Gibraltar today enjoys with the United Kingdom, enjoys with Spain and enjoys with Brussels is down to one thing only, let's be absolutely clear: the diplomatic skills of this Chief Minister. That is the reason why we have what we have. And many of the GSD supporters who I know well always say to me, 'Look, love him or hate him, you've got to give it to him. How the heck is he able to do that?' But he does, not once, not twice, not three times, but every single time. So when he says we keep Gibraltar safe, my God, we do.

A tax treaty with Spain. Ten years ago when I came into this job, if somebody had said we were going to try to negotiate a tax treaty with Spain, I would have thought, 'You're mad. To think about it you must be mad.' To actually attempt it, negotiate it and deliver it is absolutely incredible. It is absolutely incredible. When the people who have said everything they have about what this community is ... when they were in government ... they are the ones with the diplomatic skills – of course they are. We delivered each and every time. The Chief Minister delivered each and every time, with the support, of course, of the Deputy Chief Minister, the Attorney General and the rest of the negotiating team.

Mr Speaker, I can hear all the mumbles. I know they do not like it. And do you know what? I do not care that they do not like it, because this is what the people need to understand: the truth. *(Interjections)*

**D J Bossino:** We are loving it.

**Hon. A J Isola:** Oh, you are loving it? Well, I am sure you, like the rest of the community, hopes he carries on negotiating, because that is what I would love, too, like they do. *(Interjections)*

Mr Speaker, to think that financial services firms in Gibraltar can passport – *(Interjection)* I will go back a bit because they are not listening. I will wait. *(Interjections)*

**Hon. Chief Minister:** Girls, girls.

**A Member:** Sorry.

610 **Mr Speaker:** I think, with all respect ... I know you are enjoying it, but enough is enough. Let us moderate our – (*Interjection*)

**Hon. A J Isola:** [*Inaudible*] and I went to see the Chief Minister, as did the GBGA, the Finance Centre Council, the Chamber of Commerce in those early days. We saw them all because we  
615 fronted up and we faced up to the challenges that we faced. The number-one wish was, ‘Do you think you can get us access to the UK financial services market?’ and he said, ‘We’ll give it a go.’ We knew that a big chunk of our business was with the UK. We did not know how much, but we knew a big chunk of our business was with the UK. We thought we would be more successful in Europe than the 7% or 8% that we subsequently found out, but over 90% of our business was with  
620 the UK. It was fundamental. It was critical. This Chief Minister delivered that Gibraltar firms can access the UK financial services market. The only bit of territory in the world that has passporting rights into the United Kingdom, into the City of London, is Gibraltar. The only one. No one else has that. The Chief Minister delivered that. I thought it was impossible. When he came back and said, ‘I think there is a chance,’ I thought, ‘Oh my God, if you are able to do that, we are able to retain the financial services business that we have,’ and as I have told you before, look at our insurance space today. Despite Brexit, despite COVID, 30% of the market. If we put in the infrastructure for them to work, the professionals will make it work. That is what the Chief Minister gave them, the infrastructure for them to be able to go out, do their business, employ more people, pay more taxes, and that is what they are doing. It is a keystone of our industry, the insurance market. If  
625 they could not write into England, they would not be here. Let’s be clear what we are talking about. They would not be here. They would have gone. They are only here because of him. It is the only reason they are here. Can we do the same with gambling? We have the MoU between DCMS, the Gambling Commission and Gibraltar. Absolutely remarkable. I remember talking at the time to the greatest Gibraltarian of all time, who said to me, (*Interjection*) ‘If you can get access to the UK market for our financial services firms and our gaming firms, that would be incredible.’  
635 And it was, and he did, and it is incredible, and that is what is making us continue to thrive in financial services in our community. So let’s not come with this nonsense that the Members opposite have the ability to walk in and negotiate these deals with however many counterparties there are. Indeed, Mr Phillips’ tweet would suggest that they have no idea of how to enter into diplomacy, by taking the mickey out of the two foreign secretaries that you are going to want to go and negotiate with, in his press release and his tweet.

And then, of course, we come to COVID. The leadership of this Government, of this Chief Minister, of Samantha in Civil Contingencies and in Health, each of my colleagues in their own areas working together – and, to be fair, the Members opposite who worked with us in those  
645 meetings – with the entire community coming together: that is Gibraltar at its best under the leadership that made it happen. When I look back and I look at the lessons learnt that we are going through now – and we will be shortly announcing the COVID inquiry – we want to learn how we can get better. We do. We genuinely do. But my God, we did a pretty damn good job. We saved lives every day of the week – absolutely remarkable – especially our senior citizens. Talking to the next CEO of the Hospital, who we shared some reflections with on COVID, he talked about how senior citizens there were just decimated. Not here. In that first phase, nothing. That only happened because of the work that was done to ensure that it did not happen.

Even on the deadly boring subject of NNO, which we all hate, the Deputy Chief Minister has worked day in, day out to ensure that if the deal treaty cannot happen, we are as well prepared  
655 as we possibly can be for what none of us want to happen. That is leadership, that is work, that is detail. That is watching every single ... dotting every i, crossing every t, making sure that we have every single part of everything covered. Members opposite should honestly ask themselves a simple question: who would you trust to negotiate our future? For me, and I think the vast majority of our community, the answer is very simple: it is this Chief Minister and I have absolutely  
660 no hesitation in saying he will keep Gibraltar safe.

Mr Speaker, I am pleased to commend the Bill to the House. (*Banging on desks*)

**Mr Speaker:** The Hon. Vijay Daryanani.

665 **Hon. A J Isola:** Mr Speaker, if I may, there is a report being circulated that I would like to take as read, which is being distributed now and is detailed on all of the respective departments that I look after, with some more information for the hon. Members opposite – to be helpful and collegiate with them.

670 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, it is an absolute privilege to deliver my third Budget address to this House as Minister for Business, Tourism and the Port. During the course of my contribution I will report on the work we have done over the past financial year and set out my Ministry's objectives for this financial year.

675 Let me start with tourism and saying that my aim for tourism has not changed since I took on this portfolio. It is to promote Gibraltar for what it is, the British jewel of the Mediterranean. Gibraltar is the ideal tourist destination and this is the consistent message that we have delivered at different trade fairs and the wider market.

680 In June last year we attended the European Cruise Summit in Genoa. It gave me the chance to interact with relevant players of the cruise industry to discuss ideas and issues impacting the industry and how to work together to shape the future of cruising in Europe. At the same time, I met with some of the cruise lines that visit Gibraltar. It is important to maintain constant contact with our partners so that we can keep on working together. I had the opportunity of meeting the Minister for Tourism of Greece and the Director General of the Cruise Lines International Association. It is always interesting meeting ministers from other countries as it allows us to exchange ideas and see if we can work together, if at all possible. My purpose at these events is to keep reminding the key decision-makers about Gibraltar and promoting this wonderful nation of ours.

685 In July last year the Gibraltar Tourist Board exhibited at the Meetings Show in London. This show welcomes exhibitors from around the world, including hotel destination management companies, conference venues and technology suppliers, allowing them to come face to face with global buyers of events, meetings and incentive locations. Lord Sebastian Coe delivered the joint keynote with TEAMS Europe, a newly launched platform for sport-event organisers seeking destinations and suppliers that want more sport-related conferencing and event business. I believe Gibraltar has scope for development and growth in this field and I am working closely with the CEO of the Gibraltar Tourist Board to explore and expand this avenue.

690 Seatrade Cruise Med took place in Malaga last September. It is the only back-to-back cruise conference in the Mediterranean. We need to be present and visible at these exhibitions if we want to continue promoting Gibraltar in the right way and increase cruise calls to our port. At the conference, I took part in a panel discussion titled Promoting New Regional Cruise Itineraries. I was joined by representatives of Malaga and Tangier, two of our main competitors in the region. The presence of Gibraltar's Minister for Tourism at events like these is crucial. The discussion was focused on increasing cruise calls in the region of the Western Mediterranean. I therefore took the opportunity to showcase Gibraltar as a popular cruise destination, emphasising our port as one of the best in the Mediterranean and highlighting our plans for the future. Even though Malaga and Tangier are our competitors, it is important to explore if we can work with them to see if we can attract more traffic to the region. This is something we are looking at doing.

700 Windstar Cruises *Wind Surf* cruise liner was the first to experience a tour at our City Hall. Guests were treated to an art tour of the Mario Finalyson National Art Gallery and walked around the City Hall learning all about its varied history and uses from it being a private residence, a hotel, the seat of the City Council and now the office of the Mayor. The tour concluded with a canapé and refreshments reception to sample our local cuisine in the Mayor's Parlour.

705 October was a busy month, once again, working with the cruising industry. Together with MH Bland, I welcomed a group of cruise executives to Gibraltar. This familiarisation trip hosted by MH Bland included cruise liners such as Saga Cruises, Fred Olson, Mystic Cruises, Silversea Cruises,

715 Regent Seven Seas and Azamara. These trips are very important as it allows the decision-makers  
to see the destination at first hand. I am grateful to MH Bland for working in conjunction with the  
Government for the good of Gibraltar. Gibraltar has all the ingredients to really become the port  
of choice in the Mediterranean and we need to work in partnership to make this a success. I was  
invited on board by Regent Seven Seas *Splendor* while they were here in Gibraltar. I was  
interviewed by a UK film crew who were producing a piece on luxury cruising. This was an excellent  
720 opportunity, once again, to showcase Gibraltar as a cruising destination. Regent have a  
magnificent product and I am delighted that they are including us in their itineraries and grateful  
that they promoted us through this invitation.

As part of our marketing drive, we have hosted various groups of influencers and key opinion  
leaders; travel writers such as members of the British Guild of Travel writers, who visited us in  
725 October, and journalists such as from the *Mail on Sunday*, City AM and a major airline loyalty  
programme team. This has resulted in some excellent coverage by way of targeted travel-related  
articles both online and offline.

In November, Mr Kevin Bossino, the Tourism CEO, attended a Travel Bulletin Awards dinner in  
London, where Gibraltar was shortlisted in the Star Cultural Tourism Destination nominations.  
730 Gibraltar was against tough competition with countries such as Greece, Israel, Italy, Jordan, South  
Africa – and Thailand, who ended up winning the award. It was, nevertheless, a great achievement  
to be in the same company as the countries in question. This is another example of Gibraltar  
punching above its weight once again.

In December the Tourism CEO opened a *Travel Weekly* breakfast event in London, which was  
735 a fabulous opportunity to address a good cross-section of the UK travel trade. These events allow  
us to showcase Gibraltar as the perfect short break from the UK. They are attended by travel  
agents, press and main players in the industry. We are proud of our British links and we will always  
market Gibraltar in the UK.

The eighth Gibunco Gibraltar Literary Festival took place in November 2022. This three-day-  
740 long event included a school programme, where a number of the international authors attended  
schools around Gibraltar to speak to students about their books. This year we had diverse authors  
such as Rory Cormac, Raffi Berg, Matthew Dennison, Lloyd Grossman CBE, Jonathan Fenby, Martin  
Sixsmith, Prof. Mary Beard, Sir Peter Ricketts, Nicholas Janni, Alan Johnson, Maggie Gee OBE,  
Patrick Gale, Charlotte Philby, Jess Phillips MP, Rt Hon. Andrew Mitchell MP, Alastair Santhouse,  
745 Prof. Cath Green and lastly, but by no means least, Rachel Williams. I did not want to leave anyone  
out. The authors are of exceptional quality and their talks were incredibly interesting. The event  
was a success and very well received by members of the public. I would like to publicly thank the  
Gibunco Group, especially Mr John A Bassadone, for their continued support to the Gibraltar  
Literary Festival and I am delighted that we have already announced this year's festival, which will  
750 be held between 17th and 19th November. My team and I are working hard to make sure that it  
is even better than last year, so watch this space.

Gibraltar hosted the CAPA World Aviation Summit and Awards for Excellence in December last  
year, which was held at the Sunborn. This two-day summit allowed me to interact with various  
aviation and travel representatives from around the world with the purpose of sharing ideas  
755 behind the future of the aviation industry. It was a fantastic opportunity to showcase Gibraltar  
first hand to CEOs and high-level executives of the global aviation industry. Many were visiting for  
the first time and were extremely impressed with what they saw, and showed interest in air links  
but of course these are on hold, for obvious reasons, at this moment.

I attended the International Hotel Investment Forum in London, where I was introduced to  
760 very influential hotel owners, investors and hotel companies with large property portfolios. This  
led to follow-up meetings in January with professional hotel investors. It also included Meetings  
Incentive Conventions and Exhibition professionals (MICE) with the intention of exploring the  
potential of a MICE venue in Gibraltar. As Gibraltar grows, we need to add to our hotel room stock,  
albeit this will be done in a considered and calibrated fashion.

765 All this takes time, it does not happen overnight, and I can tell you that I do not stop. We have  
to continue engaging with the industry to encourage niche events. One of my goals is to make  
Gibraltar a ‘happening’ place. We will continue to actively engage with destination management  
companies and professional congress organisers, event planners, wedding planners, the corporate  
sector, the education sector, culture and sports, to name a few, to be able to attract niche events  
770 across the board. There has been good work done in the past but we can push these areas more  
and continue to try to get some traction in new and established events.

Other than marketing Gibraltar in the traditional sense, there is a need to increase our digital  
marketing presence and we will be engaging with relevant players in this field. There are many  
areas in the digital world which can be targeted, including social media, special interest podcasts,  
775 blogs, vlogs, programmatic buying, etc. Times are changing and so must we. We are also  
constantly working to supplement our photographic and video stock to ensure we have the right  
images and footage to entice people to travel to our wonderful and unique Rock, making sure we  
showcase the variety of experiences in the destination, including history, culture, nature, wildlife,  
food, wine, outdoor adventure and our special geographical location.

780 There have been a record number of 20 inaugural cruise calls in 2022, beating the previous 19  
in 2016. Tourism suffered due to the pandemic and this was no exception in Gibraltar. However,  
we have made a quick recovery, especially in the cruising industry, and statistics prove our hard  
work. Whatever my detractors may say – and they need to realise that every time they play down  
the efforts of the Government they are damaging Gibraltar’s business prospects – I will continue  
785 marketing Gibraltar, because that is what our retail and hospitality industries want and expect  
from me. It is not easy in this very competitive industry, but I will strain every sinew to deliver on  
all fronts. At the same time, I will always continue to put Gibraltar first and leave party politics to  
the Opposition.

In February I attended the CONNECT Route Development Forum in Tangier. The aim of this  
790 conference is to bring together the aviation industry to discuss current matters and the future of  
aviation. This gave me the opportunity to engage with airlines that currently fly to Gibraltar but  
most importantly, target the Moroccan airlines. The goal is to have an air link with Morocco for  
commercial and social purposes. I keep on pushing hard on this, but it can be so frustrating at  
times.

795 The European Cruise Summit was held in Paris this year. Politicians, CEOs and presidents of the  
most important cruise lines in the world, such as Carnival Corporation, Royal Caribbean Group,  
TUI Cruises and Crystal Cruises, amongst others, joined the conference. I was introduced to one  
of the principal speakers at the conference, the Spanish Secretary of State for Tourism, Ms Rosana  
Morillo, who I had a brief conversation with. Once again, meeting Ministers from different  
800 countries allows us to exchange views and learn.

In my view, Gibraltar should attend all important conferences, not only to keep the business  
we currently hold but also to keep on building. It is clear that I am extremely ambitious for  
Gibraltar’s cruising industry and believe we have to attract more calls, and this is what I am non-  
stop striving to deliver. One does not know how difficult this is unless you are in there on a daily  
805 basis, like I am. It is extremely easy to criticise from the Opposition benches. Their tourism  
spokesman has a tendency to do so without offering any substantial solutions or new policies.  
That is the style of politics that he practises. I have given the hon. Member the opportunity to  
work together for the sake of Gibraltar, at least to talk; but no, Mr Speaker, he is not interested. I  
wonder why. While a robust Opposition – which they are certainly not – is a fundamental  
810 component of a thinking democracy, it is disheartening when criticism is driven solely by political  
motives at the expense of our chances of conducting our business matters in private, away from  
the prying eyes of our competitive neighbours.

Together with the CEO of Tourism and the Captain of the Port, I attended the Seatrade Global  
event in Fort Lauderdale. Seatrade Global is the largest annual cruise gathering in the world. Over  
815 13,000 professionals come together to innovate, uncover new trends and secure partnerships. It  
gave the Gibraltar team an opportunity, once again, to reconnect with this important sector, put

forward our case for increased cruise calls and set out our ambitions within the industry. We need to do this regularly. Our competitors do it all the time and we need to make sure that we are there too. This is how the cruise industry works. It was an intense few days of marketing and networking.  
820 There seems to be new competition every day. I met with 25 cruise companies at this conference, which was very fruitful as the meetings were primarily with the itinerary planners. These are people who have an important influence in the destinations that they visit and it was a good opportunity to hear from them directly. That is why Gibraltar's presence at these events is necessary, and the Government's commitment to the cruising sector is unquestionable.

825 In April we had the pleasure of welcoming *Götheborg of Sweden* to our shores. This is the world's largest ocean-going wooden sailing ship. It is a unique replica of an 18th-century Swedish East India Company merchant ship that sank outside of Gothenburg in 1745. It was a sight to behold and members of the public were able to visit the ship for a tour. I must say it sparked huge interest with visitors and locals alike and I hope to arrange something similar very soon.

830 Over the last few months the CEO has been engaging with Spanish tour operators, with the summer season upon us and an increased number of tourists expected on the Costa del Sol this year. This is an important market and we will continue with the one-to-one engagement.

I attended the Cruise Lines International Association conference in Southampton in May, where I hosted a dinner for senior cruise executives prior to the conference. This was a first and really allowed me the opportunity to engage with senior players where only Gibraltar was the subject of conversation. I look forward to hosting similar events in the near future.  
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Mr Speaker, as you know, this Government truly believes in equality and inclusiveness. The Gibraltar Tourist Board has installed hearing loops – audio induction loops – at each tourist information office: John Mackintosh Square, the Frontier and the Cruise Terminal. These loops have been placed to assist people with hearing impairments. The introduction of the hearing loops is part of our commitment to ensuring an accessible and inclusive environment for all Gibraltar's visitors, so that every visitor may be able to discover first-hand the truly wonderful sites and history that Gibraltar has to offer.  
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I now move to the Airport terminal. Gibraltar Airport's post-COVID recovery is well under way, and the work done by the Government during this period to consolidate our existing routes is evident as passenger figures have returned to 2019 levels. 2022 finished off with a 70% increase in passenger movements when compared to 2021, with 446,187 passengers being handled, which places the Airport back on the path to the 0.5 million mark. Increased capacity on some of the routes on our scheduled services is being achieved with aircraft configured to a higher seating capacity. The return to normality in the aviation industry has also brought with it a return to more traditional levels of traffic, both for scheduled and non-scheduled services. Movements have increased, with an overall growth of 18.3%, although there has been a slight downturn in our non-scheduled services. This is in part due to the EU/UK Air Transport Services Agreement not allowing European operators to transport passengers directly from the UK to Gibraltar and the return of better point-to-point links being provided by scheduled services post COVID. Hopefully the situation should improve once the current Brexit negotiations are concluded.  
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Gibraltar, this summer, will again be served by 39 weekly flights distributed as follows: London Heathrow, 15; London Gatwick, 14; Manchester, seven; and Bristol, three. The first quarter of 2023 has also shown positive growth, with an average 24.5% increase to the same period last year. A welcome innovation this year is British Airways' addition of an extra flight to London Heathrow on Saturdays, increasing their frequency to three daily flights. This increase is being spread out over 22 Saturdays over the summer schedule and is a first for Gibraltar Airport and a welcome increase in capacity and is an excellent example of the Government working in partnership with the airlines to achieve mutual benefits. This is good for overnight tourism, this is good for retail, this is good for restaurants, this is good for our hotels and this is good for Gibraltar PLC on the whole. But what do we get from the tourism spokesman opposite? First of all, nothing positive. No surprises there, Mr Speaker. He says, and I quote, 'This doesn't compare with the high levels of activity at Malaga Airport' and that Malaga has 15 new European routes with easyJet this year.  
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Doesn't he know that Gibraltar Airport cannot receive flights from Europe? What is he comparing?  
870 Malaga Airport had 19.85 million passenger movements in 2019. What a ridiculous comparison. If  
that is the level of his understanding of the airline industry, then God help us.

It is also the second year that easyJet has had a daily service to Manchester. This has become  
a very popular route with our passengers and provides excellent access to the northern part of  
the United Kingdom. Manchester Airport is itself becoming an important hub with 171  
875 destinations, and this service brings with it excellent opportunities to expand connections with  
Gibraltar.

Load factors during 2022 and to date in 2023 on all routes continue to be healthy and over the  
80% mark, with some in the 90s.

Unfortunately, Gibraltar Airport has continued to be affected by flight disruptions due to issues  
880 outside its control. The Government's position on this subject is very clear and categorical. The  
Ministry of Defence must ensure that all of the services it provides for the proper functionality of  
the airfield are adequately resourced and with robust business continuity plans in place for all  
eventualities, so that flight operations to Gibraltar Airport can continue without interruption.

In November, the Air Terminal took part in the airfield crash exercise, aimed at testing and  
885 validating the response practices and procedures in place for such an incident, organised in  
conjunction with the Government's Civil Contingencies Office and RAF Gibraltar. There was also  
an element of aircraft post-crash management, which dealt with the restoration of normality and  
the reopening of the airfield as quickly as possible after an incident. The lessons identified after  
the exercise have all been incorporated into the Gibraltar Airport Emergency Orders and  
890 disseminated to all participating agencies.

Mr Speaker, moving on to the Port, 2022 has also been a challenging year. The global geo-  
political situation, particularly the events unfolding in Ukraine, have had an inevitable impact in  
the maritime industry internationally and also a very concrete effect in Gibraltar. These events  
have come at a time when shipping was attempting to recover from the dramatic impact of the  
895 COVID pandemic. We have also faced disruption to port operations due to weather conditions,  
and of course we have faced the challenging situation involving the *OS35*. The removal of the  
wreck is now complete and preparations are in place for it to be transported away from Gibraltar.  
This has taken a lot of the efforts and resources of the Port to follow up and progress this removal.  
But, despite all of this, the Gibraltar Port Authority has managed to perform well financially during  
900 the last financial year.

We have seen something of a seesaw effect in different sectors of the Port's activity during  
2022, with a drop in overall vessel and bunker calls against increased activity in ship-to-ship and  
off port limit operations. This pattern has continued into 2023. However, we did see a welcome  
increase in cruise calls during 2022 against the previous two years. We cannot hide from the huge  
905 challenges that the cruise industry continues to face following the COVID-19 pandemic, and  
Gibraltar will be affected, partly due to repositioning of vessels and changes in itineraries, where  
focus has moved from the Western Mediterranean to the Eastern Med. For some people, COVID  
did not happen; COVID was an excuse. They live on another planet, but in the real world we know  
what the truth is. Ask those who nearly lost their jobs, ask those who nearly lost their businesses  
910 and ask those who lost their loved ones: was COVID really an excuse?

But we move on, Mr Speaker. Superyacht visits have also taken a hit, especially as many of the  
bigger superyachts were Russian owned or linked. But despite that, we are seeing some resilience  
in general yacht calls and we anticipate that Gibraltar will see a steady level of activity during 2023  
due to its reputation as a reliable port to call at for crew changes, supplies and other important  
915 services. We will continue to monitor this particular activity closely and continue to liaise with our  
partners in the superyacht industry as well.

Direct engagement and face-to-face marketing remains the cornerstone of the Port's  
marketing strategy, and with the easing of COVID restrictions last year we were able to attend a  
number of prestigious face-to-face events and hold some of our own. His Majesty's Government  
920 of Gibraltar Maritime Services hosted Gibraltar Maritime Day in London in February of this year.



This was an extremely successful event with an exceptional level of interest and a model on which we plan to base future events in different jurisdictions. I would like to take this opportunity to thank all our sponsors and partners involved in these events. Without their support, both commercially and financially, it would be virtually impossible to carry out this type of marketing.

925 I am pleased to report that the third Maritime Week Gibraltar event was held at the end of June. There was huge external interest in this event. Delegates from all over the world attended, proving that Gibraltar's reputation in maritime circles is at an all-time high. I must give a special mention to our local stakeholders, once again, and partners, who worked extremely hard to make this a success.

930 We are also involved in London International Shipping Week, a bi-annual prestigious and internationally renowned event scheduled for September. HMGoG Maritime Services will be hosting a very prominent reception during this event, to be held on the rooftop of the IMO building in London, and anticipated guests include the UK Secretary of State for Shipping, the IMO Secretary General and a very high-calibre list of guests who are leaders in their industries. We look  
935 forward to joining our partners in delivering this exciting event and generating interest and business opportunities for Gibraltar Port as a whole.

Mr Speaker, I now turn to the Authority's finances. As already mentioned at the beginning, the Authority has managed to perform well, considering all the obstacles faced over the last financial year. Revenue for the financial year ending 2023 was £8,255,035 against an estimated figure of  
940 £7,819,000. Expenditure came in at £7,273,896 against a budget of £7,028,000. The overspill in expenditure was due to higher than anticipated insurance renewal costs for the Port and the cost of hiring out fenders throughout the year, as well as on some cleaning services. As for capital expenditure, the Authority had allocated £161,022 under Capex at the end of the financial year against a budget of £622,000. Due to tender processes and the ongoing OS35 incident, some  
945 projects had not been completed within the financial year.

As reported in my last Budget speech, both the senior management team at the Port Authority and the Ministry for the Port continue to look at ways of further increasing port activity and, in turn, increasing revenue streams. A review of port tariffs is currently under way and a full consultation process will commence with stakeholders to ensure a fair and reasonable approach  
950 is taken so as not to have a detrimental impact on business for the Port.

In 2022 I reported that refurbishment and repairs of the Watergardens marina would commence shortly, a project which had previously been put on hold due to the pandemic. I am pleased to confirm that this project is now under way, with detailed planning taking place between the Port Authority and the contractor appointed to deliver the project. I would have liked to have  
955 started this project earlier but it simply has not been possible.

I alluded at the beginning of my statement to the negative impact which the OS35 incident had on port operations during the latter part of 2022. This significant incident has proved to be extremely challenging for my team at the Port Authority, and in particular senior management. I must take this opportunity to commend them all for the way in which this incident has been  
960 handled, something which has been recognised internationally. A special mention for the Captain of the Port, John Ghio (**A Member:** Hear, hear.) – he has had numerous sleepless nights over the last 10 months, he has given his all and I consider myself extremely lucky to have him as Captain. I must also thank our local partners and stakeholders for the support shown to the Authority. The community of the Port is our biggest strength and asset, and while size does matter for some  
965 things, being a small, tight-knit community continues to be a core strength for the maritime sector in Gibraltar, and, as has been shown in this instance, a significant advantage.

Finally, I would like to take this opportunity to thank my whole team at the Port Authority for their continuing efforts to deliver. This makes my role as Minister for the Port a lot easier. These remain challenging times but we will strive to meet and, where possible, excel.

970 Mr Speaker, I will now turn to the Gibraltar Maritime Administration (GMA). The post of Registrar of Ships was filled in March. Whilst this is very good news, the current uncertainties continue to negatively affect the size of the existing registered fleet, as some ships continue to

migrate to EU flags and the rate of new registrations has been slow in picking up. However, on a positive note, following expression of interests, we anticipate further vessels to register within the next few months. The Yacht Registry remains largely unaffected, with figures remaining stable. Also, the Small Ship Register continues to grow as per the trend in recent years. The fleet size on 1st May 2023 was 149 ships, 883 yachts and 317 small ships registered in Gibraltar. The total combined tonnage of the Gibraltar fleet on 1st May 2023 was 945,335 gross tonnes.

The Gibraltar register remained white listed within the Paris Memorandum of Understanding on port state control during 2022. The White List represents quality flags with a consistently low detention record. In addition, the Gibraltar Ship Register remained in the United States Coastguard Qualship-21 programme. The Qualship-21 programme is an initiative to identify high-quality ships and provide incentives to encourage quality operations. The Gibraltar Ship Registry is only one of a select few registers which continue to meet the requirements for full participation in the Qualship-21 programme.

The Gibraltar Ship and Yacht Registries also rated favourably within the annual International Chamber of Shipping's Flag State Performance Table 2023. The Gibraltar register once again achieved positive results. These included the performance of the administration, ratification of international conventions, completion of International Labour Organisation reports, attendance at IMO meetings as part of the UK flag, and participation in the UN IMOs Instruments Implementation Code member audit scheme.

The GMA retained its ISO 9001:2015 quality accreditation following the successful completion of a two-day recertification audit by Société Générale de Surveillance. By maintaining ISO accreditation, the GMA continues to show its stakeholders the Department's commitment to continuous process improvement, enhancing efficiency and maintaining its high standard of service delivery. The Department's continued positive performance during external audits is evidence of the hard work and commitment of the staff at the GMA. The GMA's primary goals remain to reach pre-Brexit levels in terms of fleet size and revenue and the continued operation of the register, which is based on high standards and the quality of its registered fleet.

Throughout last year, the GMA continued to receive very positive feedback in relation to the introduction of its IMO-compliant statutory electronic certificates for ships and seafarers. The transition to electronic certification has resulted in greater speed of dispatch of documents, improved traceability, enhanced security and a reduction of administrative burden on the Department and clients. Also, the introduction of the e-certificates and the cloud-based GMA/client interface portal for survey-related functions has resulted in saving in time and the reduction of the usage of paper for both the Department and clients. The introduction of the simplified fees structure last year has also been well received. Importantly, the revision of fees has also resulted in an increase in revenue.

The GMA also launched its revamped website, in keeping with the Department's commitment and strategy to provide improved and enhanced e-services to its clients. The website contains all of the standard information on the ship and yacht register, registration procedures and access to shipping guidance and information notices. Importantly, the revamped website has improved the interaction with our customers by providing some of the services we provide online 24/7, such as requesting of vessel transcripts, verification of seafarer documentation, the facility to check the availability of vessel names and the submission of documents to the GMA via a designated portal. Clients can also obtain all of the necessary forms required for ship and mortgage registration, as well as application for seafarer certification online. The improvements mentioned above have no doubt increased the register's attractiveness in what is a very competitive global market.

The GMA's Seafarers' Division continues to issue a significant number of provisional and full-term flag state endorsements. From May 2022 to May 2023 the GMA issued a total of 1,142 certificates to seafarers of many nationalities who serve on board our registered fleet.

The GMA has continued with its hard work of promoting its ship and yacht register abroad. This work included engaging in face-to-face meetings with established clients, as well as exploring new avenues to diversify its fleet by targeting potential new clients. Members of the GMA Registry

1025 team visited the Shipbuilding, Machinery and Marine Technologies Industries Exhibition in  
Hamburg, Germany in September 2022. SMM Hamburg is held biennially and is regarded as the  
leading international trade fair for the maritime industry, bringing together decision-makers and  
industry professionals from all sectors. The fair attracts over 30,000 visitors. The visit to SMM  
1030 Hamburg was combined with visits to longstanding clients based within the Hamburg area.  
Working in partnership with local ship representatives, the GMA also visited ship owners in the  
UK, the Netherlands and the Leer area of Germany in October 2022 and February 2023.

On 2nd February 2023, the GMA participated in the inaugural Gibraltar Maritime Day in  
London. Members of the GMA gave a presentation on the Gibraltar Ship Registry and participated  
1035 in a panel discussion with Gibraltar stakeholders involved in the business of ship and mortgage  
registration. The presentation and discussion focused on the partnership approach to registering  
ships and yachts in Gibraltar, including the many benefits its registers and Gibraltar as a  
jurisdiction have to offer to owners and the wider shipping industry.

As part of its ongoing marketing campaign, the GMA will be attending a series of events and  
shipping exhibitions within the upcoming months. One of these events is the biennial London  
1040 International Shipping Week 2023, which is due to take place in September.

On the yachting side, the Registrar of Yachts attended the Monaco Yacht Show in September  
2022. The Registrar of Yachts met with representatives of important builders and managers. The  
GMA will once again attend this year's show in September. Recently, the Registrar of Yachts and  
the Maritime Administrator also attended the Palma International Boat Show. They took part in a  
1045 Yacht Master's event where they participated in a panel discussion on yacht management. During  
their visit, the GMA also met important stakeholders and promoted the many benefits it had to  
offer to masters, owners and managers.

Locally, the GMA hosted Gibraltar Maritime Week in the last week of June. This was the third  
edition of this biennial event and provided a global showcase for the register. The GMA staff once  
1050 again delivered the popular ship/yacht registration course, which is aimed at providing an insight  
on the Gibraltar Registries, ship registration legislation and requirements, the registration process  
and the unique advantages Gibraltar has to offer.

From 7th to 8th March, the Maritime Administrator and Chief Surveyor joined representatives  
from across the Red Ensign Group in the REG Technical Forum, which was held in Southampton.  
1055 Additionally, throughout the year the GMA also participated in the different REG technical working  
group meetings. Both the Technical Forum and associated working group meetings support the  
REG conference and look at how best to make sure there is consistent application of technical  
policy across the British fleet, including the development of new technical standards. In  
collaboration with the UK and other REG members, the GMA has continued with its monitoring  
1060 programme of recognised organisations and certifying authorities. This important part of the work  
the GMA undertakes ensures that statutory survey and certification functions delegated to the  
accepted recognised organisations and certifying authorities are conducted in compliance with  
agreed standards.

As part of its responsibilities and discharge of functions as a flag state, GMA surveyors continue  
1065 to undertake audits, surveys and inspections of Gibraltar-registered ships and companies. This  
work is crucial for ensuring effective jurisdiction and control over our fleet in terms of quality  
standards and is also essential for keeping a close relationship and building rapport with clients.

Locally, the GMA continues to provide technical support to the Gibraltar Port Authority and  
other government departments, authorities and agencies. Members of the GMA also provided  
1070 technical support and continue to be part of the multi-agency team involved with the OS35  
incident.

In addition, the GMA hosted two Bachelor of Science students from the Gibraltar Maritime  
Academy. The interns spent three months within the different sections of the Department and  
accompanied surveyors on ship visits.

1075 The GMA also continues to work closely with the Government's Law Office in ensuring Gibraltar  
is in a position to implement and enforce the provisions of new international instruments or

amendments to existing instruments through appropriate Gibraltar merchant shipping legislation. This includes work relating to the Ballast Water Convention, amendments to the Safety of Life at Sea Convention and the Maritime Labour Convention, to name a few examples.

1080 The GMA continues to play a crucial role within the Gibraltar maritime cluster, both as a  
facilitator of international trade and by providing significant expertise and skills to the jurisdiction.  
Through its highly rated register comprised of a global trading fleet, the GMA provides Gibraltar  
with a significant advantage over many other international maritime centres. Working in  
1085 partnership with its stakeholders, the GMA aims to continue with its efforts to promote its high-  
quality service and the many benefits its register and Gibraltar as a jurisdiction has to offer to  
owners and the wider international shipping industry. I would like to thank the Maritime  
Administrator, Dylan Cocklan, and his team for the hard work they have put in throughout the  
year.

1090 Mr Speaker, I turn to my Royal Gibraltar Post Office responsibilities. I want to commence by  
thanking the Postal Services team for their efforts. The financial year 2022-23 was turbulent for  
the Royal Gibraltar Post Office due to the prolonged strikes at Royal Mail. The RGPO have made  
herculean efforts to deliver a record year of excellent performance despite the difficulties and  
delays due to factors out of their control. Over 100,000 parcels have been processed and delivered  
1095 within the past 12 months, and the parcel post has worked with a 24-hour processing window six  
days a week, Sunday to Friday. The Post Office offers uninterrupted delivery service and receipt  
of parcels and letters to all 192 Universal Postal Union member countries. Furthermore, local  
delivery services have continued six days per week, Monday to Saturday.

The Postal Service introduced a new and improved customer service experience by reviewing  
and restructuring its resources on the customer services clerical team to meet increased customer  
1100 demand and expectations. The customer services team at the Main Street Office measures our  
daily performance and is constantly managing phones, emails and attending to the public. In  
addition, a new customer service office was set up at the Mail Centre, managed by two staff  
members. The new system evaluates the total customer experience, from customer services at  
the counters to delivery services, and allows the RGPO to identify areas in need of improvement  
1105 and to better adjust to customer needs.

Local businesses and residential consumers within Gibraltar rely on the RGPO as the universal  
service provider for their standard local and international letter and parcel post services.  
Therefore, meeting a sufficiently high standard of service for users is of significant importance.  
Over 3,000 enquiries were received for postal tracking, mail redirections, parcel post collections,  
1110 change of address, tracking services and, of course, the COVID certificate printing and delivery,  
which has been the responsibility of the Postal Service since its inception, with over 31,000 COVID  
certificates printed and delivered to Gibraltar residents.

All postal operators apply the measuring system and use external panellists to exchange test  
items for the participating countries. The test items contain a radio frequency identification  
1115 transponder read by RFID antennae installed at operational facilities where the postal traffic is  
received and processed. This process generates the main portion of the information required to  
determine the quality of service. The RGPO has radio frequency identification (RFID) scanners at  
various points. The RFID tags are inside anonymous envelopes hidden in standard letter  
dispatches. The RFID scanners read these tags as they pass through the entrance door at the  
1120 receiving postal operator and again on exit, so they accurately measure when the letter is received  
by post and is out for delivery with the postal worker. The recipient will then log into a website to  
confirm receipt of the letter. Thus postal operators can have accurate information on the test  
letters, perform analysis and produce reports concerning the delivery-on-time performances for  
their operations.

1125 All RGPO operations continued to benefit from increased data on mail flows, which, combined  
with new systems and management tools, highlight opportunities to improve service consistency  
and efficiency. Process standardisation, especially in how mail is sorted, is helping integrate data

across sections, reduces variability, and provides more consistent and predictable end-to-end service performance.

1130 This year, delivery walks have increased from 13 to 17 due to new developments and housing estates. We have worked closely with the postal delivery staff and unions to account for the increase in local delivery points.

1135 I am very proud to see the red electric postal vehicles operating on deliveries around Gibraltar daily. This was one of my first projects when I started in government and is part of the Government's manifesto commitment to a green Gibraltar. The RGPO three years later continues to lead in environmental policies after investing in an entire fleet of electric cars, which at the time was thought impossible. Other organisations have followed suit, and more private companies and many government departments now also include electric vehicles as part of their fleets. The electric cars aid the Post Office in delivering an emission-free postal service to the community.  
1140 Furthermore, our postal workers complete many delivery walks within the Town area on foot, showing a willingness to contribute to our environmental mission. Working hand in hand with local companies to promote programmes such as recycling mail, cardboard and plastics adds to our mission of becoming an entirely environmentally friendly and carbon-neutral logistics operation.

1145 I was very proud to lead the Royal Gibraltar Post Office's new parcel post system, EPOST, launched in 2021, which continues to grow in popularity. As a result, 10,529 Gibraltar residents have registered on our parcel post system and receive, free of charge, all postal notifications electronically, thus saving in costs, reducing the number of printed notification cards and helping our green policy by reducing our collection notice deliveries to the recipient. Additionally, all  
1150 registered customers are informed electronically when their parcels have arrived and are ready for collection, making the receiving and delivery process quicker and easier. Payment of customs charges and duties can be made online, which helps reduce waiting times.

Gibraltar's iconic red post boxes, which are part of Gibraltar's heritage and tourism product, provide an easy and convenient way for our customers to post letters. The RGPO has embarked  
1155 on a restoration and maintenance programme for the last five years, ensuring every pillar box is repainted and restored at least every two years. In addition, we have added five more pillar boxes, strategically placed around Gibraltar to cater for the increased population in areas such as Eastern Beach and the South District. All Gibraltar pillar boxes are collected daily at 7 a.m. and the mail collected is sorted and delivered within the same day, except on Sundays. The new cypher for King  
1160 Charles III has been unveiled. Inspiration has been drawn from past ciphers, but there are practical considerations about how cyphers appear on letter boxes. The Royal Gibraltar Post Office awaits a cast-iron post box and a more modern pillar box with the new King's cipher. The final design will include the crown above the cipher with the Roman numerals for three. At present, there are only four decorated post boxes to celebrate the coronation across the UK. Gibraltar will have its own  
1165 official King Charles post box before the end of 2023. Gibraltar boasts the only known street that has an example of a letter box from each British monarch since they were first introduced in 1852 during the reign of Queen Victoria, so undoubtedly the cast-iron King Charles III post box will be located in the Town area, so that our locals and tourists can enjoy a walk down Gibraltar's Main Street and see these iconic letter boxes.

1170 A clear direction continues to be established to continue with improvements, which has already led to noticeable performance improvements and financial savings. As a result, the RGPO saved £69,381 in its expenditure budget for 2022-23. Further savings are expected during the financial year 2023-24, thanks to operational efficiencies and cost-reduction exercises, whilst improving performance.

1175 We continue to see a substantial volume of incoming parcels due to the continuous growth of e-commerce purchases. The RGPO takes very seriously its responsibilities in ensuring parcel values and contents are correctly declared and works closely with HM Customs and enforcement agencies. Another critical aspect for the RGPO is dangerous and prohibited items in the mail. The Civil Aviation Authority conducted an extensive audit in 2023 on postal operations in Gibraltar,

1180 handling parcels and letters from a security perspective. These items are then transported by air on commercial flights. I am pleased that the Post Office succeeded in this audit and met all the Civil Aviation Authority set-out criteria.

As the Minister with responsibility for postal services, I would like to take this opportunity to thank all of the postal workers at the Mail Centre and the Main Street office for the work done seven days a week and for ensuring that Gibraltar is connected to the rest of the world, literally speaking. At the same time, I would like to thank Glendon Martinez, the Director of Postal Services, for his sterling work throughout the year.

1185 Finally, in March this year, two long-time employees of the RGPO, Mr Paul Acolina and Mr Stephen Borrell, retired after 35 years at the Post Office. I congratulate them both on their retirement and thank them for the incredible years of work they have given. I would also like to take this opportunity to thank Sabina Pitaluga, who will retire next month. Sabina has done an amazing job behind the scenes, quietly getting on with the daily running of the RGPO. She will be missed.

1195 **Chief Minister (Hon. F R Picardo):** Lots of Bossino's doing well in government. All the good ones.

**Hon. V Daryanani:** And they all work for me!

1200 **Hon. Chief Minister:** [*inaudible*].

**Hon. V Daryanani:** I move on to business, Mr Speaker.

**Hon. Chief Minister:** Because that is where you are staying. (*Laughter*)

1205 **Hon. V Daryanani:** As reported in the past, my Ministry is a strategic partner of the Commonwealth Enterprise and Investment Council (CWEIC). The Gibraltar office was opened two years ago to assist strategic partners to establish, develop and sustain a network of productive relationships across the Commonwealth's global business ecosystem in order to enable sustainable growth.

1210 In June last year I attended the Commonwealth Heads of Government meeting in Kigali. The meeting brought together delegations from 54 countries within the Commonwealth family. It allowed me to discuss possible business opportunities with investors and showcase Gibraltar as a successful business jurisdiction. Events like this allow us to network with business and political leaders and promote the Gibraltar brand in every sector. I was also invited to participate in a panel discussion on sustainable tourism and was given the opportunity to meet and briefly speak to His Royal Highness the then Prince of Wales and now King Charles III. It was an absolute honour, as I would never have thought that we would go through the sad loss of Her Majesty the Queen a few months later. Overall, this was an extraordinary opportunity to showcase Gibraltar politically, economically and as a successful nation within the wider Commonwealth family.

1215 My attendance at the Commonwealth Trade and Investment Summit in London last December allowed me to continue discussions with persons I had previously met and also gave me the opportunity to make new contacts. These varied from heads of government and ministers, including the former UK Prime Minister David Cameron, and senior business leaders. This two-day event was organised by the Commonwealth Enterprise and Investment Council and consisted of meetings and networking. I also took part in a presentation at Gibraltar House to showcase investment opportunities in Gibraltar, where 40 guests attended from Nigeria, Ghana, Cameroon, Gabon, Serbia and Australia. I was also invited to take part in a roundtable discussion titled The Future of the Global Workplace. All this raises Gibraltar's profile within the Commonwealth family.

1220 I look forward to further collaborating with CWEIC, as the Commonwealth is important to Gibraltar as we move into a post-Brexit world.

1230

1235 Locally, I continue to meet regularly with the Chamber of Commerce and the Gibraltar  
Federation of Small Business. It has been a difficult few years. The recovery from COVID has  
thankfully been swift. The Government's actions during the pandemic cannot be forgotten. By  
doing what we did, we saved businesses and we saved jobs. This has allowed the swift recovery I  
am referring to. My door is always open to them and I look forward to working closely with them  
and dealing with the concerns they might have. One of the concerns has been obtaining bank  
finance for start-ups. To that end, I will be launching a new scheme. It will be known as the  
1240 Gibraltar Enterprise Scheme. This is being finalised and I hope to make a detailed announcement  
in the next few months.

Mr Speaker, it has been another challenging year. It is not easy in government – far from it,  
even lonely at times. My colleagues and I have done everything possible to make sure that we  
deliver the best for our people. Have we made some mistakes? Of course we have. Would we  
have liked to have done more? Of course we would. But we need to put things into perspective.  
1245 These last four years have probably been the most problematic in the history of Gibraltar. I cannot  
end without thanking my hon. Friends the Chief Minister and the Deputy Chief Minister. They have  
done a mammoth job over the last few years dealing with the EU treaty. They have given it their  
all and more. They have left no stone unturned, worked non-stop around the clock – weekends,  
no family time. Gibraltar is extremely fortunate to have them at the helm at this important  
1250 juncture in our history. I have no doubt whatsoever that they will give it their all once again to  
make sure that they finish the job in a safe and secure manner for our people.

I would like to thank my team at the Ministry. I would struggle to do this job without them.  
They have got to know me very well and know that I can be extremely demanding, picky  
sometimes, but they also know that I have a lot of time for them – (*Interjection*) me, too – and  
1255 truly care for them.

Mr Speaker, thank you and the Parliament team for the excellent job that you all do.

Finally, this year is election year and no doubt the Opposition will throw the kitchen sink at us,  
the whole shebang. The absence of substantive solutions and new policies from them is a missed  
opportunity for robust debate. It is not only about identifying flaws in government policies but  
1260 also about offering concrete alternatives that can be thoroughly evaluated and debated. It cannot  
always be criticise, criticise, criticise, (*Interjection*) but that is what they are about. When they say  
something, they contradict what they said earlier. (*Interjection*) Even they do not believe what  
they say anymore, Mr Speaker. Furthermore, without viable alternatives, the Opposition's  
criticism comes across as nothing more than political posturing and grandstanding. It is a means  
1265 to scoring cheap points and gaining short-term political advantage, rather than a genuine effort  
to improve the lives of citizens and address the pressing issues Gibraltar is facing. We need more  
than empty rhetoric, because that is all they bring to the table. Divisive politics and lack of vision  
is what this Opposition is about. Our Government is committed to upholding the values of  
transparency, progress and unity. (*Interjection*) We believe in the potential of our nation and will  
1270 continue working tirelessly to ensure a brighter future for all our people.

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

### Adjournment

**Chief Minister (Hon. F R Picardo):** Mr Speaker, here I was thinking I was the only 'pikki' in this  
place, but there is another one.

1275 Mr Speaker, I move that the House should now adjourn until tomorrow at 11 o'clock in the  
morning, when we will have the benefit of the analysis of the economy and the public finances of  
Sir Joe Bossano, (**A Member:** Hear, hear.) which I am sure all Members on all sides of the House  
and all members of this community will be looking forward to.

**Mr Speaker:** I now propose a question, which is that this House do now adjourn to Thursday, 13th July at 11 a.m.

1280 I now put the question, which is that this House do now adjourn to Thursday, 13th July at 11 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Thursday, 13th July at 11 a.m.

*The House adjourned at 4.10 p.m.*





# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 11 a.m. – 1.29 p.m.**

**Gibraltar, Thursday, 13th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 11 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Clerk:** Meeting of Parliament, Thursday, 13th July 2023.

We continue with the Second Reading of the Appropriation Bill 2023.

5 **Mr Speaker:** The Hon. Sir Joe Bossano.

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, last year I introduced my Budget speech by drawing attention to the state of the global economy and highlighting how many negative developments were taking place at that level from which we could not protect ourselves. I had hoped that Members would understand just how serious the prospect of a continuing decline in the fortunes of the western world was; the worst since the Second World War was the comparison I made. Mr Clinton, for example, after clearly showing that he understood the implications of the global turmoil, went on to attack the temporary 2% tax increase. He said, ‘yesterday the people of Gibraltar had their collective pockets picked by this Government in order to cover the mismanagement of the 2021-22 Budget.’ Obviously, this was based on the misrepresentation of the 2021-22 Budget outcome made by the Leader of the Opposition. Perhaps he will change his mind after I put the record straight this year, or maybe he won’t. I assume he intended this to be a vote-catching soundbite, but it was not a particularly profound analysis of what we need to do to close the funding gap.

From what I read of the debate on the state of the nation – which unfortunately I missed through the fault of Minister Vijay, not my fault, who sent me to get COVID in his place – what I said had zero impact on the Members’ opposite perception of the seriousness of the world crisis. Members of the Opposition just went on with their parochial, small-town vision of reality, repeating the arguments they have been using in almost every Budget session since 2012 as if nothing ever changed in the world in which we have to compete and adapt to if we are to survive, let alone maintain the quality of life that we have enjoyed up to now, to which successive Governments have made a contribution. In spite of this, I feel I have at least to point out what is happening in the markets in which we have to survive economically, for the record, even if it has no impact on our collective perception in this Chamber, or in the rest of our community for that matter, because I am, after all, the Minister for Economic Development and there is precious little economic development now going on in the world, compared to the destructive forces at play.

De-globalisation has gone to a further stage since last year with the BRICS countries looking to set up a rival hegemony to that created by the West and led by the US, the system we have become used to since 1945. The BRICS is shorthand for a group of countries which some years ago were developing their economies at a very fast rate compared to the West and had common ties and trading interests. They are Brazil, Russia, India, China and South Africa. In a coming summit in

40 August, next month, there are suggestions that there will be an expansion of the group to become BRICS Plus, with an alleged 19 other nations interested in joining. The group already accounts, with its current composition, for a bigger share of the world economy than the G7 group of richest nations. The G7 is an informal grouping of seven of the world's advanced economies, including Canada, France, Germany, Italy, Japan, the United Kingdom and the United States, as well as the participation of the European Union.

45 As a natural consequence of the fragmentation of the globalised economy that has been taking place, the role of the US dollar as the international trading currency of the globalised markets has come under scrutiny and is being challenged in a process labelled 'dedollarisation'. There are conflicting views as to how far and how fast it will happen, but it has already started according to a survey by the Official Monetary and Financial Institutions Forum, which found that a net 14% of central banks plan to increase their euro holdings in the next two years, marking the highest level of demand among currencies. That marks a big change compared to 2021 and 2022, when there was no net gain in demand for the euro. Also in the next 10 years, a net 9% of central banks indicated plans to increase euro reserve assets, suggesting that the currency may play a key role in future diversification.

55 There are other developments adding new momentum to the ongoing dedollarisation trend unfolding in the global economy. Since mid-2022, central banks worldwide have been buying gold at a historic pace, in part to diversify their reserve away from the US dollar. For many analysts, a gold-backed currency is the next evolution in this process. Many analysts have seen China's recent gold purchases as an attempt to bring international credibility to their currency. Falling demand for the US dollar will have untold consequences given that it will bring to an end the process that started post 1945 with the Bretton Woods Agreement which, though it was terminated formally by the Jamaica Accord in 1946, has continued to be upheld by the US and led to the US dollar continuing as the international currency to this day.

60 The US has been de facto financing its deficit by borrowing from other countries as a result of these countries' appetite for dollars for their currency reserves and to finance international trade. The global trade is dominated by the US precisely because it has been the currency of international trade, and countries buy dollars from the US to buy goods from others and in turn demand dollars as payment when they sell their exports. A case in point is the trade in commodities, and in particular oil and gas, which has been carried out for many years in dollars and is now, for the first time, being done in other currencies. We in Gibraltar, for example, have always had to pay in dollars and, in the process, incur changes in the cost of oil and gas. As well as being affected by the inflationary disruption of supply lines, we have had to contend with changes in the dollar-pound exchange.

75 The widespread expectation, or perhaps fear, that we were now heading for a period of stagflation in the world economy, and particularly in the more advanced economies, which I explained last year, has materialised as expected. This stagflation stage is one with no or low growth and relatively high inflation, which in theory should not be happening since low growth is incompatible with high demand, the conventional explanation for inflation. That is demand exceeds supply and in the short term leads to higher prices until extra supply is attracted to the market, which has become more profitable as a result of the excess demand. The textbook solution is higher interest rates deliberately created by central banks to cool the growth in the economy. However, with stagflation the theory fails as there is no growth.

80 The interest rate increases from the UK, US and EU central banks are all designed to reduce inflation by making it expensive to borrow either for consumption or investment. The problem is that the inflationary spiral we have had has been triggered by the dislocation of the supply side of the equation, not by a consumer-led boom. This means that the next stage in the process will be recession, already taking place in the EU and expected to take place in the UK before the annual inflation rate gets anywhere near the Bank of England target of 2%. This is the analysis that is currently the majority view. A week ago, most commentators were of the view that the global economy was facing a hard landing, that is from stagflation to recession, as a result of continuing

90 with high interest rates in an attempt to reduce inflation. The EU is already in technical recession  
and Germany, the former engine of Europe, has been one of the main drivers of the downturn.  
The UK was predicted to be as bad, but has only just avoided it with Britain's quarterly growth of  
0.1% in the first quarter of 2023 remaining unchanged from the previous three-month period and  
95 the last figure, which came out yesterday, which is now minus 0.1%. However, with higher  
inflation than the Eurozone and higher interest rates still being placed, the recession will start  
sooner rather than later for the UK as well, and this figure from yesterday is the beginning of that.

Mr Speaker, I am happy to inform Parliament that the results for the Gibraltar Savings Bank  
last year and the projected estimates for the current year are the best since 2011 and, indeed, in  
its history. This is the result of two factors: an increase in the rate of interest paid on the Gibraltar  
100 Savings Bank liquid assets deposited in other banks; and a higher level of funding for National  
Economic Plan sponsored projects, which also provide a higher return. Although the level of  
deposits increased in 2022-23, they have not grown as fast as in previous years.

The performance of the Savings Bank since 2011 is, of course, a reflection of the GSLP policy  
that the role of the Savings Bank is that of a national development bank that provides a safe home  
105 for the savings of our people and competes with attractive interest rates and reinvests this in  
projects that will increase the economic success of our country, as is clearly indicated by section 4  
of the Gibraltar Savings Bank Act, which the GSLP Government introduced in 1988 and requires  
the Director to take such steps as are necessary and may be desirable for the promotion of the  
social and economic development of the community.

110 In March 1988 we inherited from the AACR Government a Savings Bank with deposits of  
£2,672,385 with reserves of £398,227, and eight years later we had grown it into a Savings Bank  
with £165,884,000, 62 times bigger than the 1988 version, and reserves of £13,549,000, compared  
to the original £398,227, which grew further during 1996-97 to £20,253,000. The reserves were,  
therefore, 51 times bigger in 1996 than in 1988. So Mr Feetham has been wrong in his assumption  
115 that the changes I have introduced in the Savings Bank have anything to do whatsoever with  
diverting expenditure from the Consolidated Fund, as he has been claiming since 2015. What the  
Savings Bank now does is the same as what the GSLP Government did in 1988, using it as  
Gibraltar's development bank to invest in Gibraltar and make profits which constitute a rainy day  
fund for future generations.

120 When the GSD came in, they dismantled what the GSB was doing – but not in 1996, they did it  
in 2009 in order to get their hands on the reserves, and that is why they stopped investing and  
kept deposits in cash. We have a different policy, which the performance of the Savings Bank  
shows is good for Gibraltar. They attacked us for delivering what we promised and last year they  
attacked us, suggesting we did not deliver what we promised, by saying estimates of expenditure  
125 prepared by controlling officers were political promises made by Ministers, which was complete  
nonsense anyway.

The forecast outturn for 2022-23 in the Savings Bank is total deposits of £1,564,200,000, just  
over £1½ billion, compared to an estimate in last year's Budget of £1,452,100,000, which shows  
an improvement of just over £112 million. The concerns expressed in some quarters during last  
130 year that depositors were withdrawing their savings was no more than fake news. However, it is  
true that the high interest from commercial banks, compared to recent years, have had some  
effect in the growth of deposits, which would have been greater but for that. Of course, the big  
advantage of the Savings Bank for depositors is that it has and has always had in the law an  
unlimited guarantee, whereas in the case of credit institutions the law provides for a maximum of  
135 some £80,000 protection for deposit repayment if a commercial bank gets into difficulties in its  
finances when the time comes to repay the money of depositors.

The planning of the future development of the Savings Bank, for which I am the Minister  
responsible, is on the assumption that we are now near the peak in interest rate levels, which are  
likely to start coming down towards the end of this financial year that is in the market, in nine  
140 months' time. The Savings Bank will keep its higher rates even if other commercial banks do not,  
and particularly for the pensioner debentures, which are our main customer base. I think we have

something like £800 million pensioner debentures, some of them being the ones who were campaigning recently for the community officer allowance. It is on this premise that the estimate of profits for the current year has been made. When interest rates from other competing institutions start coming down they are unlikely to get back to the abnormally low level we have seen in the last few years, which gave barely any return to depositors and in some cases, in respect of some currencies, paid negative returns on deposits.

In the financial year 2010-11, the last full year of the GSD administration, the Savings Bank deposits were £330,119,928, just under £331 million. However, the bulk of these deposits were the Government's money, a total of £255,193,433. Therefore, deposits from members of the public were just £74,926,495, up some £41 million in 15 years from the level before 1996-97, at which the GLSP left them at £33,962,447, and the reserves, of course, were £1,444.51 after the withdrawal from the reserves of £686,968 which was transferred to the Government, compared to the reserves in 1996-97 of £20,253,166. In the first three months, from January to March 2012, when I again took over responsibility for the Savings Bank, deposits from the public went up to £99,063,286, an increase of just over £24 million over the level we had inherited. The cash reserve shot up from £1,444 in March 2011 to £726,961 as at March 2012.

At the Budget in 2012 I was asked whether I would reintroduce the requirement that the Savings Bank used to have for reserves which meant they could not be transferred to the Government unless they exceeded 10% of deposits – that is only the amount in excess of this percentage could be taken out of the Savings Bank and spent by the Government. This used to be the rule before it was repealed by the GSD Government. When this rule was repealed, the justification given in Parliament was that as the Savings Bank was not reinvesting the money but keeping it in cash or near cash, in bank deposits at call, there was no need for reserves. As I recall, I said we would not be legislating to reintroduce the 10% rule but in practice we would operate by it, which we have done to date even when we needed funding over COVID and the Hon. Mr Clinton was urging me to use the Savings Bank reserves because he claimed the rainy day had arrived. We still have Savings Bank reserves well below 10% of the level of deposits and I am considering the possibility of bringing back the rule, as suggested by the GSD Leader of the Opposition in 2012.

Since 31st March 2012 and up to 31st March 2022 – in 10 years – the Savings Bank deposits have grown by over £1½ billion, that is £1,514,889,833. This increase at the same time reflected a reduction in government deposits – which was previously the bulk of the deposits when the GSD was there – of £94,426,182 from £189,783,101 to a level of £95,311,919 and an increase of non-government deposits of £1,320,514,625 from the £99 million that there was before to £1,419,577,913, an average annual increase in deposits from non-government sources of over £130 million every year, a total of £1.3 billion in the 10 years. Mr Feetham, in the Budget of 2015, apparently thought it was terrible to have nearly £1 billion in Savings Bank deposits. I trust that the Hon. Mr Clinton, as a former banker, will see this record as a very creditable performance. The forecast outturn for last year has been a much smaller increase in non-government deposits of just over £31 million for the reasons I explained earlier, but I expect this to change when competing interest rates offered by other institutions start coming down.

Mr Speaker, last year I was unable to deliver my speech and Mr Clinton chose to make a remark about me in the context of the GSB which I resent, and I think it is disgraceful that he should have said what I quote:

This is insane. Before seeking to tax workers by 2%

– clearly Mr Clinton is much closer to the workers than I am –

at a very difficult time, shouldn't the rainy-day funds be used first? I mentioned in last year's debate that Sir Joe refuses to transfer the accumulated profits of the Gibraltar Savings Bank to the Consolidated Fund. As at 31st March 2022 the Estimates Book, on page 254, shows this has a Reserve Account with a balance of £56 million. Should this

not be used first, before taxing workers? This money belongs to the people, not to Sir Joe Bossano. We have a rainy-day fund that we cannot touch, even today at the height of monsoon season.

190 That was his contribution last year. On reflection, I hope he will realise it was ungenerous of him. I do not know if the hon. Member opposite, when he was a banker, was motivated in the decisions he took by his responsibility to the shareholders and the growth of the bank, as I believe he would be, or because he thought the bank he had responsibility for belonged to him, since that is what he seems to attribute to me.

195 The shareholders in the GSB are the same people who trust it and place their savings there. I provide the hon. Member and the Opposition with a detailed account of all its deposits and investments every month, something no other bank does anywhere else and no other Opposition has ever requested. The information I provided monthly historically was provided once a year. Not content with that, they want to know which entity the bank is investing in by buying their loan notes, and then, if they are local, they want to know how those entities are using the proceeds of the loan notes. Is that what he used to do as a banker, provide details of the expenditure of his customers? Now Mr Clinton has gone one step further, wanting to leave the bank with no  
200 reserves, in contrast and contradiction with their policy in government when justifying their past action of removing and spending the reserves. The argument they put for doing so was on the grounds that all the deposits were kept in cash and not reinvested because reserves were not required.

In 2014, Sir Peter Caruana, as a backbencher, said:

Mr Speaker, a bank only needs reserves against the risk of capital losses. The purpose that the reserves of a bank serve is as a pot from which to pay depositors their money should the investments of the bank go bad and the bank should suffer capital losses. That is why banks have reserves, and indeed that is why our previous Savings Bank legislation, the one that we changed, said that the bank had to have a reserve. What happened was that we changed the law so that the bank, the Gibraltar Savings Bank, could not make investments, which exposed its capital to losses. Having changed the law so that the Savings Bank could not invest depositors' money in a way that exposed those moneys to capital losses, there was no longer a need for reserves. We had removed the need and the justification for reserves.

The fact that there is now a reserve again is not by virtue of a phenomenal reversal of the fortunes of the Savings Bank, but rather by virtue of the fact and to reflect the fact that once again he has changed the law to once again expose the capital of depositors in the Savings Bank to losses, albeit subject to the Government guarantee, of course, of depositors' money in the Savings Bank [...] I suspect that some of them will be profitable and others may be less profitable.

But I only make the point in the context of the point about the reserve, which is that it is now prudent to have a reserve again because the Savings Bank is once again statutorily free, which we made statutorily unfree, to invest the money in a way that exposed it to losses and therefore the need for the reserves which we had moved and therefore took the reserve into Government. It was the Government's money.

205 Now the Opposition policy explained by Mr Clinton on their behalf is that the Savings Bank should not have 10% or any reserves at all, even if it invests and does not hold cash. This is a dramatic shift in the policy they defended in government and which Mr Feetham continues to defend and maintain in opposition is their policy. Mr Speaker, I find myself in the extraordinary situation, which I thought would never happen, of agreeing with Sir Peter Caruana and having the  
210 Hon. Mr Clinton disagreeing with him. You never know in this world what is going to happen from one day to the next. Is it that Mr Clinton is preparing the ground for syphoning off the reserves if they ever get back to government and they do not disinvest and keep it all in cash?

215 Members opposite have always denied wanting to damage the Savings Bank but have not stopped attacking it since they came into opposition. They attack it for lending money and for creating assets that will support our economy. They have in the last 11 years tried to undermine the Gibraltar Savings Bank and failed, as the results that I have provided today show, which is that it continues to grow and is bigger and stronger than ever. When they were removed from having responsibility for the Savings Bank in 2011, they left it with £1,444. The Savings Bank has grown in deposits and in reserves under us because our policy is to use the bank as it was intended to be,

220 the economic development bank of Gibraltar, and to retain the reserves so that a rainy day fund is there for future generations and only accessed as a last resort. It is the policy of the GSLP that delivered growth from 1988 to 1996 and has done the same thing since 2011. It is clear that the GSD, if they ever get back, will once again run the GSB to the ground.

225 Mr Speaker, last year I introduced my analysis on financial stability by recording the text of the motion approved by the membership of the GSLP at the May annual conference, a resolution that is binding on the party, moved by the chair of the executive committee and seconded by me. This year's conference followed up last year's policy resolution by approving the following:

This AGM notes the fact that last year's public finance motion was placed on the record in Parliament reflecting the commitment of the party in restoring financial stability, it welcomes and fully supports the ongoing efforts of the Government to deliver higher revenue and constrain recurrent costs and looks forward to the early restoration of the golden rule on public finance by delivering a recurrent revenue surplus.

230 In terms of practical involvement, there are regular meetings with me, other Ministers and members of the executive committee. These meetings explore potential areas of savings and what might be possible to change to achieve better value for money and consider the feasibility of introducing such changes. We consider the restoration of sound public finances, meaning specifically not borrowing for recurrent expenditure, a national endeavour which is in our collective interest to achieve. I therefore take this opportunity to invite Members opposite, if they really care about protecting the future financial stability of the public sector, to identify for me  
235 the areas of waste that they are aware of – that is, in the recurrent expenditure in which area they believe waste is taking place, for me to see if it is possible to eliminate or reduce this waste and improve the surplus we are estimating for this year.

240 Last year, the Leader of the Opposition criticised the level of gross debt no less than seven times, arguing by definition that this was the matrix by which debt should be measured in his further mention of debt and public finances. Perhaps the GSD can clarify whether they have now changed their interpretation of what is the correct measurement of public debt. On 19th March 2009 the GSD came with a Bill to amend the criteria for the maximum debt from gross debt to net so that henceforth the 40% of GDP limit would apply to the latter instead of the former. Since the Member opposite often praises and takes credit for the actions and views of the GSD in  
245 government, let me remind the Leader of the Opposition what the GSD thought of the 'gross debt' – which he keeps on using – replacement by the 'net debt'. In the 2009 Budget they said:

7.5 per cent of GDP, the size of the net public debt as measured in the economically proper way, as a proportion of GDP [ ...] That is the economically sensible, relevant and appropriate way of measuring public debt.

250 As well as the issue of constant references to gross debt, which they had previously rubbished as a valid indicator, the Leader of the Opposition came up with a new definition of Budget estimates which have been provided to this Parliament, the previous House of Assembly and the original Legislative Council and, I dare say, also provided in the western world in the context of Budget approval by Parliaments everywhere, as estimates and not predictions. He told us last year.

In the estimate for 2021-22 the Government promised it would spend, and it was authorised to spend, £768 million. In fact, the actual expenditure this last year was £859 million. In other words, this was a figure of around £91 million above the estimated Budget. They spent an additional £91 million which they had not expected to spend, which they had promised not to spend in the worst year ever. [ ...] In fact, the basic departmental overspend in net terms alone, compared with what it should have been, is around £35 million of that figure. Not £35,000: £35 million.

He then drew the conclusion from this:

This is a recipe for disaster. The public finances are out of control.

255 Members are no doubt aware that in respect of recurrent departmental spending, the only  
area in which we can exercise control, the policy to restore financial stability is reflected in trying  
to keep to the same budgets from one year to the next. However, they will also have noticed that  
revenue figures are not getting significantly better. Returning to the numbers on the expenditure  
side, it is worth noting the results to date as follows: in 2018-19 expenditure was £504.2 million,  
260 in each of 2019-20 and 2020-21 it was £573.9 million, in 2021-22 it was £567.9 million and in  
2022-23 it was £605.4 million. The figures I have provided have now been revised from the  
2021-22 figures at £567.9 million and 2022-23 at £605.4 million compared to the figures I gave  
last year.

I will now remind the Leader of the Opposition of what I said last year as regards the  
265 departmental estimates, which is clear evidence that it could not be construed as Members  
making a promise:

Given the effect of inflation on procurement for government departments, we are likely to be facing difficulties in  
keeping to these Budget figures.

– ‘likely to be facing difficulties’, not promising that there would be no difficulties –

Nonetheless, the policy is to continue the scrutiny of departmental budgets throughout the year in an effort to  
achieve further savings.

Mr Speaker this year’s Book is not a list of promises by Government Ministers that they will  
only spend what is estimated will be needed to deliver public services; neither was it last year, nor  
270 has it ever been in the Budget estimates that were brought to Parliament from 2012 to 2020, nor  
the Budgets that the GSD brought for parliamentary approval for 15 ... or 17 Budgets, because, as  
I explained last year, they brought two Budgets for one year twice, the second version at a vastly  
higher value of expenditure than originally approved by this Parliament. So according to the  
current leader of the GSD, if Budget estimates are not estimates at all but promises, assuming that  
275 it applies to them as well as us, they promised to spend a set amount and the leader of the GSD  
in 2009-10 promised to spend £186.344 million, and in 2010-11 promised to spend  
£218.306 million and then came back a year later to Parliament and retrospectively changed what  
he had promised to do by spending £304.9 million in 2009-10 and £351.9 million in 2010-11. Of  
course, if we had suggested in those years – which we did not – to the then GSD Government that  
280 their Budget estimates were not estimates at all but promises by Ministers, they would have  
ridiculed the suggestion on the spot. In fact, the then Chief Minister, on more than one occasion  
when departmental expenditure was exceeded and was higher than the Budgets, made it very  
clear, to use his words, that estimates are estimates and not binding commitments.

Given the criticisms last year, I can only assume that the hon. Member was never involved in  
285 the process of making Budgets in government, and given that the Hon. Mr Feetham praised him  
for the speech he had made, it suggests that neither was he. So I will explain to them what happens  
when the estimates of expenditure are being considered before the Book has been finalised and  
is ready for going to the printers – for their benefit and the benefit of our citizens who might have  
been misled by last year’s criticisms of the estimate as proving that Government Ministers had  
290 made promises which they have been breaking a year later if the result anticipated differs from  
the promised result, which appears to be the understanding of the Leader of the Opposition and  
also the Hon. Mr Feetham of what the estimates are. If they were correct, then every generation  
of Minister of every party has been guilty of making promises which were then broken, and I say  
this in spite of the fact that the departments that I have responsibility for rarely report exceeding  
295 the original Budgets.

Departments are required by the Financial Secretary to submit estimates for the following  
financial year four months before the close of the current financial year. That is in November 2020  
they had to provide the estimate for the anticipated forecast result for 2020-21 and then their



300 requests for 2021-22. The same is true this year in respect of the forecast results for 2022-23 and the estimates for 2023-24.

The directive provided to the controlling officers of departments by the Financial Secretary's office in the Treasury is that the estimate for the forthcoming year should be as close as possible to the figure provided in the previous year. The scrutiny of the submission is what I am involved in as the Minister for restoring financial stability, along with the Minister for Finance and the Financial Secretary, in the attempt to bring the Budgets as close as possible to previously approved levels – not to the outcome, to the previously approved levels. This also includes areas where we agree it is impossible to realistically estimate demand. It would be a mistake to provide a sum which is going to be overspent anyway, and in those cases a token is provided. The relief cover of the GHA highlighted last year by the Leader of the Opposition is specifically a case in point. I can assure Members opposite that the same problems were faced by the GSD Government to the extent that the then Chief Minister in one Budget session removed the item from the GHA budget and brought it to his office, so that every request for relief cover had to be previously approved by him, and when I asked for an explanation from the Opposition at Budget time I was told that by the time they asked for the relief cover and before they got a reply the need for it might not exist anymore. An interesting strategy, an attempt by the previous administration, regrettably, to exercise control of this item, which was undone and the item restored in a later Budget to the GHA because the control failed to work, even when it was being done from the office of the Chief Minister.

315 In his analysis last year of the figures for 2021-22, the Leader of the Opposition claimed the following:

In the estimate for 2021-22 the Government promised it would spend, and it was authorised to spend, £768 million. In fact, the actual expenditure this last year was £859 million. In other words, this was a figure of around £91 million above the estimated Budget. They spent an additional £91 million which they had not expected to spend, which they had promised not to spend in the worst year ever. Not just £90,000: £90 million. We appreciate some of that is represented by additional contributions to loss of revenue, but a big chunk of that is departmental overspend.

325 As as a matter of fact, in 2021-22 and in every year since 2017-18, on the initiative of Mr Feetham, who accepted a recommendation from Mr Clinton, they have not authorised us to spend any sum of money whatsoever, since they have rejected the Estimates placed before Parliament. So what he must think is that we promised ourselves to spend £768.2 million, we authorised ourselves to do it and then betrayed ourselves by spending £859 million instead – the overspend he has identified of £91 million. As regards the big chunk of the £91 million that was departmental spending, his analysis was the following:

In fact, the basic departmental overspend in net terms alone, compared with what it should have been, is around £35 million of that figure. Not £35,000: £35 million.

His accusation was:

instead of tightening its belt, the Government is still spending ...

330 Mr Speaker, let me remind you that tightening the belt in this context means cutting back on departmental budgets, and the Members opposite condemn this as austerity and quote the views of the union on this with approval. He was telling the House that instead of introducing austerity, Mr Picardo had failed to have the discipline of sticking to his own Budget and the Government ... for not sticking to their own departmental budget by £35 million. 'How could he get it so wrong?' he asked rhetorically. So let's see who got it wrong.

335 If Members look at page 14 of last year's Estimate Book – I think it is also the same number this year – they will note that the 2021-22 departmental estimates for the whole Government came to £550.7 million and the forecast result expected – calculated by Treasury officers, not by

340 the Ministers – was an outcome of £569.3 million, so the overspend in departments was forecast at £18.6 million, not the £35 million he quoted four times in his speech. How could he have got it so wrong? This is serious, Mr Speaker. We have a Leader of the Opposition who does not even know where in the Estimates the figures for the total departmental expenditure are to be found, even though it is actually printed in the Book and it says ‘Total Departmental Expenditure’. *(Interjection)* Maybe Mr Feetham wishes to reconsider the praise for the speech that he made last year when he said:

Mr Speaker, I wish to start by congratulating the Hon. the Leader of the Opposition on his articulate exposure of the Government’s responsibility for the state of the public finances and indeed for the austerity measures announced by the Government ...

345 – the ones he was suggesting we should do but did not do. Mr Feetham tends to say things like that, having said in 2017 that the former Chief Minister was the greatest living Gibraltarian, but at least on that occasion it was because he was grateful to him for having given him a home and handed the party over to him. He owes no such debt to the present leader, who left the GSD because he was accepted as a member when he merged an alleged socialist party with a conservative one – an unusual development, ideologically speaking. So all the concern of the Leader of the Opposition about the overspend of departments coming to £35 million higher than what we had allegedly promised to spend was not true. The numbers that he quoted in support of his attack were incorrect and showed he did not know what he was talking about. I will now prove this by quoting the correct analysis of the forecast outturn for 2021-22.

355 The overspend was forecast at a total of £18.6 million and the actual figure provided this year is an overspend of £17.3 million, less than half the inaccurate figure on which the Leader of the Opposition based his criticism. Health and Social Care, head 46, at £147.3 million accounted for £15.6 million of the total overspend – one head. The balance of the departmental overspend of £1.7 million was the result of excess expenditure by the other 55 heads of departments, which spent £420.7 million instead of the £419 million in the estimate Budget, which he calls the amount we promised – an overspend of £1.7 million, constituting an excess of 0.7% net overspend spread over 55 departments. This is what the Leader of the Opposition told Parliament last year was a recipe for disaster – the public finances were out of control with Ministers not sticking to the departmental budgets for 2021-22. Not true. He did not know what he was talking about. I am sure that if I took the trouble to research it I would find plenty of occasions in the 15 years of the GSD Government when the excess overspending of 55 out of 56 departments was no higher than 0.4% collectively.

360 Last year the forecast Consolidated Fund balance at 31st March 2021-22 was put at £118.6 million, the starting point of the financial year just ended. The actual results for 2021-22 this year are slightly better than forecast. Revenue was £100 million higher than expected and departmental expenditure finished at £1.5 million less than forecast. Therefore, the 1st April 2022 cash position of the Consolidated Fund stood at £120.5 million instead of the forecast £118.6 million.

375 Having started slightly better off, the forecast levels of revenue and expenditure for 2022-23, the year that has finished, have improved on the estimated results provided last year. Departmental expenditure estimated at £552.8 million is now forecast to have reached £605.4 million and an overspend of £52.6 million, in spite of our attempt at controlling expenditure. This overspend is almost entirely due to increases in two departments: head 46, health and care expenditure at £149 million instead of the estimated £125.3 million, an increase of £23.7 million; and head 50, utilities, with expenditure of £84 million instead of £57 million, an increase of £27 million. These two heads of expenditure account for £50.7 million of the £52.6 million. The rest of the 54 heads of expenditure had an estimated expenditure budget of £370.5 million and a forecast outturn of £372.4 million, an increase of £1.9 million, an overspend

380

of 0.5%, which I would suggest to the hon. Members opposite reflects quite effective budgetary discipline.

385 Fortunately, the forecast revenue exceeded the estimate with an outturn of £731 million compared to last year's estimate of £637 million, an improvement in revenue of £94 million compared to the additional expenditure of £52.6 million. The recurrent revenue for 2022-23 has exceeded the previous record of 2018-19, which was £708 million, which I said last year I did not expect to see happening this side of the General Election – and I am glad to say I was wrong, it has happened. The principal sources of revenue in the forecast outturn are income tax estimated at 390 £182 million and now forecast £69 million higher at £251 million, and company tax estimated at £125 million and now forecast £35 million higher at £160 million. These two heads delivered improved cashflow of £104 million offset by lower than expected import duties at £93 million instead of £120 million, a drop of £27 million.

395 To put those numbers in context when comparing them with the financial year 2018-19, we need to note that inflation in the period January 2019 to January 2023 has been 15.5%. By comparison, the current revenue forecast of £731 million is 3.2% up on the figure for 2018-19 and the expenditure, which is forecast at £605 million compared to £504 million in 2018-19, is a 20% 400 increase. So we have a 15.5% increase in inflation and we have had a 3.2% increase in revenue, and we are facing a 20% increase in expenditure. So although there is an improved situation, we have some way to go to get right the balance between government revenue and expenditure that we have to achieve to restore the position of the financial year 2018-19, which has to be the minimum target since at the time and with those figures I was already expressing concern about 405 the rate of increase of recurrent expenditure.

As a result of this improved outturn, the more recent estimates are that 2022-23 started at £120.5 million instead of £118.6 million and is forecast to have ended in March at £176.3 million instead of the estimated £122.3 million. For the current year, we are estimating to maintain the position rather than improve it, with the Consolidated Fund estimate for March 2024 at 410 £177.3 million compared to this year's £176.3 million, a £1 million improvement resulting from a slightly lower revenue estimate at £723.9 million compared to the forecast for last year of £730.4 million.

On the expenditure side, the estimate of funding we are providing is to come back closer to what was provided last year rather than where we ended – that is to say to the £552.8 million 415 rather than the £605.4 million. Needless to say, the uncertainties of the global economic scenario, which I have referred to earlier, and our own uncertainties as to whether there will be any new Schengen access treaty, and, if so, when it will come into effect and exactly how it will impact on our economic performance and subsequently on Government's recurrent revenues, all indicate how the number of variables means that any estimate at this stage is more intuitive than scientific.

420 Hon. Members know I am targeting the restoration of financial stability by comparing subsequent years to the results for 2018-19. This was, until last year, the best year in terms of revenue and the year when I advised we should introduce measures to control the rising cost of public sector payrolls based on the estimated level of expenditure at the start of the financial year, which we subsequently greatly exceeded, delivering the highest revenue in our history at 425 £708 million until this has been surpassed by this year's forecast outturn for last year at £731 million, net of COVID contributions, a figure that has not been estimated as likely to be repeated in the current year, for which £723.9 million has been estimated. This is mainly because it has been public practice since 1988 to estimate potential income from different sources of revenue conservatively to avoid nasty surprises halfway through the year, a practice introduced 430 by the GSLP in 1988, continued by the GSD in their term of office and by us since 2012.

In some financial years since 2012 Members opposite have challenged the higher outturn in revenue that has been achieved as if it were not normal practice to have the initial revenue estimated conservatively and therefore normally achieve a higher forecast after, and sometimes an even higher actual figure as a result of the policy adopted in doing these calculations. The 435 legitimacy of the subsequent calculations has resulted in the Members opposite challenging the

results of the changes as fictitious. I remind Members opposite of the following statement in the 2009 GSD Budget by the Hon. Chief Minister of the time, which confirms the established revenue estimating practice. He said:

As I said last year, we estimate revenue conservatively because we cannot continue to assume exponential increases in jobs, in the economy, year in, year out.

440 That anyone who has been in government for some years should think it is possible to provide  
fictitious estimates and that Treasury officials would go along with it makes one wonder what  
went on in the years of the GSD administration that we never knew about. I say this because  
nobody else, other than the Members of the current Opposition, have ever questioned the  
legitimacy of what is in the Book. What they have normally done is question the wisdom of some  
of the policies and the explanations given in this House, examples of which I provided last year in  
445 my Budget contribution.

In 2019-20, shortly after the election and at the start of the 2020 calendar year, in February  
and March the COVID pandemic started having an impact on the government revenue and on the  
performance of the economy. That is also why I have chosen 2018-19 as the year estimates that  
we have to get back to. In spite of the very welcome improved revenue levels, which are higher  
450 than the 2018-19 previous record, the expenditure side of the equation is where the problem is.  
It is a problem that has no easy or quick solution. It is not a question of waste or avoidable  
expenditure, as Members will appreciate when I explain.

When we are talking about controlling the expenditure of departments, we need to bear in  
mind that a substantial part of the cost of the public sector is the payroll, which is a combination  
455 of the rate of pay and the number of employees. Since 2012 and until very recently, the Opposition  
was very critical of the growing size of the public sector, something which has also worried me  
because of the difficulty in funding an ever-increasing level of public sector employees. The  
practice that has been adopted to date is not to automatically fill vacancies as they occur, with a  
view to seeing whether it is really needed or the funding could be put to better use elsewhere.  
460 This, of course, is subject to our manifesto commitment that the Civil Service will not be allowed  
to fall below the level we inherited in 2011, so I want to remind the Opposition Members of their  
policy in government.

The GSD Budget of 2009 set the criteria for what should be the measurement to determine if  
the current government spending was too high. This was using the same concept that I explained  
465 last year for employees when the then Chief Minister had rubbished the idea that the public sector  
manning level was too high and that there should be a notion of a bloated public sector, a  
description that had only been used by the Chamber of Commerce in 2009 when the Hon.  
Mr Feetham was in government, and then by Mr Feetham in opposition in 2012 when the present  
administration increased public sector workers. But as far as the then Chief Minister was  
470 concerned, increases in the size of the public sector were a good thing, not a bad thing, and the  
size could not be assessed in absolute terms but only as a percentage of the whole workforce. He  
said in 2009:

Therefore, commentators please note, the public sector as measured in one of the ways that it is measured by  
economists, in terms of the proportion of overall jobs in the economy, is not getting bigger, it is getting smaller. It  
is not getting bloated, it is debloating.

Little did he know that the person he chose as the heir to the GSD crown would be the only  
commentator that required to be given this message, the Hon. Mr Feetham. He said the following:

Public sector jobs accounted for 22% of all jobs in the economy. Government recurrent expenditure as a percentage  
of estimated GDP in the year to March 2010 was 33.5%. This compares with over 40% in the UK.

475 Since then, the ratio has been 22% of the workforce in 2010, 21% in 2011, 23% in 2012, and in  
2021, 21%. So according to the GSD policy in government, the size of the public sector should be  
calculated as a share of the whole employment market, and on that basis there has been no  
growth in the public sector since 2011; it is still at the same level of 21%, or lower. So all the  
criticism of the last 11 years from the GSD Opposition has been in conflict with the criteria they  
480 applied to themselves in government.

Let me be clear that I did not agree with their theory in 2009 when I was in opposition and I  
still do not agree with it in government. It is pseudoscience because the reality is that the size of  
the labour market as regards the private sector can contract or expand, depending on the demand  
for short-term workers who happen to be in employment in the private sector in the month of  
485 October, and these fluctuations have no effect whatsoever on the public services requirement for  
manpower. Nor does the size of the private sector manpower mean that there is necessarily much  
more revenue to pay more public sector workers given the discrepancy between the two sectors  
in respect of average earnings.

So as I said last year, I am not in a position to say whether the public sector is too big or too  
490 small for the services that they have to deliver, because there is no methodology available to  
measure this. What I do know is that we have a serious problem in meeting the payroll with the  
present levels of revenue. This is in spite of the fact that the public sector employment level in  
October 2022 was lower than in 2011 at 20% of the workforce compared to 21% in 2011, and that  
revenue is the highest in our history at the forecast level of £731 million for 2022-23 compared  
495 with the forecast level of £452.3 million in 2011-12, even if we take into account the need to add  
some £120 million to that figure as a result of the double-booking of income retrospectively for  
the year 2009-10 and 2010-11, which has been kept in place in terms of how the calculations are  
done to date. This is the challenge that still faces us in restoring financial stability to the public  
finances.

500 Mr Speaker, I will now try to explain what is happening with the economy. It appears that there  
are many people who naturally assume that the growth of the economy, as measured by its GDP,  
is the same as the revenue of the Government, as if these were two sides of the same coin. This  
is not so, here or anywhere else, and it is less so here than in many other countries because of the  
characteristics of our economy, the fact that half our workforce lives in Spain and contributes to  
505 the GDP of the Campo area with their expenditure and that in addition to sourcing labour from  
outside our economy we import everything we consume and everything we sell to others. That  
said, there is a link between the output of the economy and the income of the Government, but  
it is not one to one.

The drop in revenue that has taken place since 2018-19 has been principally from the receipts  
510 from import duty. In 2018-19 the actual result for head 2.1 was £173.7 million. In 2021-22 it was  
estimated to come in at £150 million and the actual result has been £111.4 million. This is a tax  
on consumption and therefore not one of the components for the calculation of the value of the  
output of the economy, which is the GDP. Income tax and company tax, heads 1.1 and 1.2, are  
taxes on income derived from the creation of economic activity, the output side. By contrast to  
515 what happened with import duty, the figures here went up in 2018-19. The actual result was  
income tax £181.9 million and company tax £163.8 million. For 2021-22 the Treasury estimate was  
income tax £180 million and company tax £120 million. The actual results, as Members know,  
have been income tax £202.5 million, £22.5 million higher than estimated, and company tax  
£122.1 million, £2.1 million higher than estimated. This pattern has been repeated for 2022-23.  
520 Import duty was estimated to come in at £120 million and the forecast outcome is £92.9 million,  
a drop of £27.1 million. On the other hand, income tax for 2022-23 was estimated at £182.4 million  
and the forecast outturn is £251.4 million, an improvement in revenue of £69 million, and  
company tax was estimated at £125.2 million and is now forecast to come in at £159.5 million, an  
improvement in revenue of £34.7 million; an improvement of over £100 million in those two heads  
525 of revenue. So the implications of the differences in direction of our different revenue streams  
reveal and explain how the economy has continued growing and the Government's revenue has

been falling. The explanation is demonstrated by these figures. Hence the importance of not assuming that growth of GDP is necessarily accompanied by equivalent growth in government revenue.

530 In recent years, a study carried out by the OECD calculated the ratio of GDP to man hours worked in a number of countries for the years 2022 and 2015 to test the change, the approach we adopted in 2019. In this calculation, GDP in Ireland had increased 41%, the UK's increase was 2%, with Spain, France, Holland and Greece below the UK and negative in Luxembourg, which happens to be the country with the highest per capita income in the world calculated in the  
535 traditional way. The result for Ireland has a simple explanation. The relocation of multinational companies has contributed to the profit element of the GDP computation on a much larger scale than it has led to an increased demand for labour. The result for other European countries shows little is being achieved in productivity gains. Although no other country has adopted this metric, I believe that in our case it produces a more reliable indicator of the performance of the economy.

540 In the traditional GDP per capita that has been used in the past the result is produced, as it is everywhere else, by dividing the economic output by the population. In the new approach we divide the output by the number of employees, including frontier workers, therefore showing whether output per worker is increasing or not. The GDP per capita is misleading, in that it suggests that the output from the frontier workers is retained in Gibraltar as income and is  
545 available to us, the resident population. It is not true. This is true of any economy that makes use of frontier workers, but in most cases the percentage of the working population that is provided by frontier workers is too small to make a difference. In the EU, only one country has a similar high frontier worker percentage. It is Luxembourg, whose GDP per capita is \$127,580, the highest in the world, and yet we saw that its productivity was going down instead of coming up. According  
550 to Luxembourg's National Institute of Statistics and Economic Studies, 44.9% of Luxembourg's workforce is made up of cross-border workers, almost the same ratio as us. The majority are from France, followed by Germany and Belgium, who are EU nationals and therefore free to travel with no restrictions.

555 Mr Speaker, the Leader of the Opposition gave us his reason for not voting in favour of the Estimates of Expenditure last year as follows:

Mr Speaker, this is the State of the Nation debate, and after the damning indictment people will hear from the Members on these benches about his economic record and the lack of leadership, it would be wrong and perverse to send the signal that we are aiding and abetting his attempts by voting for his lack of controls and unwillingness to grapple with the hard choices necessary to steady our economy and to leave a legacy of sustainability.

I am not sure what the Leader of the Opposition meant by the 'damning indictment' that was to be provided by the other Opposition Members on the Chief Minister's economic record, or what was or is the evidence that our economy needs to be steadied, or how you steady an  
560 economy for that matter. Indeed, I am not sure what sort of record an 'economic record' is. Nor do I understand his terminology on the current state of the economy. So I am assuming that what it was all intended to convey was a criticism of the performance of the economy, which is the record we have of our economy and for which I am responsible, and not the Chief Minister, as Minister for Economic Development. So what was this damning indictment of our economic development in the last four years, or indeed since 2011?

565 I have already explained our policy objective in GDP growth has changed post Brexit as regards the growth in the size of the economy. I am not sure if this change is something that Members opposite are against, because I am not aware that there has been any reaction to this from any of their Members. Perhaps if I give them one particular statistic they will understand that the performance of the economy has been real and that the change of direction is also real.

570 In the seven years between 2011-12 and 2018-19, the workforce went up by 7,748, from 22,247 to 29,995, and the payroll went up by £321,564.60 million to £885.6 million – the payroll of the whole of Gibraltar. In the next four years, from 2018-19 to 2022-23, we have had an increase

575 in the workforce of 1,155 and the payroll has now gone up by £146 million, from £885.6 million  
to £1.32.40 billion. This is in the economy that is in a very bad way. Before the Brexit-driven policy  
change – that is up to 2018-19 – the economy grew from £1.12.60 billion in 2011-12. That is to  
say when the GSD left government that is the figure they left it at, which they considered a very  
high figure, and it went up between the time that they were in government and the last normal  
year, 2018-19, to £2,456,000,000, almost £2½ billion in size, an increase of £1.443.4 billion in  
seven years. Is the damning indictment that this is a poor record of growth because it is too little?  
580 So what, then, was it in the previous seven GSD years? What did they do? In their time, in seven  
years, it went from £559.7 million in 2004-05 to £1.012.80 billion in 2011-12, an increase of £413.4  
million in seven years. So they grow the economy by £413.4 million in seven years, hand it over to  
us and we grow it by £1.443.40 billion. That is to say we grow it by three and a half times the figure  
they did. So what is the damning indictment? That we grew it too much, not that we grew it too  
585 little?

**Chief Minister (Hon. F R Picardo):** The numbers don't lie.

590 **Hon. Sir J J Bossano:** He seems to think we currently have an unsteady economy, whatever  
that may mean, that hard choices are needed to steady it and that we are unwilling to grapple  
with those hard choices. I have to tell him as Minister for Economic Development that there is no  
unwillingness on my part to grapple with hard choices to steady our economy.

Since I can make no sense of what he said about the economy last year, which continues to  
perform very well by comparison with the performance of the UK and the EU – which are in  
595 recession, they are shrinking – measured by all the normal indicators, I would welcome it if he  
writes to me and explains what is this unsteadiness that he has detected and which he knows how  
to correct, but which he thinks we also know but do not want to correct. I can only conclude that  
no such indictment, damning or otherwise, was delivered last year on the economy, nor any  
evidence of unsteadiness provided.

600 So maybe the answer to the absence of indictment on the performance of the economy is quite  
simple. The Leader of the Opposition belongs to the group of people I mentioned earlier who  
confuse the performance of the economy with the performance of the public finances, and of  
course in that case there was certainly plenty of indictment last year on the public finances – the  
mysterious two books invented by Mr Clinton some years ago, the level of debt, the ratio of debt,  
605 Credit Finance and so on. It is strange that Mr Clinton should refer to these criticisms about the  
public finances last year as a reason for not voting in favour of the Estimates of Expenditure.

There was absolutely nothing new said in this area last year, or this year for that matter. The  
arguments have been repeated every year for 11 years, irrespective of what was in the Book. In  
2012, 2013, 2014, 2015 and 2016 they made the same accusations but voted in favour of the  
610 expenditure. In 2017, Mr Feetham as Leader of the Opposition was misled by Mr Clinton, who  
advised him to vote against the expenditure estimate for the first time in the history of Gibraltar,  
so they voted against providing funding for the public expenditure of 2017-18, not that there was  
anything different in the Book that year from what had been in our first Budget in 2012-13 or in  
their last Budget in 2011-12. The recent explanation by Mr Azopardi argues that if they voted for  
615 the expenditure people would think they were approving our management of the finances, which  
they criticise so much. That does not make sense. With all due respect to the Leader of the  
Opposition, I have been in his position myself longer than anybody else in this House. I criticised  
from that office the policies of the AACR Government, but I voted to give permission for the funds  
to be provided to perform the public services. I did the same thing for 14 years with the GSD  
620 Government. No one ever thought I approved of the AACR or the GSD because of it. Neither has  
anybody thought that of any other Opposition in the history of this House, who have always voted  
to provide money to run the public services. But if that is what they want to do, it is a matter for  
them. They do not need to justify themselves to us or anyone else. However, I would just point

625 out to him that the excuse for voting against keeps changing. In fact, I think this year there were two different excuses.

630 The GSD is obsessed with the question of public debt. Even in government they went to great lengths to justify in Parliament the need to borrow, when we were in fact supporting the increase in the levels proposed. I have said before that the level of debt is not the relevant issue. What is relevant is how you are using the money that you borrow. This applies whether you are a government, an individual or a business. The rule is quite simple: you borrow to invest in and create or gain ownership of assets, either because you need the asset or because it will generate a return to service the loan. So the limits of government borrowing, whether by the EU at 60% of GDP in relation to being able to join the Eurozone, or 40% in other cases, are arbitrarily arrived at by the UK for the Overseas Territories, other than Gibraltar, for example. In the EU case it was about monetary policy, not economic policy, and has long since been abandoned with most countries in the advanced economies being well above this ratio of GDP. The UK, for example, is now over 100% of GDP, as are, in the EU, Austria, Belgium, Portugal, France, Spain, Italy and Greece, with Japan, the third economy in the world, over 250% of GDP. No country has ever had a limit on debt linked to the size of government revenue. So this limit was a policy decision of the GSD Government taken in 2008. The reasons for it were never explained, so we have no reason why we should continue with it because it was never our policy. So the reason given by Mr Clinton last year was not correct.

640 Mr Speaker, I will now deal with two other examples of criticism from the Opposition repeated almost every year. Mr Feetham has argued that the reason for the huge increase is that the Government embarked on a process, when they got elected, of shifting debentures issued by the Government directly, which legally count as public debt, to the GSB, where it does not count as debt of the Government because it is a debt of the Gibraltar Savings Bank. He was in the GSD Government that did the opposite, shifted the debentures issued by the GSB and replaced them with government debentures, which increased the gross debt, but they said it did not matter how large the gross debt was, as the economic correct measure was net debt, which every country used in its ratio to GDP. His much admired mentor, the then Chief Minister, explained to me, when I questioned the move of taking the debentures out of the GSB, that he was going to pay above market rates of interest to debenture holders and keep the proceeds in cash, which would be a loss of £9 million, and that if he did that with the Savings Bank perhaps people might lose confidence in it. They did not want confidence to be lost when they were in government, but they want it to be lost now that they are in opposition. So I accepted the explanation.

655 This is the exchange that we had when an amendment was introduced, on the spot, without notice, to change from gross to net. The Chief Minister said:

Now, I am sure the hon. Member

– meaning me –

will wish to make the point, well why then not issue the debentures to the Gibraltar Savings Bank, where it does not count as public debt? The answer is that it cannot be done through the Gibraltar Savings Bank whilst the Government is offering interest rates which are so much higher than the Savings Bank can attract on its deposits later, without plunging the Savings Bank into a loss.

660 So the reason for the debentures in the Government was to stop the Savings Bank making a loss, according to the then Chief Minister, and he was in the Government. My reply was:

the hon Member went to enormous lengths in the debate in April

– when he was arguing in favour of gross debt –



As I pointed out to him then, he did not require to convince me that there were merits in raising the level of the public debt. I am in favour of it, but he went to enormous lengths to show how prudent we were being by not using the net public debt, by using the gross public debt.

– as the ratio of GDP –

So, therefore, all that he has done today is to say, well look, we want to keep on linking the money we borrow to spend to the gross public debt, which is the argument of the last time, and the only reason why we are changing it to the net public debt is because we want to keep on borrowing more money than we want to spend, and we want to do it through the Government Consolidated Fund, as opposed to the Savings Bank. Well, we think it should be done through the Savings Bank and that the effect on the Government finances would be the same.

665 So why were they entitled to move the debenture issue from the GSB, where it had been since  
1996 and they did it in 2009, and we were not entitled to bring them back in 2012 when we were  
in government, because it has always been GSLP policy? The arrogance in the position adopted by  
the Members opposite as regards the issue of debentures in the Savings Bank is incredible. They  
changed the system in government, we do not agree but we cannot change it back to what it was.  
670 The contrast between our positions could not be greater. Having said we did not agree, we  
abstained instead of voting against, because we did not want to be an obstacle to their borrowing.

It is specifically identified in our manifesto as the vehicle to promote economic growth. The  
Corporation has the power to make loans, and Credit Finance, as a moneylending vehicle, was  
created for that purpose. They are against Credit Finance. Credit Finance provides reverse  
annuities. That is to say it buys the revenue stream from a Civil Service pensioner and provides a  
675 lump sum of 12½ times the pension. This is the equivalent of making a loan to a pensioner which  
gets repaid and serviced from the pensions received. So the pensions go to Credit Finance, not to  
the individual. This, however, is part of the Opposition's computation of the national debt. Credit  
Finance has a moneylending licence. Logically its business is to make loans, from the profit of  
which it services the bonds that it issues to the Gibraltar Savings Bank. It issues bonds to the  
680 Savings Bank and lends the proceeds at a profit to public and private commercial entities. So when  
it lends money to the Sunborn, it is making money for the Savings Bank and improving our tourist  
product. The Opposition generally and Mr Feetham particularly have raised this in Budgets as if a  
moneylending company owned by the Gibraltar Development Corporation was doing something,  
in lending to create economic activity, that is wrong, when that is what it was created for. So all  
685 the money that it raises from the sale of bonds, irrespective of the entities or individuals that it  
lends to, becomes part of the Opposition's definition of public debt. No one else, anywhere else,  
calculates public debt like that.

The GSB investment in Credit Finance is considered a terrible thing by the GSD. However, in  
2016 Mr Feetham actually said he thought it was a jolly good thing and that he was not against it,  
690 even though he still criticises it to date. What is so bad about funding reverse annuities for civil  
servants to cash their pensions? When the GSD was in government, they proposed using the  
Savings Bank directly to provide pensioner annuities. They announced in their Budget there was a  
shortage of annuity providers and said:

Government propose to remedy that problem by converting the Gibraltar Savings Bank into an approved annuity  
pension provider. In other words, the Gibraltar Savings Bank will issue Monthly Retirement Income Annuity  
Debentures which will be fully compliant with the Income Tax Ordinance Rules relating to the investment and the  
purchase of annuities and the details of that scheme will be announced by the Treasury in the next few weeks as  
legislation is published. The results of it will be that there will be a locally available Gibraltar Savings Bank provided  
source of annuities for people who retire with lump sum private pensions obviously this does not affect people who  
retire from the private sector on pension schemes that continue to pay them a reduced salary so to speak. That sort  
of scheme does not require the purchase of an annuity but for those schemes that pay out a lump sum they require  
the annuity.

695 Shortly after the 2003 Budget, the Government set up a working group under the Accountant  
General comprising retired bank managers from Hambros, Barclays and NatWest. Following  
meetings in September and October 2003, a report was prepared for possible implementation in  
2004. Let me say that they did not implement the promise. This was a promise that was not kept.  
At the time, the savings vehicles consisted of monthly debentures which paid ½% below non-  
700 pensioner holders level and ½% above base for pensioners; ordinary accounts were kept at 1%  
below base rate and investment accounts that operated as current accounts were paid at 2%  
below base rate. This was, of course, at the time that base rates were much higher, something  
that ceased to be tenable with the level of base rates prevailing shortly afterwards in the following  
years, which became very low. The GSD saw nothing wrong with offering this alternative.

705 The Leader of the Opposition quotes me as saying that the crisis facing the economy, and by  
definition the public finances, is the worst one since I joined this House in 1972, 51 years ago, to  
justify their blaming the Government for creating the situation. He conveniently forgets that I have  
also said that the global economic background that we faced last year and continues to worsen  
this year is the worst since the Second World War and the cause of the crisis every single country  
is facing. This is having an effect throughout the western economies, of which we form a part. So  
710 what I have said and I am still saying is that the idea that Gibraltar can somehow happily go on  
managing its affairs as if we live on a different planet and the challenges facing us will disappear  
by a simple change of government in the coming elections is something that I doubt anyone in  
Gibraltar is going to swallow, and that not even the Members opposite really believe that this is  
so.

715 It is true that we would have been in a better place to face this problem since 2019-20 if we  
had increased recurrent expenditure less than we did between 2011-12 and 2018-19, but of  
course it is also true that we would also be now in a much better place if the GSD had not run  
down the various reserves created by the GSLP between 1988 and 1996, and instead of running  
them all down to zero and saying the rainy day is today, they should have gone on to continue the  
720 prudential policy of providing for the future and kept topping up what they used to call the GSLP  
piggybank. Of course, they were perfectly entitled to do as they did as the elected Government,  
but the main thing is that what we inherited from them in 2011 was a bare cupboard compared  
to what we left them with in 1996, which they quickly spent, the last bit being what they spent  
from the Savings Bank. In the process, they generated a negative reaction amongst some of our  
725 Members that the view that we had taken in having a prudential approach to public spending and  
building up rainy day funds only served for somebody else to then come in, say the funds were  
not needed and spend the money in areas which were not the ones where we would have done  
before 1996, thereby devaluing the effort we had made to put money aside for future  
contingencies. It has made the task of persuading people that this is the correct thing to do, the  
730 right thing to do a second time, more difficult.

Mr Speaker, the development of our economy is clearly affected by the level of access to the  
hinterland. Last year, the Leader of the Opposition made a reference to the possible agreement  
between the EU and the UK that would result in Schengen access. The Leader of the Opposition  
seems to believe, or has convinced himself, that there was an earlier occasion when a better deal  
735 for Gibraltar could have been done if he had been the one negotiating it. That can only mean that  
he believes, or wants others to believe, that something better was available and that the  
incompetence of the Chief Minister resulted in a lost opportunity. I have never had any doubt  
since the referendum result was announced in 2016 that we could expect to end with a no-deal  
situation, even if the UK achieved a deal, because Spain had a veto and would use it to block our  
740 inclusion in anything that was agreed with the EU by the UK. I said so publicly in 2016 and I also  
said it in the election in 2019. I said that Gibraltar had to change its economy to end or reduce its  
dependency on Spain.

The EU betrayed our people, who voted to remain, by granting Spain and the socialist  
government an additional veto to block our inclusion in the UK transitional agreement. Spain  
745 insisted on this and threatened to block the UK transition period if it was not accepted by the EU.

750 So we risked being left out of the transition period and had to do separate negotiations, because  
had we not done a transition deal the UK would have continued to enjoy EU rights and only  
Gibraltar would have lost them. That was the betrayal by the EU at Spain's insistence, which the  
UK was not able to stop because the only way of stopping it would have been to say to the EU  
755 either Gibraltar is included in the UK's deal or the UK will go for a no-deal hard Brexit. None of us  
on this side of the House had any illusions that this was a realistic proposition for the UK. It was  
not and it would not have happened, whoever was there. Obviously, the Member opposite  
appears to believe that he possesses a level of negotiating skills such that he would have  
persuaded the UK to go down that road and that he possesses skills that could have delivered a  
760 transition period deal from Spain, with Spain seeking nothing in return. If he has such skills he is  
wasted here and should be deploying them on a much bigger canvas than the La Linea frontier.

765 So he wants a deal that allows freedom of movement for our people and safeguards our  
economic future, which is what he told us last year. Does he not know that such a deal does not  
exist? He says we need to be politically and economically sustainable and that a good deal would  
ensure those prospects, if it can be achieved. The reality is that it cannot be achieved. The only  
770 deal that can be achieved, as has been obvious and publicly stated on many occasions since  
December 2020, is a deal that has a maximum period of four years, because none of us are willing  
to accept a Spanish presence in Gibraltar as the price for a deal. Spain has agreed to request from  
the EU that Spain's Schengen obligations under any deal would be carried out on Spain's behalf  
775 by Frontex for an implementation period of four years, at the end of which Frontex would be  
replaced by Spanish officials or the deal would be terminated. So the deal will be terminated. As I  
told the UN seminar in Indonesia in May, that is the only option as far as Gibraltarians are  
concerned: the deal is terminated in year 4.

In his analysis, the Leader of the Opposition last year said:

We cannot turn the clock back and we are not in the EU. Unless a future UK government were to take the presently  
unforeseeable course of applying to join the EU, the best we can do is negotiate an acceptable arrangement for  
ourselves with Europe, because we are European and that is where our future lies as an inevitable geographic reality  
that nowhere else in the UK has.

780 Is it that he is not conscious of the reality that if the UK were to take the unforeseen course of  
applying to re-join, they would not be able to obtain for us the terms we negotiated in 1972, even  
if Spain did not use its veto to stop us joining, and that it is inevitable that Spain would try to use  
their veto to extract a price for re-entry and the EU would support them on this, as they have done  
785 on everything else up to now? We are Europeans but we are never going to be EU citizens for as  
long as Spain claims the sovereignty of our country. So that option is not just improbable, it is  
totally impossible.

790 What happens in the four-year period must be beneficial in terms of frontier fluidity, but there  
is no way of knowing scientifically whether it will result in greater economic activity or higher  
government revenues because we have no way of projecting or predicting how businesses and  
800 individuals will respond on either side of the Frontier to the new situation. The most probable  
result of a free-flowing frontier with no controls is that sections of our economy would gain  
customers and others would lose them as a result of frontier competition. This does not appear  
to be a matter of concern to the Chamber of Commerce, to judge from the recent remarks its  
president made about the impact of a no-deal situation.

805 Mr Speaker, moving forward, a new savings product will be launched by the Gibraltar Savings  
Bank, which will be an Economic Development Debenture with a 5% rate of interest, which is the  
current rate paid on debentures that are available only for the savings of pensioners. The new  
debenture will be open for investment by any person or company. It will have to be held until the  
810 redemption date and the interest will be paid monthly. However, they will be transferable for the  
balance of the fixed period and it will be possible to cash out savings by private arrangement, or

it may be possible to create a vehicle to provide trading, at a small fee. This is still under consideration.

795 The domestic aspect of the National Economic Plan involves co-operating with the private sector so that facilities are created that serve to enhance the potential of Gibraltar and meet some of its important needs in a manner that will be self-financing by including commercial aspects that will enable the investment to pay for itself. This is particularly important in the context of the requirement for restoring financial stability, which requires us to reduce the need for borrowing to finance recurrent expenditure in the provision of government services. Once the position is reached that the recurrent revenue covers or exceeds recurrent expenditure, the reduction of the net government debt to bring it down to the level provided in the manifesto will be the next challenge. In this context the opportunities for borrowing to finance capital projects which meet social or other needs but fail to provide revenue to be self-financing are going to be very limited.

800 In terms of inward investment, the new owners of Gibdock are doing an excellent job of increasing the volume of repairs and there has been an important level of works included for ships from the Royal Navy, which is very important to us in terms of the diversification of our economy, and, of course, because of the special relationship we have with the Navy, since but for them our nation would not exist. I am working very closely with the owners to relocate and upgrade their training centre, on which work will be starting soon.

805 The new direction for the economy needs to be given an impetus to compensate for the two years we have lost. This is something that can only come about by working in partnership with the private sector. The Ministry for Economic Development will, therefore, invite expression of interest for projects that would lead to greater self-sufficiency and increase our economic resilience. Such projects would become sponsored projects under the National Economic Plan, and the Gibraltar Savings Bank will be providing support, where needed, at rates of interest that are competitive but will still contribute to the profits and reserves of the Savings Bank. The invitations of expression of interest will be for projects in the areas of transport, logistics, storage and cold storage, recreation and leisure, and accommodation. These are the broad areas which would cover a multitude of individual projects all geared to futureproof our economy against difficulties with frontier fluidity. Needless to say, it will not necessarily protect us from the global threats that I have identified. The new Economic Development Debenture will ensure availability of funding. Also needless to say, wearing my other hat as Minister responsible for restoring financial stability, none of these initiatives will entail recurrent or capital costs to the Government and the initial investment and subsequent use of the facilities created will at some point start generating recurrent revenue for the Government, which at this stage it is not possible to quantify.

815 Mr Speaker, Members are aware that in October 2011 the labour market reflected in the Employment Survey Report consisted of 2,121 employers, of which 1,386 completed the questionnaire and reported providing 22,247 jobs, and 735 registered a nil return – that is they had no employees. In October 2018 the labour market reflected in the Employment Survey Report consisted of 2,711 employers, of which 824 made a nil return and 1,887 completed the questionnaire and reported providing 29,995 jobs. So from 2011 to 2018, on the basis of the Employment Survey returns from employers, there was a growth in active employers of 501 and in workers of 7,748. So at the start of the period the average size per employer was 16 workers, and seven years later it was still 16. The labour market figures up to 2018-19 therefore reflect the relationship of the workforce to the growth in the economy and the targets we set in those years.

835 In the 2019 election manifesto we clearly set out to obtain growth in output per worker rather than an ever-increasing expansion of the size of the labour market. To try to measure the impact of the new approach on economic policy, I am comparing the years since 2018-19 with the years before and up to 2018-19. That means in 2021-22 we look at changes from 2018-19 and compare them to changes from 2015-16 to 2018-19, two three-year periods, the second of which has not been very good in indicative data because of the COVID impact. This means we might need a longer period to assess the effect.

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From 2015 to 2018 there was an increase in the number of employers of 240, from 1,647 to 1,887, and the workforce grew by 3,851 from 26,144 to 29,995. From 2018 to 2021, the post-2019 three years, there was an increase in the number of employers of 122 – fewer employers – from 1,887 to 2,009, and the workforce grew by 408, from 29,995 to 30,403. So what we see by looking at the three years before and the three years after is that there is a lower growth of employers and a lower growth of employees.

From 2014 to 2018 there was an increase in the number of employers of 263, from 1,624 to 1,887, and the workforce grew by 5,573 from 24,422 to 29,995. In the same period, the frontier worker share of the labour market went up from 9,070 jobs to 13,654, an increase of 4,584. So, of the 5,573 jobs, 4,584 were frontier workers and 989 were resident workers. That is to say 82.3% of the increase was frontier workers and 17.7% of the increase was resident workers.

If we now look at the new policy and the more recent period, the post-2018 period, the four years from 2018 to 2022, there was an increase in the number of employers of 155, from 1,887 to 2,042, and the workforce grew by 1,155 – considerably less, one fifth of the previous figure – from 29,995 to 31,150. In the same period the frontier worker share of the labour market went up from 13,654 jobs to 14,150, an increase of 496. So, of the 1,155 increase, 496 were frontier workers and 659 were resident workers. That is 42.9% of the increase this time were frontier workers and 57.1% were resident workers. This is giving us the direction that we wanted in terms of an increase in resident workers and a lesser dependence. The maximum size of the working population that we targeted in the 2019 manifesto was 32,000. We do not want to grow beyond that, so at 31,150 for October 2022 we are within our target. This is in line with my expectations last year when I said, ‘The October 2021 Employment Survey records the number of jobs up by 887 to 30,403, which we do not expect to be breached even if there is further growth in 2022.’ Moreover, as the above analysis shows, although there has been an increase in frontier workers the ratio is substantially lower than was the case before and up to 2018. In the earlier period the increase was, as I have said, 5,573 with the majority being frontier workers, 82.3%, whereas in the four-year period to October 2022 the increase was 1,155 and the majority are resident workers, 57.1%, in line with our policy of sustainability and increase in per capita output. This is what we set out to do in the 2019 manifesto, to limit our dependency and increase our self-sufficiency to provide resilience to our economy. More needs to be done in terms of providing addition resilience.

The number of frontier workers did not increase in the first month of this financial year, based on the records of open contracts with the Employment Service. It was 15,388 at the close of the financial year 2022-23 – that is at the end of March – and at the same level at the close of April. However, the number of Spanish nationals out of this unchanged total went up by seven, from 10,344 to 10,351. This is a continuation of the trend that has been reflected in the nationality of the cross-border workforce since the financial year 2019-20, when the last General Election took place. In March 2019 the frontier workforce was 14,894. This is on employment records, not survey records, which produce different results. By March this year it had grown to 15,388, 484 more over the four-year period. However, in the same period the number of Spanish frontier workers went up from 9,296 to 10,340, an increase of 1,048. This means that the share of the frontier workforce of Spanish nationality went up at the expense of other nationalities, mainly EU, of which the biggest drop was in British frontier workers, whose number went down from 2,378 to 1,984, a drop of 394 British frontier workers.

Although the records of the Employment Service are likely to overstate the size of the workforce at any one time because of the delay and in some cases the failure of employers in registering terminations, they are nonetheless a useful indicator as to whether the workforce is shrinking or growing. Comparing March 2023 with March 2020, the start of COVID, the figure shows an increase in employers of 181, from 4,472 to 4,653, and of employees of 840, from 34,876 to 35,716.

In 2006 the GSD Government was defending the need for frontier workers by arguing that we had run out of Gibraltarians. In the Budget speech they provided the following incorrect

information to support their case and, as was normal, viciously attacked those who disagreed. I quote:

In 2005 the Gibraltarian population aged 15 and over totalled 18,500 of which 55 per cent were economically active. This stood at 61 per cent in October 2005. This is supported by the 2005 Employment Survey which shows that the number of jobs held by Gibraltarians increased from 9,154 in October 2001 to 9,870 in October 2005 – a rise of 7.8 per cent. Thus, employment within the economically active Gibraltarian population is estimated at 97 per cent, which is almost full and effective full employment. This makes it inevitable that the bulk of new jobs resulting from further economic growth will be taken by outsiders. Indeed, without importing labour, our economy simply cannot grow and could indeed stagnate over time. The Government therefore reject the economically misconceived, and I suspect and fear sometimes pseudo nationalistically and politically motivated used remarks that one hears from time to time, to the effect that there are ‘too many Spaniards employed in Gibraltar’. The Gibraltarian labour supply is effectively fully deployed already at around 9,900 people. The Gibraltarian labour supply is effectively fully deployed already at around 9,900 people.

895 It now stands, in October 2022, at 11,254 Gibraltarians. I hope that their time in opposition [inaudible] to discuss this nonsense.

This established the model for our economy based on ever-increasing reliance on frontier workers, which was continued after 2011 by us, although at the same time we took action to increase the number of Gibraltarians in employment by the initiation of the Future Job Strategy  
900 model, which in 2011 had been estimated by Mr Feetham would require an annual expenditure of £11 million, calculated by him in the 2011 election campaign, as he acknowledged was the case in his contribution in 2012 when he said:

Yes. The reason why I referred to the £11 million – and it is true it was my figure; I am glad that the hon. Gentleman

– meaning me –

recognises that it was an accurate figure, at the very least – [...] – was because, in the hon. Gentleman’s manifesto, he committed himself to employing 450 people who were on existing training schemes,

– which did not do much training –

those on sheltered employment, plus those on the unemployment list, which was 421. That is where the figure of 1,100 came from.

In other words, I was taking my cue from the promises that he made to the people of Gibraltar, which was to employ 1,100 people in a Government-owned company; hence, my arguments that you were on the road to ruining Gibraltar. But, look, what is it? Is it ruining Gibraltar to employ all these 1,100 people, or is it not ruining Gibraltar employing 1,100 people? Does he plan to allow these people onto the Future Job Strategy Scheme, or is he going to continue to break promises to the unemployed of Gibraltar because he is the socialist Minister for Employment?

905 The parent company EDEC and the subsidiary training companies introduced in 2012 continue to this day to provide this service and are doing a good job of it.

Post 2019 the new economic model, as far as our policy is concerned, can no longer be the ever-increasing reliance of cross border workers because the certainty of access that existed when we were part of the EU disappeared with Brexit and is not going to come back. I will remind  
910 Members that last year I pointed out that the direction of the global economy was changing in increasing localisation of resources and that in our case the labour force was the only resource to which this could be applied.

Mr Speaker, last year Mr Azopardi apparently chose to criticise me for the increase in Social Insurance contributions that had taken place the previous year, but failed to mention that last  
915 year the increase was 1% and that this year again it will be 1%, provision for which I made previously over the two years at the same time, repeating the same inaccurate accusation this year. This shows that he is selective in his treatment of issues because his contribution was not about the state of the nation. In fact, it was about the state of the GSD and the political reality that if he does not form government this year after the General Election he never will and the GSD

920 will get rid of him. Hence his attempted vote-catching attack on the Social Insurance 2021 rate increase delivered by him in 2022 and repeated again this year when he said:

The Social Insurance price hikes last year were penal. They hit business and eroded wages so that there were employees actually worse off, even after receiving a wage rise. That is how profound the Social Insurance hikes last year were. He will remember that the Chamber condemned those increases because they were done without consultation and highlighted, to quote from their press release at the time, 'the precarious state of the Government's finances in the wake of not only the COVID pandemic but also years of rampant recurrent and capital expenditure'. We agree. Those increases were against a backdrop of much lower inflation, and even then there were concerns on jobs, wages and business viability. The Social Insurance increases last year were from 20% to 107% at one brutal stroke. Voluntary contributions were increased by 142%. This meant around £1,100 to those taxpayers.

Well, Mr Speaker, I believe it is wrong to have a contributory system where workers subsidise the benefits of the self-employed and the voluntary contributors who get the same but pay less. I believe it is wrong. So he is against the Social Insurance increase, which he falsely claims mean  
925 that some individuals suffered a pay cut because the new insurance rate was more than their pay rise and therefore left them with a lower take-home pay than before. This is not true, but I do not suggest for one moment that the Member opposite was lying last year or again this year when he repeated the statement, because he probably believes it given his evident incomprehension in dealing with numbers. (*Interjection*) That is why he keeps on saying it is true, because he does not  
930 understand numbers.

**Hon. Chief Minister:** He does not understand numbers, that is the problem.

**Hon. Sir J J Bossano:** That is a problem.

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**Hon. Chief Minister:** He does not understand.

**Hon. Sir J J Bossano:** I will try to give him evening classes in numbers to bring him up to date. (*Interjections*)

940 There used to be a policy, when there were serious politicians on the opposite benches (*Laughter*) who believed the correct and prudential approach to Social Security should be to make it self-sufficient and self-financed, and that has been the case since the AACR set the system up in 1955 and it has been the policy of every Government since, but clearly would not be his. So if statutory benefits are increased then we have to increase contributions, which he is against, or  
945 we have to subsidise the funds from the surplus of recurrent revenue, which is barely there at an estimated £2.5 million for the current year up to next March and which they do not believe exists anyway. Or we have to incur additional recurrent borrowing to pay recurrent statutory benefits, which breaks the golden rule, which he says they support.

Let me also remind him that the statutory benefits also entail sending money out of the economy, which will therefore have a lower secondary impact, the so-called multiplier effect, because of the increasing element of former workers now living abroad, as the percentage of the total increase in numbers, which, as I told him last year, was, since 2011, 53% for overseas pensioners, compared to an increase in the same period of 34% in respect of resident pensioners, and the updated figures for this year since 2011 are 56% for non-resident and 39% for resident  
950 pensioners. In total numbers it has gone up from 8,794 pensioners in 2011 compared to a working population of 22,247, to 12,739 pensioners compared to 31,150 jobs in 2022.

The increases in Social Security contributions are not a matter for negotiation with the Chamber of Commerce or anyone else. They are what is required to meet the evaluation of statutory pensions and the increase in number of pensioners as a result of improvements in life  
960 expectancy, the effect that most countries now face with a longer life expectancy and that we expect will also be the case in Gibraltar when the results of last year's census becomes available.

965 In addition, the policy of the Government to introduce changes that will lead to both male and female pensioners being able to receive a statutory pension from 60 will have an impact. Equalisation of entitlement has not yet been introduced in the whole of Europe, but in all the countries that have done it, it has been brought in at the expense of the female contributors by increasing their the age of entitlement from their current age of 60. The UK, for example, is now paying pensions at 66 to both men and women, due to go up to 67 shortly, and already planning for, eventually, pensions being deferred until the age of 71 as population ageing and financial constraints affect the needs for funding.

970 The change of policy in Gibraltar cannot be put into effect without knowing the full cost implications. This depends on whether there is a deal with the EU on Schengen access and then seeing whether it contains elements that limit how we deliver the changes to the statutory benefits. Meanwhile, preparatory action is being taken in the Department of Social Security, which I am Minister for, to be able to move quickly at a later stage when it becomes possible. We need to be clear as and when it happens that the only way it can be funded is by increasing contributions payable by employed and self-employed persons, who in effect are giving up current taxable earnings to receive a future tax-free pension.

980 So, instead of accepting the reality that you cannot pay higher pensions to more people without raising the money from employers and employees, we can choose to make it a political football and pretend it is possible to deliver what employees expect at no cost. The position of the GSD in government was that there was no point in consulting business on charges that had to be increased because the reply was inevitably that they would be against it, and that is our position. As I pointed out two years ago, the increases in our rates still left us well below the maximum payments in the UK and other parts of Europe. The reforms that I am planning should mitigate part of this effect if we are able to do it this year, instead of in four years' time when the Schengen access would end, if it happens.

985 If the Chamber of Commerce in 2021 thought there was a link in the Social Insurance increase to the precarious state of government finances, then, by definition, not increasing the rate would have meant having to subsidise the fund and make the finances even more precarious. The cost of labour in Gibraltar is higher than in the hinterland and the cost of paying statutory benefit is part of that cost. The idea that the cost can be shifted away from the cost of the product that the labour produces and in which the labour is engaged is, by definition, asking for the state to provide a subsidy as if it had a source of money which would have no impact on economic activity. No such source exists, Mr Speaker.

995 Finally, I come to the environment. In the last two Budgets I have placed some emphasis on the progress, or lack of it, in dealing with climate change, on which nothing that we do in Gibraltar will have any impact; it is up to the big players to bring about the needed changes. Regrettably, this appears not to be happening, according to the most recent report last month. The latest and probably not the last word of warning from experts on climate change was delivered at the beginning of this month, following a meeting in June to prepare for this year's climate talks in November. The experts' consensus was that the target of keeping global warming to within 1.2°C is moving out of reach. Indeed, this week the global average temperature set new records on successive days. Monday was the highest ever and then that record was surpassed on Tuesday. The UN Secretary General has said that climate change is out of control, as an unofficial analysis of data showed that average world temperatures in the seven days to Wednesday were the hottest week on record. 'If we persist in delaying key measures that are needed, I think we are moving into a catastrophic situation, as the last two records in temperature demonstrate,' António Guterres said.

1010 Therefore, I do not mention it to suggest that our Budget experience can be pointed in a direction that will address the problem, because we cannot make a difference other than to show our commitment in acting to reduce the negative impact. However, I have also indicated that the answer lies, in my view, in changing our lifestyles from excessive consumption to necessary consumption. The roots of this malaise were created in the US consumer economy as early as the



1015 late 1950s to 1960, as I mentioned last year, and spread to Europe subsequently, eventually becoming a global phenomenon and now totally out of control, as predicted. There are small groups in different countries promoting reduced consumption but not enough to impact on the wasteful lifestyle of the so-called advanced economies which continue to be the model that the developing countries aspire to.

1020 The current state of the world economies still facing deglobalisation, stagflation and now recession will mean that for as long as this lasts the pace of climate change and pollution will be reduced, even if what is happening in Ukraine is adding to it. Nevertheless, it is clear that what the people want here and elsewhere is a continuation of the status quo, and therefore conventional wisdom will dictate that there are more votes to be had in promoting increased consumption than in persuading people to change their lifestyles and consume less. Our policy of moving from higher GDP per capita to higher GDP per worker is the only painless way to move in the right direction. It means we monitor and promote the output of the producers and not the consumption of the community.

1025 Thank you, Mr Speaker. *(Banging on desks)*

1030 **Hon. Chief Minister:** Mr Speaker, after that tour de force analysis, I move that the House should now adjourn to 5.30 this afternoon.

**Mr Speaker:** The House will now recess to 5.30 p.m.

*The House recessed at 1.29 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 5.30 p.m. – 9.16 p.m.**

**Gibraltar, Thursday, 13th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 5.30 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Mr Speaker:** The Hon. Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker.

5 First of all, may I commence my contribution on this Budget debate by saying how glad I am to see the Father of the House, Sir Joe, back in his seat, where he should be, and his contribution in person was greatly missed last year. (*Banging on desks*) And it is, of course, all the more gratifying for him being here to hear my reply. (*Interjection*)

10 Mr Speaker, the Chief Minister this week claims that his administration has not just restored financial stability in a year of continued deficit but he goes on to predict a £2½ million surplus for the financial year 2023-24. The fact of the matter is that he has achieved no such thing as financial stability as the increasing burden of debt and direct taxation and fees bites on the taxpayer. This wafer-thin £2½ million surplus, as the Leader of the Opposition has correctly identified, has been conjured up by simply underestimating expenditure and, at a meagre 0.35% of recurrent  
15 expenditure, can be wiped out in an instant. There is not much to boast about in this Estimates Book and the associated Appropriation Bill that sits on top of it. Indeed, it is not so much what is in this Book but what it not in this Book that is increasingly of concern.

GDP is a number that is bandied around perhaps far too often. In his statements on economic growth, the Chief Minister has waxed lyrical about GDP and conjured up all sorts of ratios to support his assertion that he has our public finances under control, but comparing Gibraltar to  
20 OECD countries, major nations, and indeed even the debt ratio of the United Kingdom, is an utter waste of time and complete nonsense in the context of an economy the size of Gibraltar. Sir Joe Bossano has made it abundantly clear that GDP does not necessarily translate into more revenue for the Government. In fact, he said the same thing this morning. Sir Joe chastised those who  
25 confuse economic performance with public finance performance. Perhaps the Chief Minister should listen to Sir Joe more. (**A Member:** Hear, hear.) I have never claimed to be an economist. I am only interested in cash in the bank and cash that is generated by the Government and how that has been spent in meeting our obligations.

Looking at the estimated outturn for expenditure, the total recurrent expenditure budgeted  
30 for 2022-23, i.e. the year just gone, was £682 million and the estimated outturn is £746 million. That is an incredible £64 million overspend. This overspend can be broken down as follows: £11 million in Consolidated Fund charges and £53 million in Consolidated Fund departmental expenditure. This is not what I would, at any stretch of the imagination, call restoring financial stability, even with the most generous interpretation. The majority of the overspend, or rather  
35 underbudget, in respect of the Consolidated Fund charges relates to pensions and public debt charges. I will speak about the public debt charges in more depth when I analyse the debt burden.

The overspend in the Consolidated Fund departmental expenditure is, in the main, as has been mentioned before, £25 million in the GHA and £27 million in utilities. Although the Chief Minister likes to describe the GHA expenditure as ‘demand led’, it is evident that the Government consistently underbudgets for GHA expenditure. In the last two years, actual expenditure has averaged £148 million and yet the estimate for next year, 2023-24, is set at £125 million, £23 million less. Just this would turn the Chief Minister’s notional £2½ million surplus estimate for 2023-24 into a £20 million deficit on just one department. Then it is perhaps a certainty that the GHA will come over the budget they set in the estimates. They have in the last two years. What is it that the Minister for Financial Stability has done so that they will spend £20 million less? I would love to hear. I do not think that is going to happen. I do not think we are going to have a £2½ million surplus, not based on these numbers. It is one thing to seek to control costs, but when it is evident that costs such as in healthcare are necessarily increasing due to demand, then it is imperative to set a realistic Budget rather than seek supplementary appropriations year after year.

Last year we heard that some £75 million had been shaved off departmental budgets even before estimates were presented to Parliament, which undermines the effectiveness of the Budget process if this Book is unrealistic. We heard Sir Joe say this morning it is just an estimate; it is not a promise, it is an estimate. Yes, but this Book is the basis for an Appropriation Bill, a Bill which will be turned into law, and that law sets the limit for spending for all departments, what they call the vote. No one is meant to spend more than the Appropriation Bill, which is based on this Book. This Book does not make sense if they are always going to have an overspend because this Book, frankly, does not do what it is meant to do. So what is the point of producing something that is unrealistic? Produce something that shows the true picture, and then we can collectively see what it is that we are actually facing. It is pointless to paint a picture – obviously not pointless in an election year, but it is pointless from the point of view of the process we are engaged in today, this week, which is to discuss the Budget and the Appropriation Bill – if the way this Book is put together does not present a realistic picture.

Sir Joe this morning chastised the Leader of the Opposition. He said he got it wrong. Well, Mr Speaker, I have to correct the record on behalf of my friend, the Leader of the Opposition, because he did not get it wrong, and I will explain why. But then again, neither did the Hon. Sir Joe Bossano get it wrong. What has happened is there are two different methods of calculation. Sir Joe did it one way, we have done it another way. The way we did it took it down to the agency level, which meant we captured the actual expenditure incurred and not that at the high level that he did. I have a reconciliation here, which I am happy to pass over to the hon. Member so that he can see how we arrived at our number. He claims it is an £18 million overspend and we claim it is a £35 million overspend. None of the hon. Members are wrong. It is just a question as to how you look at the numbers, and our interpretation of the numbers as presented by the Leader of the Opposition is obviously a different one to that which Sir Joe has arrived at. We obviously believe that our interpretation gives the fuller picture as to what happened in terms of expenditure last year. So, just to correct the record, that is the position and I have given him a full analysis as to how you can move from his figure of £18 million to our figure of £35 million. That, Mr Speaker, is just for the record.

**Chief Minister (Hon. F R Picardo):** Will you give way?

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**Hon. R M Clinton:** No. *(Interjection by Hon. Chief Minister)* No.

**Hon. Chief Minister:** Mr Speaker, he thought it was departmental expenditure.

**Hon. R M Clinton:** No, I am not giving way, Mr Speaker, I am on my feet. *(Interjection by Hon. Chief Minister)* I am on my feet, Mr Speaker. *(Interjection by Hon. Chief Minister)* I am on my feet.

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**Hon. Chief Minister:** *[Inaudible]* agency *[inaudible]* departmental expenditure.

**Hon. R M Clinton:** I am on my feet, Mr Speaker.

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**Hon. Chief Minister:** You are, and I am telling you –

**Hon. R M Clinton:** And I am telling you that I am on my feet!

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**Mr Speaker:** Let's calm down. Carry on. Let the Hon. Roy Clinton, continue.

**Hon. R M Clinton:** Thank you. (**Hon. Chief Minister:** Ridiculous!) Well, Mr Speaker, there is nothing more ridiculous than the Chief Minister. Anyway –

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**Hon. Chief Minister:** Thank you so much. You are so kind.

**Hon. R M Clinton:** I am, and I am going to be even kinder.

**Hon. Chief Minister:** I have no doubt.

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**Hon. R M Clinton:** And so, Mr Speaker, that resolves the apparent (*Interjection by Hon. Chief Minister*) difference between Sir Joe's interpretation and our view.

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Sir Joe also invited us to go to him with any waste: 'Please come to me and tell me where there is waste.' I do not remember the hon. Member joining me in saying, 'Where are the Principal Auditor's reports?' Those will identify waste if there is any. Where are they? I do not remember Sir Joe actually standing up and saying, 'I agree with the hon. Member, we should get the Principal Auditor's reports, because I want to see what the value for money audits are saying.' That is where he will get his waste. It is one thing for him to turn around to us on this side of the House and say, 'Come on, identify waste,' when we have not even got the Principal Auditor's reports. If he wants

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to identify waste, get hold of the reports. Their value for money audits are by definition identifying waste. So, Mr Speaker, as much as I would love to take up his invitation, the real people who should be helping us in this place are the Principal Auditor's reports and we have not had one since 2016. That is where he will find his waste.

On the revenue side, the estimated deficit for 2022-23 was £45 million and the outturn is expected to be a lower deficit of £15 million. Given the overspend of £64 million I have just described, the deficit really should have come in at £109 million. This was, however, offset by improved revenue receipts of £94 million, which therefore reduce the expected deficit for 2022-23 to £15 million. The revenue outturn level of £731 million for 2022-23 versus the estimate of £637 million, as Sir Joe has correctly stated this morning, sets a new recorded high, exceeding

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the last high water mark of £708 million set in 2018-19 before COVID hit our economy – I agree with Sir Joe that that is what we should be using as a benchmark – a level of revenue that Sir Joe, as he repeated this morning, in last year's Budget speech said he anticipated would take some time to get back to, and yet this year we have exceeded it.

The excess revenue is, in the main, in two areas: £69 million in income tax and £25 million in corporate tax. Given the 2% increase in PAYE announced in the 2022 Budget, of course it was expected that Government would naturally collect a higher level of income tax. However, in answer to Question 389/2022 as to how much additional revenue the 2% would raise, the Chief Minister stated the following:

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the Government expects to receive in the region of an additional £17.2 million.

I should emphasise that that is, of course, an estimate and is usually based on averages of people in those bands in previous years, and it may be exceeded or the amount may be lower, depending on income in respect of people in those bands during the course of this financial year for which they make a declaration – but usually the Income Tax Office makes estimations which turn out to be quite accurate.

135 Indeed, last year, using the information on page 56 of the 2021 Employment Survey, which  
gives the average distribution of earnings, I estimated that this could generate perhaps  
£16 million, at a guesstimate, which was not far off. I have updated those numbers this week using  
the recently tabled 2022 Employment Survey and I arrive at a number of £18 million, which is  
140 pretty much in the ballpark of the number the Chief Minister mentioned. But of course what could  
not have been anticipated in last year's estimates was the growth of the workforce by 747 jobs,  
to 31,150. Comparing the tables of distribution of average earnings, it would appear that most of  
these workers – and I stand to be corrected – seem to be in the higher income bands. This would,  
on average, have produced perhaps an extra £23 million in tax before applying the 2% tax  
increase. Taken together, this would perhaps explain £41 million of the additional income tax  
revenue that the Government received over and above the estimates. And given what the Hon.  
145 Mr Isola has said about the tax revenue received from gaming companies, I might venture to  
suggest that perhaps it is the gaming sector that has been the biggest contributor to this increase  
in income, but of course, comparing £69 million excess receipts in income tax to the £41 million I  
have calculated leaves £26 million, which is not an insignificant amount, and I would be grateful if  
in the Chief Minister's reply he could provide more granular information as to the reasons for this  
150 increase in income tax. It is important in determining the sustainability of the revenue projected  
for next year. But of course, if the Chief Minister thinks that such a task is too ridiculous to  
perform, it just reinforces my view that he is not fit to be Minister for Finance. *(Interjection by  
Hon. Chief Minister)* Well, Mr Speaker, if he can continue, from a sedentary position, making inane  
remarks, what can I say?

155 As regards corporate tax, *(Interjection by Hon. Chief Minister)* although this is naturally  
dependent on fluctuations in company profits I have noticed that in March 2023, just before the  
end of the financial year, there was a receipt in the order of some £20 million that was out of the  
normal sync or pattern of corporate tax payments. In this respect I did table questions on the  
receipt of state aid tax windfall settlements referenced by the Chief Minister in his Budget speech  
160 in 2019 and whether anything in that respect had been received. In addition, I have asked for the  
government companies that paid corporate tax in advance of March 2023. These questions are  
pertinent to this year's outturn and, of course, the sustainability of next year's Budget, and I would  
be grateful if the Chief Minister would address the increase in corporate tax receipts in March  
2023 in his reply, if he feels it is not beneath his dignity.

165 If Government revenue is, indeed, improving on a sustainable basis – and not on a windfall  
basis, on an ad hoc basis, on a we-got-lucky basis – that is, of course, welcome news, but it is of  
small consolation if expenditure is still out of control and unstable. Indeed, the Father of the  
House, Sir Joe Bossano, clearly said that the ratios and the growth of revenue ... I think he said a  
3.2% increase in revenue and a 20% increase in expenditure, and there was a need to restore the  
170 balance between revenue and expenditure, and he said there was still some way to go. That does  
not sound, to me, like we have achieved financial stability.

The elephant in the room is really the servicing and repayment of direct debt, and here I really  
have to take issue with the Chief Minister because he told a great story in his speech about the  
debt ceiling, and he keeps on repeating it because he loves it – his boast that somehow there was  
175 a great crisis when he came into government in 2011 and suddenly, 'Oh, my God, we're going to  
hit the debt ceiling! What are we going to do about it? It's a disaster!' He went on public television  
and said it was a disaster. He abolished that limit. He now boasts that we have massive headroom  
for extra borrowing, should we need it. What he has conveniently omitted to say is that the 2011  
limit was restricted to 80% of prior year recurrent revenue and would, once the latest revenue  
180 had been audited, have been increased. His Government then abolished the stricter limit for a  
higher limit of 40% of GDP, which today gives him this net public debt ceiling of over £1 billion. It  
is not magic. He cannot take credit for anything. All he has done is remove the limit and take the  
higher one, and now suddenly he is a genius. It is nonsense. It is complete sleight of hand. He is  
comparing apples with pears. He is saying, 'How terrible! You were about to breach the limit. It  
185 was awful.' So what does he do? He abolishes it. Easy. Much easier. It is the sort of misdirection I

190 have come to expect from this Government when they talk about public finances, because that is all they can do: misdirect. Using 40% of GDP is also less prudent. It does not take into account the Government's ability to repay. Sir Joe has already said, 'Forget GDP. It is not really our GDP, most of it is generated by cross-frontier workers. Do not talk about GDP. It does not translate into revenue for the Government. Forget it.' But the Chief Minister, because it sounds good, keeps on talking and talking and talking about GDP as if it makes a difference to our public revenue, when he knows it does not.

195 Since our Budget debate last year – coming back to the topic of debt – the Bank of England base rate has *quadrupled* – four times bigger. It has moved from 1.25% to 5% on 22nd June this year. As the UK seeks to tame inflation, the predictions are not good. The predictions are that the base rate might even reach 6.25%, if not even 7% or higher next year. This has profound implications for current and future budgetary estimates because, as much as Sir Joe likes to think it, it is actually not expected that interest rates will reduce quickly. The Governor of the Bank of England has gone on record and said, 'Look, guys, don't think these rates are going to come down quickly.' And if you read the *Financial Times* or any other financial paper, they will tell you that mortgage markets are already pricing in much higher rates and it is not looking good. The last time interest rates were at 5% was on 10th April 2008 – you can look it up on the Bank of England website – and that was just before the financial crisis, 15 years ago. We have had 15 years of ultra-low interest rates. Part of the overspend in the Consolidated Fund is in the area of public debt charges, which was £4.8 million over budget. Indeed, for next year, 2023-24, the public debt charge is due to increase from £31.2 million, as per this year's outturn, to £44.9 million, a 44% increase. Given what I have just said, we are going to have to accept that we are going to have to commit more of our money to interest payments, which of course is linked to our level of our direct debt.

200  
205  
210 In last year's Budget it was anticipated the Government would borrow only £50 million in the grand scheme of things. The outturn for 2022-23 shows that £75 million was borrowed, £25 million more than estimated. On this basis, and given the answers I have had to questions in Parliament, the borrowing under the UK sovereign guaranteed facility increased from £350 million in 2022 to £425 million as at 31st March 2023 – I am happy to be corrected if I am wrong. The  
215 Estimates Book shows that the Government is not expecting to borrow any further amounts in 2023-24 but intends to make provision for a small repayment of £½ million. We now know that the Chief Minister has stated that the Government is making a commitment to repay 10% of any surpluses toward the COVID debt. The £½ million is thus 10% of double the expected surplus of £2½ million. The Chief Minister mentions this 10% of surpluses in order to repay the COVID debt  
220 several times, but has he done the maths? The current borrowing under the UK guaranteed facility of £500 million is £425 million. Assuming straight-line amortisation – which means just divide one number by the other – over 25 years, we would need to repay £17 million a year, which at a 10% reserve rate of surpluses implies we would have to have surpluses of £170 million a year. I am sorry, but this is simply not credible. It is not credible and does nothing to support his argument  
225 that he has achieved anything as to any form of financial stability. It is not credible. We need a credible plan, but we are not hearing it from the Chief Minister.

**Hon. Chief Minister:** You are not listening.

230 **Hon. R M Clinton:** Really?

**Hon. Chief Minister:** No.

**Hon. R M Clinton:** No.

235

**Hon. Chief Minister:** You can't understand, which is why you are ridiculous.

240 **Hon. R M Clinton:** Yes, well, you are ridiculous. I am not going to take any lessons from you on how to divide numbers – because it is obvious from his speech, Mr Speaker, that he cannot divide numbers. *(Interjection)* But Mr Mena is not here to help him anymore.

**Hon. Chief Minister:** Not Mr Mena.

245 **Hon. R M Clinton:** Ah, sorry, Mr *[inaudible]*

**Hon. Chief Minister:** I think you are obsessed with him.

**Hon. R M Clinton:** No, I am not; I think you are. *(Laughter)*

250 Mr Speaker, his Budget speech does nothing to restore financial stability, and what is worse, despite having signalled last year in his Budget speech that he is looking for a 25- or 26-year rollover, the mere three-year rollover of this £500 million or appropriate facility on 3rd December 2023 up to 2026 is very worrying, as it has been on the cards for a long time. What we needed was a long-term facility and repayment terms as necessary to precisely restore financial stability. I am not convinced at all by the Chief Minister's argument that interest rates will be better in three  
255 years' time, so he can then negotiate a 22-year facility that will be better. But does he have a crystal ball? Can I please borrow it? We would both be rich men if he can predict with that accuracy what interest rates are going to be doing in three years' time. I am not even convinced that this new facility would not be at a floating rate or a higher rate. Who knows? But he is telling us that he thinks, in his judgement, in three years he will be able to do a better deal. I do not buy it and  
260 he has not been able to get a proper financing deal for this amount of money. Either there is something he is not telling us or the UK government simply does not want to give us anything more than three years' headroom, Mr Speaker.

265 **Hon. Chief Minister:** It is simply not true.

**Hon. R M Clinton:** I would be grateful if the Chief Minister could at least confirm that the facility is still for £500 million and that the Gibraltar Government will have the ability to draw down the remaining £75 million under the facility. That is something that we will need to know as and when we get into government. *(Interjection)* I do not want to get into government and find a note saying  
270 'Sorry, guys, there's no money left, we spent it all; there's nothing left.' *(Interjection and laughter)* That remaining facility of £75 million, even though we are only going to have it for three years – unless he has extended the facility, which it would also be nice to know ... Of course, the Chief Minister does not give us all the relevant information all the time.

275 Mr Speaker, it just gets worse. The analysis of the gross direct borrowing as at 31st March is as follows, and this is for the Government of Gibraltar, the only debt that the Chief Minister will recognise. He has government debentures on a fixed rate at 6%, which are held by the Savings Bank, of £247.7 million. He also has floating rate government debentures of £125 million, again held by the Savings Bank, which adds up to £372.7 million. If I am wrong, I am happy to be corrected but that is as per the last numbers that Sir Joe has provided me with. In addition to this,  
280 there is the existing RBS NatWest facility, which was for five years and I think expires in 2024. That is at a floating rate. That is Libor plus 0.875%. And then there is the big RBS NatWest UK guaranteed facility that expires on 3rd December this year, which is again a floating rate – Libor plus 0.35%, and then, depending on the level of borrowing, there is a usage fee to be added on top. That comes to a total direct debt of £872.7 million on a gross basis. What is significant is that  
285 of this £872.7 million, £625 million of it – £625 million of this £872.7 million debt, of our direct debt – represents 72% of our direct debt, and this is on a floating rate which will naturally increase with the Bank of England base rate.

By way of illustration, just so listeners can understand this, £625 million today would cost us, at 5%, £31.2 million in interest alone. A year ago, that would have cost us £7.8 million. Obviously,



290 as I have said, rates have quadrupled. Ironically, there are £125 million of five-year government  
debentures which have been issued to the Gibraltar Savings Bank that cost base plus, remarkably,  
3.05%, so at today's rate that is 8.05% that the Government is paying to the Savings Bank. This is  
surely something that the Government can address, as all it does is boost, unnecessarily, Sir Joe  
Bossano's reserves and drain the Consolidated Fund. What is the logic in that? The problem is that  
295 any new financing is no longer going to be cheap. Even the UK government is finding it hard to sell  
its government bonds or gilts, and its investors are now demanding higher and higher yields. Sir  
Joe Bossano will recognise this: the era of cheap money is over. It is over, Mr Speaker. We have  
had 15 years of cheap money. It is no longer going to be cheap, so 'let's wait three years' is really  
not going to help.

300 Each year, I try to quantify the indirect gross debt, being the moneys borrowed through  
companies, and this year I have the following list: the mortgage of the housing estates,  
£300 million; Credit Finance borrowing, £400 million; sale of the 50/50 affordable scheme,  
£165 million; and now, this year, I have added GSBA Ltd, £40 million and Gibraltar Properties Ltd,  
£70 million – that is a total of £110 million. The reason why I have added these is to reflect that  
305 the moneys borrowed by GSBA Ltd and Gibraltar Properties are being used (1) to fund Sir Joe's  
National Economic Plan, building the Rooke Nursing home, and Gibraltar Properties is using the  
money for purposes the Government simply will not tell me. Added to this is what we know about  
£53 million of the power station, £21 million of Gibraltar Car Parks and the walls ... I did have an  
old number of about £9 million on GCP Investments, which came to about £1058.60 million,  
310 rounded up to well over £1 billion of indirect debt. But the wonderful hospital deal the Chief  
Minister announced adds an extra £16.9 million to that in direct debt, being borrowing from the  
Gibraltar International Bank so that GCP Investments can purchase the Hospital. That has not gone  
through the books of the Government.

So the indirect gross debt ... And the reason we use gross debt for the indirect debt is because  
315 we simply do not know what the cash reserves of the companies are. The Father of the House, Sir  
Joe, knows that I ask every session what are the cash reserves, where are they, of the companies.  
He says, 'I am not prepared to tell you,' and I accept he says that, and I ask the same question and  
he gives me the same answer, but if I had the Principal Auditor's reports on time, I would be able  
to tell how much cash the government companies had, but of course the last information I had  
320 was for 2016. I have no way of knowing what the net debt might be, so I have to go on what I do  
know, which is the gross debt, regardless of what was said by Sir Peter or anybody else. So our  
gross indirect debt is well over £1 billion, and when you add that to our direct gross debt it comes  
to an incredible number, £1.9 billion. This is what the Chief Minister describes as financial stability,  
and it is the elephant in the room.

325 If this is not of sufficient concern, then consider how the Government's flagship National  
Economic Plan is being managed. The Government has no plan, or credible plan that I can see, to  
repay the direct debt, and we are in £1.9 billion of debt. I am not scaremongering. These are the  
numbers. I am happy to be disproved. Sir Joe will say, 'Oh, well, Credit Finance isn't borrowing.' I  
say I beg to differ, because when you drill down through Credit Finance, the £400 million, yes,  
330 there is maybe £4 million to Sunborn, £100 million in commutations, but that is technically  
borrowing, and there is something like £273 million which it says quite clearly is to a related party.  
'Related party' has to be government related. I have asked in this House who is this entity and  
how are they going to repay £273 million, and of course I now get the answer 'I am not telling  
you.' He is not telling me, Mr Speaker. But that is borrowing, I am sorry. And so that is where we  
335 are, and the Government has no plan.

The National Economic Plan has been a real brainteaser, I may say, if not a challenge. During  
the 2019 election campaign, Sir Joe Bossano sat right next to me in our live TV debate and said he  
was going to inject £500 million by way of investment into the Gibraltar economy and it was all  
part of his National Economic Plan. But after the election, in this place on 19th December 2019,  
340 when I asked the direct question about this £500 million, he said no, that the Government was  
going to be receiving £500 million from somebody was not the case and this was the impact on

the economy. By this he meant to say it would reflect a growth in GDP. It is now evident that the £500 million injection was to be financed all along by the Savings Bank. He can split hairs and say, 'Ah, yes, but it is not the Government.' Yes, I know it is not the Government, it is the Savings Bank.  
345 It is hard to describe how difficult it was to work out the structure that Sir Joe created to execute his National Economic Plan.

In July 2020 in this House we asked specifically who were the beneficial owners of Community Supplies and Services Ltd (CSS). This was the company that was applying for planning permission for the Rooke nursing home site. Sir Joe unhelpfully replied, 'I have told him I am not telling him,  
350 Mr Speaker. I think the answer is clear.' We have since learnt, from unravelling the structure, that CSS is part of Sir Joe's Economic Plan. It is owned by Community Initiatives Ltd, a registered charity with lawyers from Hassan's as directors, so he knew all along what this was about but he could not bring himself to tell us. I do not know why. The problem is that Sir Joe revealed in answers to questions on 22nd December 2022 that a Gibraltar Development Corporation entity called  
355 Gibraltar Community Projects is lending money to CSS for three years at 4% but it is ultimately funded by the Savings Bank, and he quoted a number of around £22 million in respect of the building of the Rooke site. In addition, GSBA Ltd, which is a subsidiary of the Savings Bank – which, incidentally, has never been audited – is providing the funding via intermediary companies that Sir Joe refuses to identify. He will not tell me. Indeed – and this is the best bit, Mr Speaker; I really  
360 cannot believe he actually said this, but it is all in *Hansard* – on 19th January 2023 Sir Joe said, about my questions on the financing structure of his National Economic Plan:

He needs to have a trail through the jungle – to get to where? To see if there is something that he can criticise the Government for. Well, criticise me for not providing the answer; it is faster.

'It is faster', Mr Speaker, 'He needs to have a trail through the jungle.' His words, not mine. And it is a jungle, it is a veritable jungle. It is the best jungle ever seen or that we will ever see in my lifetime. That he described his own structure to execute his National Economic Plan as a jungle is  
365 worrying and perhaps explains why no Member of his Government, not even the Chief Minister beside him, will dare answer any questions relating to his National Economic Plan, because it is a veritable jungle. (*Interjection*) When it comes to the management of the public purse, whether Savings Bank money or taxpayer money in the Consolidated Fund, all Ministers have the same responsibility to be transparent and accountable. The Economic Plan is neither. It is not  
370 transparent – using the Minister's own words, it is a jungle – and there is no accountability. There is nobody else who would dare answer any questions about it because they, I presume, do not know.

It gets worse because when we asked something which I thought was a simple question – and I know Sir Joe enjoys answering my simple questions, as I enjoy asking them – as to what was the  
375 rationale for building sheds at Eastern Beach, what was the great economic opportunity that was identified for building sheds at Eastern Beach ... It was beyond me, so I asked, and his answer was (*Interjection*) 'The profitability of the investment in storage facilities at Eastern Beach by the private not-for-profit company Community Supplies and Services is a matter for that company, as is what they have spent to date.' All I asked was what is the economic rationale and how much  
380 have they spent, and he said 'Nothing to do with me, ask Community Supplies and Services, which is owned by a private company and is a registered charity, so I am not going to say anything.' But he cannot have it both ways. He cannot have a National Economic Plan – and we have heard more about it this morning, about how he is going to be doing lots of wonderful things and sponsoring projects and all that – and not be accountable for what he is doing. It just goes against all the rules  
385 of public finance.

Recently, in an advert that just appeared in the *Chronicle*, a new entity appears, which I presume he knows nothing about because he knows nothing about the Eastern Beach sheds. A company called EBS Ltd appeared from nowhere, a subsidiary of CSS, asking people to register for interest for sheds at Eastern Beach. Sir Joe tells us it is nothing to do with him – and he confirms

390 from a sedentary position, yes, nothing to do with him – but he is financing it. (**Hon. Sir J J Bossano:**  
 So?) (*Laughter*) ‘So?’ he says. Mr Speaker, I am glad I had my heart operation last year and not  
 this year. ‘So?’ he said. He is willing to spend up to £700 million out of the Savings Bank funding  
 projects and he seriously expects us to believe that he has no knowledge as to what the money is  
 395 being used for, what profitability is or how is he going to get a return on his money? He cannot  
 have it both ways. This money in the Savings Bank will be not be government money is public  
 money, and he, as Minister for the Savings Bank, has responsibility for that, and having  
 responsibility for the Savings Bank he has a responsibility in this House to explain what he is doing  
 with it. The Savings Bank is not a commercial bank, it is not regulated by the FSC, and he knows it.

I do not understand the mystery. Why not just say, ‘This is what we are doing and this is why  
 400 we are doing it; we are going to make a packet of money and this is why?’ What is wrong with  
 that? Is it so difficult, or is it that he genuinely does not know, in which case we really do have a  
 problem if money is going out of the Savings Bank and he does not know what is happening with  
 it – which I refuse to believe. He knows what is happening with it. He knows how it is going through  
 a chain, a chain he will not describe to me. I do not know why, again, because he seems to think I  
 405 am just looking for reasons to criticise him, but all I am doing is trying to understand it, because  
 that is what I am here for. The people put me here, albeit in opposition, to hold the Government  
 to account. He is telling us, ‘Not telling you. Don’t care, not telling you.’ The electorate will form  
 their own view of that attitude, but it is not good enough in the 21st century, (**A Member:** Hear,  
 hear.) not good enough.

410 Mr Speaker, just when we thought the jungle could not get any worse, we come to the great  
 subject of the National Stadium, which Sir Joe proudly announced will be financed and funded by  
 the Savings Bank and to the tune or value of £100 million. We do not know which one it was, or  
 is, or is not. But then he tells this House he has had no sight of any business plans or financial  
 projections, nothing. I do not know what is actually going on. He – not me, he – was the one who  
 415 stood in the stadium and said, ‘I have a great announcement to make.’ The videos are there on  
 YouTube; he can look at them himself. ‘Why I am going to use money from the Savings Bank: I am  
 going to build this with your money.’ Ironically, despite my warnings over the years, people were  
 more worried about what he said than anything I have ever said. He is the one who destabilised  
 the Savings Bank, not me. It was his words that rattled people. (*Interjection*) Something clicked.  
 420 He said –

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and  
 the Gibraltar Savings Bank (Hon. Sir J J Bossano):** [*Inaudible*] why they destabilised the Savings  
 Bank.

425 **Hon. R M Clinton:** Well, it suddenly clicked in their minds: ‘He is going to use our money to  
 build a stadium,’ and they said, ‘Well, no, we don’t want him to use our money to build a stadium,  
 it’s our money.’ But of course, in his mind, no, it is the Savings Bank and he can do whatever he  
 wants with it. He is the one who said that, not me. He also went on GBC and explained the  
 430 wonderful plan. He was going to take security over the property and generate a wonderful return.  
 Nothing for people to worry about – it is great. Fine. We, both sides – well, everybody on the  
 Opposition – expressed our concern, interest, asked for more information, more details. Nothing  
 was forthcoming. And then, Mr Speaker – and it could not get any more bizarre – in what I can  
 only describe as a *Dallas* moment, for those of us old enough to remember *Dallas*, that great –

435 **Hon. Chief Minister:** The shower scene.

**Hon. R M Clinton:** Ah, the Chief Minister does remember it.

440 **Hon. Chief Minister:** The shower scene.

**Hon. R M Clinton:** Indeed. The great soap opera we all used to watch as kids. I do not know if Sir Joe ever watched it, but he probably did not have the time for it. *Dallas*, Mr Speaker. That great episode where in the shower scene, as the Chief Minister said, suddenly it was all a dream, it never happened. An entire season never happened. It was great. It was going to be the cheapest script ever written. ‘No, we cannot kill off the characters.’ ‘Okay, let’s put them back in. It never happened.’ The Chief Minister on public television on *Direct Democracy* said it was never the intention to fund the stadium with money from the Savings Bank. It was all a dream, a bad dream. This was a bad dream. It never happened. ‘Wake up, it never happened.’ And so it got more bizarre, and whether the Chief Minister said those words flippantly in the heat of an election or pende or coming election campaign, he rather inelegantly, I thought, threw Sir Joe Bossano under a political bus –

**Hon. Chief Minister:** What a bus!

**Hon. R M Clinton:** – a political bus which had, on the side of it, written ‘We will build your stadium with £100 million of your money from the Savings Bank’. He threw the hon. Gentleman under a bus. We never ever said that happened it is on the public record. And of course the Chief Minister did not utter those words in this place. He is entitled to his opinion outside this place, but Sir Joe knows the truth, we know the truth and the general public know the truth. Somebody stopped me down the street the other day and said, ‘Does he really think we’re that stupid?’ I shrugged my shoulders. What could I say? It was all a dream.

Mr Speaker, as I said in my opening address, I am now more worried about what is *not* in this Book, specifically the National Economic Plan because it has become this creature which is unaccountable. It is an unaccountable parallel government. It provides no proof of its activity, no proof of what economic value it is creating. And it is a matter of concern that Sir Joe intends to funnel and effectively borrow up to perhaps, and maybe even more, £500 million from the Savings Bank – and it is hard not to say this without laughing – through this ‘jungle’ Book structure that he has created, with no accountability. And then this morning he announces that he is going to be launching new debentures for his development plan debentures. He may as well call them jungle debentures – ‘Let’s go buy more of Joe’s jungle debentures,’ – because that is what they are. No one will know what he is doing with it because he does not provide any information. I trust he puts the appropriate health warning on them. I will, of course, be talking more about the Savings Bank later on, and his wonderful rainy day fund.

So, Mr Speaker – and Sir Joe may want to cover his ears at this point, but I am sure he knows it is coming – should we be elected into government, we will commit to completely dismantle and flatten his jungle. We will dismantle this structure which has been created to run Sir Joe’s National Economic Plan. (*Banging on desk*) It is an affront to good governance and undermines sound public finance principles, and we will not be channelling any more money to the structure. And so the directors of this entity should be put on notice because they may not be directors of a concern that is not going. Let them consider that in their plush offices. (*Interjection and laughter*) The public have the right to demand sound public finance principles, as ultimately it will not be Sir Joe, it will not be the Chief Minister, it will not be anybody on that side of the House, it will be the taxpayer that will foot the bill and pay the burden for their mistakes.

The burden of tax is slowly increasing on the ordinary PAYE worker and this is evidenced by the untailed 2% increase in tax last year. It was untailed. It was not targeted to the higher earners or anything; it was no, everybody pays 2%. In 2018-19 – the baseline which I agree with Sir Joe should be the one we should use – total revenue was £708 million, the record year before this year just gone by.

In percentage terms, Sir Joe has inflation-adjusted the numbers, which is perhaps the more scientific economic way to do things. I have taken a perhaps more basic approach, but it should generate the same result. In 2018-19 that £708 million was made up of income tax 25.7%, corporate tax 23.1%, import duty 24.5%; departmental fees 18.4% and other items 8.3%. The

estimates for 2023-24 are for revenue of £724 million. Interestingly, this will be made up of income  
495 tax receipts 34.5% – that compares to 25.7%; company tax 21.4%, compared to 23.1%; and,  
importantly, import duty 13%, which compares to 24.5% at the high water mark; departmental  
fees 21% compared to 18.4%; and others 10.1% compared to 8.3%.

On that simple analysis, the ordinary taxpayer is having to bear a higher burden of tax, which  
is really to offset a major loss in indirect tax, being import duty, which in the high water mark year,  
500 2018-19, was £173 million and for next year, 2023-24, is estimated to be 45% lower at £95 million.  
So combined with a continuous increase in departmental fees for all sorts of licences – road  
licences, dog licences, whichever licence you can think of – the burden of personal tax, both direct  
and indirect, is increasing.

I will be honest, Mr Speaker, it may be that this is the new reality we need to face, that  
collectively we have to adjust to until new sources of government revenue can be generated. The  
505 most obvious new ways to tax would be perhaps taxing property developers, given the massive  
scale and volume of luxury projects that will change the face of Gibraltar in the years to come, and  
forever, but if this personal burden cannot be avoided then it is incumbent on any responsible  
Government to lead by example and ensure that we do get value for money – a concept that  
510 Ministers simply fail to understand. They fail to understand it, Mr Speaker. Furthermore, any  
increases in taxation need to be properly debated and analysed before being passed into law. It is  
no longer good enough for the Chief Minister to stand up and say, ‘I am going to do this, I am  
going to do that, maybe I will do this. Maybe I will change my mind. Maybe I have got it wrong.’  
No, Mr Speaker, this House has a duty and an obligation to scrutinise and discuss any tax increases.

515 And so we come to the Budget measures. Last year we were treated to the most specular U-  
turn in budgetary history when the £25 a week – and, of course, when the Chief Minister says  
something per week or something per day, it is obviously a much bigger number; £25 a week is  
much more than the price of the *Chronicle* – was reversed within less than 24 hours of its  
announcement. It displayed a complete lack of thought, judgement and planning as to what might  
520 have been its potential effects on our economy, let alone the fairness of its application.

Then, after we debated the Appropriation Bill here and the Chief Minister had made his  
announcement in June/July last year, in August 2022, by way of Gazette Notice 231/2022, Sir Joe  
Bossano increased the cap on Social Insurance by 1% from August 2022 with a further 1% increase  
in July this year. This was not even mentioned during the Budget debate and what is even more  
525 surprising is that no mention was made that the employers’ contribution was being reduced from  
20% to 19% in the first year and then to 18% in the second year, while employee contributions  
stayed at 10% of earnings, albeit both capped. He said he had discussed it with the Chamber of  
Commerce and the Federation, although he said this morning, ‘No, I don’t discuss these things  
with them.’ He discussed it; he said so. It is a remarkably unsocialist measure. He reduced the  
530 employers’ –

**Hon. Sir J J Bossano:** Clearly a misunderstanding [*inaudible*]... honourable Member...  
[*Inaudible*]

535 **Hon. R M Clinton:** I will give way to the Member.

**Hon. Sir J J Bossano:** I informed them, Mr Speaker. I invited both the Chamber and the  
Federation to send somebody to see me and explained to them what I was doing and why, so they  
knew what was going to happen and, if necessary, they would inform their members. I did not  
540 negotiate with them, and that is what I said I do not do, which was the same thing that the GSD  
said in power – that they did not negotiate with the private sector about whether they agree to  
pay more, because nobody would agree to pay more.

545 **Hon. R M Clinton:** I am grateful for the Minister's clarification, but, Mr Speaker, he must agree with me that the employer element reduction was not given wide publicity. It was a remarkably unsocialist measure, but I have to accept it was business friendly.

550 We have repeatedly called for a Finance Bill to be introduced at Budget time. This would allow for proper consideration of measures and, indeed, for the timely enactment of changes. We have on our Agenda in this session Bills which enact measures dating back to the 2019 Budget, the 2016 Budget and the 2018 Budget. This needs to change. I am sure it is something we can agree on both sides of the House. It is nothing short of amateur. Let's have a Finance Bill.

555 This year's Budget measures that benefited the vulnerable and less well-off are, of course, welcomed, as the Leader of the Opposition has already indicated. On this side of the House, anything that supports the most vulnerable in our community, we will support. But given that I do not believe we are quite out of the financial woods on matching revenue and expenditure – what Sir Joe Bossano described this morning as the funding gap – I find that the Government's decision to halve the 2% increase in PAYE for those earning below £100,000 perhaps surprising. A more generous cost of living targeted measure for those earning below average earnings of £34,000 would perhaps have made more fiscal and social policy sense.

560 But the most surprising Budget measure announced was, of course, the tax-free non-consolidated lump sum cost of living assistance payment in respect of public sector workers, which varied from £1,200 to £900 to £600, staggered depending on income bracket, to be paid at the end of September 2023 and costing, by the Chief Minister's reckoning, £6½ million. He then says, in the same breath, 'and I have asked Ministers to find half a million pounds' saving each, to be able to pay for this'. The Estimates Book says 'Draft' at the top of it, so why doesn't he put it in? Why hasn't he put it in and said, 'Mr Speaker, I have a late amendment, I want to put this in'? But no, Mr Speaker, he cannot do that because that is £6½ million off the bottom line if he cannot find half a million pounds' worth of savings from his other Ministers. So his £2½ million surplus is already a £4 million loss and that is before he has even approved the Estimates of Expenditure.

570 The average salary in Gibraltar is £34,000 and yet this lump sum, albeit staggered, is to be paid to workers earning up to £100,000. It would also appear from the Chief Minister's statement – and this affects us in this House, Mr Speaker – at line 739, that this lump sum is to be paid to certain Members of Parliament. *(Interjection)* Well, I do not have an occupational pension and I have no alternative employment. I would respectfully remind the Chief Minister that MPs are not public sector workers – *(Interjection)* exactly – and cannot be entitled to such a random lump sum payment. *(Interjection)* Yes, MPs are paid an allowance and the variation of this was the subject of recommendations by the Canepa Commission, of which he is so fond, specifically recommendation 12. Indeed, it would say little of us in this place, of leading by example, if such arbitrary payments were made to MPs. So just put 'This will not be applicable to MPs.' But it is not. There is no need even to reference it, other than by clarification that we are not going to pay ourselves a lump sum, and if he is willing to do that, great, he certainly has my support to put that full stop in.

585 **Hon. Chief Minister:** I am *[inaudible]* not paying ourselves.

590 **Hon. R M Clinton:** Good. Mr Speaker, the definition of the public sector as per the Employment Survey is as follows: 'all government departments, statutory authorities and agencies financed by the Gibraltar Government and wholly owned government companies'. That is the definition of the public sector. It is not the Gibraltar Parliament and certainly not MPs. I hope that will clarify any misunderstanding.

Private sector employees have rightly raised an eyebrow at this measure. It is not a universal cost of living benefit scheme to those most in need, as operated by the UK government, and this is despite the Chief Minister putting his one-liner in his Budget speech. He asserts:

The objective is to use public money to help those on the lowest incomes ...

I did not know anything above £50,000 was considered a low income. At first blush, a less  
595 generous interpretation is that it is a straightforward pre-election giveaway, even though it would  
destroy his projected £2½ million surplus for next year, and by definition, as Sir Joe will  
understand, will force the Government to borrow more if he cannot identify equivalent savings  
that will cover those costs in these still draft Estimates.

And then the Government explicitly states that it will not cross the red line of borrowing to  
600 fund public sector pay. It will not borrow to fund public sector pay. Shortly after the Chief  
Minister's speech, Unite issued a statement: 'Negotiations with the Government on a pay solution  
have been lengthy and very detailed, with commitments provided around consolidated pay  
increases for 2024-25. The outcome of the pay negotiations will be subject to a public sector wide  
605 ballot of Unite members as to whether these proposals are acceptable.' It all suddenly seems to  
make sense, because we have since seen this bulletin which was issued by Unite. This bulletin  
from the Unite Public Sector Working Group recommends accepting an offer, and this offer is an  
increase of consolidated basic salary for 2024-2025, and it reads remarkably like the lump sum  
socialist system's payment this year. Basic salary earners up to £50,000 will receive £1,200, basic  
610 salary earners between £50,000 and £75,000 will receive £900, basic salary earners between  
£75,000 and £100,000 will receive £600 and basic salary earners over £100,000 will not receive an  
increase.

In the context of what is a complex and global pay negotiation with Unite as outlined above,  
which is with an objective to consolidate these amounts into a pay settlement, the Budget  
measure the Chief Minister announced takes on a whole new light. This is not a one-off lump sum  
615 assistance to help the lowest income earners in the public sector; no, this was an upfront payment  
at the end of September, probably as a good-faith measure and saying, 'If we get re-elected, we  
will do the second part.' But he did not say anything in his Budget speech about this. He did not  
say a word. He will probably say in his reply, 'Ah, yes, well, Mr Speaker, this was a complex  
negotiation. We have not necessarily accepted it, they have not gone to ballot, and, besides which,  
620 technically it is 2024-25 and therefore is not part of this debate.' And probably, technically, he will  
be right, but in the context of his lump sum social assistance payment this year, without this  
second piece of information, apart from looking odd, it is incomplete because he should have told  
us what the full picture is – 'I am putting this on the table now. I am going to suggest this for the  
year after, but it is subject to ballot' – and we would have perhaps said, 'Okay, if that is the  
625 Government's position.' It, kind of, then makes sense, but without the second bit of information  
the whole thing looks lopsided. Social assistance payments to somebody on between £50,000 and  
£75,000 and £75,000 and £100,000? Seriously? I do not get it. With this, it does kind of make  
sense, but they are not giving us the full picture, and they never do give us the full picture because  
they are used to it.

Of course, this now explains these rather bizarre lump sum payments which have been  
630 presented across such a wide pay scale in the public sector, which is obviously a teaser for this  
settlement. This settlement will incur recurrent expenditure because it will be a consolidated pay  
increase. It will be consolidated into their salaries – not a non-consolidated one-off lump sum  
payment, it will be consolidated – and that will increase recurrent expenditure, which Sir Joe this  
635 morning warned about and has been warning for the last few years is a problem. So this is the  
Chief Minister's financial stability. It is great.

As regards the private sector, I really do regret to see there is not much in the way of relief,  
other than the elimination of a few token fees and perhaps a little bit more latitude on certain  
items.

To ask taxpayers, as I have indicated, to shoulder what will be a higher tax burden is, of course,  
640 a big ask at any time, but it must be met with a commitment to complete transparency and  
accountability on the part of Government. This Government fails to meet even the basic standards  
of transparency and accountability, and that is ignoring the vagaries of the much-famed National  
Economic Plan.

645 I have complained for years as to the lack of reports from the Principal Auditor on the  
 Government's finances. First we were led to believe it was due to outstanding supplementary  
 appropriations. This problem was cured – three years' worth – on 26th July 2021, and now we are  
 told there are adjustments required before finalisation. The last report we had in this House from  
 the Principal Auditor was for the financial year ended 31st March 2016. That is even before the  
 650 composition of this Parliament in 2019. I am beginning to doubt whether we will ever receive any  
 reports, given the short remaining life of this Parliament. And even if they are received for 2017  
 and 2018, they will be five years old and all the issues that may be identified – all waste issues  
 that the Father of the House is so interested in, any value for money issues – will have become  
 irrelevant and obsolete. How is the Minister for Financial Stability expected to do his work if he  
 655 gets no reports, if this Parliament gets no reports?

We have something broken, something is not working, something is seriously wrong and it  
 prevents the Opposition from being able to hold the Government to account. **(A Member:** Hear,  
 hear.) We cannot do it without reports. He expects us to tell him, to identify waste. We do not  
 have access to the books of the Government. We cannot go in and audit them. I would love to – I  
 660 would do it for free – but I have not that ability, so we rely on the Principal Auditor. We do not  
 have any reports, so go figure. How am I going to tell him, 'Look at page 222 of the Principal  
 Auditor's report: this department is doing this'? I do not have access to the information – he has,  
 I do not. He is the Minister for Financial Stability. Why hasn't he asked for these reports to be  
 produced? And so, Mr Speaker, it is all not working.

665 And then Sir Joe, who at one point used to enjoy sending out glossy booklets for the Savings  
 Bank, although not the investment analysis, will not even gazette the audited accounts of the  
 Savings Bank. He gets audited accounts; he gets them separate to the Government's own  
 accounts. He has them but he will not gazette them until the Principal Auditor does his overall  
 report – which he accepts from a sedentary position by nodding his head. But this is nonsense.  
 670 What is the big secret? Why can't he just do it?

Why does it matter? It is about transparency. The problem is if everything is fine and there is  
 nothing to hide, well, just publish. The problem about not publishing is people then say, 'Why  
 hasn't he published? What's the problem? Is he actually hiding anything?' We do not know. We  
 do not get any audit reports. They are produced, they are there, he has them on his desk but he  
 675 will not publish. There is no reason why he should not publish them. I invite him to publish them.  
 He has told us this morning he has £1.5 billion of deposits and yet the audit reports he will not  
 publish, he will not gazette, as he is required to do in the soonest possible time, or whatever words  
 are in the Savings Bank Act. This is nonsense.

And then we go to the other topic, the Government's record on filing its corporate accounts.  
 680 It has worsened since last year, I regret to say. In answer to questions on 15th March 2023, Sir Joe  
 answered that there were 41 companies that were overdue in their filings at Companies House  
 and these had now accrued penalties amounting to £20,350. And then, in addition, there are nine  
 companies that have never been audited since incorporation. These include, in terms of late filing,  
 companies such as Gibraltar Joinery and Building Services Ltd and the National Mint. They are  
 685 overdue on filing the accounts. The National Mint, which produces coins every other week that  
 we see in the Gazette and which Sir Joe claims is making fabulous profits, has never even been  
 audited. I am astounded, Mr Speaker. How can the National Mint never have been audited?  
*(Interjection by Hon. Sir J J Bossano)* Yes. *(Interjection by Hon. Sir J J Bossano)* No, maybe it was  
*[inaudible]* Okay, fine, I understand. *(Interjection)* I can lump it, that is fine. *(Interjection)* Yes, I will  
 690 lump it. Why not? That compares to the position as at 31st March 2022, when 26 companies were  
 overdue in their filings and a further 12 had not been audited since incorporation, a minor  
 improvement on the not since incorporation, but this is really an unsatisfactory situation and one  
 that should have been resolved by now. This new dawn Government has been in place, as they  
 claim, since 2011. They have had sufficient time, more than sufficient time.



695 The Chief Minister claims he needs no lessons on value for money from us because he is the expert and he has a Minister for Financial Stability. So where is our Public Accounts Committee, I ask.

**Hon. Sir J J Bossano:** That has nothing to do with this.

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**Hon. R M Clinton:** No, nothing to do with it. A Public Accounts Committee does scrutinise how public money is spent and whether it is spent effectively, efficiently and economically. We are an embarrassment. We are the only UK Overseas Territory not to have such a scrutiny committee, and the Hon. the Father of the House knows this because he has been to the conferences with me. St Helena has one, the Falklands have one. (**Hon. Sir J J Bossano:** Ridiculous.) Yes, he says it is ridiculous. Well, I disagree with him and we agree to disagree, but it does serve a purpose.

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Mr Speaker, I wanted to turn to the comments from the Hon. Minister Mr Isola, but unfortunately I see he is not in the Chamber. He takes us back more than a quarter of a century to 1996. He says, 'Well, you should have done it, and you didn't.' Well, look, Mr Speaker, I was not in government in 1996. And then I started thinking, well, where was I in 1996? Where was I? And then I remembered. Yes, I remembered that day, that very day. I was in the John Mackintosh Hall when they lost the elections, and the look on their faces was priceless. It was priceless. They did not think they would ever be booted out. They thought they were going to be there forever. Well, the electorate thought differently. After the count, we had a walk, collectively, down Main Street. I can tell you, hand on heart, Mr Speaker, it felt like the liberation of Gibraltar. (*Interjection*) Yes, it did. There were people cheering us from the windows. (*Interjection by Hon. Chief Minister and laughter*) Yes, well, good for that. There were people cheering us from the windows because they were liberated. They were liberated from the tyranny of the GSLP Government. (*Interjection*) Yes, the tyranny. (*Interjections*)

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The Minister Mr Isola – (*Interjections*) Oh, they have woken up, Mr Speaker. I am glad to hear it. The Minister Mr Isola went on to say, 'Well, where were you?' and I said, 'Well, what happened in 1996?' He has to go back a quarter of a century to come up with points. He then says, 'Well, what about public accountability? What about ...?' (*Interjection by Hon. Sir J J Bossano*) Where is his commitment to the Public Accounts Committee? The first thing I did when I came into this House was to present a motion to set up a Public Accounts Committee. He says we are not collegiate. I say I try to be. I put in a motion of Public Accounts Committee made up of Members of both sides of the House. But no, they do not want one. They voted against it. (**Hon. Sir J J Bossano:** Yes.) Yes, Sir Joe says. He acknowledges that, and so did Mr Isola. He voted against it. So he has the audacity to criticise us for something 25 years ago that he will not commit to today. He will not do it today. We commit to do it and –

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**Hon. Sir J J Bossano:** Well, do it on your own.

**Hon. R M Clinton:** Yes, Mr Speaker, he says do it on your own. This sums it all up. They are not interested. They are in power. That is what they want, raw power. They do not want to be held accountable in this House. (*Interjection*) They do not want to know. They want to sit there, pontificate, do whatever they want and rule by decree. That is what they want. They do not want to come in here and answer questions. It is beneath them. It is too much trouble for them. (*Interjection*) Yes, but – (*Interjection*) Oh, yes, the new dawn. I forgot. But that is the irony of Mr Isola's comment. He tries to score political points when he himself will not commit to undertaking that same measure. And not only that, even if we did get into government and we did implement a Westminster-style Public Accounts Committee, the Father of the House is on record that they will not participate. Well, fine, do not participate. We will find other people who will do it.

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**Hon. Chief Minister:** You cannot do anything.

**Hon. R M Clinton:** If we legislate, we can do what the hell we want, the same as you do.

**Hon. Chief Minister:** Well, then it is not a Public Accounts Committee of the House.

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**Hon. R M Clinton:** We will be. It will be something else. But if you do not want to participate, you are not doing your jobs. Maybe we will deduct it from your salaries if you do not want to attend the Public Accounts Committee. *(Interjection by Hon. Chief Minister)* Good, yes, because you are earning enough, you do not need the money. Why don't you let people who actually care stand for election?

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**Hon. Chief Minister:** People who care.

**Hon. R M Clinton:** No, not the people you put forward; the people who care, who want to see social justice done in this place and not just this excuse for a Government.

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**Hon. Chief Minister:** Of your tiny, tiny, tiny brain.

**Hon. R M Clinton:** Well, Mr Speaker –

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**Mr Speaker:** I think hon. Members need to pipe down somewhat. Let us continue listening to what the Hon. Roy Clinton has to say.

**Hon. R M Clinton:** Thank you, Mr Speaker.

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**Hon. D A Feetham:** You are being effective, Roy.

**A Member:** Absolutely.

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**A Member:** Hear, hear. *(Banging on desks)*

**Hon. R M Clinton:** But I haven't even got warmed up yet, Mr Speaker. *(Laughter and interjection)*

I was impressed with the Chief Minister's quotes from Shakespeare. I did not know he had such a depth to him. He has surprising depths. Dick the Butcher, *Henry VI, Part Two, Act 4, Scene 2*: 'the first thing we do, let's kill all the lawyers'. Dick the Butcher may find that he has a lot of sympathisers in Gibraltar at the moment, I regret to say. I will reserve my own judgement. But of course, being an accountant, I do not have to fear the mob.

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I was struck and a bit flabbergasted, to be honest, at Mr Isola's comments about the negotiating ability of the Chief Minister. The hon. Member Mr Isola will know I have great respect for him, although he is not here today, as a lawyer and a financial services practitioner, but to suggest that somehow his ability to have photographs taken at No. 10 is some great boon to diplomacy is stretching the imagination. I know he and Boris went to Oxford. Maybe it is some old-school-tie tradition where they meet every so often and have their photographs taken.

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*(Interjections)* Well, I think Liz Truss went to Oxford, too. **(Hon. A Member:** David, too.) Well, there you go, it is a club, yes, it is an old school club, Mr Speaker. And so he shared that in common with Boris Johnson. They both went to Oxford. Great. So what? Does Mr Isola seriously suggest that somehow this is something that we should be in awe of, that we in this place should somehow kiss the Chief Minister's feet because he managed to get his feet across the doorstep of No. 10? Seriously?

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It got worse. This fawning adoration of the Chief Minister by Mr Isola, who is more than the Chief Minister's equal, was somehow nauseating. His worship of the new dawn false prophet, the sun god of the new dawn, which Mr Isola could not find enough words to describe in his adulation

of the Chief Minister. I just found it a bit, perhaps, over the top, and I would commend the Chief Minister to read *Julius Caesar*:

Yond Cassius has a lean and hungry look,

It strikes me as Mr Isola. (*Interjections*) I could quote Shakespeare ad nauseam, but I am not going to. And so, Mr Speaker, Mr Isola's contribution, frankly, was vacuous.

In his Budget, the Chief Minister claims to have spent £160 million on schools. Last time I heard, it was £100 million. Again, it is only rumoured, because I have no way of verifying it. So where is the £160 million in the schools? Where do I find it? Is it here? What number is it? Oh, no, it is not here, Mr Speaker. Nothing in the Book, nothing. They all just miraculously appeared. So where was the transparency and the accountability on this? How do we know those were value for money projects? Were they just rushed jobs at any expense to meet electoral cycles and pretty political pictures? How do we know? He keeps on saying, 'Oh, well, there's the Airport.' Yes, because the Airport was in the Book. He could look at it; it was transparent, it was accountable. Where is the transparency and accountability on the schools? Where is it? Why couldn't he put it in the Book? Was it so difficult? Is it beyond his reasoning or rationale? What is the reason? It is daft.

This is not what we are here to do. This is the Parliament of the people. We are meant to be holding the Government to account. The Government does not want to be held to account. (**A Member:** Hear, hear.) (*Interjection*) So where is the money going to come from to cover the £30 million increased cost of housing construction that the Government says it will absorb? How generous, but where is the money coming from? There is nothing in the Book. Where is it coming from? He has a £2½ million surplus next year. Is that in the Book? No, it is not in the Book. Is it really a surplus? No. This Book is just a waste of paper. And so we have a Government that is asking the taxpayer to bear a bigger burden, year on year, as time goes on, but they fail to provide transparency and accountability at even the most basic level. Sir Joe will not even publish the Savings Bank accounts. It is no wonder the public trust in this Government is evaporating, and it is all of their own doing.

The COVID-19 Response Fund is something that was very important for Gibraltar. In May this year the World Health Organization declared that the COVID-19 global health emergency was over. It has been – and this is perhaps an understatement – a difficult three years in more ways than just financial, but I will be dealing with the financial aspect, Mr Speaker.

At this point I note and reciprocate the thanks of the Chief Minister as regards the modest input I was invited to give at the height of the COVID crisis. I say this genuinely: I sincerely believe that when the history books are written about this very difficult period for our community, it will be described as our finest hour as a community. We did what had to be done and we pulled together. It could have been worse. I do not deny the words the Chief Minister quoted me as saying on 20th March 2020 because we were staring into the abyss and confronting our mortality. It was a scary time. None of us knew what was coming round the corner in terms of potential mortality. I did say – and I stand by what I said – and I quote myself, that 'we need to do what is necessary and we will work out later on how we pay for what we need to do', in pretty much the same way all governments round the world did. However, that did not mean a blank cheque with no accountability, and I am glad that the rules and regulations for the operation of the COVID-19 Response Fund were agreed between us to ensure safeguards were in place. I remember the meeting at No. 6. These rules required the Financial Secretary to sign off on all the expenses booked to the fund and that these would be audited in due course by the Principal Auditor. This, of course, resulted in increased levels of direct debt, which were generously supported by the UK government, but I have to say that they are dwarfed by the indirect debt previously accumulated by this Government. In fact, if I remember correctly, he is on record as saying, 'Thank God I didn't take Mr Clinton's advice to put the tax on the books.' It is debt.

850 It is apparent from the quarterly gazettes of the movements on the COVID-19 Response Fund that there has been no new charge to the fund since September 2022. The position at 31st March 2023, which appeared in Legal Notice 132/2023, indicates that the fund is to be set to zero and that the balance as per the Gazette – the number may have slightly changed – of £2,702,350.91, which represents mainly donations, is to be transferred to the Government Trust Fund. As a technicality, I look forward to the Chief Minister formally declaring this sub fund to be closed as having met its purpose under Rule 6 of the regulations gazetted on 18th May 2020.

855 I note that the Chief Minister's Budget address stated that the donations transferred to the Trust Fund will be used in, I quote, 'a significant overhaul of the entrance to the Hospital' and will include meeting spaces and a mezzanine administration floor for the Hospital ... blah, blah, blah. Mr Speaker, I imagine that those who, in good faith, made those donations thought they were going towards urgently required life-saving equipment such as ventilators and not what can only be described as a building project. I would respectfully suggest that the Government consult with  
860 the donors, if it has not already done so, as to what their wishes might be as to how this money should be applied within the GHA given the current circumstances.

This sub fund served a valuable purpose. It allowed us to record and track with some accuracy the financial costs of the COVID-19 pandemic. The final cost booked to the fund was £406 million, but this was made up of £311 million of lost government revenue, £90 million of direct costs and  
865 £5 million of capital expenditure. The actual cost of the employment support BEAT measures came to a total, across more than one year, of £32 million, which is recorded within the £90 million of direct costs.

The COVID-19 Response Fund was, of course, financed mainly by way of loans, but it is important for the public to realise that 77% of the £406 million was in order to cover lost  
870 government revenue rather than actual expenditure, which was £95 million. The amount that actually was used in practical terms was £95 million. Under the regulations creating the sub fund, the Principal Auditor is required to audit the sub fund and I look forward to his report in due course, and it is important that this exercise is done as soon as possible so that we can get some comfort that all the equipment bought was bought, albeit under difficult circumstances, under  
875 the best value for money possible. As we know from reading the UK press, there has been consistent criticism of contracts that were given for personal protection equipment etc., and so it is important that this fund is audited sooner rather than later.

Mr Speaker, I move to the rainy day funds, because it has not rained enough. The Savings Bank reserves belong to the Government and thus the people. The Chief Minister boasts that it has  
880 £67.5 million of reserves, and yet Sir Joe Bossano will not deploy this so-called rainy day fund until the day of judgement is upon us – and he agrees – but he then cannot call it a rainy day fund. If we are not going to use it when it is raining, (*Interjection*) when are we going to use it? What is the point? Whether it has £1 or £50 million of reserves, it is nothing to boast about; it is just another pocket of the Government. And most of its returns, as Sir Joe will acknowledge, come  
885 from Government activity. Sir Joe is not an investment guru. The returns are mostly manufactured from other government entities, such as, for example, the £125 million borrowing which pays through its nose.

He made a very interesting point, Sir Joe, this morning, when he talked about the 10% margin, some very interesting points, because he said, 'I am keeping them there because I am now no  
890 longer keeping it in near cash or cash, and therefore there is a risk of capital losses.' That is what he is saying. He is saying there is a risk of capital losses. Therefore, he is keeping a reserve.

**Hon. Sir J J Bossano:** Mr Speaker, if the hon. Member –

895 **Hon. R M Clinton:** I will give way.

**Hon. Sir J J Bossano:** That is not what I was saying. I was saying the argument that they use ... and I quoted the backbencher former Chief Minister explaining that, as far as they were

concerned, there was now a risk which justified ... a theoretical risk. He explained why he removed  
900 it, which is not the explanation that they gave, that he was the person who did it, and in fact what  
I did was quote what he said, that it was justified to be backed because there was a theoretical  
risk if it was not all in cash – which I do not agree with anyway because the money, when it was  
all in cash, was invested on the London Stock Exchange, so I think there was the same risk. But I  
was telling them that the arguments that they used were in conflict with what the person who did  
905 it was saying in this Parliament, not me.

**Hon. R M Clinton:** Mr Speaker, that may or may not be so. I do not doubt the Member, and we  
can obviously all go back and check the record, but he did say, 'I am thinking of reintroducing that  
rule.' (**Hon. Sir J J Bossano:** Yes.) He acknowledges that. But then, if he is going to reintroduce that  
910 rule, he cannot call it a rainy day fund because he will not have access to it by law, because he will  
be required to keep 10% in the Savings Bank. Therefore, to say, 'Well, hey, it's my rainy day fund ...'  
If he puts that law in, he is not going to be able to touch it. It is as simple as that. If he says he  
wants to keep 10% of £1.5 billion, he is never going to be able to touch it, not for at least another ...  
I do not know what rate of profit he is projecting, but at least not for another five or 10 years  
915 before he would be able to take any money out. It is because he calls it a rainy day fund that I said  
last year, 'Look, as far as I can tell, and I am not a meteorologist, it's pretty much monsoon  
weather.'

**Hon. Sir J J Bossano:** The monsoon is still to come.  
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**Hon. R M Clinton:** Sir Joe says the monsoon is still to come, but –

**Hon. Member:** The rainy day fund.

**Hon. R M Clinton:** Yes, but we cannot touch the rainy day fund. Maybe we should all go out  
925 and buy umbrellas, because we are not going be able to touch the rainy day fund.

And so it is a bit nonsensical, Sir Joe's approach to the Savings Bank, and given what he is talking  
about already ... He talked about some new debenture for his development projects, or whatever  
he called it; I cannot remember the exact words he used. (**Hon. Sir J J Bossano:** Economic  
930 development.) Ah, economic development bonds. I look forward to reading the prospectus  
because if he is offering 5%, why would anybody want to buy them? What is it that is going to be  
so special about these bonds that will make them attractive to people? And when he says there  
will be new elements to it, the ability to make them transferable, I think they are transferable  
anyway, the Savings Bank debentures, but to talk about trading them is something completely  
935 new and different, although I think it is allowed within the law.

And then another thing which struck me when he was talking about the Savings Bank, boasting  
about the growth in deposits in 2011, was of course ... He talked about the switch from Savings  
Bank debentures that he alleges Sir Peter instigated to move them into direct government debt,  
but what he has not mentioned is the fact that they went the other way. They went from  
940 government direct debt into the Savings Bank.

**Hon. Sir J J Bossano:** It was reversed.

**Hon. R M Clinton:** Yes, it was reserved, in which case, naturally, the level of debentures shot  
945 up. It is simple maths. So it is not some great economic miracle. And of course, if you are offering  
rates way above the market, it is understandable that you are going to have a lot of people putting  
money in. That is bound to happen.

But the Savings Bank is not what he calls a development bank. He has turned it into that, but  
with the best will in the world I just cannot accept the way he is running it. Where is the  
950 independent board? Where are the experts? Where are they? Does he just sit there with his

crystal ball every day and say yes, no, yes, no? Who is actually coming up with the decisions as to how this money should be deployed? Where is the rational thinking? Is it just him? He is the Minister for the Savings Bank, he is not the investment manager of the Savings Bank, he is not the chief investment officer of the bank. He may be the Minister for Inwards Investment and Economic  
 955 Development, but it was never really the intention ... Yes, he has changed the law on the Savings Bank to turn it into a bank that will invest money to further the social and economic development of Gibraltar, but that he should be the only mind behind it – even giving him the benefit that what he is suggesting makes sense – does not make sense. If he said to me, ‘I am going to do this, and by the way, here is an independent board of experts that is going to be running this,’ I might derive  
 960 more comfort, but when he sets up a parallel government through a structure which is registered as a charity, which is run by lawyers at Hassan’s, and then when we ask questions – what are they doing with the money? – and he says, ‘Don’t ask me, ask them,’ I am sorry, Mr Speaker, it is not acceptable. The Chief Minister may find it amusing, but I do not find it acceptable and I do not think the people out there find it acceptable either. This is not the way to be doing public finance.  
 965 This is not the way to be running the Savings Bank. It is not their personal toy. And then the projects – the Eastern Beach sheds; I do not get it. What is the potential economic benefit? I do not understand. What does he think he is doing? *(Interjection and laughter)* Well, he laughs, but the people out there are not going to be laughing on election day, believe me.

Of more concern – and Sir Joe may find this of interest – is the disclosure that Community Care  
 970 holds reserves of just £38 million. Sir Joe will know from previous election campaigns ... He once boasted it was £100 million. He wanted to get it up to £300 million. It is now just £38 million. From what I have seen from previous accounts – I am happy to be corrected by Sir Joe – the annual expenditure, and I am not only talking about community officers to the run-of-the-mill Community Care cheque that most people get, costs us about £20 million a year, and so the amount held will  
 975 only just cover two years of payments. Logically, when this runs out, the Government will have to intervene, which means the Government will have to stick its hand in its pocket and do whatever is necessary. But then this thing comes back to the whole question of financial stability. Are we really out of the woods? Are we going to have to borrow more? How are we going to do this? And again – this is the issue, Mr Speaker – we are not getting the answers to the big questions.

980 Mr Speaker, as an aside – and I really did not want to say this, but I have to say it – I am aware that the Charities Commission have filed accounts for Community Care for the year ended 30th June 2020, and they have had them for at least six months. I am told that they will not release them to me because they claim to be checking them. I have been chasing this for six months and I have to say I am baffled at what I think is unacceptable stonewalling. I would urge the Charities  
 985 Commission and commissioners to consider whether they are complying with the spirit and not the letter of the law. Once the accounts are filed with the Commission, they should be available for public inspection. No one should be stonewalled, least of all a Member of this Parliament. **(A Member: Hear, hear.)** It is unacceptable.

Last year, the Government announced they would nationalise AquaGib. The Government owns  
 990 one third of the shares in this joint venture. On a net asset value basis, last year I estimated this would cost something like £6 million and I asked, ‘Where are you going to get this money from? Is it going to part of the National Economic Plan? Is the Savings Bank going to buy it? How is it going to be structured?’ The Chief Minister has stated in his Budget speech that it is still the intention to buy AquaGib, but he said nothing about funding. I do note that in the Budget Book,  
 995 for what it is worth, in the Improvement and Development Fund there is provision for a £10 million acquisition of shares, and I would ask the Chief Minister can he at least advise the House in his reply what is this £10 million earmarked for? Is it for AquaGib, or is it for something else?

As regards inwards investment, Sir Joe has quite rightly said things are difficult out there and are likely to continue to be difficult. The receipt of the £90 million premium from TNG is, of course,  
 1000 welcome, although we do note that it comes with conditions in terms of planning and those conditions could, whatever those conditions may be, trigger repayment. The other big site on which we have no clarity at the moment is Victoria Keys. We have no sense as to what is happening

with Victoria Keys or what premiums or anything like that will be forthcoming. And there is a mysterious 150,000m<sup>2</sup> reclamation project, which was meant to be part of the National Economic Plan, on which we have heard nothing since the election in 2019.

On FATF, Gibraltar's grey listing was unfortunate, and on this side of the House we have already expressed our disappointment at the failure to achieve delisting in June, but of course – and we genuinely do mean this – we do hope that the Minister's 100% certainty that Gibraltar will be delisted in October is achieved. In that, he has our support.

Mr Speaker, to the relief of the House, I am coming to my conclusion, and my conclusion is this. Why did I get into politics? Why am I even here? The Chief Minister may have his views, but I came into this place ... I stood for election for the first time in 2015, not to have something on my CV; I did not do it for medals or to get a knighthood. I did not do this for money. (*Interjection by Hon. Sir J J Bossano*) No, but, Sir Joe, I exclude you completely, you definitely did not do it for a motive. I certainly did not do this for money. I am not doing it to protect any business interests. I am not here to protect a particular sector or their interests, or lobby on their behalf. I came into this House because I genuinely believed in 2015 that the way they were handling our public finances was dangerous. We are in 2023 now. If I thought it was dangerous then, what they are doing now is beyond my worst nightmare.

We have seen again and again that the Government cannot keep to its Budget. The people are inevitably having to shoulder a bigger burden to pay for their failures. The Chief Minister has failed to restore financial stability in our public finances, as I have clearly demonstrated and Sir Joe has only confirmed. This is no longer a Government. This is Team Picardo, led by their sun god, their messiah, who Mr Isola thinks so highly of. This is a Government that fails. It has failed on transparency. It has failed on accountability. This is a Government in which the people have lost trust. It is time for change. It is time to get back on track and regain control of our public finances in the way the people expect, demand and deserve. It is time for Team Picardo to go. Just go.

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

**Mr Speaker:** The Hon. Paul Balban.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, it is an honour to rise once again as Minister for Transport, for the last time before the upcoming elections.

At first blush, and after listening to the Father of the House's Budget speech conclusion regarding his analysis on the environment, the first thing that came to my mind was whether I should simply stand up and say, 'Mr Speaker, I commend the Bill to the House,' and sit down again, but, luckily enough, the resilient bicycle and our even more resilient feet have a few more tricks up their sleeves, and one is their potential for significant health cost savings. These savings come about when a population walks or cycles more as a mode of transport as opposed to each person sitting inside their very own car. The direct effect on fitness, cardiovascular health and respiratory health still leaves active travel in a very good place. Nevertheless, my friend and colleague, someone I have always looked up to and wise far beyond his years, hits the nail on the head. We need to change our mode of consumption 'from excessive consumption to necessary consumption'. We need to change our lifestyle. This is spot on and the reality of it. I will not dwell on or delve further into what was said, as it paints quite a bleak picture and it will be there, recorded in *Hansard*, long after we burn up in the heat of the sun. Maybe our next Budget should include a head for space exploration, as we are going to have to look for that Planet B.

We are all very aware that opinion is extremely divided when it comes to the environment and our responsibilities towards it, especially when it comes to traffic and transport. Our 2019 manifesto was for a green Gibraltar and the creation of a child-friendly city. This was the direction that this Government wished to see Gibraltar take during the four years after the election. Little did we know the challenges that we would face. Least did I know that I would leave Transport and become the Minister for Health and would be faced with the challenge of a worldwide pandemic.

1055 Although my heart has always been in medicine and health, preventative medicine, in my view,  
is the most important of all branches of medicine. As a dietitian before my time in politics, I tried  
to encourage healthy living, promoting good nutrition, treating obesity to prevent illness and  
improve fitness. Over time, this resulted in massive improvements in my patients' health, but it  
was the weight loss and the prevention of obesity that made the most difference. Preventative  
1060 medicine during COVID meant behavioural change, social distancing and self-isolation, and this  
was especially important for the most vulnerable. Living an active life has always been the key to  
promoting a longer and healthier life, and this in turn translates to health savings. This  
Government recognises the direct impact that health and fitness have on us, and our Budget  
measures reflect this. Who doesn't want to live longer, see their grandchildren grow up, and feel  
well?

1065 Mr Speaker, looking at my journey over the past 12 years objectively, I have realised that my  
work really has, in fact, revolved around the health of the nation. But how does traffic and  
transport tick this health box? Although, back in 2011, inexperienced when it came to traffic and  
its management, I thought that I would tackle the traffic problem head on, creating more and  
better infrastructure, new roads, roundabouts and parking, but I soon realised that more parking  
1070 meant more cars. The work carried out to prepare the Sustainable Traffic, Transport and Parking  
Plan (STTPP) reinforced my thinking. Instead of dealing with improving traffic flow, building more  
roundabouts and creating more parking spaces, I found myself instinctively trying to look at traffic  
and transport in a human-centred way. In my mind, mobility – I believe that the Ministry I lead  
should perhaps be called the Ministry for Urban Mobility – is all about people and how we may  
1075 be able to move as a community effectively, efficiently and quickly. In doing so, we create that  
human-centred city, that child-friendly city, that green Gibraltar. By thinking about people, but  
especially children, even if many cannot see it and they criticise it, rebel against it and fight against  
it, we can make this community a better place. At least, this is my opinion and the basis of my  
work. However, this does not mean that we must rid ourselves of the private vehicle. No, this  
1080 means that we must try to choose the right tool for the job. Some people will find the car is their  
only option and hence the right tool for the job – and that is perfectly fine – to go shopping or to  
drive elderly relatives to their medical appointments or simply because they want to. This is called  
choice, and we can all choose. But for others who live close enough to school or work, walking  
may be the best way to move.

1085 But why do many children not walk to school? Why do many children not cycle to school, as  
many of us did when we were kids? I am often told by parents that they are scared to let their  
children walk or cycle to school because our roads have become busy, dangerous and unhealthy.  
But these roads used to belong to us, to the people. We lived on the roads, children played on the  
roads, we socialised and did business on the roads, but we gave them up, surrendered this space  
1090 to the car and moved indoors. Those were the days of *el patio, las verbenas*, playing football on  
the street, having to pick up the ball and all of the children having to step to one side each time a  
car came, which was extremely infrequent. We would place an empty matchbox in the middle of  
the road and take turns to see whose matchbox would be squashed first by the tyre of an  
oncoming car, but it was so boring because it took ages for the cars to come. These were magical  
1095 times and our social media was *el cotilleo* that was spoken *en el portón de los Humphries*. Today,  
children play inside metal cages, in parks, separated from the lions of the road to keep them safe.  
Children must hold their parents' hands or be tied into their buggies, even on the pavement, in  
case a child should run away on to the road. The moment we cannot allow our children to walk  
alone on the street or cycle to school, the circle is complete, activity levels drop, average weight  
1100 increases and we become unhealthy. Furthermore, many management companies and  
committees within estates forbid children cycling or skating on the podium and common areas;  
they make noise, they are a nuisance.

Then we have fossil fuel emissions to further contend with, but even electric vehicles produce  
particulate matter from their brake pads and from the erosion of their rubbing components,  
1105 especially their tyres, which affects our respiratory health. Then there is the small matter of our



geographical size. We physically cannot accommodate so many vehicles, even if we changed them all for electric vehicles. All vehicles take up space and we have one of the highest vehicle ownership rates in the world. But we know that. This Government's view has always been that we should be inclusive, that we need to provide the choice and encourage those who wish to walk or cycle to be able to do so safely. I will therefore not apologise to those who have been upset as a result of some of the work that I have done, nor for projects and initiatives that have very often been contentious and unpopular in certain circles, but which have been an important part of the holistic vision for a better Gibraltar.

I have often been jeered from a distance, insulted. I have been the subject of many memes, and because of the vast differences of opinion, some individuals have become very personal in nature, especially on social media. I am often shocked when some criticise vociferously the creation of safer walkways created along Prince Edward Road and South Barrack Ramp. Some prefer to see parents with prams and children leapfrogging dangerously between parked cars than see parking spaces for their cars and motorcycles being lost. However, it is true to say that I have also enjoyed a great deal of support and encouragement from many individuals who have motivated me to continue this very difficult work, each day more and more. Were it not for this positive support, this journey would have been harder, but one that I would, nevertheless, have still embarked upon as I believe it is the right thing to do.

Social media is often alive, rampant – in fact, it is fair to say, usually on fire – when projects aimed at environmental improvement or the safety of people are announced or are being carried out. The reality is that there are few subjects more emotive than our cars and parking spaces, and sparks often fly. This is the very reason why it is often heard within professional circles, especially urban planners, environmentalists and sustainable transport professionals, that governments around the world need to be very brave and resolute when it comes to transport policy because transport contributes significantly to our environment, our well-being and our health. I have tried to be just that, brave and resolute. I introduced pay parking simply to give those who need to drive more opportunity to park. I introduced the Residential Parking Scheme with a yearly fee. That was fun from the word go, and the Opposition will remember the fun as we had arguments for months and months about it. I introduced the first bicycle lane, removing a number of parked cars; penalty points; the 1.5 m law – that was another memorable one. I have even taken away parking spaces to create bicycle parking. The list goes on and on. I have done so many things and I have got it in the neck more times than I care to remember. Even my beard became easy picking. But when I say resolute, here I stand today with my full beard, despite the many memes, pleas and attempts to convince me to shave it off.

Mr Speaker, change needs to be taken like bad medicine, with much honey. I struggle somewhat with the honey. In Gibraltar, transport is responsible for 20% of our total emissions. This Government has committed, by way of its 2019 manifesto, the Climate Change Strategy and its Active Travel Strategy, to make Gibraltar a better, safer, greener, child-friendly city and to achieve some ambitious targets. I, for one, will not shy away from my commitment to try to achieve this, even if this is at the expense of my own popularity. I have strived to create human spaces within our city, safe democratic spaces for all, but especially for our children to enjoy, and we will hopefully see these come to life soon, because Gibraltar matters to me; space for people to sit, socialise, discuss politics perhaps, or even their next holiday plans, and for people to enjoy a coffee away from heaving roads of rushing cars, acceleration, blaring horns and the sound and smell of idling engines. There is space within our quiet parks to enjoy a lawned oasis of calm, lined with trees and plants. This is part of our vision for a green Gibraltar, but there also needs to be a balance of urban space – areas which are not parks – within the community, where children can play, ride their bicycles and skate, for people to eat, drink and enjoy time with their friends, or walk their dogs respectfully and conscientiously in landscaped areas, away from the more rigid rules that exist within our parks in Gibraltar today, which prohibit bicycle riding and dog walking.

I am pleased to work closely with my friend and environmental ally on many projects, and we agreed to permit access through Campion Park and Juan Carlos Perez Promenade for cyclists and

included bicycle parking, telling cyclists you are welcome here, allowing for more travel options. A living street is exactly this, and many cities have already created these urban spaces which allow for human interaction and life. Modern cities must be human, liveable cities. This is what I strive for. In fact, the Development and Planning Commission recently granted final planning permission to our first living street project in Gibraltar at Europort Avenue, a project that will be privately funded and will provide exactly this, a democratic and person-centred space. Within this space, those who wish to drive their children to school will be able to do so, and residents of the area will also be able to access their homes by car in a westbound direction. I am hopeful that this area will become our first low-emission zone within Gibraltar, something that I have also been working on with my colleague John Cortes. I am extremely excited to be able to showcase this vision, one that I expect the community will support over time. The residents of this area and the children who will be going to the new schools opening here in September will be the real winners of this project. This road will boast of landscaping and shaded areas with trees, kiosks and cafeterias that will cross-fertilise the whole area, inviting those who walk by to spend some time there.

Mr Speaker, I am not against the car. I am for life, for living and for providing human spaces within our city. I am all for providing sustainable and meaningful options to move and travel to and from work in a space away from our busy and unhealthy roads. The private car is but one travel option in today's changing world and it is slowly become less relevant within many urban city centres as alternative and sustainable travel options come to life. A community that owns a reasonable number of cars is a reasonable community, but not everyone can walk or cycle, or will want to walk or cycle, but so too, not everyone can drive, not least children and teenagers who do not have a driving licence. We must provide the option. Mobility is a human right. I repeat, this is all about personal choice but we must give the choice, and without safe bicycle lanes people do not have the choice.

Although this statement often raises eyebrows, I am not a cyclist. I do not dress up in Lycra and ride with the peloton. I simply choose to ride a bicycle to get to work and back. I enjoy the freedom of cycling to places without the constraints of having to drive around in a car looking for a parking space or getting stuck in traffic. I can soak up the surroundings on my bicycle. I am one with them and not stuck within an air-conditioned box on four wheels, stuck behind all the other boxes in a queue.

Encouraging other forms of travel will help address the real problem within our city, the numbers of private motor vehicles on our streets and our unsustainable reliance on them, their emissions and our unhealthy, broken streets. This is what we must get right. Vehicles make our roads unsafe. Irresponsible, speeding and careless driving makes our roads unsafe. Heavy vehicles tear into our roads, create potholes and make our roads unsafe.

We have a very long way to go before we can aspire to say that we are ready to promote cycling as a real alternative mode of transport in Gibraltar. Acceptance and respect are key within our community and especially so on our roads, pavements and public spaces. And respect goes both ways. Cyclists must respect, too. Changing attitudes and mindsets is our biggest challenge. One segregated bicycle lane along Bayside Road does not cut it. That is not a bicycle network. That will not encourage modal shift or bicycle take-up. The work that has been embarked upon now must be supported by all those who lead our nation in the future, across the floor of this House, regardless of political beliefs, all of us, just as all of us supported the Active Travel Strategy earlier this year, but it will take us many years to achieve a truly meaningful bicycle route network. But the seeds have now been sown.

I am all for the environment, for sustainability. Tony Juniper, at the recent Aspire conference, stated that it is now accepted that the greenest building that exists today is the one that already exists. I asked Mr Juniper, after his keynote address, is it also therefore fair to say that the greenest motor vehicle on our roads today is the one that already exists? He only took a second to reply and he nodded affirmatively. The Aspire conference was a real eye-opener for many when the world's insatiable and unsustainable thirst for raw materials was exposed. He said the planet could simply not sustain our linear economy where products were purposefully manufactured with

1210 limited life, encouraging further purchases of fridges, washing machines, water boilers, cars; that  
a circular economy is one where developers build with the foresight that buildings could be reused  
and repurposed in the future – for example, car parks that one day could be converted into office  
space or apartments without the need to knock them down.

1215 This also means cars should be built to last longer, be well maintained and not constantly  
traded in for new vehicles while they are sold on in a second-hand market; that we should make  
things last longer, using them for longer, because swapping a fossil fuel car for a new electric car  
does not have a net zero effect. Electric vehicles do not have a zero-carbon footprint and their  
manufacture is hugely impacting on our planet's resources and our environment, especially  
1220 because of their batteries, even though they may have zero tailpipe emissions. It has been  
estimated that electric vehicles need to be driven between 50,000 km and 80,000 km for them to  
break even with their internal combustion engine counterparts.

Many say that the car industry is not building electric cars to save the planet, that the car  
industry is building electric cars to save their businesses, something that the car industry  
counterargues extremely well. I personally believe that we will struggle to provide the necessary  
1225 infrastructure to charge all new electric vehicles should all cars that exist today be swapped for  
electric vehicles, maintaining our record-breaking ratio of cars per household. Battery technology  
will need to take a huge leap forward to provide rapid charging and greater autonomy at an  
affordable price to make a real difference, but this could yet happen. Nevertheless, we must start  
to plan our city with care, building to provide electric infrastructure within which to start this  
1230 transition as the manufacture of internal combustion engines is phased out by the industry, while  
keeping a close eye on hydrogen and other fuel technologies. We must, however, tackle  
unmaintained vehicles spewing out plumes of sooty black smoke as a matter of priority, because  
there is no space in our community for them.

We need to use our resources wisely, but this only works if we use our cars much less and look  
1235 at what other options may be available to us. Sharing is clearly one of these options and it makes  
total environmental sense to share our resources and not own one of everything. Many cities  
support car-sharing models, car clubs, shared bicycle and e-scooter schemes. All of these make  
sense in a world where resources are limited.

If the climate emergency is exactly this, an emergency – a real emergency – then we need to  
1240 understand as a population that the work being done in Transport is exactly being done for this  
reason, and this reason is to try to encourage sustainable alternative modes of transport in  
Gibraltar as per our STTPP, our Climate Change Strategy, our Active Travel Strategy and, indeed,  
our 2019 manifesto. If the blue lights are not flashing and sirens are not sounding, we might as  
well declare a climate concern instead of a climate emergency.

1245 Every one of us must work together in this respect. This is about us; it is our collective  
responsibility. We will need to focus on smart technology, on novel ways of moving and new ways  
of delivering and moving items and produce within our city. Change is an extremely hard thing to  
face and change is generally always unpopular at first. People do not adapt quickly to change.  
However, I sincerely believe that change is necessary if we are to create a better, greener and  
1250 environmentally sustainable Gibraltar for ourselves and our children. But if we ignore the  
environment for just one moment, these changes will make Gibraltar beautiful, they will increase  
our health, make our city safer as a place to live and work and make us a more attractive, greener  
and vibrant place.

1255 Modern cities today are moving towards the 15-minute city, the vision of Carlos Moreno, a  
Franco-Columbian urbanist and the driving force behind this concept, one that has also become  
hugely controversial and the subject of conspiracy theories. Nevertheless, the 15-minute city is  
simply a city where children live within 15 minutes of school, people live within 15 minutes of a  
supermarket, 15 minutes from their workplace and 15 minutes from their nearest hospital or  
medical centre. Being able to move to all these places within 15 minutes is a result of efficient,  
1260 effective and cheap transport opportunities. Who would not want to live in a city like this?  
Paradoxically, many of us already live in this 15-minute city, where could easily walk or cycle to all

of these places, yet many choose to live in a 45-minute city by driving our children 800 m to school, then driving on to work and then continuing driving around looking for that parking space, if available. When it rains, our 45-minute city becomes the 60-minute city. These urban models, which include the concept of tactical urbanism, simply try to help tackle the climate emergency and climate change, which this very Parliament declared and we all voted unanimously for. There is nothing more to this work than the work that I am doing; it is simply environmental work.

I just do not get it. Why don't we want a better Gibraltar? We are breaking climate records year on year. Last week saw the three hottest days recorded on Earth. We can feel the effect of that change, and yesterday was incredibly hot here in Gibraltar, the hottest day of the year so far. Climate change will continue to be something many will battle against, especially if it has a direct bearing on the quality of our day-to-day life. I have always tried to push change carefully, but regardless of how carefully one pushes change, it is still that: change.

Children, schools and education should always be of central importance to cities and to governments. They have always been centrally important to us as a Government and our focus has always been on children, building new, modern schools to better our educational offering and encouraging and supporting further education abroad or locally. Schools also form the basis of the work that we do in Transport. We consider schools the starting and ending point of cycling and walking infrastructure because it is the children who can most easily get to school in this way. We aim to make the schools the place where bicycle lanes start and finish. Cycling proficiency courses and providing bicycle parking at schools is also key.

Mr Speaker, the way I see it is that I have just one chance. When I leave this place, I would rather be remembered for trying to change Gibraltar – hopefully for the better – for my conviction, my stubbornness and my passion for what I believe is right, than be remembered for toeing the line, sitting on the fence or seeking popularity. One thing I will say to any future Minister for Transport, or preferably Minister for Urban Mobility: if you are looking for popularity, you will not find it here. To this end, and as part of the STTPP, I am delighted that the workings of this critical document have continued to grow in a most positive and evolutionary manner – the STTPP, another hugely criticised and debated document that saw the first real traffic plan for Gibraltar.

In January this year the Ministry of Transport announced the launch of Gibraltar's Active Travel Strategy. The strategy aims to present our vision for the future of active travel and encompasses walking and cycling, which are the most sustainable and healthy ways of travelling. This new strategic plan builds on the fundamental foundations described in chapter 6 of the STTPP, as well as section 4.2 – Decarbonising the Transport Sector – of the Climate Change Strategy, which was published in 2021. This strategic document will sit within the auspices of Town Planning and the forthcoming Development Plan to serve as a reference to the community in laying down expectations on architects, developers and urban planners for all future developments, so that they are commensurate with a healthy, sustainable and green way of thinking. This is to say that we must plan our future city with a very clear purpose when it comes to the creation of public space. We must allow for this public space as part of all future construction projects, to provide for adequate and accessible pavements, thoroughfares and infrastructure for micro-mobility, especially active travel. We must limit the footprint we sell to developers to ensure that public space is guaranteed to create living, human space. I am very happy to say that I have started to see this happening of late, and developers are now thinking more about our city as one that needs to breathe and be vibrant and not just as a space to maximise development opportunity. However, this is work in progress and we have a long way to go in this respect.

The strategy outlines developments and improvements for active travel in Gibraltar, creating further opportunities for locals and tourists to enjoy and appreciate our public spaces through enhancements to our pedestrian areas and the introduction of bicycle infrastructure to get us where we need to go quickly, or simply to exercise safely. The Technical Team at the Ministry of Transport spearheaded this strategy closely with the Ministry of the Environment via our environmental attaché, to ensure that we work towards our common aims and aspirations for a better and greener tomorrow.

1315 Because of the nature of this document and the fact that we should be unified when it comes  
to the environment, we shared this document across the floor of the House before the document  
was announced and published. I am happy to say that there was in-principle agreement with the  
concept of the strategy and the need to develop Gibraltar into the future in this way. Without  
consensus there can be little chance of true progress or success. I wish to thank the Members  
opposite for their time in reading the document, for their comments and for supporting the  
1320 principles of the strategy. I am personally extremely pleased to have shared our vision for a  
greener and more liveable city with the community, even though not everyone found the contents  
palatable.

I am passionate about transport and the potential role that the bicycle can have in greening up  
a city and improving the health of the nation, helping to bring down health costs, improve mental  
1325 health and keeping the community fit and active into our later years. However, the reality of  
unsafe roads makes cycling inconceivable to many. Gibraltar has never had bicycle lanes, other  
than the few meters of bicycle lane across the live runway painted by the MoD many years ago.  
Following the launch of the Active Travel Strategy in January 2023, the Ministry of Transport  
embarked on the implementation of some of the first phases contained within the document.  
1330 These works have seen the introduction of new segregated bicycle lanes from the southern airport  
runway barrier, past the Sundial roundabout along Bayside Road up to the Ocean Spa Plaza  
building. This was opened to the public on World Bicycle Day and works are now progressing along  
Glacis Road towards Waterport roundabout with the intention of continuing southbound towards  
Queensway and Waterport Wharf Road. This will complement the recently opened Kingsway  
1335 Tunnel Cycle Way and its cycle connections on the northern side of the runway.

Today, anyone living in Glacis Estate, Ocean Spa Plaza or Tradewinds can cycle all the way to  
Eastern Beach and back without having to mix with traffic on our roads. We will be increasing this  
distance very soon, so that children living in Beach View Terraces or the new affordable homes at  
Hassan Centenary Terraces will be able to cycle to Bayside or Westside Schools without mixing  
1340 with road traffic, should they wish to. Pedestrian routes and thoroughfares are also being  
improved with the construction of new footpaths with new paving and a general beautification of  
the areas contained within these initial phases of our bicycle lanes. We have, within the first  
month of opening, seen 70,000 bicycles and e-scooter trips. This infrastructure, which can also be  
used by e-scooters, results in less conflict between users and will make a huge difference to this  
1345 mode of travel. It will also remove what many road users consider annoying bicycles and e-  
scooters from the road.

The Active Travel Strategy is an exciting document – at least I think so – that sets out the whole  
vision for Gibraltar, including commuter routes, school routes, recreational routes and tourist  
routes. It is a document that has little text and many clear images and artistic impressions. It is  
1350 available online on the Government’s website and I fully recommend that people take time to  
look at it. I hope that the rollout of cycling and its associated walking infrastructure that has now  
started will continue to expand into the future when I am gone, and that successive Parliaments  
will continue to embrace sustainable transport, the bicycle and the pedestrian into the future. The  
plans are for all of Gibraltar in its entirety, and this infrastructure is and will be transformational.

1355 With regard to the wider ambit of the STTPP published by the Ministry, several projects during  
the past year have been carried out. October 2022 saw the publication of regulations which would  
govern the safe overtaking of cyclists on our roads. These new regulations are designed to protect  
cyclists from indiscriminate and potentially dangerous overtaking which may lead to serious injury  
of vulnerable cyclists. The legislation will increase safety for cyclists on the road and require a  
1360 minimum distance of 1.5 m when overtaking a bicycle.

October 2022 also saw the publication of regulations to introduce a penalty points system for  
traffic offences. This followed representations from the Commissioner of Police, who was  
concerned at the lack of respect by some road users and ongoing issues with unsafe driver  
behaviour on our roads. The regulations introduce a system whereby a person is issued penalty  
1365 points if they commit a driving-related offence. The points are recorded against the person’s

1370 driving record. Accumulating 12 points within any given three-year period will automatically disqualify a person from driving for six months. The penalty points system is designed to encourage proficient driving, to help promote road safety and reduce casualties on our roads. The introduction of similar systems in other jurisdictions has provided for a 10% decrease in road collisions and up to a 25% decrease in traffic injuries and fatalities, whilst proving much more effective than monetary sanctions. This was a manifesto commitment in 2019.

1375 Following from the United Kingdom's update to the Highway Code, the Ministry for Transport updated and revised Gibraltar's Highway Code in November last year to ensure compatibility with our own laws and advice on road safety. The aim of the Highway Code is to promote road safety, which also supports current thinking to promote a healthy, sustainable and efficient transport system, be it on foot, bicycle, using public transport or by private car. The biggest change within the code saw the introduction of a hierarchy of road users, meaning that those road users who can do the greatest damage bear the greatest share of responsibility in ensuring safety on the road. This grading of users has been established to provide protection of injury in the event of a collision to the most vulnerable of road users, starting with pedestrians, moving on to cyclists, then other categories of motor vehicles, with buses and finally heavy goods vehicles at the top of the scale showing as the least vulnerable but the most responsible. Further changes included clarifying the existing rules on pedestrian priority on pavements. Currently pedestrians only have priority over other road users if they have already begun to cross a junction, but this code gives pedestrians priority over other road users at junctions where pedestrians are waiting to cross, in addition to the existing rule that pedestrians have priority when they are already crossing, even if these locations may not be at the traditional crossing areas. This shows a change in road use ideology and a lean towards a far more human and people-based approach. The new Highway Code is another of those documents road users seldom read. It is important that road users are familiar with this very important document. Driving proficiently, respectfully and safely is key to keeping our community and children safe.

1385  
1390 Mr Speaker, I now turn my attention to the Technical Services Department. The financial year 2022-23 remained a difficult year for Technical Services following the effects of the COVID-19 pandemic and the uncertainties raised by the ongoing negotiations with the EU. This led to Technical Services Department concentrating its efforts once again on operationally critical items in all areas under its responsibility, while meeting its core objectives of maintenance and providing technical support to Government Ministries and Departments.

1400 Maintenance has included the slope stabilisation works along Sir Herbert Miles Road, the repair of several retaining walls, critical highways repairs, highways maintenance and general sewer maintenance and improvement works. With regard to highway maintenance, the works programme has continued over the past year with ongoing critical repairs to roads and footpaths. The Department's team of highways inspectors carries out regular inspections of all our roads and footpaths and reacts to reports received from the general public. When works are identified, these are then assessed, classified and work specifications prepared for the Government's team of on-call contractors to make good.

1405  
1410 This financial year will see the continuation of our road resurfacing scheme, which typically always happens during the quiet summer months when the school term is over and there is appreciably lower traffic on the roads. Clearly, during the past few years this has not been possible due to our other financial priorities. Over the last few years, a very significant number of our roads have been resurfaced, and during the last financial year the new Kingsway Tunnel and access roads were completed. Nevertheless, because of the constant construction in Gibraltar, heavy goods vehicles and heavy loads, roads simply cannot and do not last the amount of time they should. Furthermore, traditionally, essential infrastructure and services run beneath roads and pavements and these often need servicing or localised repairs, breaching the integrity of the road surface, which quickly suffers further damage, especially because of these very heavy vehicles. I am pleased to announce that the next phase of our major road resurfacing programme is set to commence in the coming weeks. During this latest phase, the following roads will be resurfaced:

1420 Smith Dorrien Avenue, from Smith Dorrien Bridge to Casemates roundabout; Windmill Hill Road; Crutchett's Ramp; Queensway, in the area of Campion Park; Europa Road, from Brympton to Bella Vista; and Europa Road, from Shorthorn to Mount Road. The cost of this resurfacing programme is estimated to be in the region of £1 million.

1425 The replacement and enhancement of pelican crossing lights and equipment will continue during this year, working jointly with the Gibraltar Electricity Authority. The department also continues to successfully manage road closures and diversions on the public highway, both for its own in-house works and for all other utility companies and contractors.

1430 Following the major fire in Power's Drive last year, which had a huge knock-on effect on Gibraltar's water supply, TSD were tasked with co-ordinating the efforts to make the tunnel safe and ensure that the saltwater supply to the reverse osmosis plant at Governor's Cottage was reinstated as quickly as possible. The Chief Executive Officer of TSD, Emil Hermida, sat on the Strategic Co-ordinating Group and initially co-ordinated works to ensure that the tunnel was made safe. Works to stabilise the tunnel commenced in September and were completed in December, allowing AquaGib to replace the damaged pipe within the tunnel. These works have now been completed. In addition to co-ordinating all stabilisation works within the tunnel, TSD provided expert technical advice on the temporary saltwater diversion, which was set up at Europa Advance Road. I think it is important to recognise the very professional and expert advice provided by Technical Services during such a challenging time.

1435 Mr Speaker, in continuing with other areas of responsibility related to Technical Services, I move to coastal engineering works. The department continues to monitor and carry out maintenance and repair works when required. The department also continues to provide advice to developers and the Development and Planning Commission on all aspects of coastal engineering when required. This financial year, Technical Services will be reviewing the existing coastal defences at Eastern Beach and Sandy Bay with a view to carrying out essential maintenance works.

1445 With respect to cliff stabilisation and rock-fall protection projects, during the last financial year the department has been involved in numerous schemes, which have included stabilisation works at Sir Herbert Miles Road and the Upper Rock. During the past year the Technical Services Department was also involved with works to several retaining walls. The continuous monitoring and repair of existing retaining walls is critical, as many of these are old and border our public highways network.

1450 Moving on to sewers, during the past year the Infrastructure section of the department have continued to maintain the public sewerage network. As part of the major desilting and relining works of the main sewer, works commenced several years ago. During the last financial year, however, the Infrastructure section of Technical Services relined a further 160m of the main sewer. This brings our total relined length to 570m, covering over 60% of our main sewer within the city walls. This continuous project has now covered all the areas which were of most concern within the Town area, reinforcing the main sewer in the areas which would cause the most disruption if there was a structural failure. As part of project, TSD also cleaned and desilted some 412m of the main sewer, ensuring it maintained its maximum possible hydraulic capacity. These works are considered essential given the age and condition of the sewer and the disruption that can be caused in the event of a failure of the sewer network. The department continuously monitors the condition of the main sewer to prioritise the continuation of this essential maintenance work. Other works will include gully cleansing, manhole repairs and the general upkeep of the public storm and sewer networks. Given the sharp rise in developments in Gibraltar, the department continues to provide advice to both developers and the Development and Planning Commission on the impact that these various developments can have on our existing sewerage network.

1465 Finally, funding is once again being provided for the purchase of equipment to allow the Sewer Infrastructure section to continue to expand and provide an enhanced service in respect of its inspections of the sewer network. This also applies to the Garage and Workshop, where funding

1470 for new equipment is also being provided. They will continue to provide a service to maintain the  
fleet of government vehicles, including the refuse collection vehicles. I would once again like to  
take this opportunity to publicly thank the Infrastructure section and on-call officers of the  
Technical Services Department for their hard work and commitment over this past year. As I have  
stated in the past, the TSD is one of those government departments that are rarely in the limelight  
1475 but work tirelessly behind the scenes to maintain public infrastructure and support and provide  
technical advice to other government ministries and departments. Not only does the department  
meet its core responsibilities but it is also actively involved in other key projects for Government  
which my colleagues have already mentioned in their respective speeches but include the delivery  
of improvements of the new container terminal at North Mole and working with the Office of the  
1480 Chief Technical Officer for the delivery of the first phase of the reclamation works at Coaling Island.

Mr Speaker, I now turn my attention to the Driver and Vehicle Licensing Department. The DVLD  
continues doing all the necessary amendments to legislation and additional requirements in the  
exchange of driving licences. This has proven challenging at times, with the DVLD team working  
closely with the Government Law Offices, the DVLA in the UK and the HMGoG Office in Brussels  
1485 to obtain the necessary agreements with EU countries. The DVLD continues to see a high demand  
from its service users via the online e-gov portal and through its public-facing counters, which  
include a dedicated business counter for all Gibraltar motor vehicle dealers, who require an  
expeditious service. The express service is working well, providing our local dealers a next-day  
service for new vehicle registrations, duplicate certificates of registration, change of ownership  
1490 and motor vehicle particulars. The department continues to arrange the Driver Certificate of  
Professional Competence with an approved UK instructor to deliver the course in Gibraltar on a  
twice-a-year basis for those driving licence categories for buses and heavy goods vehicles.

The Compulsory Basic Training for motorbikes continues to be a huge success. The three  
modules ensure that every person demonstrates a minimum level of skill and competence before  
1495 being permitted to drive on our roads, helping prevent injuries and accidents on them.

The Motor Vehicle Test Centre embraces the latest equipment for the testing of vehicles, which  
enables our vehicle testers to establish if any part of the emission of the vehicle has been  
tampered with, removed or modified. By using this latest equipment we can provide a service to  
check for excessive noise when vehicles are brought in by the Royal Gibraltar Police to perform  
noise test analysis. The DVLD shares vehicle information via the European Register of Road  
1500 Transport Undertakings via the Driver and Vehicle Services Agency, in accordance with EU  
directives. I am pleased to announce that the DVLD has managed to secure the reconnection of  
the European Car and Driving Licence Information System EUCARIS network by signing a service  
agreement at the last conference attended in Sweden. It is important for the DVLD to be  
1505 connected to this network, as it is used for information exchange between EU member states on  
the vehicle, driver registration and licence exchange. The DVLD attends yearly conferences to keep  
in line with the latest updates provided by all member states and be included in the discussions  
for future changes and improvements of vehicle, driver and licence exchange that countries  
provide.

The Traffic Commission is responsible for assessing all the requests that are received from  
members of the public for road improvements. This forum assesses all kinds of applications from  
the installation of signage, road improvements, requests for road calming measures, speed limit  
assessments, parking considerations and pedestrian enhancements. The Traffic Commission is  
also a stakeholder in DPC applications. The Transport Commission also meets on a regular basis  
1515 to consider applications for a wide range of transport-related licences. The Commission also  
considers all transport-based complaints received from users of our public services.

Our team of transport inspectors provide cover on the ground to the Police and regulate  
transport-related activity throughout Gibraltar. Their duties include the overseeing of our taxi and  
bus services, the inspection of the taxi service provision at locations such as the Airport, and police  
1520 the city service. Additionally, our team of inspectors also ensure that access to pedestrianised



areas is closely monitored and regulated and that only those commercial and resident vehicles strictly in possession of permits access any such areas.

1525 Mr Speaker, I now move to Gibraltar Parking Management Services Ltd (GPMSL) as Government's parking enforcement contractors. As parking enforcement agents, their parking management officers (PMOs) provide invaluable support in the management of our on-street parking spaces and residential parking schemes. Parking enforcement continues to be a massive challenge in a frontier city the size of a town with one of the largest vehicle ownership rates in the world. This often means that a significant number of cars are commonly parked illegally on pavements and areas not assigned for parking. This provides a massive challenge to provide all-year-round enforcement. Additionally, the company manages most government-owned car parks that our community benefits from and are also assigned school crossing point duties.

1530 Following the successful rollout of Residential Parking Scheme (RPS) zone 1 in July 2017, zone 2 in March 2018 and zone 3 in June 2018 respectively, 2022 saw the rollout of zone 4. This RPS zone services residents of Harbour Views Estate, Mid Harbours Estate and Waterport Terraces within our Westside district and this new zone surrounds the West District from Marina Court in the north to Ordinance Wharf in the south. Once again, I am delighted with the continuity towards our commitment to roll out recommendations contained within the STTPP. The company has also worked with the team at the Ministry to address the issue of derelict bicycles throughout Gibraltar. Bicycles that seem abandoned or derelict are issued with a seven-day notice for their removal. Those that are not removed by the owners are being removed by the company and stored at the vehicle compound for a set period. Unclaimed bicycles will be gazetted and disposed of, if not claimed by their owners. In bringing the services provided by GPMSL to a close, I turn to the opening of Kingsway Tunnel. PMOs are actively providing support throughout the tunnel for the management of six lanes and contraflow arrangements during weekends or otherwise when traffic volumes at the Frontier are at a peak, creating heavy volumes of traffic and tailbacks because of frontier queues. I would like to thank GPMSL for their continued commitment and support. Before I move on, however, I would like to give a special mention to one of the key players who recently sadly passed away following a long illness. We will forever have Dion Mansfield in our thoughts for his dedication. *(Banging on desks)*

1540 Mr Speaker, I will now move on to Gibraltar Bus Company. Buses are a key and critical component of our transport network within Gibraltar. If we wish to encourage modal change we require an efficient and reliable bus service, and the Gibraltar Bus Company aims to provide this. At present, the company operates a total of 26 buses, of which 20 are midsize buses and six are smaller, Upper Town buses. Our Government is committed in providing a free daytime bus service, which provides little reason for residents not to consider taking up this free public transport service. As we move forward, we will be looking at renewing our Upper Town fleet of buses soon. We are also very close to securing electric buses for our fleet. The intention over this financial year will be to audit the present bus offering, to try to address and consider several potential improvements to the service, which will include the possibility of extending the operating hours of the service, improving the service at school times, extending routes and looking into the potential of creating new ones.

1555 User data shows massive take-up during morning runs and at school times and low usage during the day and weekends. The school bus routes operating at present during school terms continue to indicate a growing demand. Population shift resulting from new residential estates and districts are amongst the research we are conducting so additional school buses may be incorporated into our service. Of special mention are the demographic changes in the south, especially the Europa Point area and the new-builds along Devils Tower Road and Eastern Beach, which are seeing a far greater demand for buses. We continue to consider feedback from service users, who report full route buses at school peak times. However, we expect to enhance presently convoluted school routes at the start of the next academic term. The weekend night bus fare service is also showing greater take-up. The Bus Tracker app continues to prove a success, putting the bus service right into the hands of the user.

1575 The Bus Company shares a hopper ticket with Calypso Transport. The hopper ticket, which is a hop-on, hop-off ticket, enables visitors to Gibraltar to make the most of Gibraltar's attractions within the city centre and other areas located within the lower reaches of the Rock at their own pace throughout the whole day. The bus hopper ticket can be used on all of Gibraltar's public buses.

1580 We are committed to continue to explore ways to improve our current bus fleet and, more importantly, our existing service. I would like to thank all those down at the Gibraltar Bus Company – the bus manager, his management team and all the bus drivers who work long hours, day, night and into the early mornings on the weekend night buses. They provide a service so that we may go out and enjoy the nightlife safely and sustainably.

1585 Mr Speaker, in bringing my contribution to a close, I would once again like to thank all those working within my respective departments, the management, technical and administrative staff at Technical Services, the Sewers section, the Highways Division, the Garage and Workshop personnel, those involved with parking management and enforcement, the management and staff down at the DVLD, the transport inspectors and the members of the Traffic and Transport Commissions, many of whom give up their spare time to form part of these bodies.

1590 I would also like to give a special thank you to the people I spend most of my office time with – my Ministry admin team for looking after the ministerial office and managing our constant and very large workload, dealing with all sorts of challenges – for their professional engagement with the general public and for their hard work in the discharge of our ministerial responsibilities and looking after me: Stephen Bonich, Krystel Rodriguez, Leila Asquez, Malcolm Figueras, and a special mention to Jared Negron, my stalwart PA, always on the other side of the phone whenever I need  
1595 him. Also, the Technical Team at the Ministry for their efforts throughout the past year, especially with the massive and very difficult project that has been the planning of our bicycle lane infrastructure. I am grateful for their continued efforts and dedication in the delivery of many schemes and projects – Damian Muscat; Dylan Infante; Janine Galliano, our environmental attaché; and Matt Brear, our man from the GEA.

1600 I would also like to thank you, Mr Speaker, and all parliamentary staff for your hard work and assistance during this year, and especially our Clerk, Simon Galliano, who looked after the delegation, which included me this year, at the recent CPA Conference in London.

Thank you. (*Banging on desks*)

1605 **Mr Speaker:** The Hon. Damon Bossino.

**Hon. D J Bossino:** I have a bet with the Hon. Mr Feetham as to who is going to fare better in the graveyard slot. I think I am going to win this one, but let's see. He has got tomorrow, so let's –

1610 **Hon. Chief Minister:** I am not so sure.

**Hon. D J Bossino:** Let's see.

1615 Mr Speaker, the Chief Minister dismisses what are my valid and justified observations of the Minister for Tourism's less than satisfactory performance over the last four years with his 'yawn' reference. This is his way. He makes light of things when he does not want to be reminded of uncomfortable truths. The reality is that we can say exactly the same things about him.

1620 I could not believe my ears, the day before yesterday I think it was, when I heard him talk about the cost of the Airport, for goodness' sake, the Theatre Royal – talk about old chestnuts – or the now tired bastardisation of our party's acronym represented by the words grimy, smelly – or was it slimy? – diesel. No doubt in his reply we will be treated to a reference to 'flops' again. I am looking forward to that. Mr Isola complains about us going back to 1996, but when it comes to them, it is fine for them to go back to 2011. Talk about tired repetitions and back to the future. (**A Member:** Hear, hear.)

1625 The fact is that all of us are, in this particular Budget session, doing a recap over the last four years because it is the last Budget debate of this Parliament. As he has said, we are bound to have an election in autumn, or at least he has indicated that we have we are going to have an election in autumn. In doing that analysis, I have to remind Members of some of the gems that the Hon. Minister for Tourism has left us with.

1630 We have already ventilated in this House and outside of it – and I am sorry to have to repeat it again, but at the end of the day it is the record of the hon. Member – the embarrassing spectacle that was the non-arrival of the Volotea Bilbao flights connection, the flops that were Wizz Air, Eastern Airways and the BA CityFlyer service to London City Airport. I at least draw comfort and am glad that the hon. Member, in his intervention – I think it was yesterday – admitted that he had made mistakes, and my God, they were mistakes. The gentleman simply lacked the political maturity to acknowledge that these connections were happening precisely because of COVID. Airlines, as I have told him ad nauseam in the past, need to get their planes into the air, and Gibraltar provided that opportunity for them to do so. The airline bosses of these companies must have been amused at witnessing our Minister for Tourism bragging about the successful effects of his, and only his, marketing efforts and exploiting for obvious political gain, in his mind and his mind only, the arrival of these inaugural flights. He thought he had arrived and that what his predecessors had failed to do, even from his own side, he and only he had accomplished. Unfortunately for Gibraltar, that was not to be the case.

1640 The vain hope that the Hon. Minister had developed some political maturity was somewhat dashed when he went on again misplaced bragging mode and issued a statement to say – this was back in January – that he had presided over the highest number of inaugural cruise calls since 2016. This missed the point completely, as at the time that he issued the statement the numbers of cruise passengers in 2022 were still some 126,000 less than they were at the 2019 pre-pandemic levels and about half of the numbers which arrived in 2016, the year he claimed to have beaten in inaugural calls. These statements were being made at a time when the cruise terminal itself is in an embarrassing state of decay. What is the point of making nonsensical statements about inaugural calls or saying that Gibraltar has all the ingredients to become a port of choice, as he told us yesterday, and globetrotting the world at taxpayers' expense when visitors are greeted to what can only be described as a shanty-town, third-world building and construction site? (Interjection) The western arm, where cruise passengers disembark, is currently a building site, but it is beyond comprehension why hoarding or other imaginative solutions have not been put in place to make the arrival a more aesthetically pleasing experience for passengers when they disembark.

1650 The Chief Minister feels obliged because he has to defend probably the weakest Member of his Government with a feeble case and talk about, 'a magnificent financial performance'. Undoubtedly the figures are better, but does he not see that the better numbers are *in spite of* the Hon. Minister, that what the numbers represent are an improvement on the dismally bad statistics of COVID when there was no movement of people? The Chief Minister refers us to the 38.2% increase in visitor arrivals, yet ignores the 52% drop that we suffered during COVID. So there is still a lot of catching up to do. The fact is that we have about three million – yes, three million – people fewer coming here than before the pandemic. This is where we are now. The Chief Minister also attributes the increase in tourist site receipts to his Minister for Tourism's work, yet, as you would expect from the Minister for the Environment, he attributes it to himself or the increase in fees. In other words, nothing to do with Mr Daryanani. What is it to be? Are they that disorganised that they cannot decide that amongst themselves?

1660 Hon. Members opposite should not be smug about these numbers. In any event, this complacency is very concerning and ignores the worrying headwinds which I will highlight now, because we simply cannot forget that this is the Minister who presided over the departure from our shores of Royal Caribbean for 2024. This development represents a huge and significant blow to the jurisdiction, given the prestigious brand that Royal Caribbean is and the large vessels and therefore big passenger and crew numbers it has, yet the hon. Member skirted the issue

completely. No mention whatsoever was made of it. And we can make no mistake about this. Any trader in Main Street will tell you – he is, or was one – that this is another blow to their business; another blow, let’s not forget, which follows in the wake of the COVID lockdown.

1680 What was even more alarming was that the hon. Member did not appear to be aware until I raised it in a question in this House. You got the distinct impression that measures were put in place to recover from this disaster *after* we brought this news to him in this Chamber. When asked for the reasons behind this decision, he conveniently, and as is usual for this Government, hid behind the cloak of national and public interest, inviting me to a closed meeting to explain the reasons. The decision of Royal Caribbean not to come to Gibraltar but to continue to use nearby  
1685 Spanish ports such as Malaga is one which properly attracted public attention and debate.

Why can’t we, therefore, have an open debate as to the reasons behind this departure, so that it informs us, all of us, how to address and resolve whatever it is that provoked the decision in the first place? Does the real reason not lie in the possibility that the Government is being less than open because they want to avoid political embarrassment, and less about concerns relating to the damage to Gibraltar’s tourism prospects, as the Minister said the other day? The Chief Minister may yawn yet again, but let me tell the House that the information I have received is that Costa Cruises had cancelled all their calls to Gibraltar for 2024. They later came back saying that they would book selectively and have since reinstated some bookings, but not all. I am told that the reason for the decision is because of complaints passengers have received because of the  
1690 condition of the pier, which has not been attended to, but perhaps the Chief Minister, who has the right to reply, may revert to us on this point. The hazard that comes with yawning is that you end up with flies in your mouth. *(Laughter)*

In terms of having the wider debate, we really have to have better political leadership. I have little doubt about that now. I have come to that conclusion after observing the hon. Member for  
1700 this long. That is the inescapable conclusion that one arrives at from witnessing how the Member opposite has handled matters over the last four years. We need a strategy which we would implement from day one in government, a strategy which, as a fundamental and underlying goal, would recognise that tourism and the money it brings is a crucially important sector of our economy. This is a matter which seems to escape the gentlemen opposite. As an initial step, we would focus on the product and, in doing so, we want to tackle, once and for all, our entry points and sites. We have seen improvements of late and, at long last, particularly at the pedestrian entrance of the Frontier. Incidentally, I need to remind Members of this House that when this was raised by us, the Chief Minister gave a long explanation as to why what is now being done, i.e. a patch-up job, could not be done because it would represent a loss of public funds if the configuration at the Frontier would have to change as a result of a post-Brexit deal. I draw  
1710 immense satisfaction that the Government has come to our way of thinking and finally done the precise same patch-up job which was so obviously and badly needed. The same is true of the access points to Casemates. Here, we also see much needed and overdue refurbishments, but why has it taken them so long to do this? Are we expected to believe that the upcoming election bears no influence over these decisions? **(A Member: No.)**

Other issues, as identified by entities like the Chamber of Commerce, such as the incapacity of our transport infrastructure to properly service passengers and the lack of variety, with some exceptions of excursions, would be given priority by our new Government in its first few months in office. We are giving positive solutions to the difficulties that we are facing in this area. The  
1720 Chamber, in this context, rightly refers to stiff competition which Gibraltar faces from Cadiz and Malaga decrying the increasingly real fear that we are lagging ‘further and further behind’. A joined-up-thinking approach would be implemented so that the ineffective decisions of the Environment, Heritage and Tourism Departments, which appear to work within their own bubbles and ministerial fiefdoms and do not communicate with each other, would come to an end. That would deal with the product, and then we would approach marketing in a much more structured way.  
1725

1730 Here, too, we see symptoms of a lack of political vision and direction. As an example of this, we witnessed the bizarre trip by the Minister – and I am sorry to have to remind him of this – to Bangladesh in the same month, in January last year, when he decided not to attend FITUR, the  
1735 tourist fair in the capital of Spain, which he described as a very important market only the other day. What is even more worrying is that the non-attendance at FITUR last year was not just a hiatus, as it was repeated this year, this January. But even more worryingly and shockingly, we had a revelation in answers to questions, when the Chief Minister once again stood to defend his Minister saying that it is actually government policy not to attend. In other words, if they are re-  
1740 elected into government, we will never attend FITUR. (**A Member:** Yes.) All the nearby towns go to this event. La Linea goes to this event. Why? Because it is the place to be, especially given the importance of the Spanish market to us.

1745 And here lies another contradiction. How do you marry this policy with the Minister's statement to the effect that Gibraltar should 'attend all important conferences' and describes Spain, as I said a few moments ago, as an important market? Yet when it comes to Florida and Bangladesh, those are fine because, presumably, we need to be there, according to him. This policy decision is as ridiculous as it is bizarre and is one which we would reverse if elected into office, from transport, excursions, the cleanliness of our streets, proper signage, proper regulation of tour guiding to proper investment of our sites; in effect, a revolution in which no stone will be  
1750 left unturned to turn this place around and make it the tourist gem it has been and deserves to be again.

1755 Before I move on to other areas, I need to mention the topic of the convenient use, for them, of the national interest card, the absolute – borrowing the phrase that Mr Clinton used earlier – stonewalling that we have been treated to by the Chief Minister himself regarding his trips to Morocco. It is useful at this stage to remind the House what his Minister for Tourism told us in answer to my question regarding his announcement that he was wanting to secure tourism and business opportunities with Morocco. He said:

The Chief Minister has engaged in a number of visits to Morocco

– that was not revealed by me, it was revealed by his colleague in government –

to seek to establish stronger links, and announcements which show those links bearing fruit are expected in coming months.

1760 Yet when asked a simple question about the date when the Chief Minister had attended, we were treated to an obviously irritated Chief Minister who basically argued that it was not in the national interest to divulge information as to the dates on which he had visited, when his own Minister had told us that he had visited Morocco. I can understand that he may refuse to say who he has seen or what was discussed, but surely he can advise us of the dates. What is there to hide? Why the lack of transparency on such a simple matter? In any event, the Minister for Tourism said in  
1765 November 2022 that he would be making an announcement in the coming months, but we remain at a loss on a matter which, for unexplained reasons, still remains a mystery.

1770 It has only been due to questioning and challenging the current state of our heritage assets by us that we are now seeing reports and projects being rolled out, not actual photographs or video footage of the current and real condition of our heritage sites – and also, we would argue, tourist sites – but documents and demonstrably inaccurate claims that, and I quote to the Hon. Minister for Heritage, 'our heritage has never been better'. Disgracefully, what we seem to be getting from the Minister for Heritage is a litany of empty rhetoric and words which pander to the hon. Member's significant ego, an ego which must be nourished at all times in lieu of little in the way of real, tangible and on-the-ground action to preserve our heritage. (**A Member:** Hear, hear.)

1775 We have recently been treated to a consultation document, which he described as a vision document, which lacks any substantive information. Where are the budgets? Where are the

1775 programmes? Where are the target areas, business and conservation plans? We have none of that. It is highly concerning that all the hon. Member can come up with after 12 long years in office is a vision document at this stage that mentions a possible future management plan. What have they been doing since 2011? For such a vision to be presented now, at the end of the third term of this Government's time in office, serves to put into sharp focus the fact that there has been no ambition for the past 12 years; knee-jerk, unplanned political spin, which belies the fact that the hon. Members have no vision on this or, quite frankly, anything else. (*Interjection*)

1780 The Heritage and Antiquities Advisory Council reports should have, by law, been presented on an annual basis, but they failed to do so from 2018, the year their Act was passed in this House, and they were all presented hurriedly because I asked a question about them in Parliament. Or is he trying to tell us that it was completely and utterly coincidental? These reports, in any event, lack the minimum information to allow for the proper and forward-thinking management of our national monuments. When I say this, criticism is not directed at any NGO who the hon. Member seeks to hide behind as a human shield to save his own political skin. The criticism is wholly and exclusively directed at the Member opposite. It is he and only he who has ministerial responsibility, chairs the Council and is given by this House an annual budget of close to £2 million. More, *much* more, is expected than reports which are but a few pages long and many years out of time.

1790 We have numerous heritage and tourist sites which have been closed for a considerable period of time, such as the World War II tunnels, which the Minister now says will be opened – and I quote their favourite word – ‘soon’; O’Hara’s Battery, which was only opened very recently; the Stay Behind Cave; and the Moorish Castle complex. The Minister talks, for goodness’ sake, about the 9.2 inch gun being kept in a ‘holding and restoration area’, he tells us. Really? Has he not seen the evidence for himself? It is a dumping ground. (*Interjection and laughter*) It has been moved from one dumping ground to another.

1800 The hon. Member recently indicated that the Castle project would cost millions and take years to complete. Does that not raise legitimate questions in his mind – certainly it does in ours – as to why this was not started years ago and in a phased manner? Why is such a project, considering that this monument is our gem – I think the Hon. the Chief Minister used that word to describe the Moorish Castle – with such clear, immense touristic potential, being left to rot? Why is the company contracted to manage – and a bit more about that later – the site not delivering? Talk about lack of value for money. Is it because, as we recently heard the Minister state in his best Llanito, *a mi me da igual* – he just does not care? (*Interjection*) For him to refer to the works done over recent years, at an approximate cost of £110,000, as restoration works at the Moorish Castle exemplifies the lack of resources and interest. Removing vegetation and repainting should not enjoy the status of restoration. It is called basic maintenance. He should not brag about that, and I am told, furthermore, rather bizarrely, that this is not even being done by the contracted service provider, it is being done by the Government. I suppose once again *a el le da completamente igual*.

1810 Is he seriously expecting us to believe that the recent announcement on Parson’s Lodge – by the way, there was another announcement in 2015; this is now the second one – had nothing whatsoever to do with our recent questions and press releases regarding the embarrassing state of our heritage sites and that we exposed that? Nothing to do with that? Again, coincidence in the last few months of the lifetime of this Government and this Parliament? As matters stand, and as far as we are aware, there have not been any plans filed with the DPC, nor any mention within the vision or annual reports on this proposal. All of this supports the sceptical view that I have just shared with hon. Members that what this announcement basically boils down to is yet another PowerPoint presentation to an empty hall of what could have been done over the last 12 years but has not been done.

1820 The hon. Member must really live in a completely and utterly parallel universe. I am not surprised that the information which reaches us is that the Hon. Minister for Economic Development does not see eye to eye with him on many issues. An example exemplifies this point. How can he, on the one hand, claim that Governor’s Parade has been renovated, yet all that has

1825 been done there is the construction of a monolithic rubbish dump in what is an iconic square? Will  
 1826 this be another of his enduring legacies? Is he going to use the opening of the rubbish collection  
 1827 point for another of his photo opportunities that we are all getting increasingly tired of, and ask  
 1828 for the placing of another gold-plated plaque with his name commemorating the occasion?

The above failings, coupled with an annual departmental cost of close to £2 million a year, as I  
 1830 referred to earlier, of which over half goes to a private company, is simply not acceptable. We are  
 1831 very concerned not only with the state of some of our valuable heritage sites, but the lack of  
 1832 transparency and value for money when it comes to the contractual arrangements entered into  
 1833 with a company which runs sites such as the Moorish Castle, the Stay Behind Cave, the Museum  
 1834 and Parson's Lodge. The Hon. Sir Joe Bossano challenged us to state where savings could be made.  
 1835 Well, this is one of them. This company is costing the taxpayer in excess – in answers provided by  
 1836 the Minister in this House – of £1 million a year and, as far as we know, is subjected to little, if  
 1837 anything, in the way of performance indicators. If we are contractually able to do so, I can tell  
 1838 Members of this House that we will make this contract publicly available and hold the service  
 1839 provider to account in terms of performance *as a minimum*. We saw the hysterical reaction by  
 1840 various Members on the other side, including the Chief Minister, to our questioning in this area,  
 1841 a reaction that makes us even more concerned – it does not assuage our concerns, it makes us  
 1842 even more concerned – as any calls for transparency were not only sidestepped, but challenged  
 1843 with the riposte that all I know to do is to attack, attack and attack. We are not attacking. We are  
 1844 simply asking legitimate questions which go to the heart of how our valuable taxpayers' money is  
 1845 being misspent. We shall continue to do so until, in the not-too-distant future, we are hopefully  
 1846 given the opportunity to do something about that on the other side of the House.

There is an evident lack of strategy and co-ordination between Ministries, as I referred to  
 1847 earlier. It is also self-evident that there needs to be a complete overhaul as to how our heritage  
 1848 and tourism product is managed. We shall work with the Heritage Trust and other interested  
 1849 parties to ensure that resources are properly and adequately focused to place heritage right bang  
 1850 in the centre of Gibraltar's tourist offering. This will happen immediately after getting into office.  
 (A Member: Hear, hear.)

I am very conscious that this, I am afraid, is going to hurt the Minister for Heritage's  
 1851 oversensitive ego, because *el muchacho no tiene abuela*, but while he arrogantly claims  
 1852 (*Interjection*) to be an expert on whatever he does and touches, I need to tell him that he has  
 1853 demonstrated a lack of understanding of what urban renewal or regeneration should, in fact,  
 1854 entail. Whilst the restoration of a historic building is commendable, it does not of itself constitute  
 1855 urban renewal if it does not also address environmental, economic and social needs. Urban  
 1856 regeneration schemes improve infrastructure such as utility services, schools and public spaces,  
 1857 and incentives such as grants or tax allowances for fiscal or fiscal measures which can be applied  
 1858 in identified districts for the creation of facilities or improvements to properties, for example. He  
 1859 has done none of this. These things all form part of an ambitious range of initiatives which can  
 1860 lead to urban regeneration of an area. That is urban regeneration. For this Government to state  
 1861 that Governor's Parade, the Moorish Castle, the conversion of St Bernard's and Police Barracks  
 1862 are success stories in this field is actually an admission of guilt on their part. Why has the Upper  
 1863 Town been ignored for so long? Historic buildings are not even rendered correctly, such is the  
 1864 insensitive cowboy plastering of concrete on the building up Prince Edward's Road Road. Shame  
 1865 on them! (*Interjections*)

No one can surely deny the focus and energy that existed in this area when we were last in  
 1866 office. We are now going to go back to not 1996, we are going to go back to 1996 all the way  
 1867 through to 2011 because testament to this are urban renewal schemes such as the beautification  
 1868 of Main Street and all of its associated side streets, including Irish Town. This created a more  
 1869 attractive shopping experience and the removal of traffic from the heart of town. These  
 1870 represented real and tangible environmental improvements. The conversion of Grand Casemates  
 1871 Square from a car park to a venue which is now thriving with restaurants and social events is  
 1872 another example. The GSD's urban regeneration scheme extended to our city walls with the  
 1873

removal of structures such as the old power station to reveal the King's Bastion, the opening up of Chatham Counterguard, the demolition of structures upon its fortifications, a policy which has sadly been reversed. We started the conversion of the ex-St Bernard's School, provided underground car parking and other improvements at Governor's Parade, regenerated Castle Street and refurbished numerous historic properties for first-time buyers. We also provided a women's halfway house and a cancer care facility at South Barrack Road. All of these improved not only the urban but also our social fabric and lifestyle generally. *That* is urban renewal. *That* is a legacy to be proud of. *That* is a record to be proud of. (**A Member:** Hear, hear.) These are the outstanding examples of urban renewal policies and strategies which we can hold as a proud legacy, throwing the Minister's words back at him. The evidence is out there for all to see. Conversely, what is the best that the hon. Member has come up with? Press releases announcing the placing of interpretation panels. Our vision for the coming years will not consist of a published document or new plaques, but instead will be performance driven and based on our solid track record and performance.

Mr Speaker, here we are once again, yet another year without an updated comprehensive development plan, which is now four years overdue. Yes, we have heard Ministers talk about plans, visions and strategies, and we are all very familiar with photographs of ministerial committee meetings, trips and working groups. However, the reality is that this administration has not only failed to deliver a new development plan, but has not even been able to provide a local area plan within the existing one. Policies and designs for areas such as Rosia or Devil's Tower Road remain vague, non-existent or dated, with the threat of urban sprawl and insensitive overdevelopment now impossible to ignore. We have heard the clarion call by the Heritage Trust and the ESG – and rightly so – for an updated plan. They are members of the DPC. There has been fierce criticism in particular with regard to Devil's Tower Road.

The result of this lack of strategy and direction is obvious to all except the hon. Members opposite, it seems. Let's take the airport tunnel project, for example. Was this not an opportunity to improve our land entrance, which could have been a shopfront to the Rock? Instead, we have makeshift structures, concrete barriers, holding and portacabins. Welcome to Gibraltar, indeed – that is if you can find your way around. But the lack of planning is not limited to this area. The entrance along Eastern Beach and the roundabout – the roundabout cost in excess of £700,000 to construct – has not been completed either or prepared for this year's summer season. This does not even require a development plan. I would like to believe that it is at least within the hon. Member's capabilities to have envisaged more or less when summer begins. What level of incompetence has overtaken the Government that they have been incapable of completing the works at Eastern Beach in time for summer? The Minister yesterday reported to the House that there are some works still to do. The reality is that the beach is littered with concrete, which I am told is having an adverse health effect on children. It is plainly obvious that there is simply no cohesive thinking. Government states that it encourages a healthy lifestyle, yet builds sports facilities, for example, at the furthest point from our residential areas and schools, areas which lack basic infrastructure such as pavements, therefore encouraging the use of vehicles. Can we really be surprised when sports days become a disaster as parents try to drop off their children? (*Interjection*) Or are we surprised when competitive sports cannot be played during most of the year at Lathbury sports facilities, as the area is too windy? (*Interjection*) The name Windmill Hill should have provided a tantalising clue.

The arrogance and hubris among Members opposite simply knows no bounds. Instead of pretending to lead the world on sustainability and climate change, why don't we start with the basics? Why don't we at least try to get solar panels that do not wreck our new facilities, for example? We now have a proposed aquarium at the Victualling Yard, which many are already seeing as an election gimmick and nothing more than that, and it will not materialise; and a residential development in the bay below. How is this area serviced to take such capacity? How will it impact our environment and residents for years to come? How will visitors get there? These are legitimate questions to which we do not have answers. What is to become of the Rooke site?



1930 Have the best proposals been considered, or have we once again sold to the highest bidder without catering for our local current and future population? This is a Government which is capable of allowing government assets such as the ex-Social Security building at Governor's Parade to lie empty, yet rent government office space from the private sector at places such as the Bassadone building at New Harbours. (*Interjection*) It is an utterly shameful waste of government resources that this should be happening. Why did the Government not foresee the need for office space in the first place? Then we have, for example, the Eastside development with a token amount of affordable residential units – I think it is 100 – without any schools, rented accommodation or social and recreational areas; a wasted opportunity in many respects.

1935 What I have set out is but a brief synopsis of the many critical issues that plague us. This is why a new development plan is essential. The Government has failed to deliver one and their decisions will weigh on the shoulders of current and future generations.

1940 Last year I said that housing continued to be a pressing social issue and explained how it is one of the main areas in respect of which people come to see us. The number of applicants currently on the housing waiting list up to 31st May 2023, which is the information that we have online, stands at 852, which is a higher number than that which I referred to last year. This is, quite frankly, staggeringly and unacceptably high. The Government tells us that it is convinced that this figure will come down significantly and will deal with the issue when the affordable homes come on stream by, as I have understood it, a cascading effect which results from the de-clogging of government rental tenants moving from their current homes to their privately purchased flats. We on this side of the House are not so sure. We disagree with the Government's position and say that we need to cater for the social housing needs, which the parties opposite appear to have abandoned as a matter of government policy.

1950 Fundamental to all of this is the need to tackle the administration of the housing problem – the housing issue, as I will call it. The Minister for Housing states that he is working on a wholesale review of the Housing Act rules and policies, yet nothing materialises. I need to remind Members that they have been in office for a very long time. They have had the privilege of governing this place for three consecutive terms, which is *much* more than other parties in other democracies get, and here we are in the dying days of this Parliament, and despite promises we are none the wiser as to when these documents are going to be produced.

1955 All of this is happening when people are in dire need of social housing. The needs vary, but they are nevertheless real and in many cases shocking and, quite frankly, heart breaking. The Leader of the Opposition and I experienced it at first hand and I know that the Minister for Housing also did when we were invited by Action for Housing on a visit to various properties in town. The squalor and extreme deprivation that so many of what were, in the main, elderly citizens live in is, to put it in the most diplomatic terms I can think of, wholly and utterly unacceptable. We appreciate and are very conscious of the fact that many of these individuals are caught in a vicious circle, in the sense that they cannot afford to pay market rents and therefore pay what are, from a landlord's point of view, meagre statutory rents, but then the landlord is unable to refurbish what are old but beautiful buildings, due to a lack of funds. We need to break the back of this and start a process whereby the administration of the housing list is handled in a more efficient and effective manner, also by reviewing amendments to our laws to liberate landlords' ability to spend money on their properties and obtain returns, and introduce the policy, that we announced some time ago, of means testing.

1970 On the affordable housing front, what we have witnessed is a litany of mismanagement and delay. As we have said, the Government cannot be allowed to rely on Brexit and COVID in order to absolve itself completely of responsibility in this area. The facts and chronology speak for themselves. As at the 2015 election – that is a good eight years ago – the GSLP Liberals had announced the launch of Hassan Centenary Terraces and Bob Peliza Mews, promising to deliver those projects within that term of office. They then repeated the promise again in September 2017, this being 15 months after Brexit, and citing completion dates for the first phase of Hassan Centenary Terraces for February 2020, which was a month before the advent of the COVID

1980 lockdowns. In the run up to the October 2019 election – another election – the Government  
 continued to give the impression that everything was on track and that there were no delays to  
 the completion of these developments, when it was not the case. On Chatham Views they said  
 that it would commence in the last quarter of 2019. Many of these dates were after Brexit, before  
 1985 COVID, and clearly used for electoral and political gain. It beggars belief that in January 2020 the  
 Government was still announcing that construction of Hassan Centenary would begin shortly,  
 when they had previously promised completion of the first phase by February 2020. This last date  
 was, once again, a month before COVID hit. With Chatham Views, construction was expected to  
 have started in the last quarter of 2019 – again, months before COVID. All the developments are  
 now the subject of substantial delays, not to mention, in the case of Hassan Centenary, an  
 1990 overspend of £30 million and lack of sufficient parking for phase one purchases due to the delay  
 of the construction of phase two. I invite the Hon. the Chief Minister to update us with the latest  
 overspend figure in his reply, as we understand on this side of the House that it is now  
 considerably higher than the £30 million figure he provided to the Hon. Leader of Opposition.

1995 These are all facts and it ill behoves the Chief Minister to feign being upset when we point this  
 out to him. What he should be doing is acknowledging and apologising to the long-suffering  
 Gibraltarian public, who will judge him and his Government on this record when the time comes  
 to cast their vote at the ballot box. The last thing he should be doing is to be so dismissive of the  
 delay with the words, as he said during the course of the introduction to this debate, that some  
 delay ... ‘I get it.’ We have spoken on this side of the House of a lost generation of mainly young  
 2000 Gibraltarians who are currently being priced out of the local housing market with not even the  
 prospect of obtaining a flat in the medium term. We will all, their political representatives, be  
 judged by them if we do not offer them a way forward.

The Chief Minister says that his gut tells him he will win the next election. I need to tell him  
 that there is less of a gut, so maybe he should not be relying on it anymore. But surely he realises  
 2005 that the herd is leaving him and that when the herd leaves, it leaves. I saw his rather sad photo of  
 his solitary coffee mug at the Galeta Social Club a few weeks ago. I am told that he had a very poor  
 response. I also heard of him being booed at a prize-giving ceremony recently. Not one day goes  
 by – and I am sure I speak on behalf of all Members on this side of the House – without people  
 expressing the desire for change. They are fed up of him and his Government. I know that deep  
 2010 down – I know him well – these things hurt him. I think he also knows that experiences like these  
 are something of a bellwether of the prevailing political mood. I know, deep down in my gut, that  
 he is nervous.

**Hon. Chief Minister:** Never been much [*inaudible*]

2015

**Hon. D J Bossino:** That’s true! Mr Isola will not like this, but someone told me recently how  
 tired and spent they look, what a motley crew. Time, then, to move.

Mr Isola’s contribution, just to ponder on that for a second, was an exercise in attacking the  
 Leader of the Opposition and the Opposition itself. No doubt Mr Licudi will do the same. In effect,  
 2020 with what Mr Isola did, what Mr Licudi, the hon. backbencher will do, and then what the Hon.  
 Chief Minister is entitled to do, the Government will have three rights of reply. We have had it  
 before.

Mr Isola spent *40 minutes* delivering what was clear will be, according to them, the main  
 battling ground of the election: Brexit and fear. Where was the reply to the point made by the  
 2025 Leader of the Opposition about the under-forecast of the health and care budgets, which are his  
 responsibility, the effect of which would have made the tiny supposed surplus disappear almost  
 as quickly as the support they once had? He had nothing whatsoever to say about Gibraltar’s grey  
 listing, nothing whatsoever; and even in his speech, which he then provided to the press, it is not  
 there. There is not a handout. There is nothing. He said nothing because he knows we are right  
 2030 and he has no response. The only answer is ‘Don’t change us now, because we have Brexit.’ Fear,  
 fear, fear. But I’ll tell you what: this fills us with confidence because this shows that we are winning

2035 the argument. This shows that they recognise that they are so weak in all other areas that they have to resort to Project Fear. We will meet the Brexit point head on, but we will not allow them to take the argument to the territory they feel most comfortable with and ignore the various serious concerns people have in relation to our state of public finances, lack of housing, the constant grime on the streets, etc. We will remind the electorate of their broken promises over the last 12 years. And yes, we will attack, attack and attack, so that we can turn this place around and direct it to an honest, transparent and clean future once and for all. **(A Member: Hear, hear.)** *(Banging on desks)*

2040 Deploying the Hon. Mr Isola in what are inelegant references to us by suggesting that we do not have a clue ... He came out with those words, that we do not have a clue, that we do not understand diplomacy and that the Gibraltarian public will understand this and re-elect them into office because of that. This, from a man who really understands the Gibraltarian public. Mr Isola really understands the Gibraltarian public. This is a man who did not even know what was south of the Piazza before he stood for election for the first time. Quite apart from the fact that we do have a competent team to lead the negotiations to a final conclusion, did the Hon. the Chief Minister himself not give evidence to the European Scrutiny Committee on 5th July, only last Wednesday, to the effect that we are 'close to a treaty'? Are we not already nearly there, in any event? Do they not persistently extol the virtues of the public servants, the team who have assisted them in the negotiations? Do these individuals – the Attorney General etc. – suddenly disappear when we walk into No. 6? Is that what happens? Or are they impliedly critical of the officials dealing with the negotiations and it can only be them and honourable the Chief Minister and Deputy Chief Minister to politically lead the team? *(Interjection)*

2055 In any event, is this A-team of supreme negotiators that the world has ever seen not giving out two distinct messages? We have had it today. We heard it from the Minister for Economic Development. He said a lot. How many hours? Two and a half hours? **(A Member: Yes.)** I think you nearly beat him. But he came up with massive headlines. He came up with two or three massive headlines – or clangers, I think, for them, **(A Member: Gaffes.)** gaffes, indeed – for the governing parties. But I will dwell on one because it is the point that I am dealing with now, and I am sure the Hon. Mr Feetham and Mr Phillips will deal with some of them as well in their contributions. *(Interjections)* This is what he had to say:

The only deal that can be achieved, as has been obvious and publicly stated on many occasions since December 2020, is a deal that has a maximum period of four years, because none of us are willing to accept a Spanish presence in Gibraltar as the price for a deal. Spain has agreed to request from the EU that Spain's Schengen obligations under any deal would be carried out on Spain's behalf by Frontex for an implementation period of four years, at the end of which Frontex would be replaced by Spanish officials or the deal would be terminated. So the deal will be terminated. As I told the UN seminar in Indonesia in May, that is the only option as far as Gibraltarians are concerned: the deal is terminated in year 4.

That is what the Hon. Sir Joe Bossano said. What, on the other hand, did the leader of his Government say? He said, in the committee I referred to earlier, in relation to a question from Mr Greg Smith in relation to business interests:

We can only think of the opportunity costs of not having done these arrangements

2065 – i.e. the Schengen arrangements –

Of course, if we do these arrangements and get beyond the four-year horizon,

– that is what he wants, he wants to go beyond the four-year horizon –

then, as the whole thing hardens, the opportunities for business on both sides of the frontier are huge.

He talks again about shared prosperity:

It is worth continuing to work very hard to have this area of shared prosperity. That must only mean greater prosperity than what we have today, greater opportunities for businesses in Gibraltar, [...] greater opportunities for the businesses around Gibraltar ...

He says, 'I am ambitious to try to achieve more' beyond the four years. That is what he was saying. He says:

What we have found in our Spanish counterparts is that they too are ambitious to try to achieve more.

2070 And he talks about the 'opportunity to deliver a treaty that can bring about this additional prosperity' once again. We need to understand from the Government why, on the face of it, their aspirations are totally different.

**Hon. Chief Minister:** They are not.

2075

**Hon. D J Bossino:** What we had from Sir Joe Bossano is completely different to what the Hon. the Chief Minister was saying to the committee in the House of Commons. It is completely different. Sir Joe was very clear: after four years, it is over. The Hon. the Chief Minister is saying something completely different. And if he is not saying something completely different – he is getting excited again – all he needs to do is clarify the position to the people of Gibraltar so they understand what they are voting for.

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**Hon. Chief Minister:** Yes, [*inaudible*] can understand that.

2085

**Hon. D J Bossino:** But I must say, Mr Speaker, that I agree with the Hon. Mr Isola in one respect. I do agree with him. He said that Gibraltar deserves a better Opposition, (**Hon. Chief Minister:** Hear, hear.) and he is right. I think that the hon. Members opposite would do a wonderful job. It is obvious that the gentlemen and lady opposite have run out of ideas. They have run out of steam. After having thrown money around as if it were dishwater, they have run out of money. There is simply no more petrol left in the tank. It is time for a new and fresh approach. It is time for the GSD.

2090

**A Member:** Hear, hear. (*Banging on desks*)

### Adjournment

**Chief Minister (Hon. F R Picardo)** Mr Speaker, I suppose it is because of the length of the session, but I am starting to fall asleep, so I wonder whether it might be a good idea to adjourn the session now until tomorrow at 11 a.m.

2095

Thank you.

**Mr Speaker:** I now propose a question, which is that this House do now adjourn to Friday, 14th July at 11 a.m.

2100

I put the question, which is that this House do now adjourn to Friday, 14th July at 11 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Friday, 14th July at 11 a.m.

*The House adjourned at 9.16 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 11.01 a.m. – 12.10 p.m.**

**Gibraltar, Friday, 14th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 11.01 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Chief Minister (Hon. F R Picardo):** Mr Speaker, if I may, just for a moment, inform the House that I may have to step out for five or 10 minutes to take an important call. I mean no disrespect to the Minister in doing so. I try to listen to all speeches by all Members during the course of this debate, but I may just have to step out for five minutes during the course of this address.

**Clerk:** Meeting of Parliament – Friday, 14th July 2023. We continue with the Second Reading of the Appropriation Bill 2023.

**Mr Speaker:** The Hon. Samantha Sacramento.

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, you were with us in the summer of 2012 when I delivered my first Budget speech. Back then I was 35 years old, and today it is a great privilege and with deep responsibility that I deliver my 11th address. We were all reminded by the Chief Minister in his intervention on Tuesday that our time here is, indeed, a privilege and ought not to be taken for granted. We will soon contest a General Election once again, and it is with great respect that I say that tomorrow is never promised. It is on this basis that I wanted to take this opportunity to look back and recognise our achievements in our almost 12 years in government, because despite all the negativity of those opposite, try as they might, they cannot and will not rewrite history.

There is no denying that we have changed the landscape and the feel of Gibraltar for the better. Only two days ago I saw a post on social media where there was nothing but praise for our Commonwealth Park, the vision of my good friend Minister John Cortes, which he made a reality and something that is now very much part of our lives and easy to take for granted, in the same way that his implementation of the smoking ban is something that now, 11 years later, is so normal for everyone that it is inconceivable to think otherwise. I say this as but two examples to illustrate that over the course of the almost 12 years that we have been in government we have achieved many great things and these are all too easy to forget.

While I simply cannot list all our achievements and accomplishments over the last 12 years, as there are too many, it saddens me greatly that the Members opposite try to diminish and belittle our efforts, particularly when they try to paint COVID and Brexit as excuses, as if anyone would believe that. They make personal insults. The Leader of the Opposition called us jaded and spent. Mr Bossino called us jaded and tired. We *were* tired. During 2020 we were literally physically exhausted because of the battles that we were fighting, but we still persevered because we had no choice. I am glad that the Opposition supported us at the time, but they were not the ones steering the ship. They have absolutely no idea of how much work we had to do. When you are physically tired, you rest and carry on, and our dedication to continue to work for Gibraltar is what

spurs us on. I can assure the Members opposite that we have more dynamic and vibrant ideas and the drive and ambition to deliver them. The hours we worked were unimaginable, the Chief  
40 Minister and the Deputy Chief Minister in particular ensuring that Gibraltar was safeguarded in the Brexit negotiations, which coincided with COVID. Mr Clinton, in one of his outbursts, got it completely right when he said that Mr Picardo was ridiculous. Mr Picardo *is* ridiculous: ridiculously strong in fighting for Gibraltar, with our backing. It saddens me that the Members opposite stoop to such ridiculous levels, no wonder people do not want to engage with Parliament after such  
45 petty insults of the people who work tirelessly to put Gibraltar first. It really is not becoming of this place.

COVID was a serious global event and can be all too easily forgotten. For those of us leading on it, we were literally fighting a war in the trenches – though actually, in our case, we were in the bunker – for the majority of 2020 and part of 2021 to keep Gibraltar safe. I will never be able to  
50 properly express my gratitude to those who went over and above the call of duty during this time. Among the many things that COVID took from us, including our piece of mind, it stole from us the time to deliver our manifesto in four years, but that has just meant we have worked doubly hard to deliver as much as we can in two years.

Mr Speaker, before I turn to my responsibilities for individual departments, I would like to  
55 commence by making reference to two important overarching strategies that are multi-faceted and multi-agency. They have been many years in the making and I can confidently say that they have matured and come to fruition, and as a result they will make a meaningful difference. The first is domestic abuse, which hon. Members will be aware has been a flagship policy of mine, to work towards ending domestic abuse in Gibraltar.

Domestic abuse is a pervasive problem that affects many people in Gibraltar, including  
60 children. It is heinous crime that destroys lives and tears families apart. As such, it is a problem that requires meaningful and co-ordinated action. This Government has been committed to ensuring that all necessary steps to tackle this issue head on are taken. Our ambitious goal is to eradicate domestic abuse from Gibraltar by intervening at every level, with children to help them  
65 recover, with victims to offer support and empowerment, and with perpetrators to hold them to account for their actions and offer help to change their behaviour. Whereas this has been a focus for many years, the work was recalibrated last year, once the COVID demands permitted me to do so.

Over the past year I have spearheaded a new Domestic Abuse Strategy, which is aligned to the  
70 Domestic Abuse Act passed in this House in January this year. The strategy is titled *Breaking the Cycle* and its purpose is to do just that, break the cycle of abuse. At this juncture, I wish to thank the Hon. Mr Feetham for his political maturity, as he has commended my work on domestic abuse both in this House and on a *Viewpoint* programme, and for this recognition I am grateful. In order to make this goal a reality, the first step was to update our legislation through the new Domestic  
75 Abuse Act. This Act strengthens the legal framework surrounding domestic abuse, and in particular moves our legislation on to reflect modern understanding by creating a new offence around patterns of controlling or coercive behaviour as well as that of non-fatal strangulation. This new offence covers such behaviour when it occurs during a relationship between intimate  
80 partners, former partners or family members. This sends a clear message that this form of domestic abuse constitutes a serious offence and provides better protection to victims experiencing repeated or continuous abuse. We must all recognise the harm caused by coercion or control, the cumulative impact on the victim and that a repeated pattern of abuse can be more injurious and harmful than a single incident of violence. Updating our legislation is but the first step in this strategy and in many ways was the easiest step.

Tackling domestic abuse requires a multi-disciplinary approach, and as such, in October 2022 I  
85 set up a Strategic Domestic Abuse Partnership. This high-level partnership, our Gold partnership, consists of the most senior managers from all appropriate government departments and agencies, including the Royal Gibraltar Police, the Care Agency, the Department of Education, the Housing Department, the Government Law Offices, the GHA, Public Health, Human Resources, the Director

90 of Public Prosecutions, the Gibraltar Courts Service, the Ministry for Justice and the Ministry for  
Equality. The strategic lead for this working group is the Ministry for Justice. In order to support  
the Gold Partnership, I have also created three inter-agency sub-groups made up of operational  
staff. The sub-groups are Prevention, Support and Justice, and Protection. The sub-group  
95 members are very active in ensuring the action plan from the strategy becomes a reality. Through  
this holistic partnership I have ensured that all relevant agencies and departments have a  
domestic abuse policy in place.

On 25th November 2022, the United Nations International Day for the Elimination of Violence  
against Women and Girls, I held Gibraltar's first national conference on domestic abuse. This  
conference had internationally renowned keynote speakers and was attended by over 150 public  
100 servants. The feedback from the conference was overwhelmingly positive. This conference was  
inspirational and very much a catalyst for the change and progress that we have since seen. The  
cost of the conference itself was met by Peninsular and I am truly grateful for their generosity and  
support. The conference also marked the introduction of Operation Encompass to Gibraltar, as  
two of its founding members gave presentations on the scheme. Operation Encompass is a police  
105 and education early information sharing partnership that enables schools to offer immediate  
support for children and young people experiencing domestic abuse. Witnessing domestic abuse  
is really distressing for a child or young person who often sees the abuse, hears it from another  
room, sees a parent's injuries or distress afterwards or can be physically hurt by trying to stop the  
abuse. This programme will enable children to be offered early support, and the new Act includes  
110 provision to facilitate the necessary sharing of information in this respect. Training on this has  
been ongoing, with over 100 police officers and teachers receiving training last November from  
the scheme founders and further training has taken place in May and June of this year ahead of  
the legislation being commenced. In order to break the cycle, it is important for young people to  
understand what a healthy relationship looks like and also the consequences of abuse, either as  
115 victim or a perpetrator. The latest report suggests that, although the number of women affected  
by domestic abuse remains largely unchanged since 2013, violence now starts at a younger age.  
It is therefore imperative that we educate our young people on how to have healthy relationships.

Much more has been done setting the groundwork for the strategy ahead of the  
commencement of the new Act. I will set out some examples of this, as sometimes it is easy for  
120 us to think that passing an Act through this Parliament will solve a problem. As I have mentioned  
earlier on many occasions, this is but the beginning and much further groundwork and training is  
required to make the words and thoughts in our legislation a reality. This year, for example, I  
commissioned and funded Childline, in collaboration with the NSPCC and the Care Agency, to  
develop and deliver a therapeutic recovery programme for children who have lived experience of  
125 domestic abuse. I also commissioned the University of Gibraltar to develop a victim survey to  
inform our strategy and ensure that the victim's voice is central to everything we do. The training  
that has been rolled out since then can only be described as prolific and has been offered to all  
stakeholder departments, ranging from generic awareness to sector-specific training. I have  
engaged Safe Lives, a UK charity, to deliver training on the development of a multi-agency risk  
130 assessment conference. This is now operational and involves staff from the various agencies  
working together to develop a safety plan for victims of domestic abuse. Rachel Williams, a  
survivor of domestic abuse and attempted murder in the UK, deserves a special mention in our  
work. She has also been engaged to run a number of events, one of which was a recent public  
event, an event for young people and four workshops for public servants, including specifically a  
135 workshop for the GHA GPs. She has also led workshops with victims and survivors of domestic  
abuse. We are also working on developing our therapeutic pathways to empower victims of  
domestic abuse, and our therapeutic support also involves work with perpetrators.

The Government and Gibraltar as a whole should never be complacent when it comes to  
domestic abuse. While I am proud of what has been achieved by our Government in breaking the  
140 cycle, we cannot stop here. I reiterate our commitment to tackling domestic abuse and making a  
real difference to the lives of victims and survivors of it in Gibraltar.



On a final note, I was honoured to be invited to Buckingham Palace in November of last year for the first event hosted by the then Queen Consort in recognition of work done on domestic abuse. That was a real privilege and one of those moments that you know you will always remember.

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Mr Speaker, an overlapping area as the Minister with responsibility for children and safeguarding is that of child protection. It may sometimes be seen as a cliché to say that children are our future, but that does not make it any less true. It is all of our responsibility to ensure that Gibraltar is a safe and secure environment for them to grow up in. Child protection is not just a legal obligation under the Children Act, but a moral one as well. It is our duty to protect children from all forms of abuse, neglect and exploitation. As a society, we cannot turn a blind eye. We must take proactive measures to prevent child abuse and protect our children. Much work has been done over the past year to ensure children are safe and protected. However, one cannot rely solely on the Government and its agencies to protect our children. It is the responsibility of everyone to be vigilant and report any suspected cases of child abuse. It is my vision to create a culture of awareness and education where parents, teachers and caregivers are trained to recognise the signs of abuse and take appropriate action.

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Having agencies work together and communicate effectively is essential for good child protection practice. My friend Minister Linares spoke about this and work done by the GSLA in this respect. To that end, I have invested in development days for the multi-agency Child Protection Committee which took place in November 2022 and in March 2023. These were facilitated by a recently retired UK director of children services who has extensive experience in this area of work. As a result of these development days, the committee set three priorities for training and development during the next year. These are children impacted by domestic abuse, children with a disability, and safer recruitment. The Child Protection Committee has been very busy this year. There has been more child protection training than ever being delivered to government agencies and to charities and religious organisations. This training is well established for all who work with children and young people. The training programme has been reviewed and updated and will be further updated this year to take account of the Committee's priorities.

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In order to ensure safer recruitment, I have commissioned the development of a framework to enable employers and agencies, including the voluntary sector, to manage allegations against persons in a position of trust. This framework will ensure a clear process in order to protect children, employees and organisations. I have also commissioned an updated inter-agency child protection policy and procedures for all agencies dealing with children, and these will be implemented throughout the coming year.

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Mr Speaker, turning to the departments that I am responsible for, I will commence with my responsibility as Minister for Equality. During this administration's three terms of office, it has been an absolute privilege to hold a number of portfolios. Of all these portfolios, the Equality portfolio has been the one that I have held from the very first day. Equality is a cornerstone of our Government and it was a great honour to be Gibraltar's first Minister for Equality in 2011. It is a responsibility that I have always been, and continue to be, extremely proud of. While it is a sad reflection that equality matters were given little, if any, political or parliamentary consideration until 2011, I have to say that it has been hugely gratifying to lead a Ministry which is pioneering and groundbreaking in its philosophy, vision, policies and, of course, most significantly, legislation. I make this point proudly as I am concerned that this may not be the case should the Members opposite be in government. None of this was achieved until we embarked on the equality journey. Our legislation on such as gay marriage, abortion and surrogacy has not been supported by Mr Bossino. Worse still, he has indicated that abortion in particular could well be reversed. Well, let's hope not only that the GSD do not win the next election, but that Mr Bossino is not the leader, as his views, which are more akin to Vox and could risk us looking more like Uganda than Gibraltar, would do us no favours. These regressive views were one of the reasons given by the hon. Lady opposite in her press conference at her resignation as to why there could be no merger between Together Gibraltar and the GSD.

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195 Mr Speaker, in the almost 12 years since its inception, the Ministry for Equality has made  
significant strides to ensure that gay rights are properly protected in legislation, and it is through  
our awareness campaigns and community engagement that these are understood and embraced.  
Given that June is Pride month and it has just come to an end, I think it is appropriate that we  
should begin with LGBTQ+ rights. The development of LGBTQ+ rights since we have been in office  
200 has been remarkable and the cultural shift these legislative changes have effected are supremely  
apparent from last year's and this year's successful Pride events, making it a total of three Pride  
events. Not only were events, by their very nature, diverse and inclusive, but they were also  
colourful and joyful celebrations. Pride is a pertinent reminder to everyone that members of the  
LGBTQ+ community have a right to visibility and the right to an equitable place and standing in  
our community. I would like to take this opportunity to congratulate the LGBTQ+ community, who  
205 have worked so hard to mark Pride so wonderfully.

When I look back now, it is hard to believe that the first time that LGBTQ+ rights were referred  
to was in my very first Budget speech in 2012 and that the first time that gay rights were properly  
achieved in this House was in 2014. The Civil Partnership Bill, which was the first Bill I ever moved  
in this Parliament, was a landmark piece of legislation. For the first time in Gibraltar's history, this  
210 Bill enabled the formal recognition of relationships between couples of the same sex. Two years  
later, in 2016, I brought the Civil Marriage (Amendment) Act to this House to allow for the civil  
marriage of gay couples. Additionally, we legislated to outlaw homophobic hate crime and hate  
speech in 2013. Such crimes are now, thanks to us, aggravated offences. In July 2015 and in  
recognition of our transgender community, we made provision to extend protection from  
215 discrimination for individuals who have undergone gender reassignment. The passing of all this  
legislation has demonstrated our resolute and steadfast commitment to equal rights for all  
members of our community, regardless of their sexual orientation or gender reassignment.

Whilst we have ensured the legislation protects members of the LGBTQ+ community, we will  
continue to mark Pride month because there is no place in Gibraltar for homophobia, biphobia or  
220 transphobia. We mark Pride in powerfully visual ways, as awareness is key. We do this by flying  
the rainbow flag in prominent places throughout Gibraltar, illuminating the Moorish Castle in  
rainbow colours and supporting the Pride parade. These visual reminders send a strong message  
to everyone that we will continue to mark and support Pride because it is the right thing to do.  
We will continue to mark Pride month because there is no room or place in Gibraltar for hate. We  
225 will continue to mark Pride month because in an equitable and inclusive Gibraltar we are all of  
equal value and worth and because we are all entitled to full respect at all times. We will continue  
to mark Pride month because it is imperative that everyone lives true and authentic lives free from  
the fear of negative or hostile reactions from those around them, and this is how it should be in  
Gibraltar.

230 Gender equality is another important strand of my equality portfolio. Gender equality is a  
necessary component of a modern and progressive society and it is imperative in our pursuit of  
social justice. A central strand of the Gender Equality Strategy is the economic empowerment of  
women. One of the key initiatives of the Gender Equality Strategy is the Women's Mentorship  
Programme. We recently completed the fourth cycle of this programme, and feedback from all  
235 participants, both mentors and mentees alike, was extremely positive once again. I am very proud  
of the continued success and impact of the Women's Mentorship Programme. Its aims are hugely  
ambitious and varied. The programme's *raison d'être* is, in the first instance, to help women to  
develop personal and professional skills which will help them overcome certain barriers they may  
face in the workplace. In the mid to long term, the programme aims to address the  
240 underrepresentation of women in positions of leadership and management. We know that a more  
gender-balanced workforce is a key to success for organisations and businesses but for national  
economies, too. Therefore, ensuring that we maximise the talents and skills of both women and  
men in equal measure is a legitimate and necessary objective that we can all support and, more  
importantly, we can all benefit from. The fourth cycle of the Women's Mentorship Programme  
245 came to a close at the end of May and I am very pleased to say that there was a very positive

uptake of the programme by diverse professionals across the sectors. In total, the number of participants since the pilot cycle in 2019 has been 205. This means that since its inception the Women's Mentorship Programme has been able to provide support and advice from established professionals to a total of 104 mentees. The Women's Mentorship Programme offers women an invaluable opportunity for personal and professional growth. I am delighted to announce that the next cycle of the programme will commence after the summer, and I would like to urge anyone interested in participating in it, either as a mentor or mentee, to contact my team at the Ministry for Equality and register for the next cycle. I would also like to take this opportunity to thank the mentors, many of whom are repeat mentors, for giving their time and expertise and for giving back to the community.

International Women's Day is another important strand of the Gender Equality Strategy in that it challenges restrictive socio-cultural norms that prevent individuals from leading full and rich lives. The Ministry for Equality's celebration of International Women's Day this year with the event 'Where are the women of Gibraltar?' generated a conversation around the representation of women both historically and in the present. The event, which was oversubscribed and generated an engaging discussion at the end, shows that there is a clear appetite for these kinds of events. The event was an opportunity to reflect on what more can be done to amplify the voices of women and raise further women's visibility to ensure that we continue working towards achieving gender parity. Perhaps the most satisfying aspect of International Women's Day this year is the demonstration of how far we have come. In addition to my own event, I was invited to a record 12 other events. Who would have thought, when we first started to mark International Women's Day in 2012, that it would be embraced so successfully across the sectors?

Mr Speaker, as you well know, nowhere is the underrepresentation of women starker than in politics and parliamentary life. The lack of gender parity in this House is an issue decried by all and one which we can all agree urgently needs to be addressed. As you are aware from my involvement in the Commonwealth Women Parliamentarians (CWP) of the CPA, I have been a member of our regional steering committee since its inception. In 2020, among everything else that was going on, I was elected the chair of our region. This led me to organise two regional CWP conferences. The one in 2021 was a virtual one, and in October 2022 the conference was in person and we welcomed some 30 women Parliamentarians from across our region, as well as the international chair, for a three-day event. Having the opportunity of having so many women Members of Parliaments in Gibraltar, I wanted women here to take the benefit, so through the Ministry for Equality I also organised an outreach session to enable women who may be interested in political life to meet parliamentarians from Gibraltar and other countries to learn first-hand from their experiences. It was well attended and attendees were able to hear from a number of MPs and also actively engage them in conversation during the question and answer session at the end of the event and the networking opportunity afterwards. I know that for many of the women, particularly the younger women present, it was an inspiring event which left a vivid impression on them.

Finally on the note of women in Parliament, I am saddened to hear that the lady opposite has chosen to leave this House. It is a pity that there will be one less woman in Parliament given the huge necessity for diversity and the need for empowered women who are willing to take a stand and make a change. I sincerely hope that more women will embrace the opportunity at the next election and that we see a greater representation of women in this House the next time.

Mr Speaker, I would now like to direct your attention to the work the Ministry for Equality has done on disability. The Ministry for Equality is the pivot in our Government for driving this important agenda and we oversee the progress and delivery of the Disability Act throughout the public sector. Like the other examples that I gave earlier, so much progress has been made on this front that it is easy to forget the tremendous investment since December 2011 and how things were before then. Though there is always more work to be done and we always want to do more, it has to be said that no Government has done more for people with disabilities in Gibraltar since this Government created the Ministry for Equality in 2011.

300 You may remember, Mr Speaker, in my last Budget speech I mentioned the work done by the Ministry for Equality and the Ministry for Justice in collating the necessary information and evidence in order to progress the extension of the UN Convention on the Rights of Persons with Disabilities in Gibraltar. This has been a long and arduous task, a tremendous piece of work, and I am happy to say that we are reaching the end of that process and will soon be able to submit our findings to the UK. The next step will be for the UK to review Gibraltar's position, and we hope that they will start the process of extending the Convention to us.

305 I spoke last year of our intention to enact sections 13 and 14 of the Disability Act. Since the commencement of the Disability Act, the Ministry for Equality has provided information and training to both the public and private sector and continues to do so in order to ensure that everyone understands why this change is important and why it is important to be as inclusive as we can as we move to this very shortly. Since his 2019 Budget speech, the Chief Minister has continued to provide tax relief for businesses that have spent money on adapting or modifying their premises to make them accessible. In January this year, I met with the Chamber of Commerce, the Gibraltar Federation of Small Businesses and the Gibraltar Catering Association in order to discuss the changes to the Disability Act that were coming. Two months later, the Ministry for Equality organised a seminar, open to the private sector, on how business premises can be made more accessible in light of the legislative changes that are about to be commenced.

315 One of the key projects undertaken by the Ministry for Equality was the introduction of the Disability Information Card. The main purpose of this card is as a communication tool that enables the holder to discretely communicate their disability or accessibility requirements to another person. There are currently over 200 active cards in circulation, so over 200 people are now more confident in communicating their needs outside their normal social circle.

320 Another project commenced by the Ministry for Equality in 2019 was the launch of the RADAR Key Scheme. The first RADAR lock was fitted in the accessible public toilet by Market Place. Since then, a number of RADAR locks have been fitted by the Ministry for the Environment in accessible toilets around Gibraltar. The same RADAR key issued by the Ministry for Equality can open any of these toilets, thus enabling any user to use an accessible toilet at any time during the day or night. Over a hundred residents have, to date, successfully applied for a RADAR key. I would like to thank the Ministry for the Environment for so readily embracing this project and for continuing to invest in this scheme by installing RADAR locks in other accessible public toilets. We started with one RADAR lock. There are currently five accessible toilets with RADAR locks installed and I have been advised that at least three further public toilets have been identified for the installation of this lock. I would like to add that these locks are the same as the ones in the UK, so not only are we investing in accessible tourism from the UK, we are also enabling anyone from Gibraltar travelling to the UK with the required tool to access accessible toilets there.

325 In order to further promote inclusion and accessibility, the Ministry for Equality has been engaged in a number of areas. One such strand is access to information for the deaf and hard of hearing. You may remember, Mr Speaker, the publication of the British Sign Language Act last year. One of my duties under this Act is to issue a report on British Sign Language (BSL) in Gibraltar and what public authorities have done to provide and promote BSL. At the end of the first reporting period on 30th April 2023, the Ministry for Equality prepared a questionnaire for this purpose and, with the help of our Human Resources Department, shared this with all heads of public authorities in Gibraltar. A report will be published as soon as the Ministry has been able to extract all the necessary information. Further work has been done to promote the inclusion of hearing loops at all public offices as part of the Government's drive to make their buildings and services more accessible and thereby provide a more inclusive service to the community. The Ministry for Equality has undertaken another exercise to ascertain the current needs of departments, agencies and authorities for fixed and portable hearing loop facilities. This exercise is currently ongoing. Once finalised, this Government will be able to take the necessary steps to ensure that hearing loops are widely available at all counter services and board rooms within the

public service. We heard yesterday from the Minister for Tourism in his intervention how this had  
350 been embraced by the Gibraltar Tourist Board.

Members of this House and the general public may already be well aware of my and this  
Government's support for the Special Olympics. Both Special Olympics International and this  
Government share the same ideals on disability and base what we do on the UN Convention on  
355 the Rights of Persons with Disabilities. As you know, Mr Speaker, this Government and Special  
Olympics made an announcement last year on the Global Leadership Coalition, designed to bring  
together governments and agencies from around the world to forge expanded models of inclusive  
education through sport for students of all abilities. I have had the absolute privilege of attending  
360 four Special Olympics World Games with the Gibraltar delegation, so ably led by Annie Risso, and  
I can genuinely say what excellent athletes and ambassadors they are for Gibraltar. At this year's  
World Games in Berlin, I had the opportunity to attend the first Global Forum organised by Special  
Olympics, culminating with the Berlin Declaration, which I supported on behalf of the  
Government. This involvement gives Gibraltar the possibility of tapping into a variety of  
knowledge and resources from around the world with the simple aim of enabling people with  
365 disabilities and educating society in general through educative, sporting and health programmes.  
We are now in the process of developing some of these programmes and I am excited at the  
potential this could have; in particular, with the health programme this could be instrumental in  
developing more advanced screening opportunities for people with learning disabilities or  
communication barriers.

There is also a need to ensure that processes are in place so that inclusion is encompassed  
370 even when it is not at the forefront of everyone's mind. We have to make sure that not only should  
buildings be accessible, but the approach to these too. Consideration should also be given to  
people with disabilities every time there are maintenance or road works, or any eventuality where  
a building or a route taken is no longer accessible. For this reason, I have established a working  
group with the aim of achieving a more accessible Gibraltar, and this will be a strategic priority of  
375 the new Gibraltar Development Plan. The working group is chaired by the Head of the Ministry for  
Equality, Jason Bellilo, where he meets with the heads from Technical Services, Town Planning and  
Building Control and the Ministry for Traffic and Transport in order to identify current processes  
and highlight any changes that may be required to develop or maintain accessible routes around  
Gibraltar.

380 Finally on disability, I am happy to announce that I have established a working group to develop  
a better disability register. This working group brings together the professionals in this field and  
the Head of the Ministry for Equality together with the Director of Public Health and the Chief  
Statistician and will advise me on how we can improve in the collection of data so that we can  
better inform policies and practices going forward. When it comes to disability, there are many  
385 stakeholders. Many of these stakeholders are represented by charities and their input is  
invaluable in what we do as we continue to progress our disability strategies, and I thank each and  
every one for their valuable input and assistance. The Ministry for Equality is a small team of four  
people. It is quite remarkable that such a small team have achieved so much progress and for that  
I thank them all.

390 Mr Speaker, I will turn to my responsibilities as the Minister for Justice. This has been a  
challenging year for the Royal Gibraltar Police for a number of reasons. Despite this, the force has  
always maintained its professionalism in protecting the public and Gibraltar throughout. The RGP  
continues to strive towards meeting the existing and emerging threats posed by terrorism. There  
has been significant investment in firearms equipment and ammunition, as well as considerable  
395 financing towards developing firearms commanders who specialise in commanding and co-  
ordinating responses to firearms incidents. Investment also continues to be made in Operation  
Servator, with training provided by the City of London Police to ensure that they deter, detect and  
disrupt a wide range of criminal activity while providing a reassuring presence for members of our  
community and visitors to Gibraltar.

400 Investment in body-worn cameras was a focus in the previous financial year with an uplift to  
the current cameras. Research has shown that the use of this technology will allow for improved  
transparency, a reduction in assaults on police, swifter resolution to criminal prosecutions and  
police complaints, and training opportunities. The forthcoming Budget will see further financing  
with a further uplift of approximately 40 more cameras.

405 Following the recommendations in the HMICFRS report, the RGP invested in specialised  
counter-corruption training for a number of officers. In the last financial year the organisation  
sought to build upon its counter-corruption capabilities by engaging consultants to assist in  
enhancing efficacy within this area of policing. The forthcoming year will see continued  
investment in software-based products aimed at ensuring improved governance over all digital  
410 devices utilised by officers of the RGP. The funding will help them to improve the RGP's  
capabilities, allowing them to identify areas of corruption, thereby safeguarding and building trust  
with members of the community. Dealing with high-tech crime is an increasingly demanding  
business area for the RGP and it has increased its resources, thereby enabling them to tackle more  
work. The RGP has invested in updated equipment and forensic software that will further enhance  
415 the unit's capabilities and will continue with this programme in the forthcoming year.

The new Penalty Notices for Disorder Scheme has now been implemented and this will provide  
officers a quick and effective alternative disposal method for dealing with low-level anti-social and  
nuisance offending. The scheme aims to reduce the time officers spend completing paperwork,  
allowing them to spend more time with the public dealing with more serious crime, while also  
420 reducing the burdens placed upon the courts.

Last year saw investment in an e-learning platform which is in the process of being rolled out  
across the organisation. The platform will assist in creating a culture of self-led learning and a  
focus on continuous development. It is envisaged that this will drive better performance  
throughout the force, and with the use of blended learning will release training resources to focus  
425 on the increasing number of organisational training needs. As part of the organisational  
commitment to learning and development, the RGP has continued to invest in accredited  
leadership training for officers in supervisory and management roles. The last year also saw  
training by the same provider on diversity, equality and inclusion across the organisation. Looking  
forward, the next financial year will realise accredited training in the areas of leadership and well-  
430 being for those officers who have recently been promoted in rank. I would like express my  
gratitude to the brave staff at the Royal Gibraltar Police for their dedication and support and to  
the Commissioner, Richard Ullger, for his leadership.

Mr Speaker, turning to the Financial and Intelligence Unit, which continues to make a  
significant contribution in Gibraltar's fight against money laundering, terrorist financing and  
435 proliferation financing, it has made remarkable progress and demonstrated its performance  
through its recently published Annual Report and Strategic Analysis. The GFIU director highlighted  
in his three-year strategic plan for 2023-2026 that the unit will build on current momentum,  
shaped by its experience during the Moneyval and FATF's process. The plan, which will be the  
backbone of the GFIU's digital transformation journey, promises to exploit the opportunities from  
440 technological advances and work with stakeholders to ensure that the GFIU has the best  
innovative solutions.

Through its sustainable outreach and engagement programme, Project Nexus, which this year  
was recognised through HMGOG's Project Achievement Award, the GFIU has provided training to  
hundreds of professionals both in the private and public sector, covering a broad range of topics  
445 related to money laundering, terrorist financing, sanctions and proliferation financing, not only in  
Gibraltar but also in other countries. For example, the GFIU delivered training in Egypt, through  
the United Nations Office of Drugs and Crime, to law enforcement agencies and FIUs from the  
Middle East and North African region. Additionally, the GFIU delivered training to the government  
of Kazakhstan on Gibraltar's efforts to counter proliferation financing. This further showcases the  
450 unit's commitment to sharing expertise and knowledge with international partners in the fight  
against financial crime.

455 Since the establishment of the Financial Liaison and Intelligence Network, Gibraltar's public-private partnership, the GFIU has signed a memorandum of understanding with the UK's Joint Money Laundering Intelligence Task Force, which increases co-operation, sharing information and intelligence, providing collective knowledge and experience to make Gibraltar and the UK a hostile environment for criminals involved in serious and organised crime. This has been made possible by the GFIU's membership of the Quad Island Forum of FIUs. I thank Mr Edgar Lopez, who is exceptional in discharging his role as director, and particularly for his innovation in this department.

460 Looking at probation, now, Mr Speaker, during the past year, the Probation Service has continued to meet its commitments of service delivery to the criminal justice system, working closely with a range of stakeholders, service users, the wider community and the voluntary sector. The Probation Service prioritises delivery of services to the courts and the Prison and plays a key role in sex offender risk management in the community. The team's commitment to evidence-based practice has remained integral to working with service users to address their complex needs, and in this respect they have undertaken further training in various risk assessment tools to enhance the quality of their reports and improve the management of offenders. This includes motivational interviewing, anger management, problem-solving skills, and interventions when working with perpetrators of domestic abuse. The community service aspect of the team's responsibilities has continued by delivering an alternative sentencing option to custody to the courts and providing a positive social and environmental impact in Gibraltar. The service continues to provide support in developing pro-social thinking and attitudes whilst promoting and developing some employment skills. From 1st June 2022 to 15th June 2023 the Probation Service has received 165 requests for pre-sentence reports. In total, 71 community rehabilitation orders and youth rehabilitation orders have been issued by the courts. With regard to parole matters, the Probation Service has prepared 25 reports. Again, I am extremely proud of the hard work and determination of this small team, who regularly go above and beyond in providing an important and valuable service to the criminal justice system.

480 Looking at our Prison Service, the average number of inmates at HMP Windmill Hill for the last financial year stood at 41 prisoners per month, down from 56 the previous year. There were a total of 130 admissions during this time. The Prison's facilities continue to be well used by those in custody, the most popular activities being the gymnasium followed by educational and vocational classes. Inmates also made good use of the counsellors and programmes available to them, these being substance rehabilitation programmes delivered by the Care Agency, therapeutic interventions for sex offenders and therapeutic counselling. The Prison's voluntary drug testing scheme is proving to continue to be a success and these initiatives will better place offenders on the road to rehabilitation and successful reintegration into society, and thus reduce the rate of reoffending. I am also pleased to report that the training of prison officers has recommenced following a hiatus due to COVID. Additionally, a number of upcoming UK specialist courses will be attended by officers soon.

485 Turning to the Gibraltar Courts Service, as reported in previous years, there continues to be no backlog at the Magistrates Court or Supreme Court in respect of dates being provided for criminal trials and civil and family applications waiting for first hearing dates. This year, all members of the judiciary, including Justices of the Peace, attended training on domestic abuse. This training was organised by my office and was delivered by two trainers from the Judicial College in England. The training was very well received by the judiciary, as communicated to me by the Chief Justice. The Government has invested in a new courts audio-visual and recording system. The works for this have now commenced. As Minister for Justice, I continue to work closely with the Chief Executive of the Gibraltar Courts Service to ensure that the courts' back-office administration is properly resourced to make certain that the level of performance and support to the judiciary, court users and the legal profession is maintained so as to continue delivering a timely and efficient justice system that is open to all. I am most grateful to Hazel Cumbo for her invaluable work and that of her team.

500

505 Now the Government Law Offices. Since the last Budget speech, the Government's team of  
lawyers has continued to play a crucial part in delivering legal advice to the Government, shaping  
legislation and providing legal representation to all our law enforcement agencies. During the  
course of 2022 to date, the GLO has published 36 Government Bills, 28 Acts and 341 Legal Notices,  
of which only 15 were COVID related. After a lot of planning, last month saw the OCPL and the  
510 RGP begin a trial of the use of digital dockets in Supreme Court matters. Moving forward, the  
intention is for the system to be used for all criminal matters at whatever stage of the criminal  
process. This will greatly improve information flow between OCPL and the RGP and reduces the  
need for physical criminal files and documents to move between locations. I thank the team for  
their hard work and advice.

515 I turn to my responsibility for the Fire Services. First to the Airport Fire and Rescue Service  
(AFRS), which continues to enhance its operational response capabilities by investing in  
developing its staff and resources. In this respect, a number of professional and other relevant  
courses have been undertaken throughout the past year. As core participant in any airfield aircraft  
emergency, the AFRS has an obvious primary operational response role. Beyond its continual  
training, it also participated in a number of multi-agency exercises, but more directly in the  
520 airfield's biennial aircraft emergency live exercise. This involved working on the ground with  
airfield stakeholders and various other responding partner agencies, participating collaboratively  
at all levels and learning from this to improve and enhance the effectiveness of the response plans.  
The training throughout the year has consisted of First Response Emergency Care Level 4  
qualification, the whole of the AFRS team undertaking the Safeguarding Children and Young Adults  
525 Tier 1 training, and a senior officer attending a Chemical, Biological, Radiological and Nuclear  
Strategic Command course at the College of Policing in the UK jointly with a Gibraltar Fire and  
Rescue Service (GFRS) senior officer. Continual professional development and the maintenance of  
skills is central to the ethos of the AFRS, which is periodically scrutinised by inspectors from both  
the Defence Fire Safety Regulator and the Civil Aviation Authority. Such external reviews enable  
530 the organisation to gain assurance and verification that it is performing and delivering a service in  
accordance with UK and internationally mandated standards, as the aviation industry allows no  
room for complacency. Ensuring the organisation continues to develop and widen its skills base  
with adequate resources and facilities is fundamental.

535 Now turning to the GFRS, this has been a year of numerous challenges for the GFRS as an  
organisation that prides itself on setting high standards of performance in the community. The  
staff have faced circumstances that have taken them to the extreme in terms of risk exposure,  
with the aim of resolving incidents and keeping the impact on the community as low as possible.  
Let's not forget the heroic efforts of the firefighters this time last year when they were called upon  
when the fire broke out at Power's Drive. I was with the Chief Fire Officer as events were unfolding  
540 and we cannot underestimate how these firefighters run to danger to keep us safe. To this day,  
the GFRS is still trying to recover from the effects of the pandemic, in terms of training needs and  
the maintenance of their competences and frequencies in line with UK National Operational  
Guidance. With the ongoing growth of Gibraltar's landscape, amendments to fire safety standards  
and innovative fire engineering solutions, the GFRS Fire Safety team is constantly challenged and  
545 does a magnificent job in the anticipation of risks, subsequently contributing to our frontline  
operational preparedness. They continue with their primary objective of implementing and  
adopting any measures or procedures necessary to ensure they maintain competence and provide  
the best possible level of emergency response to safeguard Gibraltar. Works have commenced to  
develop and modernise the internal incident reporting, human resource management and  
550 dispatch/operational support systems. The main objective is to improve efficiency in emergency  
response and day-to-day working practices. As we work on the transfer of the ambulance dispatch  
from the GFRS to the GHA, there will come a number of changes in protocol; however, the GFRS  
fire control operators will maintain a level of knowledge in some overlapping areas in order  
provide resilience, if required. The GFRS continues to form a vital part of Gibraltar's ongoing  
555 development as a modern and, more importantly, safe community with significant involvement



in major projects, public events and residential developments. The aim of their involvement in these projects is not only to familiarise themselves with potential risks in order to adapt SOPs, but also to ensure that new-builds comply with fire protection safety standards aimed at saving lives and assisting Fire Service operations. For the work of those who work in both of these organisations we have to be extremely grateful.

I turn now to my portfolio as Minister with responsibility for regulation. I will start with Town Planning and Building Control. The department continues to deal with large volumes of applications, having received a total of 589 applications since 2022. The DPC held a total of 12 meetings in 2022 and the DPC's sub-committee that determines more minor and less contentious applications held 24 meetings during 2022. The tender process for a new Gibraltar Development Plan and the preparation of a new plan is under way with the tender having closed on 25th May. Bids are now being assessed and once the successful bidder has been selected, work on the new plan will commence. During the course of the year, the department has been actively recruiting professional town planning and building control staff to fill various vacancies that existed. As a result, in the next couple of months the department's professional staff complement will be back up to full strength. This will ensure that the department is appropriately staffed to deal with the volume of work. The department is currently undertaking an exercise to review the current building regulations and various building codes with a view to bringing them in line with the latest standards. This consists of updating all remaining parts to bring them in line with the UK and European standards. This will enable the Building Control staff to ensure that standards are maintained and best practices achieved and will ensure the health and safety of both the users and occupiers of the built environment. A simultaneous review of the relevant sections of the Public Health Act is also being undertaken in order to provide Gibraltar's first Building Act. The department will be working on the development of structural building codes for both seismic and wind that will take account of Gibraltar's unique geology and topography. It is important that new buildings are designed to an adequate standard to ensure that there are no catastrophic failures, such as those recently seen in the Syria/Turkey earthquakes. The Government will continue to ensure that the planning system is open and transparent and that we have an efficient and effective system of town planning and building control.

Turning to data protection, a complete holistic review of our GDPR structures and requirements was undertaken in August 2022. The review recommended that a restructure should be implemented to bring wholesale improvements and to allow for processes to be streamlined to create uniformity across all departments and authorities and remove dependency on a single individual. The restructure highlighted the need to prepare for future data challenges, especially as personal data and data in general are becoming a prominent feature in everyday life. In November 2022 I appointed a new data protection officer, Mr Michael Crome, to work independently as the public sector's data protection officer to implement these wholesale changes, having had this role embedded within the Gibraltar Law Office prior to that. Since this appointment, we have produced a new user-friendly data protection policy, together with mandatory training packages aimed at providing our employees with the right tools to be able to discharge their duties relating to the handling of personal data safely. We have introduced a number of other policies and procedures to assist data controllers to deal with the sharing of data, data breaches, subject access requests and data protection impact assessments. A full compliance programme has now been designed, and individual data controllers are being assessed by our data protection officers to ensure that they adhere to their legal obligations within the Data Protection Act and GDPR. The next phase of the restructure will be to appoint data protection champions embedded into departments to enhance the level of compliance. I thank Mr Crome for his innovation since taking over this responsibility. The Gibraltar Regulatory Authority continues to regulate their statutory areas of responsibility. These are data protection, broadcasting, cyber security compliance, higher education, electronic and radio communications, postal services and competition.

Turning now to the Office of Fair Trading, I will start with mention of work on the Fair Trading Bill, which is on the Agenda of this House. To ensure that the new legislation appropriately supports our business community, this has been done in consultation with the Gibraltar Federation of Small Businesses and the Chamber of Commerce, and I am grateful to my friend  
610 Minister Isola, who commenced this piece of legislation, for his assistance in this regard. The new legislation will create a better framework for the OFT, ease the establishment of new businesses by simplifying the licensing process, better protect Gibraltar consumers and allow the OFT to set trading standards.

615 I shall move on to each of the OFT's core responsibilities, starting with business licensing. The authority has now issued 386 new licences over the course of the last financial year. This is a positive indicator that Gibraltar continues to be an active and resilient business community despite Brexit-related uncertainties. A total of 846 business licence application notices were published over the same period. On average, the OFT therefore processed over 16 applications a  
620 week, with a maximum of 31 applications in a single week. The OFT is currently in the advanced stages of testing a new software package. Once fully developed, it will permit the licensing team to process these consistently high numbers of applications quicker and more efficiently and allow it to deliver an improved service to the business community.

Turning to consumer protection, the OFT's Consumer Protection team processed a substantial  
625 381 complaints from Gibraltar consumers during the past financial year. Of these, 60 led to investigations.

Finally, I refer to the OFT's anti-money laundering and counter-terrorism financing supervisory role. The AML team has dedicated significant efforts to contributing to Gibraltar's ongoing review by the FATF following the Moneyval Mutual Evaluation Report in 2019. This has involved face-to-  
630 face meetings in Paris with the FATF, where the OFT's supervisory role has been assessed for effectiveness. The OFT has continued with its onsite visit programme for real estate agents and high-value goods dealers, carrying out 18 visits on a risk-based basis. These have resulted in nine fines for breaches of AML/CFT legal obligations amounting to £11,400.

Now moving on to Civil Contingencies, after three years of battling through the COVID-19  
635 pandemic, 2023 feels to be the year that we have finally returned to normality. The World Health Organization's determination in May of this year that COVID-19 is now an established and ongoing health issue which no longer constitutes a public health emergency of international concern is very welcome news. That said, we have had a few potential scares in the last 12 months where we have seen new variants emerge, such as the Kraken variant, which was detected in Gibraltar  
640 in January 2023, and, more worryingly, China's decision to open its borders, with the inherent risk that unknown variants of concern could enter into circulation. In response, the Government, like most of the rest of Europe, promptly reintroduced travel restrictions as a preventative measure, but after closely monitoring developments we were delighted to be able to progressively scale back from a heightened posture. Certainly, doing away with the last of the COVID-19 emergency  
645 regulations on 17th March this year, after an uninterrupted period of 1,130 days of active emergency regulations, felt like a hugely significant milestone and the start of a new phase in our lives.

While the last 12 months has been largely positive – Mr Speaker, please excuse the pun – on the COVID-19 front, it has, however, reminded us of the importance of being fully prepared to  
650 deal with every eventuality. Indeed, the Office of Civil Contingencies, together with our emergency services and other responding agencies, has again been put to the test as Gibraltar has been required to respond to an unprecedented number of back-to-back emergencies, with some of these major incidents taking place concurrently. Separate strategic co-ordinating groups were activated to manage the response to incidents such as the escalating monkeypox global outbreak  
655 first detected in Gibraltar on 31st May 2022, the fire in Power's Drive Tunnel and the subsequent damage to our water's critical national infrastructure and very significant disruption to our water supplies, and then the collision at sea of the *OS35* and *Adam* LNG vessels that could have potentially resulted in a major environmental disaster for the region. I applaud the efforts and

660 professionalism of everyone involved in keeping Gibraltar safe through what has been a very difficult and challenging time.

665 Aside from the recent events that have directly impacted on our community, it is evidently clear that we live in an increasingly volatile world in which we have recently witnessed the devastating impacts of the COVID-19 pandemic, the war in Ukraine, cybersecurity challenges and climate change. The threat picture continues to evolve and it is therefore increasingly important that Gibraltar continues to regularly monitor emerging risks and threats to ensure that we remain best prepared for any and every eventuality. In this respect, the Office of Civil Contingencies, through the construct of the Gibraltar Contingency Council, has continued to work very closely with the emergency services and other first responders. In the last few years we have seen at first hand that we are not cocooned from the potential of harm and, despite our best efforts, bad things can happen and will happen from time to time. It is for this reason that we will continue to develop our capabilities, build on our foundations and strengthen our resilience so that we can better prevent, mitigate, respond to and recover from the numerous risks we face. The work that the Office of Civil Contingencies co-ordinates in conjunction with other partners in the field of emergency preparedness, resilience and response is key to us as we strive to protect our national security and become more resilient through the optimised use of all our capabilities.

675 Except for the conduct of operations, training is a most important activity, as success is dependent on high-quality and realistic training. Being ready for response operations is what drives the training requirements, and our emergency services and other first responders must continue to train to attain the highest of standards at the individual, organisational and multi-agency levels. The ability of different organisations to work together is a must and it is for this reason that multi-agency interoperability training lies at the heart of what we do. Throughout the past year, the Office of Civil Contingencies has, through the establishment of exercise planning groups, led, planned, organised and conducted a series of complex multi-agency training events and exercises to practise and test a number of Gibraltar's major response plans. In the last nine months alone, such multi-agency live exercises have included the testing of response plans to a marauding terrorist attack, a radiation emergency, aircraft post-crash management and the new Kingsway Tunnel. Additionally, Civil Contingencies have co-ordinated and delivered a number of table-top exercises and multi-agency command training events. In the last month, the office has facilitated training on event safety for both event organisers and members of the Safety Advisory Group. It has also engaged with the UK's Counter Terrorism Policing National CBRN Centre to facilitate the delivery of operational and tactical command training for chemical, biological, radiological and nuclear incidents.

695 The Office of Civil Contingencies has played and continues to play an instrumental part in the preparedness and response to civil contingencies. The department's contribution in this field has been and continues to be hugely significant. The small team of three at the Office of Civil Contingencies is fiercely committed to its core role and works incredibly hard, in partnership with other stakeholders, to develop existing and future capabilities and ensure that Gibraltar is prepared to deal with any risk manifesting itself, however unpredictable it may be. I am grateful to the team at Civil Contingencies, and knowing their dedication as I do, I feel that Gibraltar is in safer hands if we have to call upon them.

700 Mr Speaker, while of course I have every confidence that we will win the next election, I will end my Budget intervention where I started, on the basis that tomorrow is never promised and being here is a privilege. I am proud of all our achievements, in particular making Gibraltar a more accepting and inclusive place and our work on LGBTQ+ rights – our work for women, surrogacy and abortion are all legacy projects that we should all be very proud of – but particularly how the Chief Minister and the Deputy Chief Minister have led on Brexit, how we led on COVID – and I thank Minister Isola for recognising my leadership in his intervention yesterday – and the GHA's Reset, Restart and Recover programme that I commenced. The list is endless and demonstrates that we are a Government that cares and a Government that gets things done, a Government for which social justice is important and a Government that has given everything it can to the people

of Gibraltar. I have to thank my ministerial colleagues. For the last 12 years we have been a great team, a team of hard workers and a team of good friends.

715 Finally, I thank the staff in my office for their continuous support and all the work they do because they realise how important what we have to deliver is. And of course, Mr Speaker, my thanks to you, the Clerk of the Parliament and the staff.

Mr Speaker, I commend this Bill to the House. *(Banging on desks)*

**Chief Minister (Hon. F R Picardo):** Mr Speaker, with thanks to the hon. Lady for that speech, I move that the House should now adjourn to 3.30 this afternoon.

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**Mr Speaker:** The House will now adjourn to 3.30 this afternoon.

*The House adjourned at 12.10 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.31 p.m. – 6.07 p.m.**

**Gibraltar, Friday, 14th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.31 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## Appropriation Bill 2023 – Second Reading – Debate continued

**Mr Speaker:** The Hon. Elliott Phillips.

**Hon. E J Phillips:** The Appropriation Bill, Mr Speaker, or the Budget, as it is commonly known,  
5 seeks to debate the Book and ultimately an approval of the estimates of government revenue and  
expenditure for the upcoming year. It will be of no surprise to Members opposite, or indeed the  
public, that we will vote against the Bill, not because of some shallow argument hon. Members  
have deployed opposite concerning not paying civil servants' salaries, but for substantive reasons  
set out in the erudite contributions of the Leader of the Opposition, Mr Clinton, Mr Bossino and  
10 Mr Reyes. Of course I look forward to the contribution of the hon. Lady on this side of the House  
because it will be her last and she will be sorely missed by all Members of this House. (**Hon. K  
Azopardi:** For now.) For now, Mr Speaker, yes. The Leader of the Opposition corrects me. She may  
well return, but that is for her and, no doubt, for another Parliament. We will also, no doubt, be  
treated to the skilful unpacking of the arguments deployed by the Leader of the House and the  
15 Hon. Father of the House by my learned and hon. Friend Mr Feetham in his excellent cross-  
examination of the real issues that are confined to this community. We will need the popcorn for  
that one.

Mr Speaker, the Budget should be more than just the numbers. It is a Book which should allow  
our people the opportunity to have their say on the way in which *their* money is spent on *their*  
20 behalf and how this community is governed. The Budget this year comes very close to the start of  
campaigning for the General Election, and therefore, whilst this has turned out to be a state of  
the nation address, it is an opportunity to reflect on the Government's hopeless record on the  
domestic agenda, which I will address – welcome, Mr Isola – in respect of health, the environment  
and transport.

25 The Book, as we all know, does not reveal the true picture. It reflects half of the story and it is  
a product of the way the GSLP puts up smoke and mirrors and a decade-long campaign to  
denigrate the Opposition and our democratic institutions. We remain without a Public Accounts  
Committee, which would go some way in attempting to restore public confidence and scrutiny of  
how the Government spends the people's money. But the GSLP do not want oversight. They do  
30 not want transparency. They do not want supervision by our democratic institutions. Instead, they  
want unrestrained spending power of the people's money without recourse to this House and,  
more importantly, to the people, and that is the difference between the GSLP and the GSD.  
(*Interjection*) We are committed to oversight, we are committed to transparency and we are  
committed to supervision, and they hide in shadowy corners playing monopoly with the people's  
35 money. While Picardo plays, the people pay. (**Several Members:** Hear, hear.) (*Banging on desk*)  
Let's just hope Mr Picardo does not land on the 'Go to Jail' tile. We will not vote for a Budget which  
seeks to blind –

**Mr Speaker:** That is unacceptable. (*Interjection by Hon. E J Phillips*) No. The imputation was there. It has to be withdrawn and an apology given.

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**Hon. E J Phillips:** I will withdraw the 'Go to Jail' bit.

**A Member:** And an apology.

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**Hon. E J Phillips:** I apologise to the Chief Minister. There is plenty more to come, no doubt. We will, no doubt, not vote for the Budget, which seeks to blind the public from the truth as to the state of our public finances. The people deserve to know the size of the financial hole, and we have told them it is £1.9 billion, created by all of them, not anyone else. No amount of spin or deflection is going to change that.

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I know the Hon. Mr Isola yesterday, or the day before – whenever it was, I cannot remember – wanted to refer to 1996 like it was yesterday, because that is all he has left in the tank. People are living in 2023. After 12 years of a GSLP administration, it wears a little thin, and frankly it is quite pathetic. Through hard, determined work, the GSD have won the public finances debate, and they, in turn, have lost the trust (*Interjection*) and confidence of the people of this community. Simply, the people do not believe in their lead spokesman, Mr Picardo, any more.

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This is not the Government's money, it is the people's money, and those on that side of the House have a duty to ensure that the public's money is spent prudently, wisely and with regard to the principles of good government. Our job is to scrutinise and, if necessary, vote against the Bill, as we will do again given the perilous state of our public finances, as demonstrated by the Hon. Mr Clinton in his dissection (*Interjection*) of the arguments deployed by the other side yesterday and today. I believe, and have done for some significant time now, that the people's money is being spent in breach of that duty and with little regard to those principles. In short, there has been very little alignment between the priorities of the Government and the real needs of the people of this community. Up and down Main Street and every street of our community, people decry the Government's haphazard approach to good government and spending priorities. Let us recall Line Wall Road, the debacle. Let us recall recently the unusual sign on Queensway, the 50 which was immediately returned to 40. What on earth is going on? No planning, no real thought, no agenda. Government mismanagement continues to plague our community and people know it, and they know who to blame.

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Over 12 long years on planet Picardo we have witnessed a Government embarked on a spending spree, particularly between the years of 2011 and 2015, without an appreciation of the potential curves ahead and not heeding our warnings of the potential for a perfect storm which could take the wind out of our sails. Gibraltar is a robust community, but we are not immune to what goes on outside. We consistently warned the Government of the perfect storm back when the Hon. Mr Feetham was leading the charge and we were all ridiculed by Members opposite. It was not a popular warning, but it was our duty to make the argument and warn the people of the potential problems ahead. (*Interjection*) Mr Feetham and Mr Clinton courageously conveyed warnings without thought to their political futures because they rightly stood up and called the Government out, and they have been proved absolutely right. When Mr Isola romantically – (*Interjection*) Mr Speaker, if the Chief Minister wants to call me Benny Hill – (*Interjection*)

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**Mr Speaker:** That is also – (*Interjection*)

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, I am very happy that the Government benches should keep completely silent for hon. Members, but hon. Members were not completely silent listening to us. We were talking to each other. If it was overheard, I apologise. *Benny Hill* was always a silent programme, Mr Speaker, so I cannot have meant it about the hon. Gentleman.

**Hon. K Azopardi:** Mr Speaker, I am certainly not offering silence when they speak.

90 **Hon. E J Phillips:** [*Inaudible*] waxed lyrical about the Hon. Chief Minister. He said the GSD could not be trusted with the public finances and the crucial Brexit negotiations. Of course, as always, he is completely wrong, Mr Speaker. I will tell him something for free: he talks about only one man being able to take us forward, but we have an army of yellow and blue men and women in the GSD ready to balance the books, reduce the debt, restore public services and get Brexit done.  
 95 (*Interjections*) Compare that to a record of the one man sitting here opposite us who cannot even get the deal done before the Spanish General Election.

Mr Speaker, in 2015 and 2019 the Government embarked on a borrowing spree, mortgaging our housing estates to enable planet Picardo to expand, continuing to spend their way into the 2019 General Election. And who could forget, on election night in 2019, when the then Chief  
 100 Minister-elect triumphantly announced, with staggering hypocrisy and a tacit acceptance that he had fuelled the public's appetite for entitlement, that the age of entitlement is over and the age of responsibility is upon us? In an almost Orwellian-type plot twist, the Chief Minister sought a realignment of his politics by moving directly into hard-set and longstanding GSD policy for his political survival. And then, as if butter wouldn't melt in his mouth, he told us to tighten our belts  
 105 and be responsible, whilst continuing to spend and spend the people's money.

On Tuesday, he talked about his new litmus test: integrity, stability, affordability and social justice. Really? I could hear the screams of laughter when he ushered in the new rule for the management of public finances. (*Interjection*) Too little, too late, Mr Speaker. This is a man who, during his time in office, has amassed gross debt and indirect to the tune of £1.9 billion. This is  
 110 not a record to be proud of. To tell people to tighten their belts whilst they enjoy millions at music festivals, champagne receptions and a Venetian palace at No. 6 would be a joke if it were not so serious. The debt will hang around the necks of our children and grandchildren for years to come, and only they are to blame. Where was the author of 'Picardo on the Principles of Public Finance' first edition in 2011 and 2015? He spent £750 million without a thought to the perfect storm  
 115 scenario. Nowhere to be seen. It is all a smokescreen for winning just one more, so he can get up there with Sir Peter and Sir Joshua Hassan. But I am sorry, a fourth ain't coming. We all know it, and much more importantly, so does the public, and – let's speak to his gut – I think he knows it, too.

Mr Picardo's legacy will be a broken Health Service, no separate identifiable mental health budget, an abandonment of the 2019 green and child-friendly city, (*Interjection*) decimated public  
 120 finances with a gross debt of £1.9 billion, filthy streets, filthy beaches, a concrete jungle, a broken society where the average worker is paying more in tax and the tax burden is resting heavily on the shoulders of working people, as excellently set out by Mr Clinton in his analysis with scalpel-like and forensic dissection (*Interjection by Hon. Prof. J E Cortes*) of both Mr Picardo and Sir Joe Bossano. The Minister for Environment says I have lost it. Still, 12 years later, no sewerage plant.  
 125 The Minister for the Environment promised it over three manifestos and he still cannot get a sewerage plant. In a desperate attempt, he now begs for one more term in office. A vote for Mr Picardo is a vote for more debt. A vote for Mr Picardo is a vote for more jobs for the boys. A vote for Mr Picardo is for a failure in not getting Brexit done. A vote for Mr Picardo is stifling opportunities for our young people. The people who broke the system cannot be the ones to put  
 130 it back together again.

On Tuesday we were treated to another golden gem: in less time than most of the rest of the world we have reduced our deficit and we are re-establishing financial stability sooner than most other nations on the planet. Is the hon. Gentleman serious? This was a funny one – I have never  
 135 heard this one before, it is a new one for me: 'Ratio in our school classes better than Eton College.' That was a bit leftfield, I thought, to be honest with you. I think Eton has a ratio of 8:1. I do not know. He did not do the analysis for us, but I am sure he will do it in his reply. Our GDP: £2.74 billion forecast, representing 7.5% growth. Net debt has fallen by 22.4% of GDP, lower than the UK and most of the European countries. Oh, and my favourite, Mr Speaker: GDP per capita is  
 140 £80,000 per person.



145 **Hon. Chief Minister:** Point of order, Mr Speaker. I did not claim, as the hon. Gentleman has purported to reply to, that the class sizes in our schools were better than Eton. I said that the class sizes in our LSF are better than Eton. In our LSF they are 2:1. *(Interjection by Hon. E J Phillips)* Yes, you were not here. *(Interjection by Hon. E J Phillips)* Mr Speaker, the hon. Gentleman was not here to hear what I said. If he has read what I said – *(Interjections)* No, maybe – *(Interjection)* No. He needs to check against delivery. My written speech is one thing. He is addressing what I said in this House and I said the LSFs in this House – 2:1 in Gibraltar.

150 **Hon. E J Phillips:** Mr Speaker, we will reflect on that comment, but I was reading from the script that was disseminated to the rest of this community. The rest of this community saw it, so if he is now correcting what has been sent out by his office, he needs to correct his office and sort it out afterwards. But let me take that point a bit further. I am quite happy to check it and come back to him. I am sure he will correct me in his reply, anyway, as he has probably done on his feet now.

155 My favourite, of course: GDP per capita is £80,000 per person, making us the third most affluent country in the world behind Luxembourg and Norway. So to recap, on planet Picardo we are fast approaching a surplus, we are one of the three richest countries in the world, and we are emerging stronger than ever before, to use his words. Is he for real? They say that men are from Mars and women from Venus, but I think Mr Picardo is from another galaxy. The third most  
160 affluent country in the world. Does he actually think that people believe that?

**Mr Speaker:** Would you give way, because –?

165 **Hon. Chief Minister:** Mr Speaker, I am very grateful.

**Mr Speaker:** I think the Chief Minister has a clarification here. For the purposes of what you were saying, maybe you would like to listen it.

170 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman said that he read in the speech that has been disseminated to this community the reference to classrooms. Well, Mr Speaker, in the speech that has been disseminated to the community, in paragraph 130, where the reference to Eton is, it says:

I remember a Gibraltar where there was only one LSF and it was not well resourced.  
Now I see a Gibraltar with better LSF facilities than most countries in Europe and with a better pupil to teacher ratio than anywhere else.  
The ratio is better than classes at Eton, Mr Speaker.

175 It is directly a reference to the LSFs, Mr Speaker, so I would be grateful if the hon. Gentleman would accept that neither I nor my office have made any reference to classrooms other than LSF classrooms having a better ratio than Eton. So whether he was here to hear it or whether he read it later – and he told me he was not here because he was away *(Interjection)* making money – both of those ... That is what he said from a sedentary position. Whether he has read it or whether he has heard it, that is what I said in my speech and what we disseminated to the community, which puts all of the rest of the bluster into some sort of context as well, if I may say so.

180 **Hon. E J Phillips:** I think, Mr Speaker –

**Mr Speaker:** *[Inaudible]* he could have given way. The Hon. Chief Minister could have asked the Member to give way, but he chose to raise a point of order, and that is perfectly acceptable if  
185 information has been given incorrectly.

**Hon. E J Phillips:** Mr Speaker, just so that we can move on from this point completely, that is how I read it and that is how I presented it. If I am wrong, then I am wrong, but one thing he should not say from the position when he was having a sedentary exchange with me about making  
 190 money ... What I was doing, in fact, was making money for this community and developing business opportunities for this community, which I think all of us should be doing when we are on marketing trips abroad. I think we all do that – I think even the Hon. Mr Isola does that as well – for this community, to make sure that we thrive, and that is what we are all doing, so let’s put that in context as well.

195 We are described as the third richest country in the world. Well, tell that to the patients in our hospitals waiting for operations, tell that to the hundreds of people on the housing waiting list and tell that to the thousands waiting for delayed homes. Tell that to the parents who have not seen a dentist in years and tell that to young people stuck in dead-end jobs with no opportunity. And tell that – again, that we are the world’s third richest country – to those with disabilities who  
 200 are desperately in need of an allowance. Tell that to ordinary working families struggling to pay their mortgages and make ends meet. There is planet Picardo and there is planet everyone else. Whilst Mr Picardo plays, the people pay.

Mr Picardo has alienated vast swathes of working people who have now woken up with a double espresso shot, relying on us to put the ship back on track and sail her into a positive and  
 205 progressive future come the next election, and we will not let them down. At the next election there may well be two choices: a tired, financially feckless, uncaring GSLP Liberal administration which ran out of steam and ideas long ago; and a renewed, reinvigorated (*Laughter*) and regenerated GSD ready to work harder and smarter to restore fairness, good government and democracy, a diverse, determined GSD dead set on bringing back real economic growth, investing  
 210 innovation and balancing the books. The Chief Minister, on the other hand, now stands alone in the barren economic wasteland of tired ideas, spinning in his own dogma.

The combined impact of Brexit and COVID appears to have left deep lacerations on the Government, from which they are struggling to heal. It is easy to use Brexit and COVID as an excuse for all our woes, and boy did they lay it on thick and attempt to simply brush aside the neglected  
 215 domestic agenda. The big issue of the day, our future relationship with the EU, remains unresolved, and despite positive mood music from the Chief Minister, there is no end in sight, which is providing for a real lack of confidence in the Government’s ability to get the job done. As we approach the General Election, it seems reasonably clear that the Chief Minister wishes to focus on the Brexit journey so far and ask our people to trust him one more time as the only  
 220 person who is able to get this historic deal across the line. It would, in my respectful view, be a grave miscalculation on the part of the Chief Minister. Here, I am giving advice. If he attempts to revisit old ground and tries to turn this into yet another Brexit election, our people will simply not stand for it and we will not stand for it. The people will not be fooled a second time, (*Interjection*) and trotting out the same old debate one more time is not going to work. Focusing the election  
 225 on Brexit will focus on his failures in getting the job done.

As an aside, yesterday I listened with interest to the Deputy Chief Minister, whom I have always respected, Mr Speaker, and even he yesterday seemed totally disconnected when he was orbiting  
 planet Picardo. As I sat there listening to the Deputy Chief Minister describe the Aldwych pedestrianisation, I thought to myself, ‘Has the DMC seen the state of our roads?’ The Aldwych?  
 230 It has been there for 800 years. I think we need to concern ourselves with what goes on here rather than the Aldwych in London. Perhaps we need a little focus on our roads. (*Interjections*)

Mr Speaker, I believe that our people have lost trust and confidence in the Chief Minister’s ability to get Brexit done. It is astonishing that in all this time he has failed to get the job done, and what sticks in the gullet, actually, for the people of this community, and indeed Members  
 235 opposite here, is the lack of respect he has had for us in this process. I must say that when summonsed to appear before the House of Commons Select Committee to be grilled on the reason why he has not got Brexit done – and, curiously, praising all British prime ministers and foreign secretaries – he gives us, the people’s representatives, snippets of progress reports in this

House. I think it is embarrassing that our Chief Minister trots off to London to be cross-examined  
240 on his inability to get the job done whilst in this House he fails to provide us with the opportunity  
to quiz him, scrutinise him on matters that affect us, our people, Gibraltar, not politicians sat 1,500  
miles away in Westminster. The voice of the not so silent majority should be ringing in the Chief  
Minister's ears, and any attempt by the Chief Minister not to allow for those issues to be fully  
debated will leave the distinct impression that he is no longer capable of doing the job he started  
245 back in 2011. Not one day passes where I do not hear complaint about the state of our roads, our  
air quality, long hospital waiting lists, patients waiting for operations, failing to ensure our kids are  
seen by dentists, poor planning leading to an unrecognisable Gibraltar and a lack of real  
opportunity for our young people to thrive.

I am a staunch defender of Gibraltar – as we all are in this House, I hope – and wearing a  
250 different hat, I promote Gibraltar with vigour and in one singular, unified mantra about the  
benefits of relocating wealth and business to our shores, with no reference to politics, which  
divides us. But when we come back to this place, once we have done that encouraging of wealth  
and business to come to our shores, we must make sure we do the very best in producing that  
product, and undeniably I take the view that we do not. When we go out to sell Gib PLC to foreign  
255 investors, we must ensure that we can back up what we say and that the Gibraltar proposition  
does what it says on the tin. I know Members opposite have been fortunate to visit British  
Overseas Territories, and they all have their unique problems and challenges, no doubt, and we  
do stand amongst the British Overseas Territories, but I think Gibraltar certainly can be a premier  
jurisdiction of choice for international business. I absolutely believe that, but despite the successes  
260 that we have had in our community in the 1980s and 1990s I think we are not even close to  
achieving our full potential, I really do. I believe there is a real malaise and complacency which can  
only come from a failure of political leadership to properly partner with the private sector in a  
global pitch for the investment that should be made to Gibraltar.

Our grey listing has been damaging and that has to be accepted, and the delisting is acutely  
265 felt across our industries. But what are we actually doing on the PR front? What messaging is being  
disseminated by the Government to the outside world to mitigate the lack of confidence? Look at  
the Cayman. Despite it also failing to get off the grey list, it presented a clear, positive message  
for the benefits of moving wealth to Cayman and how they can achieve white listing. In these  
countries they can externalise a positive message. Why can't we? Why is this Government  
270 ensuring that we are not positively promoted, and what are we doing to ensure that people who  
are already here do not leave our shores?

There is no doubt that the relationship we have with the British government is a strong one  
and will always be, hopefully, a strong one. Has the Chief Minister nurtured the relationship? The  
answer to that question is unquestionably yes, and it would be churlish of me not to recognise the  
275 work that he has done in this area. We are British Gibraltarians with our own identity amongst the  
British family of nations, but we are also different. We are also geographically European, and  
whilst we have benefited enormously from our relationship with Britain, it is clear that many of  
us feel we have a strong connection with Europe. Our history is, of course, wrapped up with Britain  
and no doubt our future will be, too; but whilst there is alignment, so too must we promote,  
280 protect and preserve our unique identity and offering to the world. Britain is no longer an  
administering power, and in the main, save for defence and certain aspects of foreign policy, we  
conduct our own affairs. But whilst the Chief Minister worked hand in glove with the United  
Kingdom in his relationship build, that has not been matched by important reforms at home in  
relation to, we would say, proper governance and transparency. Other jurisdictions of a smaller  
285 size are light years ahead and we need to focus on better-functioning democracy which does not  
revolve around planet Picardo. We can do better and we must do better if we are going to take  
Gibraltar to the next level. That is exactly what the GSD will do, and that is exactly what the GSD  
will be focused on in government.

Mr Speaker, our reform Select Committees of the House have never met. That cannot be right  
290 by any measure and there is no excuse for it. Over the last week we have been treated to the

shocking way in which the hon. Gentleman has deliberately dealt with the diary of these particular proceedings. It has meant that our contributions to this House are parked to the late afternoon, consistently. That is what the record will show. The vast majority of them are late. I think I am the earliest one. I have been given the benefit of an earlier slot, *(Interjection)* but the vast majority, if not all of our contributions, are at the back of the day in the most important week of the political year, and that is a shame. *(Interjection)* No doubt – *(Interjection)* We are here when –

**Hon. Chief Minister:** It's not about that.

**Hon. E J Phillips:** Mr Speaker, we are on summer hours. Everyone knows it.

**Hon. Chief Minister:** It's not about that.

**Hon. E J Phillips:** Mr Speaker, I do not think people will be tuning in from the beach. *(Interjections)* It is a deliberate move, *(Interjections)* to control the audience. That is all it is, plain and simple – everyone knows it.

Moving on, the world remains in recovery from the effects of the COVID-19 pandemic and healthcare remains the biggest single item for government expenditure. Pausing there, despite us asking over the last three years about where the mental health budget is, it appears nowhere in the Book. Nowhere in the Book is there a detailed account for the provision of mental health. That is really disappointing and will cause much consternation amongst the hardworking mental health volunteers within our community who want to understand the Government's financial commitment to mental health. It will be recalled that the Mental Health Situation Analysis Report of 2019, which the former Minister, the hon. Lady, sat on for two years, *(Interjection by Hon. Miss S J Sacramento)* which was very critical of the lack of a mental –

**Mr Speaker:** Please sit down.

**Hon. Miss S J Sacramento:** I am sorry –

**Hon. E J Phillips:** Am I allowed to finish?

**Hon. Miss S J Sacramento:** I did not sit on anything –

**A Member:** The Government.

**Mr Speaker:** A point of order –

**Hon. Miss S J Sacramento:** – for two years.

**Mr Speaker:** Please resume your seat. Let me clarify *(Interjection)* in terms of the usage of points of order. On 20th July 2021 I made a ruling which covered a number of issues in the general subject of points of order. There are two things that I would like to bring to the attention of both sides. It says here:

The Speaker of the House of Commons allows the use of Points of Order to effect a factual correction of a Member's statement. This will be permitted in this House. However, when so doing the Member shall not introduce any new matter.

What will not be permitted is the use of Points of Order when a Member who is speaking refuses to give way.

**Hon. E J Phillips:** Mr Speaker, the Minister, from a sedentary position and before ... I am grateful for that guidance, Mr Speaker. It is clear that our statement should be that the *Government* sat on the report for two years because, of course, Mr Balban received the report on

29th April 2019 and then there was a new Minister in place thereafter. And so it is more correct – and I am grateful for the correction by the hon. Lady – that the Government ... That is the point that we make, that from April 2019, in a period approaching two years, the report was not disclosed to the public. That is the correction, Mr Speaker. I am grateful.

It was said by the report that the mental health budget back in 2017 amounted to 6% of the overall GHA spend, which they calculated in the report to be approximately £7.2 million, I believe. Last year, when we asked the question in relation to the mental health budget, we got a figure of around £5.4 million in exchanges, but despite that, there is nothing in the Book that sets that out in any detail that helps members of our community understand what the financial commitment to mental health in this community is. What I would say – *(Interjection by Hon. A J Isola)* Mr Speaker, am I allowed to finish? *(Interjection by Hon. A J Isola)* Yes, I will give way. I will be gentlemanly.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** I am grateful, Mr Speaker, but when I answered those questions in the exchange we had in Parliament, I explained where that number had come from. I also explained that there was expenditure amongst the entirety of the GHA budget that was dedicated to mental health and I told him it is much higher than the £5 million. We exchanged that. What the hon. Member is complaining about is that it is not clearly set out in the minutiae that they would like in the Estimates, but the full amount of the mental health expenditure of course is in the Budget – not on a particular page with the number which you can refer to, but it is all in there, as it always has been. I do not understand what the issue is, Mr Speaker.

**Hon. E J Phillips:** Mr Speaker, that is not, with respect, a clarification. We stand by what we say in my contribution to the House in relation to the identity of a mental health budget in the Book: there is none. We stand by that position. That is not a point of clarification that he makes, and I will move on. *(Interjection)*

Where is it this year, Mr Speaker? Well, it is nowhere to be seen this year. We do not know, because obviously during Mr Isola's contribution he went off script and actually said very little indeed and devoted very little time to the most important part of healthcare: mental health care. He produced this, a little handout – prepared, no doubt, by his officials – and made only a cursory reference to those services within that speech, within that document. Not good enough, Mr Speaker. He is paid over £100,000 a year to do his job and he cannot even tell us how much the Government spends on mental health provision. Woeful. No wonder people are asking us, up and down Main Street, when we will kick this lot out. Well, the answer was given to us by the Chief Minister: the autumn.

It is clear that the GSLP Government continues to fail those afflicted with serious mental health disorders. Yesterday we saw a masterclass in misinformation and deflection by the Health Minister, Albert Isola. I know that he is truly good at that, constantly referring to the GSD of 1996. Are we being serious? Are people outside really concerned with the politics of 1996? They are worried about paying their mortgages and food prices, they are concerned about seeing a doctor and getting their kids to see a dentist. Not once did the Minister in his half-baked contribution explain yesterday why they are underbudgeting for the GHA in the sum of £23 million. Not once. He comes to this House, the Minister for Health, and does not explain that. Shocking. Our forecast outturn for 2022-23 was a sum close to £150 million, and whilst we expect to spend less during 2023-24, past figures demonstrate that we will spend the same or even more. The Government has struggled in controlling waste and the cost of healthcare within our community, and their suggestion that they will spend less on healthcare when inflation is staggeringly high is a fantasy, as the Leader of the Opposition set out in his masterclass when he was on his feet. There is no or little imagination, no innovation in healthcare. Complaints are at an all-time high and no amount of spin that we have heard from the Chief Minister or the Minister for Health is going to convince

390 the people that they have got a handle on waste within the Health Service, or indeed the finances concerning the Health Service.

In 2021 – and they will remember this because they effectively copied – we set out a positive and progressive set of proposals for the reform of our Health Service, which included the appointment of a CEO and a CFO in order to provide strategic leadership and financial supervision at the highest level. We also proposed removing the Minister for Health from the Hospital. We  
395 also proposed the introduction of a Care Quality Commission that would independently monitor and audit standards of care. Save for this most important Care Quality Commission, the Minister has copied them all – and I am glad he has. I am very glad that our constructive policy has won the day and they have fully endorsed GSD health policy. I congratulate him for his efforts but I cannot congratulate him for some of the execution of his efforts – that is affording too much credit to the  
400 hon. Gentleman. Whilst we welcomed, at the time, the proposals, it is clear from regular feedback sessions, which purport to allow the GHA to engage with members of the community, that it has become a political platform on which the current Minister can shield himself from criticism. There have been – wait for it – five Ministers for Health over 12 years, and the most recent rookie recruit, Mr Isola, has only been in office for 12 months. (**A Member:** A spring chicken.) A spring chicken. Whilst the GSLP play musical chairs at the Health Ministry, the people pay the price for a lack of strong leadership at the top, and in an organisation which costs the taxpayer almost £150 million not one of them has the capability or the capacity to pull at the reins and lead from the front. We were told that these GHA public meetings were meant to reflect the good, the bad and the ugly within the GHA so that they could allow for a deep level of introspection and appreciation for the  
405 Health Service by learning from their mistakes, but it comes as a platform for the Director General to tell us how brilliant and how magnificent our Health Service is.

**A Member:** And we should be grateful for it.

415 **Hon. E J Phillips:** Yes, and we should be grateful for it. Presumably those were the instructions of the Minister to ‘only set out the positives, do not tell them the bad stuff’.

Putting politics to one side and for a moment pausing there, our thoughts must go to Prof. Geoghegan and his family as they battle their way through this very cruel disease, Mr Speaker, and our thoughts on this side of the House are with him and his family.

420 Between the Hon. Mr Clinton and I, we have attended every single GHA public meeting and it has all become a quarterly party political broadcast by the DG on behalf of the Government. That must change, Mr Speaker. How far removed is that from reality? Not one day goes by without a complaint about cancelled or delayed operations, children being able to see the dentist, prescriptions or a Health Service in crisis, but we are told in this House by the Minister for Health, ‘Blame the people, they cancel the appointments.’ That is the language coming out from the  
425 Government: blame the people. On planet Picardo – and his consummate salesman, Mr Isola – the GSLP are never wrong. There is always someone else to blame. Sorry, Mr Speaker, I am in error. There was one recorded apology, and that was the Line Wall Road disaster by the other rookie in the room when he was promptly removed to another Ministry. On the question of health, it was said by them that it was the people themselves who were to blame. As Picardo and Isola play politics, the people pay.

430 On Monday we were told that the GHA would spend £129 million. In other words, £23 million less than last year. How is that even possible? Everything is more expensive. Not once did they explain this in their contribution. Is it the great massage of the numbers? Every year, the GHA budget is blown and this year will be no exception. So whilst they report a surplus, how are they going to magically cut the GHA budget? I hope they have told the doctors, the nurses and our healthcare workers that despite reporting a surplus, or projected surplus, he will be cutting services. I wonder how they feel about that, when morale is at an all-time low. The GSLP will cut visiting consultants by £700,000. The GSLP will cut the drugs and pharmaceuticals budget by  
435 £2 million. They will cut prescriptions by £2 million. They will cut sponsored patients by £3 million.

They will cut medical surgical appliances by £1 million. They will cut office equipment in the GHA by a staggering 85% of what they spent last year. They will cut supported living in the community by £1 million. On planet Picardo, things must be cheaper. Much cheapness, like a cheap, second hand car salesman, but when we take the car out of Pici's prize showroom after being sold the car by Uncle Bertie, we will soon discover that it does not have any wheels on it. As Mr Picardo plays politics, it is the people and our healthcare professionals who will pay the price further down the road. Is he honestly saying that the cost to send someone to the UK or Spain for treatment is cheaper? Does medical equipment somehow cost less these days? Everything has gone up, but on Picardo's planet he estimates spending less on healthcare when healthcare is going up each day. It does not make any sense whatsoever. It is, as the Leader of the Opposition has said, a work of fiction and no one should believe an ounce of what he has said in this House.

Mr Speaker, the people and the GSD will set the 2023 agenda for the election and we will send a clear, unambiguous message that a GSD Government, just as it did in 1996, will engage in a radical, positive reorganisation of our Health Service and we will leave no stone unturned when we open up the health Book. The GSLP have forgotten where they come from and they are now known, as I have said before, as being the party of rich developers and champagne socialists. We are now seeing the results of a decade of political interference and mismanagement of the GHA, which has led to low morale and is affecting services to patients and families. From day one of our administration we will work tirelessly to restore public confidence in our GHA, which has been damaged by this Government and a decade-long mismanagement of our Health Service. That is our promise to the people.

Mr Speaker, as for the environment, they discarded their green and child-friendly city as soon as they were re-elected back in 2019. Well, that is commitment. *El Jardinero* really needs to try harder, I think. The only thing green about him is the number of green Bills that are produced in this House – reams of new laws without the slightest idea of providing our law enforcement agencies with the tools to enforce the law of our land and at sea. We continue, as I have said – as he invited me to bait him – to pump raw sewage into our seas despite the commitment being promised over a decade ago. Despite laws preventing black smoke emissions, we continue to allow ships to discharge noxious fumes into the bay. Twelve years of failure. Damage to our waters by lack of a sewerage plant. The Professor says he is disappointed. I think it is a bit more than that. He should be ashamed of himself. 'Don't worry,' he said on *Viewpoint* – do we all remember this? – 'Mr Phillips is wrong. He's always wrong about everything.' It just simply floats away. Corporations in the United Kingdom – Thames Water, for instance – have been slammed for depositing raw sewage into rivers in England, and our Minister for the Environment, (*Interjection*) has allowed, for 12 years, raw effluent to go into our seas. Shame on him! I really do think our community wants to see *him* float away at the next election and tend to his geraniums, or whatever he wants to do – but perhaps we might allow him to look after Commonwealth Park once he is dismissed by the public. How can he honestly pretend (*Interjection*) to be the guardian of the environment when our laws are breached and ignored in relation to fishing? Wonders cease to amaze.

This is a classic, this one. We will, before the next election, no doubt see him at the top of the Rock delivering a soliloquy expressing regret for not having done enough, in a below-average performance begging the people to re-elect him. That was a charm. I would love to see that video go out again. At the end of the day, all the public will see is an average actor, a part-time gardener and a half-baked commitment to green Gibraltar. (*Interjection*) One example of how short-sighted he is ... One of the ideas that we have been trailing is when we are producing these buildings in our community and when we are laying new turf and new ground and roads, why can't we incorporate some form of irrigation system that irrigates our plants? No. What the GSLP do is send out smelly, diesel bowsers that are watering our plants. You cannot make this stuff up. Diesel bowsers trundling across our streets into ... I see it every morning. And so they are watering plants to make Gibraltar look greener and they are pumping out diesel at the back. Come on! Green credentials? You could not make it up. That is his legacy: children's parks surrounded by polluting

vehicles, poor air quality, massive levels of respiratory disease and asthma, allowing fleets of commercial vehicles to pollute our town with no real incentive to persuade those businesses to switch to EV. But hang on, EV hybrid is the GSLP policy. We hear this morning from the learned Minister for Transport that conversion to EV and hybrid is not the answer. So what is the policy? Is it green? Is it the ideas of the cycling Minister? What are they, Mr Speaker? Over 45,000 registered vehicles on our streets, and we are not making any inroads into removing these polluting vehicles. Dirty streets. Come on, we all know our streets are filthy – let's get a grip – and, of course, the raw sewage. But the Professor's legacy is filling up our statute book with laws, with toothless measures and a real lack of support for the men and women upholding those laws in our community, with no training. When we raise the issue and call out his legacy for what he does, he blames others: 'Oh, it's the people who pollute and dirty the streets. We are cleaning them, but everyone else is to blame.' The GSLP is never to blame. No vision. At least the Hon. the Father of the House, Sir Joe Bossano, understood the gravity of the situation and what we can do, and that has to be respected.

Mr Speaker, the Minister for Transport set out his vision yesterday with passion, and I do not think anyone in or outside this House will disagree that we need to make changes to improve our quality of life and health in our community by reducing overreliance on the car. I think everyone accepts that. We have offered our in-principle agreement to his vision and we have reserved, as we have always done, and which I think he accepts as well, the execution of the Active Travel Strategy, and I am sure that he and I will liaise – hopefully before the next election, but maybe not. The problem we have with the Minister's plan is that it does not enjoy the support of all the hon. Gentlemen and Lady across the floor of the House. I really do think that he should not use a sledgehammer to crack this nut. He has consistently declared a war on cars, but I encourage him not to do so. I think he needs to win the hearts and minds of people. He knows that in this business there are no quick wins in Gibraltar. Car use is in our DNA and it will take time to change that. I understand we are going to change it, but it takes time. You cannot force it down people's throats, as the Hon. Minister tries to do. He speaks of choice, allowing people to choose how they move around our city, but all of his actions so far have seen the vulnerable, the elderly and the disabled struggle to move around our city. How does he expect the young, the old and the mobility challenged to walk our streets when they are in such a state of disrepair? Come on, seriously. Badly organised pavements, potholes and trip hazards are just a few of the daily challenges presented to people, and by driving this single-minded attitude and love for cycling, he is neglecting those people. Change will happen and I am with him, but it takes time. He claims to be the Minister for Urban Mobility rather than Transport, but his ideology, unfortunately, is not matched by the financial commitment to put that in place and the innovative infrastructure that should make walking around our community a pleasure. I admire his passion for cycling, but forcing it down the throats of those who, for whatever reason, do not choose the bicycle is not right. His one-man crusade against the car has not worked. He needs to be more collaborative and considerate in his approach to encourage buy-in, and in that regard he has failed to bring those people along with him, but he can. It will take time, and I acknowledge that. Whilst the Minister is right to set those high expectations, I think he needs to temper that ambition and be realistic. I am confident that in time he will get there, but bold, drastic changes can be painful, particularly for the older generation and those with mobility issues. I have dozens of complaints about traffic, mainly about the inequality. Yesterday, he declared that replacing the combustion engine with EV or hybrid is not the answer. It is a confused message because the Government has encouraged our community to buy EV and hybrid. The Minister says one thing and the rest of the team say another. It is disjointed, it is confused, and I would encourage him to reflect on his policy.

In conclusion, Mr Speaker, it is clear to our community that the pendulum has swung, and clutching on to power in the last throes of the Picardo empire is inelegant and is not in the interests of the people who put them there in 2011. The time has come for him to leave this place, issue the writs and dissolve the House. *(Banging on desks)*



545 **A Member:** Hear, hear.

**Mr Speaker:** The Hon. Daniel Feetham.

**Hon. D A Feetham:** [*Inaudible*] that I finish my speech. (*Interjection*)

550 Mr Speaker, for the sixth successive year I have been asked to round up on behalf of the Opposition by my hon. Friend, the Leader of the Opposition. It is the reason why I have been typing away, as you rightly observed yesterday. There is much to say.

Together with my hon. Friend Mr Reyes, I am the longest-serving Member on this side of the House. On the way here this morning a young lawyer said to me, *mi padre me dice*, '*Que mayor está Danny.*' Being the polite fellow that I am, I wished him well whilst repeating to myself, through 555 gritted teeth, the immortal words of Minister Bossano when he challenged me to meet him outside this House: 'You may be younger and stronger than me, but I can still take you.' (*Interjection and laughter*) The same words that bubble through my mind and that I might repeat to the young Turks within my party if I were so inclined, but alas, the fire does not burn within the belly the way it used to. Others from that side have served longer than me, but for me, 23 years 560 in frontline politics is half my life and it has been a huge privilege, from representing Gibraltar at the United Nations to forming part of the delegation that negotiated a new Constitution with the United Kingdom, to being Leader of the Opposition. Others who may have faced the same circumstances that I faced in 2011 and also in 2019 may have bailed out, and I am proud that I did 565 not do so myself. (*Banging on desk*)

As we close another parliamentary term, I want to thank everyone who has shared that political journey with me – from you, Mr Speaker, to past Speakers and members of staff who have been phenomenally helpful to me. I also thank my ministerial colleagues and shadow 570 ministerial colleagues, and I want to say that I feel immensely proud that I was, in some small way, a catalyst for Mr Clinton and Mr Phillips to become MPs, and indeed the hon. Lady to my left. I want to say to her that she has done very well indeed and there is no shame in taking a break from politics.

I also want to thank all those Members opposite who responded over the years to my requests for assistance on behalf of constituents, but in particular, on a personal level – and I had written 575 this speech before someone told me that the hon. Lady had been kind to me during her own speech, so this is not a quid pro quo – the hon. Lady opposite for the positive impact that she has had on people like my niece in relation to the surrogacy issue, which was so important to her as someone affected by womb cancer at 17 years of age, but also many others who, for different reasons, cannot bear children naturally. (*Banging on desks*) She also deserves credit in other ways. 580 Some of my closest family members are gay and they can now marry in their homeland. For my part – and I speak only for myself – that is hugely important and I agree with her that it has been transformative, even though I may have huge concerns about some of the direction of travel internationally. I also want to take this opportunity to make this point, that as long as my hon. and learned Friend Mr Azopardi remains Leader of the Opposition and leader of the party, there is no 585 turning back on those reforms. (**A Member:** Hear, hear.) (*Banging on desk*)

I also wish all Members the best of luck for the future, including, and despite the political barbs at the beginning and during the course of this speech, my main political opponent over the last 22 years, the Chief Minister. He may not be elegant, but I would like to think that I am, in some 590 small way. My best was not good enough, but I know I gave him some sleepless nights along the way, and I have to say I take comfort from that. (*Laughter and banging on desk*)

I am afraid that is where the pleasantries end, Mr Speaker. (*Laughter, interjections and banging on desks*) Every year since 2012 we have criticised the Government for systematically destroying the ability of Parliament to properly scrutinise our public finances in any meaningful way, but this annual debate more than any other has, over the last 12 years, epitomised the deep political and 595 philosophical divide between this side of the House and that, a divide that extends not just to the public finances of Gibraltar but what kind of future we want for this community, the type of

600 politics that should shape that future and the way we should be doing things when entrusted with the affairs of this community: honesty versus political dishonesty, prudence versus recklessness, transparency versus opaqueness, and accountability versus abuse of power. Whilst we advocate for prudent management of the public finances to protect the future of this community, they have stood for spending today without care for tomorrow. Whilst we warned about the culture of entitlement, they fed it. Whilst we warned of curves up ahead, they continued to drive like a juggernaut out of control. Whilst we recognised and warned that it is the less well-off who will ultimately pay the price for their mismanagement, they were content to put the future of those same people at risk for short-term electoral gain.

605 Yes, there is a divide between this side of the House and that, Mr Speaker. It is a political chasm, it could not be clearer, and the people of Gibraltar at the next General Election will have that very clear choice: do you want a government for all, or just a privileged few? Do you want a government that thinks it can get away with any abuse of power? A government that is visibly tired, whose shelf life is past its sell-by date? A government that clings to power, thinking that people have the memory of goldfish? A government that has so moved away from its core values that when the Chief Minister decries keyboard warriors with no sense of reality, the fact is that the majority are former activists of his own party, people who know better than anyone else that they have completely lost their way and are so far removed from the founding principles of the founding fathers of the GSLP and the ordinary man in the street that they might as well live on different planets?

615 Mr Speaker, when I say all that, I am hugely cognisant of the fact that the next four years could well be the toughest years this community has faced yet. It is a huge responsibility to govern over the next four years, but it is one that I know the Leader of the Opposition, Mr Azopardi, and his team are ready and willing to perform and do so well, a team that has both experience of government and opposition, a team that contains Members who have formed part of negotiating teams with both Spain and the UK. Mr Isola, to whom I am going to return in detail later on, cannot airbrush away the role that the Leader of the Opposition played during the joint sovereignty crisis or in negotiating a new Constitution with the United Kingdom. And of course we have the benefit of their support from the Opposition benches when they lose the next election because it is our policy to have one cross-party Gibraltar delegation when addressing international fora and negotiating our new relationship with the European Union. It is absolute nonsense that they are the only ones who can negotiate a new treaty with the European Union, absolute nonsense.

620 During this debate, no one on this side of the House has minimised the devastating effect of COVID and potentially Brexit, but it is not an antidote for their own failures. The seeds of our economic problems run much deeper, are more complex and lie principally, in my respectful view, at the door of hon. Members opposite. They are now reaping what they sowed in all those years when we were warning about the direction of travel, and they certainly cannot profess to have the cure for an illness that they themselves have created. On all key indicators – cash reserves, debt, the correlation between recurrent expenditure and recurrent revenue, failing to keep to budgets – the Government is susceptible to huge criticisms, and rightly so.

625 Both the Chief Minister and Minister Bossano spoke about the golden rule, in other words that we should not borrow to pay for recurrent expenditure, but recurrent expenditure had been catching up with us, catching up with recurrent revenue for several years before COVID. Minister Bossano said that he became concerned in 2018 and warned about it then. Every single speech that I have given in this House since 2014 has warned about the rise of recurrent expenditure and, indeed, the inability of Ministers to keep to Budgets. I know the Minister for Economic Development gives no credit to anyone, but where was he before 2018 on this issue? The Minister also attempted to explain away the failure of his colleagues to keep to budgets. The words 'unsustainable increase in the public service' and 'not keeping to budgets' are his words. They are not invented by us. Such was the discomfort of the Hon. the Father of the House in one interview that he blamed consultants for brainwashing Government Ministers into not being able to keep to budgets. In 2016 he blamed the pernicious consultants. Yesterday, he justified the lack of

650 budgetary rigour by saying that these are all just simply estimates. Where is the consistency in  
that? They still cannot keep to budgets, as the Hon. Mr Clinton and the Leader of the Opposition  
have demonstrated during their impressive, I have to say, interventions in which they rightly  
pointed out, just by reference to the GHA budget, that the surplus is tenuous at best. In what  
world does the Government think that it can cut the GHA budget by £23 million from last year,  
when they have been barely able to keep – in fact, I do not think they have ever been able to  
655 keep – to the GHA budget from the estimates in this Book year on year?

Mr Speaker, I have to say I have never met anyone – and there is a sneaky admiration that I  
have for him on this front – with a greater ability to keep a poker face – of course, I am referring  
to the Chief Minister – whilst making arguments that simply do not stack up, or that he knows are  
prone to boomerang back in his own face. I genuinely admire it. He makes them nonetheless,  
660 calculating that if he repeats something long enough he will be able to fool most of the people  
most of the time. He said that the GSD had breached the legal borrowing limits whilst in  
government and that we had kept it from the electorate in 2011.

**Hon. Chief Minister:** I did not say that. A point of order, Mr Speaker.

665

**Hon. D A Feetham:** Mr Speaker, there is no point of order here.

**Hon. Chief Minister:** There is a point of order, Mr Speaker. The hon. Gentleman has said –

670 **Hon. D A Feetham:** It is a badge of honour that ... You realise that you are disturbing me in  
my –?

**Hon. Chief Minister:** Of course. Mr Speaker, the hon. Gentleman has said that I said that the  
GSD had breached the legal borrowing limit and had kept it from the public. That is not what I  
675 said. I said that we were told in the leaders' debate that the debt had gone up to £517 million and  
that after that, after the election, we were told that if we needed a parliamentary resolution to  
exceed the debt limit they would agree because they were about to exceed the debt limit. That is  
very clear in my speech. It is completely different to what the hon. Gentleman says I said.

680 **Mr Speaker:** The Hon. Daniel Feetham.

**Hon. D A Feetham:** Mr Speaker, the clear political inference of what he was saying was that  
we had kept it from the electorate in 2011. That is what he really ... That is the sting, that is the  
political point, and I am entitled to make that point without my learned and hon. Friend the Chief  
685 Minister jumping up nervously and trying to put me off my stride. I am not going to be put off my  
stride; I have been doing this for far too long.

Mr Speaker, let me denude that criticism of all political legitimacy with three arguments, and  
in the process I am also going to be dealing with some of the points that the Father of the House  
made during his own intervention. Firstly, he forgets that in that same election – he complains  
690 that the GSD had breached the legal borrowing limit – he promised to spend £750 million in capital  
projects, to cut public debt, to cut the effective rate of income tax to 15%, to freeze rents, rates  
and electricity and to donate every single last penny of government surpluses to Community Care.  
Let's take a step back and think about that for a moment: significantly reduce tax, massively  
increase expenditure and donate all your spare cash to a charity. Did he, when he found out that  
695 the legal borrowing limits had been breached, say, 'No, I am afraid we cannot spend £750 million'?  
No, he did not. Did he say, 'Well, look, in light of the fact that the GSD have been borrowing so  
much money that we are so near the legal borrowing limits, it is not affordable'? No. Did he say,  
'Well, look, I am sorry, but because the GSD have done all of this, I cannot cut tax'? No. Did he say,  
'Sorry, Community Care, I cannot donate my surpluses to you'? No. Did he win the Euromillions,  
700 or did he strike oil or gas in the Port of Gibraltar in order to allow him to fund all those promises?

No, Mr Speaker. And, of course, that is all compounded by the fact that the very first thing that he did on public television within a month of getting elected in 2011 was to come out and say, 'My fellow Gibraltarians, I have found a £100 million black hole behind an impenetrable curtain.' The reality is that there is absolutely no validity to the criticisms of the hon. Gentleman of the Government that I was proudly part of.

Secondly, the real boomerang for the Government in the Chief Minister's handbag-at-six-paces swipe at the Opposition is that it was simply impossible for the Government to fund the promises made in 2011 without completely and utterly making the legal borrowing limits redundant, regardless of how near we were to those borrowing limits. This is precisely why they came to this House within a year of the election to amend the Gibraltar Savings Bank Act, to allow the Gibraltar Savings Bank to invest in anything and everything it wanted. It provided the foundation for the transfer of government debentures into the Gibraltar Savings Bank. That allowed the reduction of direct public debt, but it also allowed them to spend without real accountability. By that financial sleight of hand it allowed them to borrow well in excess of the legal borrowing limits and pay for the £750 million in capital projects funded by indirect government debt. Talk about politically dishonest financial re-engineering, Mr Speaker. Minister Bossano says we attack the Gibraltar Savings Bank. I say no, we do not. We attack the use of it to distort the public finances, or at least give a distorted view of what the Government is truly borrowing and spending. That is what we do. **(A Member: Hear, hear.)** Gibraltar Savings Bank deposits have grown by over a billion in 12 years to £1.1 billion. He calls it a rainy day fund. He has also called it a sovereign wealth fund. It is debt owed to savers and guaranteed by the Government. That is what it is. **(A Member: Hear, hear.)** But it is worse than just saying that this was a device to disguise public debt. Let me explain to the House why I say that.

Prior to 2012, government-owned companies were funded through direct funding from the Improvement and Development Fund. Government has two funds: one is the Consolidated Fund and the other one is the Improvement and Development Fund. To put things simply for listeners to follow, the Consolidated Fund is the Government's current account; the IDF is the capital or investment account, for which government-owned companies were traditionally funded. Usually, the IDF is funded through the Consolidated Fund, so if the Government makes a surplus – in other words, if it has spare cash – part of that money may go into the IDF to fund projects. Anyway, that is how things worked for years. From 2012, the government-owned companies began to be funded through the Gibraltar Savings Bank when Gibraltar Savings Bank debentures began to fund Gibraltar Investment Holdings, either directly in 2012 – at the time, I did not notice this, even though it was there facing me in a question that I asked the Father of the House – or, in 2013, through Credit Finance Company Ltd. Gibraltar Investment Holdings Ltd is the company at the top of the pyramid of government-owned companies and through which traditionally the Government has funded the entire government-owned company corporate structure. From almost the get-go some £330 million of Gibraltar Savings Bank debentures was being used to fund the cashflow requirements of government-owned companies and, indeed, their projects. That was disputed on countless occasions by the Chief Minister until Minister Bossano, post-election, yet again, was the Minister who came clean by accepting what was happening, but saying, 'So what?' Indeed, he went further. He told us, again post-election, that the money in government-owned companies, by now funded by the Gibraltar Savings Bank, and money in Government were pooled at Treasury level and controlled by what he described as 'the outfit' – in other words, the Government.

What does it matter? Of course it matters because it painted a completely and dangerously distorted picture of where the Government was spending money when it did not have the capacity to spend from its own resources and could not borrow directly. So when the Government comes to this House and says, 'This is our debt, this is our spending, this is our cash in the bank, this is our surplus,' it renders those statements meaningless without considering the wider picture in government-owned companies, which we have constantly said should be done when considering the financial health of this community. That is why Mr Clinton banged the Estimates Book on the desk yesterday and said it was ... I think the word that he used was 'worthless'. But equally

important, we would say it also simply demonstrated that they just cannot be trusted. That is the political point.

755 This brings me to two points that Minister Bossano made yesterday. One was how we had, in government, said that net public debt was the appropriate yardstick for debt, whilst now, in opposition, he says we are saying that it is gross public debt; and the second is about Gibraltar Savings Bank risk. On the first point, of course we go on about gross public debt, the nearly £2 billion that we have in direct and indirect public debt, but more importantly, we have no  
760 visibility as to how that money is being spent. You see, Mr Speaker, net public debt is gross debt minus the cash that you have in the bank. Traditionally, it has always been very easy to calculate net public debt. The problem, of course, is that since they have been in government we just simply do not know how much money in government-owned companies they have spent and how much money is still sitting there, so it is an impossibility for us to talk about net public debt. Whether  
765 we choose to talk about it in direct or indirect public debt, we simply do not have that information, and that has to be laid at their door, not ours. It is not inconsistency from this side of the House.

On the second point, he knows very well that prior to the changes they made to the Gibraltar Savings Bank Act, the Gibraltar Savings Bank could only invest in cash or cash equivalents. They changed the law in order to allow the Gibraltar Savings Bank to invest in anything and everything.  
770 It is why they were then able to use that money in order to fund government-owned companies and Government projects. But of course, not only are those investments self-evidently more risky than how we invested that money, which was in UK Treasury gilts and bonds, but the Gibraltar Savings Bank does not have an investment board, it does not have investment guidelines, it has much riskier investments, poor corporate governance and absolutely no transparency because no  
775 one knows what one person – and that is Minister Bossano – is doing with that money. I doubt that they even, on that side of the House, know or have a complete picture.

**Hon. Ms M D Hassan Nahon:** What about the stadium?

780 **Hon. D A Feetham:** Returning, Mr Speaker, to the criticisms of the Government that I served under, the third reason why the Chief Minister's criticisms boomerang back to him is Mr Clinton's point. We fought an election in 2015 where public debt was at the centre of the political debate and where we were saying that the Government was circumventing legal borrowing limits. They said nothing about the change to the legal borrowing limits in the 2015 election. Within a handful  
785 of months from that election and without any electoral mandate they changed those limits in March 2016. Prior to that, there had been a direct correlation between the legal borrowing limits and cash reserves. That is because the legal borrowing limits were calculated at net debt of 80% of recurrent revenue, and net debt is calculated gross debt minus the money you have in the bank, which is what I said to you, Mr Speaker, a few moments ago. Because the Government did not  
790 have enough cash in the bank, at one point as low as £30 million after their colossal spending spree in their first four years in office, they changed the formula for the legal borrowing limit to 40% of GDP, without informing the people of Gibraltar or getting that mandate beforehand – a formula for setting debt limits which was adopted by the Government of Bermuda, as I have said on previous occasions, years earlier, and which has led them to borrow to pay for recurrent  
795 expenditure mainly in the public sector. That is why Bermuda is in deep financial crisis.

Finally, dealing with the criticisms, I remind the House of the Government that I served, and I am duty bound to defend the record of the GSD Government. Why his arguments boomerang is that he forgets that in that same election, in 2015, he somehow forgot to tell the people of Gibraltar that it was his intention not only to borrow £300 million more, but to mortgage the  
800 estate of working-class people in Gibraltar. (**A Member:** Hear, hear.) (*Banging on desks and interjection by Hon. Chief Minister*) So much for their credentials as socialists. So how, in the light of all that, can he direct the barb at me – because he has – or the Government that I formed part of, that we misled people in 2011? It is beyond me, whether the barb was direct or indirect or implicit, as it was.

805 Now, Mr Speaker, I want to say more about public debt and economic growth. I will not spend  
a lot of time on it, but I will say something on it. In 2011 public debt, according to their manifesto,  
stood at £480 million. They say that with debt in government-owned companies really the true  
figure was £520 million. The total public debt, direct and indirect, today is £1.9 billion. For years,  
we have said that the size of the economy or increases in the size of the economy do not equate  
810 to healthy public finances. That is the main point that we have made on this issue. Returning to  
my Bermuda example, its economy was USD 7.3 billion, £5.6 billion sterling, with an economy  
based primarily on financial services and tourism – indeed, world leaders in reinsurance. It has a  
population of 64,000 people and GDP per capita is one of the highest in the world, but it has public  
debt of USD 3.1 billion, £2.39 billion sterling. In September 2020 it was reported that ‘Bermuda  
815 faces a fiscal cliff if its debt to revenue ratio continues to rise.’ That is precisely why they are  
actually considering returning to a debt ceiling that is not pegged to the size of the economy.  
Whether the UK has a debt that is 100% of their GDP or Japan 200% of their GDP is, quite frankly,  
irrelevant.

This is a small economy more susceptible to international trends, as we have seen to our cost  
820 recently, and of course we are not out of the woods yet, not by a long chalk. The Hon. Minister  
Bossano spoke about betrayal by the EU. We operate in a situation constantly where we cannot  
trust the EU, where we cannot trust Spain, and actually history also shows that at some points we  
cannot trust the UK government either. That points to prudence, not the other way round. What  
I do agree with is that any future Government will need to be very careful how it deals with any  
825 reduction in public debt, whilst at the same time not creating an issue with economic growth. In  
other words, that the cure is not worse than the illness. I accept that, but people do not have to  
be concerned about that. There is a lot of thought that has been put into this over many years by  
this side of the House, and it is not the case that we stand for austerity. We had a careful plan in  
2015 for debt reduction, which, if we had been elected, we could have implemented without  
830 damaging the economy. If they had listened to us earlier, we might have been in a better position  
to navigate the difficult times that we now find ourselves in.

Mr Speaker, I turn to the Hon. Minister Isola. He always, I have to say, gives me an opportunity  
to come back at him – always. I am very grateful for that because it would be a very boring world  
indeed without him. He said that every year he hears the same criticism. In a world full of political  
835 fluff and inconsistency and political demagoguery I would have thought that political consistency  
was a desirable political trait, and at the next General Election we will make sure that we say to  
the people of Gibraltar that Mr Isola thinks that we are politically consistent. At every single  
hustings we will say so. ‘They offer no alternative,’ he said – a decent political point, if it were true.  
Of course we have. We are the only party that costed its manifesto without financial shenanigans,  
840 including a programme of debt reduction. The difference is that we play by the rules. That is the  
difference. It is very easy to play around with a political credit card if it is not your own. That is  
very easy to do, so we are not going to take and we are not going to accept lectures from the hon.  
Gentleman. He said everyone in this community knows that Fabian Picardo is the only person who  
can do the job as Chief Minister – whilst looking to his right for a political pat on the head.  
845 *(Interjection by Hon. A J Isola)* I know you do. Good boy. *(Laughter)* At that point, my stomach  
churned and turned at the political sycophancy. *(Laughter)* I am afraid it shows how far he sits in  
his ivory tower. I am not sure what qualifies him as the voice of the people. Of all the Ministers on  
that side of the House, it is he who needs an *A to Z* to find his way around government estates.  
Everybody knows that. *(Laughter)* How can he possibly suddenly act as if he were the man of the  
850 working-class people? That is beyond me.

He said that the analysis of the Budget is identical to last year. Well, the Father of the House  
used to come to this debate responding not to the speech that the Chief Minister gave but the  
speech that the Chief Minister had given the year before. There was a time lag of one year on a  
Budget speech by the then Leader of the Opposition. Or has he forgotten that? *(Interjection)* Of  
855 course he has. *(Interjection)* I ask has he forgotten that. Of course he has forgotten that. He was a  
closet GSD supporter for most of the time that he was in opposition on that side, and on this side

of the House when we were in government. *(Interjection)* It is a shame that all the criticisms that he now has of the GSD Government he did not express when he was a Member of the Opposition from 1996 to 2000. No oracle predictions then. No, of course not, because he spent more time  
 860 congratulating the then Chief Minister of Gibraltar, Sir Peter Caruana, than opposing him. So we are not going to take lessons from him about effective opposition. He then criticises the lack of collegiate approach and criticises the hon. Member to my right, who is not here today, Mr Bossino, for his valid criticisms of the way the OS35 events have been handled.

We have, of course, never resorted to giving interviews to Spanish television in relation to the  
 865 Dr Giraldi Home, or indeed chosen to take adverse positions in international fora such as the United Nations, as they did when they were in opposition, or go from yes to no to maybe to vote for their conscience in relation to the referendum on the new Constitution, despite forming part of the delegation that negotiated that same Constitution. Where was he then, when the party that he now forms part of was doing all of that? Probably waxing lyrical about the GSD  
 870 Government and its leader.

He said, 'We invested in infrastructure in Gibraltar.' That is true. I accept that. They deserve credit for it, but they have also wasted an awful lot of money and they could never have spent the money they have without making us hugely vulnerable in ways that other economies are not. I do not want to be too unfair to the Hon. Minister because he is a far better Minister than he was a  
 875 Member of the Opposition. Indeed, I have said before that he is a fine Minister, and if I do not get the opportunity I want to personally congratulate him for his work in financial services, in gaming and insurance. He should rightly feel proud of that and I recognise that without hesitation today.

I do not have much more to go. I turn to Mr Licudi – *(Interjection)* Before he replies, yes. *(Laughter and interjection)* Yes. Mr Speaker, Mr Bossino said that they had three rights of reply.  
 880 Personally, I do not care less whether they have three, five, eight or 20 rights of reply, but Mr Licudi is the only person in this House who does not subject himself to a reply himself. I know he is not politically craven. I know that. We have had many clashes, going back to university when we shared student digs together, but it is not elegant to criticise Members on this side of the House without sitting down and taking that criticism from this side of the House in reply – which  
 885 is not possible, as they have insisted that Mr Licudi must go last.

Finally, Mr Speaker, I want to say something about four things. The first is unemployment. I reject the picture painted by the Government on unemployment or full employment. I see many people who are unemployed and desperate, and it shows what an ivory tower they sit in, that they can come to this House and say, with the glib that they do, that we are facing full  
 890 employment. Go and tell that to those people who come to our offices who are unemployed and desperate. **(A Member:** Yes, exactly.) Those same people also complain of attending the ETB offices only to get no information on existing vacancies. They are sometimes provided with limited information, but when the employer is contacted they are told vacancies have already been filled. There is no updated list of vacancies which a person can take away. Those already in employment  
 895 and wanting to do better are often asked, 'Why do you want to change your job?' Of course they want to change their job because everybody has the right to improve themselves, everyone. There is a huge perception that unless you are a GSLP supporter, you are not helped. Reality is very different indeed from the picture that the Hon. Ministers opposite wish to paint and wish this community to swallow.

The second is disability benefit. We need to be more transparent with the criteria. People do not know where they stand and the delays in determining applications and appeals are considerable. It really is painful that we have applications for disability benefit that were lodged  
 900 one, two and, in some answers that have been provided in this House, three years ago. It is not justified that the Government should treat people in this way and I urge the Government to get its act together and do what is right for the disabled people of Gibraltar. **(A Member:** Hear, hear.)

The third is those people who have been on the housing waiting list since 2011 who have still not been housed despite the promise to do so in four years. It is now 12 years. The purported lack

of one-bedroom flats is not a valid excuse, and I hope that this class of individuals will be looked at favourably and as a priority after the next election.

910 And finally, I want to congratulate Commissioner Ullger and his senior team for the excellent work that they are doing in the RGP. This Opposition trusts the Commissioner, believes he is doing a good job and decries any attempt to undermine him or his senior team

. (**A Member:** Hear, hear.) I hope that there will be no further attempts to undermine the Commissioner or, indeed, his senior staff as we move forward. It does the justice system no credit  
915 and immense damage for it to be otherwise.

Mr Speaker, for those reasons, I will not be supporting the Bill. Thank you very much. (*Banging on desks*)

**Hon. Chief Minister:** Mr Speaker, given that we have now been at it for some time, can I  
920 propose that the House should recess for 20 minutes until 5.30?

**Mr Speaker:** Thank you. The House will recess until 5.30.

*The House recessed at 5.08 p.m. and resumed at 5.30 p.m.*

**Appropriation Bill 2023 –  
Second Reading –  
Debate continued**

**Mr Speaker:** The Hon. Marlene Hassan Nahon.

925 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I rise today to deliver what will be my last Budget speech after some eight years of parliamentary activity. Serving the people of Gibraltar in this House has been a tremendous honour, and being an active participant in the wonder that is parliamentary democracy is a privilege I will always cherish and one we must remember to never  
930 take for granted. (*Banging on desks*) I thank you all for having accompanied me on this incredible journey.

Many things have happened in these eight years. I have learnt the ways of this House and of our politics. I have witnessed the heartbreak of having a piece of our identity ripped away from us by bigotry and ignorance. I navigated a terrifying global pandemic, estranged from the rest of my parliamentary colleagues – in what clearly was not a Government of national unity – only for  
935 standing up for my principles. I have experienced the impact of war and conflict, and standing hand in hand with my people I have felt both the pain of loss and the joy of triumph. I would say I have experienced the full gamut of the political experience – at least the Opposition part – perhaps in a way that only a Gibraltarian can, shifting from the grand to the parochial. I swam against powerful currents to find my own voice and broke into this seemingly impenetrable House with a  
940 new, pioneering, different political party. I have been enlightened by some of the most learned minds in our community but also by countless humble constituents, and from this I have grown wiser – or at least I hope so, because judging by what I have seen in these eight years, politics can also be a pretty alienating activity. I have grown older, as have all of you, by the way.

I thought long and hard about this moment and this Budget speech, torn between taking the  
945 easy path – a discreet bow, a swansong to our democracy – or doing one final service to my community and taking it to Government one last time. I am not going to lie, I was really hoping I would be able to do the former. Like all of you, I dreamt of exiting my career smelling of roses, receiving pleasantries from both sides of the House and bypassing the onslaught of online abuse that invariably ensues, but I am afraid I simply cannot do it. This Budget speech will be a combative  
950 and indignant one, (*Banging on desk*) only because they simply leave me no choice. The state of



the nation today is so appalling, so infuriatingly dysfunctional, so dismally unfair that the least I can do is protest, even if it means earning myself one final round of acrimony from the cronies and the sycophants. And this one will be for free because, as you all know, I will be leaving very soon, so nobody can accuse me of doing this as an appeal for votes, power or any kind of political agenda, and I have to admit that it is a wonderful feeling. I stand here today feeling light and carefree. I stand here today knowing that I do not need to build narratives or deliver any calls to action to prospective voters. I stand here with nothing to gain or lose, with the only mission of speaking my mind, scrutinising the state of our nation and the work of our Government; democracy in its purest form, unfiltered and unadulterated.

There is simply no denying it anymore: Gibraltar is fast becoming an unbearable place to live in, particularly for the working classes. In 12 years this Government has taken a place that was not without flaws but was undeniably beautiful, pleasant and tranquil, and turned it into a noisy, dirty, stressful and dysfunctional mini-megalopolis. Nothing seems to work anymore. Our town is smelly, run down and in a totally depressing state of disrepair: unpainted railings, broken benches, roads full of potholes, the smell of dog pee wherever you walk, and faulty fittings wherever you look. The entrance to Main Street from Casemates Arches is peeling off and looks utterly shabby. It is embarrassing. When friends from abroad come over, they ask me whether Gibraltar has a heritage budget. How on earth can the Members opposite defend that? Our heritage is languishing and becoming more and more obfuscated by the incongruous concrete jungle mushrooming around it. Even the view of our Rock will be soon blocked out from many parts of Gibraltar by the sprawling construction, and all this in just 12 years. I seriously marvel at the timescale of this flabbergasting transformation. How have you managed to do this in so little time? How did we let this maniacal economic plan destroy our beloved Gibraltar? You have no idea how it infuriates me, Mr Speaker, to speak to people about this on our streets – locals and visitors alike, by the way. It is the talk of the town, as you will realise as soon as you all start walking up and down Main Street in anticipation of the next General Election. Although, no doubt, some quick fixes will be made in an attempt to fool the electorate temporarily – pre-election campaign in the autumn, of course – they will peel off in no time, probably after the election.

Gibraltar has become an unpleasant place to live in, and one that people want to get out of whenever they can. Those who spend as much time as possible outside of Gibraltar run to their Sotogrande villas or Costa getaways at every opportunity. Some of you know exactly what I am talking about. Those who cannot, suffer in silence, putting up with the traffic, the noise, the dirt and the degrading natural environment stoically, resigned to the fact that for working-class Gibraltarians who cannot afford the international lifestyle this Rock is their only home and their only choice. That is another result of 12 years of GSLP governance – a Gibraltar in which the experience of the haves and the have-nots is simply light years apart. The two Gibaltars we spoke about in this House a couple of years ago are as estranged now as they have ever been.

I stand before you today, Mr Speaker, fuelled by enormous indignation and galvanised by the courage of our collective spirit, to cast a harsh spotlight on a crisis that has consumed our beloved Gibraltar over the last 12 years and say enough is enough. This is a crisis of an absolutely existential nature, a crisis that threatens to destroy Gibraltar as we know and love it. It is not just a cost of living crisis, though we will address this issue in due time; it is a quality of life crisis. There is an element of the lives of human beings that is not covered by the numbers in this Budget Book, a fundamental indicator that is oblivious to the macro-economic figures presented by the Chief Minister that so often obfuscate the real picture of our governance. Life is not only about having money in your pocket – which, let's be clear, most people find they have less and less of these days – but also about living in a place that provides a comfortable, pleasant, healthy and happy environment to live in. And believe me, if those indicators had been registered over the last 12 years, they would reflect an absolutely tragic downturn. In respect of the quality of life of its citizens, the Government has transformed Gibraltar for the worse, perhaps irreparably. It has traded our peace for uncaring development, our heritage for vacuous modernity and our happiness for selfish materialism. The ceaseless, relentless construction we have seen over this

1005 decade and a bit has rampaged across our little piece of paradise, leaving it completely disfigured and in many ways broken, because to service this massive boom we still have the same crumbling infrastructure, the same gridlocked roads, the same Victorian sewers, the same grubby rubbish bins, the same failing electricity grid and the same raw sewage being pumped into our seas while the numbers of apartments, cars and houses grow every day. Our Upper Town, which would be the gem of any historic location like Gibraltar, is in a state of shameful disrepair, sometimes plain old abandonment.

1010 In its zeal for economic progress and development, this Government has failed to account for the most important thing human beings need to live a happy and fulfilled existence: quality of life. In its hunger for modernity it has failed to realise that the most modern advance the world needs is a return to more tranquillity and community life, a pleasant and healthy environment and a culture of kindness and solidarity. This is not just about abstract things like lost serenity or nostalgia for the past. It is about tangible, measurable impacts on our lives. Our health has been cornered, compromised by the dirt and noise pollution. Our lungs fight against particles that they were never meant to battle. Our ears are assaulted day and night by the relentless cacophony of drills and cranes. We are confronted with an increase in respiratory diseases, sleep deprivation and stress-related conditions. We have become witnesses to our own mental erosion. Anxiety and stress have invaded our homes, transported by old and smoky diesel trucks. And what of our happiness, the one thing that truly makes life worth living? How can we find joy amidst the ruins of our once tranquil and beautiful Gibraltar? Our children can no longer play out in the open, unless it is in one of our plastic-clad, sponsored, boutique urban parks. Our elderly no longer have quiet corners for their leisurely walks. Is this the Gibraltar we want to pass on to our children?

1025 Yes, in the process there have been benefits for our people. We have new schools; new subsidised homes – calling them affordable is simply unrealistic at this stage; we have new sporting infrastructure; we have some new parks. But is this the price we have to pay? Do we have to trade our wider quality of life to enjoy what should be basic rights for our citizens? Is this the price we are expected to pay for decent public services and reasonable access to opportunity? Is this the only economic plan that was available to us? This simply cannot be the case.

1030 And what about the future generations of Gibraltarians? What will happen when we run out of space to build? How will we grow our economy when our seven square kilometres become so overwhelmed and overcrowded that nobody wants to live here anymore? I have not heard any concern whatsoever in this Budget for this very real and worrying prognosis for our home. Progress is important – necessary, even – so is housing for our people, but progress and housing at the cost of health, peace and happiness is not progress, it is destruction. The values we hold dear and the community spirit that has defined us for generations cannot be measured in economic terms or traded in pursuit of material wealth. It is high time we remind our leaders that they govern for *us*, not for the property developers or those who see in the destruction of our natural resources and heritage just another cog in the Gibraltar money-making machine. There has to be a better way. We demand a halt, a reconsideration, a more sustainable path forward, and if these politicians cannot provide one, well, I hope that if they truly love Gibraltar they will make way for somebody who can.

1045 And so I ask, Mr Speaker, what are the results of this economic plan, what benefits have we reaped for the almost complete dilapidation of our natural resources? It sure does not look like the workers in Gibraltar have benefitted, at least not in the eyes of Unite the Union – erstwhile supportive of this Government, now one of its most poignant critics. In its recent study about the cost of living crisis, Unite shines a light on the challenges faced by both public and private sector employees and suggests meaningful changes are made in our economic system to provide a fairer taxation system and adequately protect our very vulnerable working class in a way that is commensurate with inflation and the outrageously high cost of living in Gibraltar.

1050 Let us first focus on the public sector, which is far from being the land of milk and honey that is often alluded to when Members on both sides of this House talk about the culture of entitlement. Many public sector workers find themselves on low salaries that are being hit

1055 extremely hard by the current cost of living crisis. As per the union's study, shockingly over 60%  
of public sector workers start on a pay scale that is less than £30,000. Even more alarming is the  
fact that 28% of them cannot earn more than £30,000, regardless of their qualifications and  
dedication. While the Minimum Wage increase has been touted by this Government as a solution,  
it fails to address the struggles faced by many public sector workers. Only a meagre four  
1060 individuals out of a total of 5,497 in the public sector will benefit from this increase. It is  
disheartening to witness how, as explained by Unite, average public sector pay in Gibraltar has  
actually declined in real terms over the years. Furthermore, claims that public sector salaries in  
Gibraltar are significantly higher than those in the UK are misleading. In reality, the premium is  
much lower, ranging between 11% and 15%. It is important to note that public sector pay in the  
1065 UK has also fallen behind in real terms. However, even as the UK government takes steps to  
implement a pay rise for public sector workers, our own Government remains inactive, barring a  
pre-election handout clearly designed to continue with the GSLP's clientelist policy of bribing  
different sectors of our society in the lead up to every General Election. Considering that our GDP  
per capita has increased by over 5% annually during the tenure of the current administration,  
1070 workers ask themselves where the has money gone.

Now let us turn our attention to the private sector, which is even more disheartening. Private  
sector workers in Gibraltar have experienced a massive decline in real wages, with an average  
increase of just 0.3% per year since 2011. For workers in sectors like hotels and restaurants the  
situation is dire, with earnings falling by over 21% in real terms in 2021 alone. Over the past  
1075 decade, these hardworking individuals have seen a 15% decrease in average full-time earnings.  
While some sectors such as financial intermediation enjoy a positive Gibraltar premium relative  
to the UK, others – including construction, retail, and hospitality – face a negative premium. In  
fact, the negative premium in the hotel and restaurant sector stands at a staggering *minus* 29%.  
As suggested by Unite the Union, it is crucial to establish the cost of living increase in the public  
sector as a benchmark for private sector pay bargaining.  
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The current state of affairs is simply unacceptable, Mr Speaker. It is evident that the  
Government's focus on running a symbolic surplus – which, as has been explained extensively in  
the course of this debate, is a completely artificial one – and thus create a pre-electoral narrative  
of success, has taken precedence over addressing real and urgent spending needs. This has led to  
1085 some regressive tax changes that burden working people. We must demand a change – a change  
that provides a fairer taxation system and dignified conditions for our hardworking citizens. It is  
an undeniable reality that while the Government has sold off our natural resources and quality of  
life, both public and private sector wages have failed to keep up with the cost of living, and that is  
simply unacceptable. Our Government has turned a blind eye to the needs of our hardworking  
1090 citizens, perpetuating a system that favours the few over the many. It is our moral duty and our  
economic responsibility to demand a fairer system that ensures dignified conditions and equitable  
opportunities for all workers. Therefore, it is my belief that a pay rise of 4.9%, as suggested by  
Unite for public sector workers, is not only affordable but necessary. This increase can be financed  
through various means, such as an increase in income tax rates for higher earners and/or an  
1095 increase in the corporation tax supplement. Additionally, we should explore the possibility of a  
windfall tax on the most profitable employers, as other European jurisdictions have implemented,  
further redistributing the burden of our economic system. But somehow this year, for some  
bizarre reason, priorities lie in things like parents sending their children to private schools getting  
tax breaks. Priorities indeed. This policy clearly reflects that there is not enough money to spend  
1100 on public schools and wanting to alleviate the pressure of that, but *real* socialists believe in public  
schools. Socialists should want everybody to go to public schools, and it seems that people are  
sending their kids more and more to private schools because they perceive these schools are of  
better quality than our state schools, despite the recent mammoth investment into these state  
schools. What would be a socialist policy would be to invest more money in the public school  
system instead of giving rebates to people who put their kids in private schools, don't you think,  
1105 Mr Speaker? That would have been a real socialist policy.

1110 Talking about priorities and keeping in line with socialist policies, let's not forget the disability community. I have been personally so moved over the years by the work of civil society groups in this field and have felt closely and upfront the plight of these individuals and their families, those most vulnerable in our community. Their needs are still far from being met and they deserve to be listened to as a collective in its entirety, with sectarian interests put to one side.

1115 Tagging on from this point on the needs of the vulnerable and social justice, I must turn my gaze for a second to the other side of this House. Before I explained my reasons to not stand at the next General Election, many people were urging me to support the GSD and present a united front to change this Government. I agree that change is necessary, but as I explained in my departure speech, I am not attracted in general by the GSD's brand of politics. Mr Azopardi himself has often said that he does not quite understand the substance of these ideological differences. However, this Budget week has cemented some of these differences very clearly in my mind because we cannot actually refer to tax increases in the wake of increased public spending as 'bailing out Mr Picardo'. This mentality demonises taxation, the most important tool a government has to make a better society for its citizens, and creates a real culture of entitlement, one that we do not talk about enough in Gibraltar: the culture of entitlement of not paying taxes. It also equates higher taxes with the electoral rival, a strategy that again creates this pernicious culture around the concept of taxation. Taxes are not for Mr Picardo. Taxes are – apart from, let's be honest, not particularly significant overspends on vanity projects – used to pay for things like public sector wages, schools, doctors and housing. It is absolutely fair to say that the Government has spent too much and not been prudent enough, but referring to taxation as an ill effectively is the kind of rhetoric of economically right-wing parties and this side of the House must be well aware of that. We have to be honest here because it is our responsibility to create a culture of solidarity and responsibility around taxation, something none of the parties in this Chamber have ever done. Gibraltar has lower taxes than most other comparable nations. We have a very advantageous corporate tax regime and an almost toothless tax authority, and we have very expensive needs driven by our broken housing system and our inability as a small community to implement economies of scale in public services. For me and for Together Gibraltar, taxes have always been more than just paying for the basic expenses of this community. They are a tool to create greater social justice and social cohesion, to prop up the disadvantaged against the privileged and, crucially for Gibraltar, to create a society that is capable of standing united in the face of adversity. We need to address our inequality issues, which are, as with most other developed nations, extremely problematic.

1140 On the other hand, Mr Speaker, the Leader of the Opposition, Mr Azopardi, presented a very extensive and enlightening breakdown of the figures in this Budget, and if anybody has not ... and is interested in the granular detail, I suggest they see his address to the House from a couple of days ago. There they will witness not only the explanation of what the Government has put forward in this Budget, but they will also see the pointlessness of focusing on the figures presented in this debate. The numbers in this Estimates Book are not worth the paper they are printed on. *(Banging on desk)* Everybody knows this and *they* know it. The audience at home know it. They are watching and they know it. This is fiction, but not of the quality of William Shakespeare. Rather, it is the work of another barristocrat, perhaps the prince of said illustrious demographic, spinning and weaving a narrative of success as if advocating for a client that he knows is guilty but depends on his skills to survive the guillotine. I know because I have seen a few in my time. *I am* Dick the Butcher, Mr Speaker, and I am proud of it. I am Dick the Butcher. By the way, the Chief Minister should know that the words of Dick the Butcher have been interpreted in different ways: as implicit praise of how lawyers stand in the way of violent mobs, which I think is what he was espousing in his address, but also as criticism of how lawyers maintain the privilege of the wealthy and powerful.

1155 I found the Chief Minister's reference to Peter Caruana when he walked into Parliament saying 'It's raining' particularly enlightening because there are things about this Budget that silly little Marlene, the little woman, the little feminist MP simply does not understand. So I echo the Hon.

1160 Roy Clinton's words from his address yesterday: why on earth are you touting that you have replenished the kitty of the rainy day fund when you are telling me, at the same time, that it has been pouring down outside for years? If it has not been raining or hailing after Brexit and a global pandemic, then when is it going to rain? Do they think the people of Gibraltar are stupid?

1165 I would also like to comment on the issue of the Brexit negotiations, which are at serious risk of being derailed if a likely PP-VOX coalition takes over the government in Spain in under 10 days. Instead of engaging with the people of Gibraltar on the realistic implications and requirements of a treaty with the European Union, we have been kept in the dark, telling us we would be giving too much away to our enemy. People should know that this position was fundamentally flawed. Neither Spain nor the EU needed us to remind them that our position was one of weakness. They knew this full well. This does not mean I believe we need to accept whatever is available,  
1170 Mr Speaker – as you know, I am one of the few who believe that some things are more important than economic growth and material wealth – but we were deprived of the chance to have an open and mature debate about what we can realistically discuss in our attempt to have a closer relationship with the EU and just maybe banish problems at the border forever. But apparently they are still the only viable custodians of Brexit into the next election. This reminds me of something I once heard a wise man who truly cared about Gibraltar say: 'All the indispensable people are in North Front Cemetery.' They really should remember this, because they are all there. In conclusion, the Brexit negotiation has largely been marked by personal ambition and political grandstanding. We, the people of Gibraltar, deserve leadership that speaks with humility and pragmatism, respects our workforce and fosters mature dialogue about the challenges we face.  
1175 The road ahead is not about personal egos or political gain but about creating a mature society and a healthy national narrative that is not driven by nationalism and bluster, and it is high time we demand that from our leaders.

1185 Right now, and this week being a particular case in point, you only have to look at the Chief Minister's carefully crafted manipulation of parliamentary timings and proceedings so that the Opposition would be seen and heard the least possible. The first couple of days of this Budget session, when Government MPs had the lion's share of the airtime, the House would go from around 10 in the morning and finish before 5.30 p.m., but as soon as the Opposition MPs were set to flood the mics, the Chief Minister has been meticulously ensuring that we would be speaking into the late evening and giving us four-hour breaks during the day in order to resume at the typical time of the afternoon where we were usually ending. This issue is, plain and simple, a grossly uneven playing field and that is when our democracy begins to wilt. This is a disgraceful disrespect to MPs (*Banging on desk*) and the work we do in this House, and to our democracy in general, and I find it utterly insulting. It also shows how poorly this House works, where the Leader of the House has all the power to play his dirty, petty games with all of us, not to mention that it  
1190 also flies in the face of all the buzzwords heard from Members opposite about family-friendly hours and wanting more women to get involved. It is just like all those commissions and committees we set up in this place that never met. They never resolved anything, we never had one session, but it sounded good on press communications. And *please* do not reply saying the GSD did it that way. Didn't we change Government? It makes me laugh as well as infuriates me  
1195 when Government play this card. What is the point in backing yourselves up with 'the GSD did it'? We changed Government. If you are going to play that game, don't stand for election, just keep the old ones.

1200 Mr Speaker, as a single mother and in all my time in this House we have usually commenced post 3 p.m. over the years. I can assure you that for a mother this start time is anything but family friendly. I have often, over the years, had no choice but to, from this very seat, coach my children through homework challenges and order them their dinner through my phone, often juggling all of these tasks in between question and answer sessions, Bills and motions. I have not seen a care in the world from the other side about this reality for me as a woman or any other potential woman who might be looking at the possibility of joining Parliament. I am one of the lucky ones  
1205 with a good support system around me. I wonder how a woman with kids who wants to get  
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involved in politics would manage these ‘family-friendly’ hours. Perhaps in Australia they are family-friendly when you juxtapose the timings. Maybe this is friendly to the overwhelming number of dads in the Chamber. Perhaps for them getting home late works really well, but not for us women because we are often taking on the entire mental and physical load of our family responsibilities. And further, if they genuinely want to incentivise more women to get into Parliament and politics, how about they invite the ones that are actually here to women’s events organised by Government? (**A Member:** Yes.) Talk about platitudes, indeed, Mr Speaker.

I do hope that one day an unapologetically progressive, feminist woman will stand up to this wall of grey machismo, smash it to smithereens and inspire more women to make this House their place of work, and I hope to be there to cheer as she does. I also hope that Together Gibraltar can regroup, rethink its mission and appeal to a new generation of young, progressive leaders that can take this community forward. If you are listening to me and you share my values, make a stand and take on this beautiful mission. I have done it for a good decade of my life and I can assure you it has been worth it. Politics is worth it, and in order to achieve a more democratic and better future for our people we need people from outside of this echo chamber to step up to the challenge. You can count on me to support you every step of the way.

Mr Speaker, I take this final opportunity to thank you and your wonderful staff – Kevin, Danny, Malka and our Clerk, Simon. Over the last eight years, being here on my own, the staff in this House have treated me like family, advising me and guiding me with anything I needed, and I shall be forever grateful to you all. I would also like to thank retired Speaker Canepa and retired Clerk Paul Martinez for their warmth and guidance since I joined this House in 2015.

Leaving the politics aside for just one moment, I would like to warmly bid farewell to my parliamentary colleagues: my *vecino de parliament*, the Hon. Danny Feetham, who first pushed me to take an active role in politics, despite our later tribulations; my good friend the Hon. Elliott Phillips; the Hon. Leader of the Opposition and the rest of my Opposition colleagues, as well as, of course, those on the Government side from the Chief Minister himself to the rest of his Cabinet. I have thought long and hard about this, and despite everything, at one point or another during my time as an MP I have had the pleasure and privilege of considering each and every one of you a friend and enjoyed your kindness and your attention, often working constructively for our fellow constituents. I thank you all for this. See you later.

Thank you. (*Banging on desks*)

### Adjournment

**Chief Minister (Hon. F R Picardo):** Mr Speaker, with thanks for those few kind words from the hon. Lady and hoping it is not too late for her at six o’clock, I disgracefully and dirtily, pettily move that the House should now adjourn to Monday at 11 o’clock, and we can then start the process of replies.

**Mr Speaker:** I now propose the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m.

I now put the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m.

**Hon. K Azopardi:** Mr Speaker, sorry, can I clarify that? When he moved the adjournment, the Hon. the Chief Minister said ‘start the process of reply’, so I am assuming he is replying on Monday?

**Hon. Chief Minister:** Mr Speaker, we have still got Mr Licudi to do. I may say a few things once Mr Licudi has finished, and I am likely also to continue on Tuesday. (*Interjection*)

**Mr Speaker:** I now put the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

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This House will now adjourn to Monday, 17th July at 11 a.m.

*The House adjourned at 6.07 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 11.13 a.m. – 12.24 p.m.**

**Gibraltar, Monday, 17th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 11.13 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Appropriation Bill 2023 – Second Reading – Debate continued**

**Clerk:** Meeting of Parliament, Monday, 17th July 2023.

We continue with the Second Reading of the Appropriation Bill 2023.

5 **Mr Speaker:** The Hon. Gilbert Licudi.

**Hon. G H Licudi:** Mr Speaker, we will have elections later this year and we have heard other Members say during this debate that we are all subject to the electorate and that it may be the last Budget speech for any of us. We have also heard the hon. Lady Ms Hassan Nahon say that this will be her last Budget speech. Like the hon. Lady, this will be my last Budget address to this House. (A Member: Hear, hear.) (*Banging on desks*) I have informed the leader of my party and the chairman of our executive committee that I will not be putting my name forward for selection as a candidate for the GSLP at the next General Election. I will, therefore, no longer be a Member of Parliament once this House is dissolved.

15 I was first elected to this House in 2007 and after four years on the opposition benches we were elected into government, a government in which I served for almost nine years. In August 2020, I stood down from the Government for reasons which I explained at the time. It is often said by those in the position I am in now that it has been an honour and a privilege to serve as a Member of the Government, and it sounds like a cliché but I certainly understand why it is said and how true that statement is. It has been an honour for me to be the elected representative of the people of Gibraltar for four successive terms of office, and in the last two terms, 2015 and 2019, the electorate clearly considered that the Government was doing a good job for Gibraltar, or a sufficiently good job for Gibraltar, and that it deserved to continue to enjoy its support.

20 It has also been a privilege to have held the position of Minister in a Government that was not afraid to break new ground, was not afraid to bring in initiatives designed to improve the lives of all Gibraltarians and, most importantly, was not only not afraid but steadfastly committed to remaining true to the fundamentals of what it means to be a Gibraltarian, in control of our own destiny, protecting and defending our values and beliefs. It has been particularly a privilege to have had the opportunity of being part of a Cabinet that has at all times acted for the collective good of Gibraltar. I will never forget the sense of responsibility I felt every single Monday morning in attending Cabinet, where all important decisions were taken: the responsibility of spending public funds wisely; the responsibility of deciding on projects which would bring housing opportunities to young Gibraltarians and to the not so young; the responsibility of deciding on projects which would produce new sports and leisure facilities for all to enjoy; the responsibility of deciding on projects that would bring new educational and training opportunities, projects which would transform completely almost all educational facilities in Gibraltar. I am immensely

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proud of the record of this Government since 2011 and I am humbled by the knowledge that I have been able to contribute in some small measure, during almost nine years, to that record.

40 Mr Speaker, in 2011 I was given responsibility for financial services, gaming, education and justice, and as Minister for Financial Services I would travel to conferences, meetings and events outside Gibraltar. Despite the criticism we often hear from Members opposite on travel by Members of the Government, the only way of getting our message out there was, and continues to be, to be present at those international conferences, meetings and events, talking to people and making sure they understand what it is that we have to offer. I recall during that first term of office, when I spoke to professionals at those international events who were involved in structuring financial services products for their clients I was consistently met with the phrase, 'Gibraltar does not figure in the list of territories that we consider for our clients.' Well, we set out to change that and have done so successfully. No one now takes the view that Gibraltar is just a small territory in the Mediterranean which is either unknown or not relevant in the international financial services industry. We are now at the forefront of that international business and leaders in various sectors including, as the Hon. Mr Isola mentioned, insurance. We are leaders and have been for a long time in the gaming industry, an industry which was and continues to be an important contributor to the Gibraltar economy and the creation of jobs, as Mr Isola confirmed – over 3,000 jobs in that sector and 11 new B2B licences issued only in the last year. None of that happens by accident, it is down to the indefatigable work of my colleagues in Government and the numerous officials who make that work possible.

55 Mr Speaker, one of my first tasks as Minister for Justice was to inaugurate the new court buildings. All the relevant dignitaries were invited, including the previous Minister for Justice, the Hon. Daniel Feetham, as he will well remember. Mr Feetham is not here today. I want to say that 60 Mr Feetham came to my office this morning and said he had an important engagement that he could not get out of and I should not see his absence from the Chamber today as a sign of disrespect. I accept that entirely from Mr Feetham. The same cannot be said of other Members of the Opposition benches who are not here today – Mr Phillips, Mr Bossino, Mr Azopardi and Ms Hassan Nahon, who I believe is maybe away from Gibraltar. The opening of that building was done with all the pomp and ceremony the occasion required and it was an important moment for the legal profession, for the judiciary and for court users. Outdated facilities which were no longer fit for purpose had been completely transformed into modern courtrooms and offices, and every time I use those facilities as a practitioner I recall what they used to be and how things have changed with the new court buildings. They are, by all accounts, excellent facilities. The opening was done in 2012 by the Chief Minister and I, and at the time I did not acknowledge or perhaps sufficiently give credit to the fact that it was a project which had been conceptualised and carried into practice by the previous administration. In particular, it was the Hon. Mr Feetham who had led on that project and I want to acknowledge that now, albeit belatedly. We are still, 11 years on, enjoying the fruits of that work.

75 But our work in those first few years in government did not, of course, simply amount to putting finishing touches on projects started by the GSD; far from it. In fact, there were very few finishing touches to make because there were very few such projects by the previous administration. Instead, we set to work on a programme which was ambitious and transformative, so much so that it was said that our manifesto could not be delivered and could not be paid for. 80 We were able to prove our doubters wrong.

An important part of what we set out to do, and which we are still doing, was in the field of education. Originally, as Minister for Education, it fell to me to lead on the delivery of that part of the manifesto and amongst the improvements made straight away was a substantial increase in the complement of teachers and the provision of mandatory scholarships for postgraduate studies. We also started the process of rebuilding our schools, a process which continues to this day with the new Governor's Meadow Lower Primary School and Bishop Fitzgerald Upper Primary School being finalised and set to welcome students this year. There will also be a new St Mary's through a private/public sector partnership. The Minister for Education, the Hon. Prof. John

90 Cortes, gave details of further school projects in the pipeline. These are not just wishes for the future. We have seen the work that has already been done and what has already been delivered by this Government. During this Government's term of office we have seen new Bayside and Westside Schools, a new St Martin's School, a new St Anne's, a new Notre Dame, new St Bernard's Lower and Upper Primary Schools and, as we have mentioned, we now have a new Governor's Meadow, Bishop Fitzgerald and St Mary's. All of that in just 12 years, and these have not just been 95 the refurbishment of old buildings but complete rebuilds with modern and excellent facilities provided, including facilities which none of these schools had previously. This is significant in all the schools but particularly so, as the Minister mentioned, in the case of St Martin's. Other schools, such as St Paul's, have been upgraded.

100 No one can dispute or doubt the benefit that all of this has brought and will continue to bring to education in Gibraltar. It was something which was completely necessary. It followed almost 16 years of underinvestment in and almost abandonment of our educational facilities by the GSD administration. And although sometimes we do go back, it is important in an election year to recall what has happened before and what people can expect from a new government, if there ever was a new government. This underinvestment and almost abandonment – and I use the words 105 advisedly – was particularly obvious in the case of St Bernard's First School and Sacred Heart Middle School. I recall visiting St Bernard's as one of my first tasks and seeing, quite frankly, the deplorable condition that school was in – Victorian conditions with many of the wooden planks infested by termites, which had to be treated. That is why we gave priority to these schools. We were able to provide, within our first term of office, new facilities at the site of the old St Bernard's 110 Hospital. That was a challenging project as we were constrained by the existing buildings, but the designers were able to bring those buildings to life, preserving the old character but creating two vibrant schools with facilities which neither school had been able to enjoy in their previous premises. This set the bar very high indeed for future school projects and it has been a high standard which this Government has been able to maintain.

115 One other educational project which we embarked on early in the life of this administration and which I simply cannot avoid mentioning in this, my last Budget speech, was, of course, the University of Gibraltar. We said in our 2011 manifesto:

The University of Gibraltar will commence operations within 4 years ...

120 We were true to our word. That is exactly what happened, with the University opening its doors to students in September 2015. No-one who has visited the University can avoid marvelling at the beauty of the facilities, again combining the character of the old with the utility and magnificence of the new, but it is much more than a beautiful building. The Minister for Education gave a detailed account of the University's offering to education and also the important contribution that it is already making to the economy.

125 The University provides an educational offering for both local and international students which has been developing and expanding since the University first started operating: professional development courses, nursing studies, a School of Education, a Maritime Academy, marine science, PhD programmes, studies in environmental science and climate change, Masters of Business Administration, a centre for research into responsible gambling. These are just part of the current offering of this still very young University of Gibraltar and I was very pleased to hear 130 from the Minister that there will be three new degrees offered this year and more next year. That is excellent news. The University has also hosted and arranged a number of high-level international conferences contributing to research and learning in a number of important areas. In addition, there is the bespoke accommodation as well as the restaurant and student catering facilities, all of which form part of the Europa Point campus. And we must not forget the important 135 use of the University's facilities in the COVID response in Gibraltar with thousands and thousands of PCR tests processed at the University's laboratory. It is a University of which I am immensely proud to have been involved in its creation and development and I will be eternally grateful to the

University for recognising my contribution to the University with the award, in December 2020, of an honorary doctorate.

140 The development and success of the University in such a short space of time is spectacular. I always knew the University would do well. What I did not know was that it would do so well so soon. There has been international and global recognition and accreditation of the University by the UK Quality Assurance Agency for Higher Education. This is no mean feat and is a testament to the hard work, dedication and commitment of all of those who manage and work at the University.

145 It is a delight to see how they all work as a team and the fruits that that approach is bringing. I want to acknowledge and thank all the staff, led very ably by the Vice Chancellor, Catherine Bachleda, as well as members of the board of governors, chaired by Albert Langston, and the academic board. And we must not forget what a great honour it is for the University to have Sir Lindsay Hoyle as its Chancellor. I also want to pay tribute to the work done by Prof. David

150 Abulafia as a member of the academic board and as a Beacon Professor of the University. Prof. Abulafia is Professor of Mediterranean History at the University of Cambridge. In June 2023 – last month – Prof. Abulafia was awarded the CBE in the King’s Birthday Honours for his exceptional service to scholarship. I wish to echo the congratulations offered to Prof. Abulafia by the Vice Chancellor, Catherine Bachleda, who said:

We are immensely proud of Prof. Abulafia’s exceptional accomplishments and the global recognition he has garnered due to his dedication to scholarship and the pursuit of knowledge. This prestigious honour is a testament to his exceptional contributions to Mediterranean history and the invaluable impact he has had on the field.

155 Well done, indeed. It is truly great to have people like Prof. Abulafia, Sir Lindsay Hoyle, John White and others associated with our University.

Mr Speaker, one other project which I had the privilege to lead on was the small boats marina. It was not just a facility for boat owners, it was conceived as much more than that. This was to be of benefit to the whole community and that is exactly what it has turned out to be. The promenade is, today, used by numerous walkers and joggers or those who simply want to enjoy the waterfront. The wharf provides a facility for fishing. It also, importantly, allows us to welcome superyachts for overnight stays, something which was not possible before we built the marina. For many years we had waiting lists for berths building up and it was clear that hundreds of people wanted but were unable to fully enjoy that which almost surrounds us, our waters. The small boats

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165 marina changed that. We were able to allocate 700 new berths. That does not just mean 700 people being able to enjoy the facilities and the sea, it is 700 families that can do so, and it is always a pleasure to see the marina being put to such good use by so many people. At the time we did the opening, I promised that members would have a service yard in order to be able to haul out their boats and carry out repairs and maintenance. It has taken longer than I expected

170 but I am very glad to see that the service yard is now complete and has been handed over to the Mid Harbour Small Boats Marina Association with the necessary licence signed. I know that this will be put to good use and look forward to seeing the first boats being hauled out at the new facility very soon.

I could go on and speak about many other areas that I have been involved in – tourism, the Port, commercial aviation and others. Much has been done and continues to be done in these areas. What I do want to say is that in all the departments I have been involved in I have been surrounded by excellent professionals whose work I really appreciate and value and without whom we would not have been able to get on with the business of government. A big thank you to all of them.

180 Mr Speaker, I do not want to end without making some passing comments on some of the things we have heard from Members opposite. I know the Chief Minister, in his response, will give a full reply for the Members, but I do want to make some comments. The Leader of the Opposition in his address in this debate described the Chief Minister as a magician. Quite apposite on one view – a magician brings a rabbit out of a hat. This Government has consistently, and despite the

185 predictions of doom by Members opposite, brought many rabbits out of the economic hat, but  
unlike a magician, there is no sleight of hand, there is no illusion here. There is nothing fake about  
the state of our economy. The results are there for all to see. There is nothing illusory about our  
schools – we see them, we feel them, we study in them, we work in them; we can measure the  
190 benefits that they bring to all in our community, not least to our children and those who work in  
education. The affordable housing schemes – Hassan Centenary Terraces, which we see going up  
now, and the others that preceded that development over the last decade – are real. They provide  
housing opportunities to those who need them. The same goes for everything that we see around  
Gibraltar which was not there in 2011. So no matter how forceful the efforts of Members opposite  
to denigrate everything that this Government has done, we have seen tangible progress like never  
195 before, and although it is true that I am no longer in government, I am nevertheless very proud to  
have been a part of the Government for almost nine years and to continue to sit on this side of  
the House.

We have heard the same story from Members opposite in all Budget speeches since 2012. They  
say it is all exaggerated, it is not realistic, none of it is true, and every single year they are proved  
200 wrong. They can be forgiven for being wrong in a single year or a couple of years, but every single  
year? That suggests that there is something seriously wrong with their analysis, or that they just  
do not get it.

Mr Reyes, referring to the new schools that will be opened this year, said that he hopes the  
new buildings conform to the highest levels of standard. Mr Reyes does not need to hope for the  
205 highest levels of standard. All he has to do is look at the Government's track record in this regard.  
Most local education authorities, headmasters and headmistresses in the UK, and elsewhere in  
the world for that matter, would tear their hair out in order to have the sorts of facilities we have  
created in Gibraltar.

Mr Reyes also said that concerns have been expressed about congestion in the Europort area  
once the new Governor's Meadow and Bishop Fitzgerald open. Let's take that as an attempt at  
constructive criticism. Constructive criticism is offered with a potential solution that can be  
identified. So what was his suggestion? None was forthcoming. Is Mr Reyes suggesting that cars  
should be banned from the area, or that parents be banned from dropping off their children? In  
215 fact, has the hon. Member forgotten that that is where Governor's Meadow and Bishop Fitzgerald  
were before they were temporarily relocated? They are simply going back to where they were  
before. Is he not aware that many if not most of the children who go to these schools live in  
Montagu Gardens, Montagu Crescent, Harbour Views, Sir William Jackson Grove and other  
developments in the area? That means that most children will walk to school, and that is a good  
thing. In any event, does the hon. Member not appreciate that by bringing the schools back, the  
220 congestion that exists in the northern area of Gibraltar will actually be alleviated? We have more  
housing in the northern district, more developments on the way. We have all the traffic that  
comes in through the Frontier and which now uses Devil's Tower Road. There are clear benefits  
from a traffic management point of view in the move of Governor's Meadow and Bishop Fitzgerald  
back to the Europort area.

225 What was missing from the hon. Member's speech was an acknowledgement of what the  
Government has done in Education, and he, of all people, as an experienced educationalist, knows  
how important those achievements are. A 'well done' or some form of recognition of the work  
would not have gone amiss, but those seem to be words which are missing from the vocabulary  
of Members opposite, or at least most of the Members opposite, and it does them little credit.  
230 Instead, what we get is the same criticism we hear every year, regardless of what the Government  
does. There is, in reality, nothing constructive or forward looking in what they tell us. They did not  
tell us what they would do in government or what they would have done differently in the last  
financial year. This was touched upon by the Hon. Albert Isola. The Opposition have had a golden  
opportunity to illuminate us all, to tell us what they would be doing in the next financial year if  
235 elected into government, to tell us how they would change or depart from the estimates that are  
before the House, or even to tell us what they would have done differently in the last financial

240 year, which we are also debating, and how that would have made a difference. It is all very well to say the Government are doing it all wrong or not doing enough. What would they have done? What will they do if elected into government? It is extraordinary that they have the chance to set out a programme for government based on the finances as they stand today, and they failed to do that. There was nothing, absolutely nothing in what the Leader of the Opposition said which would enlighten us as to how they would use the funds that are available, the estimates that are set out in the Book that we are debating.

245 What they tell us is that the figures are unrealistic. They tell us that the figures given on the public finances are simply not true, that things are worse, far worse than what the figures reflect. So what are they going to do about it? The Chief Minister already alluded to this. They are going to have to make cuts in services, aren't they? Any suggestion to the contrary is disingenuous and it would be taking the electorate for a ride. They cannot say that things are terrible on the economic front, that the estimates are unrealistic 'but we are not going to make any cuts'. It is not credible and it is time for them to be honest and tell us what they would cut. Would they cut the health budget? If so, which parts? Will they cut education? Will the number of scholarships be reduced? Or social services? Is there going to be reigning back on domiciliary care?

250 The Hon. Mr Isola addressed the allegation by Members opposite that the Government was gambling with people's money and asked where is it that they would not have spent, and I am now asking where is it that they *will* not spend in the financial year if they do not believe that the figures given in the estimates reflect the economic reality of where we are today in Gibraltar. Or is it that no cutbacks will be necessary? Is it that they are going to bring in additional public revenue which will mean that there will be plenty of money in the kitty for all the spending commitments they will make? What are they proposing to do if elected into government? I do not know, no one knows; they will not tell us. The only conclusion we can draw is that they themselves do not know.

255 Mr Speaker, after not having been able to delight us with the delivery of his speech last year, we were once again treated this year by the Hon. Sir Joe Bossano to a brilliant analysis on the state of the economy in Gibraltar as well as the position in global markets. Sir Joe's analysis included references to areas where he himself had concerns, including the lack of effective substantive progress internationally on the environment. It was by all measures a knowledgeable and honest exposition by Sir Joe. That came as no surprise; it is what we have become accustomed to by the Father of the House. Sir Joe started his contribution by noting that last year the Hon. Mr Clinton gave a speech which disregarded completely Sir Joe's analysis. Mr Clinton has done the same this year. He has delivered a prepared speech with the same scaremongering tone without apparently having listened to or even being interested in what the true position is, and it is again something we have become accustomed to. Although it was expected, it was nevertheless disappointing. It was disappointing to have the person who aspires later this year to lead Gibraltar on economic matters failing to make a proper, well-informed analysis. Instead, we just got the usual political speech. It is not just disappointing, it is worrying. Mr Clinton said, 'I am not an economist, I am just interested in cash.' That is the simplistic and hollow approach that the hon. Member takes, and based on that he expects us to believe he is ready to take on Gibraltar's economic reins. That is a matter that the electorate might want to reflect on.

270 275 280 285 Sir Joe invited the Opposition to identify areas of waste which they suggested existed, so that those areas could be looked at. That was a constructive suggestion by the Father of the House: tell us where you think we can do better and we will look at it. The responsible response to Sir Joe's invitation by an Opposition aspiring to become the Government this year would have been to go through the Book and suggest areas where the expenditure, according to the Opposition, was not necessary or where savings could be made to cut down on what they regard as waste. Instead, Mr Clinton said they cannot identify waste because they do not have the Principal Auditor's Report. That is a poor excuse. They know exactly where the money is being spent. It is all there, it is in the Book. It does not stop them saying that there is overexpenditure. They do not need a Principal Auditor's Report for that. 'We will eliminate overexpenditure,' they say, 'It is not

290 sustainable, expenditure is out of control and unstable.’ Those are Mr Clinton’s words, but he  
adds, ‘We do not know if there is any waste which can be eliminated in order to reduce the  
overexpenditure.’ Therefore, the only way they can say for certain that they will reduce  
expenditure is by cutting services. They do not tell us which services they will cut, but we know  
for certain that that is what they intend do. Mr Clinton, I repeat, tells us he is not an economist  
but he pretends that he, and only he, is the person who will be able to reduce debt and reduce  
295 expenditure but without cuts and everyone will be better off. It is just not credible, and you do  
not have to be an economist to figure that out. We did get one inkling of one thing they would do.  
Mr Clinton said that maybe an increased burden on personal taxation is the new reality, or words  
to that effect, and he added that any increases in taxation have to be properly debated. So there  
we have it, a thinly disguised confirmation of tax increases under the GSD, the new reality  
300 according to Mr Clinton.

Mr Clinton went on to describe the Book, the Estimates of Revenue and Expenditure for next  
year, as a waste of paper. Those were his words – ‘This is a waste of paper,’ – and I see him  
acknowledging and repeating it now. That is a measure of the lack of respect he has for those who  
help to put the Book together, starting with the Financial Secretary and all the heads of  
305 department and other public officials who spend countless hours in reconciling departmental  
expenditure, in looking at what the expenditure has been for the year so that an accurate forecast  
outturn can be given, in meetings and speaking to others in their departments to put together a  
realistic estimate of expenditure for the forthcoming year. All of that work – and believe me, it is  
hard work; I have seen it, I have lived it – is the work of loyal civil servants who ultimately work  
310 for this community to provide a valuable public service, and all the work that is put by them into  
producing proper estimates of revenue and expenditure is so that it can be debated in this House.  
All of that is described by Mr Clinton as a waste of paper. How low can you get in attempting to  
criticise the Government, being utterly disrespectful of civil servants? Mr Clinton should apologise  
for that disparaging comment, but ultimately it will be a matter for the electorate to judge. It is a  
315 matter for the electorate to contrast a full and complete analysis by Sir Joe and financial forecasts  
prepared by professionals which show that there is, once again, a bright light at the end of this  
economic tunnel we have been in. Contrast that with the baseless criticism we get from Members  
opposite, with the lack of detail and substance in their contributions which simply leads the  
electorate to wonder what it is that they actually stand for. We are certainly none the wiser after  
320 having heard from the entirety of the opposition benches.

Mr Speaker, I want to also make some comments on some things that Mr Azopardi and  
Mr Clinton have said. This is based on information which the Father of the House has provided  
me. We wish to place on the record of the House that the statement by Mr Clinton when he set  
out to correct the record that the claim by Mr Azopardi on the £35 million alleged overspending  
325 in government departments was not wrong, as Sir Joe had alleged ... and we propose to prove that  
his figures were wrong, as Sir Joe has stated, that the Leader of the Opposition’s figures were  
wrong and that Mr Clinton was wrong in his statement to defend him. It is not the case that there  
are two ways of doing the calculations, as Mr Clinton claims, and that Sir Joe did it one way and  
they had done it another, and that neither is wrong or right, both are equally valid. That is not  
330 true.

First, Sir Joe has not calculated anything. He has simply pointed out that the figure of  
£35 million quoted by Mr Azopardi was in conflict with the figures for the 2021-22 forecast outturn  
calculated by the Treasury, not by Sir Joe, and spelt out in the printed Estimates Book of last year  
and, indeed, in this year’s estimates as the final results on page 14. Of course, we do not know  
335 where Mr Azopardi’s numbers came from – or we did not know until we had an explanation from  
Mr Clinton, which rather than exonerating Mr Azopardi makes it even worse because it shows that  
he provided incorrect information. The Treasury forecast outturn calculations on the last line on  
page 14 showed a figure of £859.6 million compared with £768.2 million approved estimate. That  
was for the total Consolidated Fund expenditure and was quoted by Mr Azopardi as the source of  
340 his £91 million calculation. Mr Azopardi told the House that excluding COVID expenditure,

departmental results had been exceeded by £35 million, which was a big chunk of the £91 million. Not true. The COVID element spelt out on the same page shows a forecast by the Treasury of £135 million compared with an original figure of £67.4 million, an increase of £67.6 million. Therefore, of the £91 million net of COVID we deduct the £67.6 million and we are left with  
345 £23.4 million. The House had been told that there was a figure of £35 million which was a big chunk of the £91 million net of COVID, so there we have the mathematical paradox that Mr Clinton defends, that £35 million is a big chunk of the £23.4 million. (*Laughter*) But it gets worse, Mr Speaker. (*Interjection*) It gets worse.

The next deduction is that the contribution to the Improvement and Development Fund, which  
350 we all agree is not departmental funding and therefore not in the £35 million, was increased from £16.5 million to £19.5 million, therefore leaving a net figure residue at £20 million. The next figures we have to examine are what actually made up the total departmental expenditure. This was approved by us, with them voting against, at £550.7 million, was forecast last year to reach  
355 £569.3 million and has finally ended up with an actual figure of £567.9 million in this year's Budget. So the forecast overspend of £18.6 million is now £7.2 million. So where does the £35 million come from, according to Mr Clinton? He says Mr Azopardi removed from the calculations made by the Treasury in heads 46, 47 and 48 the forecast outturns and substituted figures that he had extracted from the Health Services, ERS and the Care Agency, but head 46 does not show GHA  
360 expenditure, it shows the amount of money that was given to the GHA from the Consolidated Fund with a few minor expenditure elements retained in the department, and the same is the case with head 47 ERS, and 48 Care Agency. Mr Clinton told us this year that the extra expenditure on these three heads of £35 million instead of £18.7 million are both correct and just a different way of calculating it, but if that were so then the £35 million was not departmental expenditure because those three heads show departmental expenditure which is the funding of GHA, ERS and  
365 the Care Agency, which is where the expenditure is. Moreover, the three heads show that the Consolidated Fund provided £18.7 million and not £35 million. Nor can it be true that the £35 million is a big chunk of the £91 million as stated by Mr Azopardi. If it were so, all the other heads of expenditure representing all the other government departments would have had to come in below budget to remain at £91 million, and Mr Azopardi claimed the opposite and castigated Ministers for overspending in the departments and insisted that this underspending  
370 was £35 million, to be part of the £91 million.

So either there were a great deal of incorrect facts provided, which we assume was accidental and Mr Azopardi should acknowledge the mistake and put the record straight, or alternatively –  
375 and we hope not – it was done by design, to manufacture a non-existent exorbitant departmental overspend in order to castigate Ministers. Since it has always been the case that the expenditure from the Consolidated Fund is separate and distinct from the expenditure of the authorities and agencies, Mr Azopardi was wrong in his analysis that the expenditure of the Consolidated Fund had grown by £35 million and not £18 million, when it was a totally artificial figure insertion and replacement of the correct calculation by the Treasury. His emphasis of 'not £35,000 but  
380 £35 million' was therefore to be able to accuse Ministers of not exercising proper control over government departments. The control of government departments has been kept with overspends of 0.4% and 0.5% in the last two years and it is the job of controlling officers, who have done a very good job of it. The overspend in the three agencies is not necessarily funded from the Consolidated Fund, and saying that the overspend in the agencies was overspend by  
385 government departments is therefore incorrect and not true. It is clear that keeping control of spending in the agencies is proving much more difficult to deliver than in government departments and that would have been a correct analysis.

Mr Speaker, turning to other matters, we had a very detailed analysis by the Hon. Minister for  
390 Tourism and the Port, Mr Daryanani, of the marketing initiatives taken by his department in the last financial year. It was, by all accounts, an impressive list and shows the depth and breadth of events attended, events in Fort Lauderdale, Italy, Morocco, the UK, Spain and elsewhere, and the tourism, cruising and aviation industries targeted. It shows that no stone is being left unturned to



bring Gibraltar back, in tourism terms, to pre-pandemic levels and to continue growth thereafter. I have done that job and I know how difficult it is, and I therefore applaud and appreciate the efforts that the Minister and his officials are making. What I know for sure is that in that area we do nothing that attracts tourists, that attracts cruise ships or that attracts airlines by sitting back and not showing our faces, not extolling internationally the virtues and benefits which Gibraltar has to offer, and that is exactly what the Minister and those who work with him are doing, as the Minister's contribution clearly shows

400 The Hon. Mr Bossino, who is not here today, criticises travel expenditure, so presumably he would have cut and he will cut tourism marketing initiatives. What are they? Why does he believe that he would have been more successful than this Government and this Minister have been? It lacks credibility when we have criticism from Members opposite with nothing constructive offered. The Hon. Mr Bossino referred to what he described as the Minister's less than satisfactory performance over the last four years. He said the numbers are better despite the Minister. So what accounts for the better numbers? The hon. Member opposite? Is it pure accident? Or are the better numbers the result of efforts made by the Minister and his department in marketing Gibraltar and in attracting people back to Gibraltar?

410 Mr Bossino went on to say we need a strategy which recognises that tourism is fundamental to Gibraltar, and he went on to state that he would improve entry points. Is that their strategy? Is that the sum of the ideas which the GSD have in order to recognise that tourism is fundamental to Gibraltar – a paint job to entry points? 'We will introduce a revolution in tourism,' he said. Pure political rhetoric, I say, nothing concrete. (**Hon. Chief Minister:** Spin.) All spin, nothing concrete, nothing specific, just criticism for the sake of criticism and not the slightest recognition when things are done well.

420 Oh, he did suggest something that he would do. He would go to FITUR and not to Seatrade Global in Fort Lauderdale. (*Interjection*) Well, that is a matter of choice. When I was Minister for Tourism I did go to FITUR, but I also chose, as Minister for the Port and Maritime Affairs, to go to Seatrade Global. The hon. Member opposite would make a grave mistake if ever he had the chance to decide and he chose not to attend Seatrade Global. That is a must-attend event. All the important players in the maritime world and in the cruising industry are there. Our competitors are there. Gibraltar has to be there, Gibraltar has to be seen, but the hon. Member, with his criticism of travel and the innuendo by referring to the Minister as globetrotting seems to think that the better strategy is not to attend these events. He is wrong. We have to market Gibraltar internationally. That is what the marketing budget which we pass in this House every year is there for.

430 Does the hon. Member know what the marketing budget for the last year was? I obviously say that rhetorically because the hon. Member is not here and he cannot answer me, but we are here to debate the estimates in the Book and the hon. Member made not a single mention, as far as I can recall, to the Book. Well, let me tell him that last year the House approved a marketing budget for the Tourism Department of £700,000. That was the estimate for 2022-23, £700,000 approved by this House for marketing. Again rhetorically, does the hon. Member opposite know how much was spent? Well, the forecast outturn for this year for marketing is £320,000, £380,000 less than the Budget approved by this House, so when the Member opposite describes the Minister as having had less than satisfactory performance, is he is saying that he has not done enough, he has not travelled enough, he has not marketed enough, he has not spent enough, that he should have spent the £380,000 still there in the kitty? No, on the contrary, the hon. Member says he travelled too much, he has gone to too many places to market and sell Gibraltar, he should have saved some money. In effect, the Opposition is saying that money is wasted on this. As I mentioned earlier, Sir Joe invited Mr Clinton to identify waste and Mr Clinton said he could not because he did not have the Principal Auditor's Report. Mr Clinton does not need the Principal Auditor's Report, he has Mr Bossino. Mr Bossino can tell him that the Minister has spent too much on marketing: 'Scrap the marketing, save £320,000 – people will flock to Gibraltar regardless.' This is not serious politics.

445 It is bad enough to offer no meaningful alternative; it is far worse to make comments which  
 are damaging to Gibraltar. Mr Bossino referred to a particular cruise company by name which he  
 said he had heard was leaving Gibraltar – based on rumour, based on innuendo. ‘I have heard,’ he  
 says. Well, I can say I have heard that pigs fly, but it is not true and what he said is not true. What  
 the hon. Member does not realise by repeating these false rumours is the damage he does. Others  
 450 may say, ‘Look at what was said in Parliament, a major cruise company is leaving – what is wrong  
 with Gibraltar?’ when it is not actually true. That company has already confirmed visits for next  
 year. The hon. Member did not even say, ‘I have heard that a cruise company might be leaving.’  
 He mentions the company itself. The most worrying part is that the hon. Member does not seem  
 to care about damaging Gibraltar. All is fair game in politics for them. Well, it should not be. We  
 455 have seen that before from Members opposite in other areas where they make potentially  
 damaging comments; now we have it from Mr Bossino. He is happy to repeat in this Parliament,  
 without checking his facts, a rumour he has heard, which happens to be untrue, and to name the  
 company concerned, and he is happy to do so even if it causes damage to Gibraltar. Again, let the  
 electorate take note.

460 Mr Phillips, who is not here today – no doubt he has better things to do than participate in  
 parliamentary debate – started and continued with what can only be described as a rant. His  
 contribution was so baseless, so out of touch with reality that it is not even worthy of comment.  
 He even complained of having to be here in the afternoons. ‘We are on summer hours,’ he said.  
 What an extraordinary statement from a Member of the Opposition. The hon. Member sounded  
 465 like a bull in a china shop, destroying everything in his path, the good and the bad, indiscriminately.  
 Everything is bad, everything is disastrous according to Mr Phillips. I was wondering during his  
 speech whether we actually live in the same place.

‘We will get Brexit done,’ he proclaimed. (*Interjection by Hon. Chief Minister*) One would have  
 thought the hon. Member would be a little bit more original. Presumably what he meant was that  
 470 he would get the post-Brexit deal done. Really? How? What is it that he would do that the Chief  
 Minister, the Deputy Chief Minister and their teams have not done? What we have seen from the  
 Government side is the protection of Gibraltar on fundamental matters, so what areas would  
 Mr Phillips give in on in order to get the deal done? That must be the implication in what he said:  
 they would give concessions. Or is it that he has negotiating powers that nobody else in Gibraltar  
 475 has and he would convince everyone in the negotiations to accept what he says? The electorate  
 is entitled to know how they would get the deal done, because that is the categorical statement  
 that the hon. Member has made. And what concessions would be made?

Then he went on to say that the Government has struggled to control waste. Wasn’t he here –  
 perhaps he was not – when Sir Joe asked about this? What waste is he talking about? Mr Clinton  
 480 said he did not know. He said he cannot tell us. Well, now Mr Clinton cannot only ask Mr Bossino,  
 he can also ask Mr Phillips about waste, and maybe next year, when they are still sitting on those  
 benches, they can tell us. (**A Member:** Hear, hear.) I very much doubt that the hon. Member  
 Mr Phillips himself believes what he was saying in his speech and it is clear that the Opposition  
 does not believe what he said because Mr Phillips talked about selling Gibraltar on financial  
 485 services, but he said our product is not good, it is all terrible, and then two minutes later, perhaps  
 a little bit more, Mr Feetham congratulated Mr Isola for the excellent work, for the *fabulous* work  
 which is being done in financial services and gaming. How is that for a complete answer to  
 Mr Phillips?

Mr Feetham, who I am glad to see is now with us – and for the sake of Mr Feetham let me just  
 490 say that I did mention, earlier on when he was absent, that he had approached me this morning  
 and I gave the House the explanation that he had given me and that I appreciated and accept it,  
 but I am very glad to see that Mr Feetham is now with us. He said a little bit more than just  
 congratulating Mr Isola, but we had a totally different tone from Mr Feetham. It very much  
 sounded like a goodbye statement, reflecting on his time in office as I have done, recognising the  
 495 work done by the Hon. Samantha Sacramento and thanking her. And then he spoilt it. He delivered  
 the same speech again that we have heard year after year since 2012. I did not hear him say

anything new, nothing at all. He rehashed the same arguments he has been making since 2012 about debt, about borrowing and about the Gibraltar Savings Bank. He said things were done in the first term without a mandate, but we have had two General Elections since, 2015 and 2019, and on both occasions the electorate have deposited their trust in this Government, so both times the electorate have rejected Mr Feetham's arguments. Repeating the same unmeritorious arguments year after year does not make the arguments meritorious.

He talked about the plans he had in 2015 which would have been implemented if elected, but they were not. They were not elected in 2015 and they were not elected in 2019. Again, Mr Feetham's plans were rejected. Mr Feetham said, in response to Mr Isola, that repeating the same thing every year shows consistency. Having rejected the GSD in 2012, in 2015 and in 2019, I expect that we will see the GSD rejected in 2023. *That* is consistency, something that Mr Feetham is very fond of.

Mr Speaker, this was, like mine, the hon. Lady Ms Hassan Nahon's last Budget speech. I want to personally acknowledge and thank her for the contribution she has made to local politics over the last eight years. We have disagreed many times and I disagree with much of what she said in her contribution, but I know that her heart has been in the right place and I wish her well. But she did say some things which cannot go unchallenged, and I am sure the Chief Minister will do so. I want to touch only on two points made by the hon. Lady. She said the state of the nation is 'so appalling' and she went on to ask, 'What are the benefits of this economic plan? Who has benefited? Where has the money gone?' It is growth that we have had in our economy in the last 12 years that has allowed this Government to invest in our community. It is that growth that has allowed the departmental estimates, including in Health and Social Services, to be increased. The hon. Lady has been in this House for eight years. All she has to do is look at the Book eight years ago and compare it with the Book today. She will have seen an increase in departmental expenditure in the order of 30%, and that is only in recurrent expenditure. That is where the money has gone in the last eight years, on services to this community. It is the people of Gibraltar who have benefited from the Government's economic plan. From 2011 to this year we have around, according to my calculations, a 60% increase in departmental expenditure during this Government's term in office. Those are the benefits of the economic plan. That is where the money has gone.

The hon. Lady went on to say that there is not enough money spent in the public schools system and that is why people choose to go to private schools. There are many reasons why people might choose to go to a private school, but not enough money spent in the public school system in Gibraltar is certainly not one of them, (*Laughter*) and it is worth looking at the figures.

In the last eight years that she has been in this House the education recurrent expenditure budget has increased from £44.8 million to £62.9 million in the last financial year, an increase of 40%; and in the last 12 years, since this Government has been in office, the increase has been from £27.3 million – which was the education budget we inherited in 2011 – to £62.9 million for this coming year. That is more than double, so whilst overall expenditure has increased significantly, in education in particular it has increased by more than 100%. Is there anywhere in the world where she can see comparable increases? She will be hard pressed to find any country that has done so. And that takes no account at all – because that is only departmental expenditure – of the millions in capital expenditure that we have seen in the numerous school projects, not just the rebuilds but the capital expenditure on all the schools throughout the years which the Minister for Education has already referred to and which is there for all to see. No one can possibly believe that not enough is being spent on the public schools building.

The complement of teachers in 2011 was 332. That was increased immediately we came in by 47. The complement of teachers in this year's estimates is 504. That is a 67% increase in the number of teachers we employ since we have been in Government. There has not been a 67% increase in the number of children in our schools. That means more teachers per child as a result of this Government's spending initiatives in education. The complement of learning support assistants in 2011, or classroom aides as they were then known, was 49. The complement of LSAs

550 in this year's Book is 215. That is more than four times as many, more than a 400% increase. The budget for scholarships in 2011 was £5.3 million. The budget for scholarships this year is £16.4 million. That is over three times as much.

555 The increases in investment in education – in the public school system, as the hon. Lady described it – is staggering. She asks who has benefited. Well, our children have primarily benefited from this Government's investment in education. Better schools, more teachers, more learning support assistants, more resources for the schools, more scholarships – all of these have demonstrated a steadfast commitment to education by this Government and I, for one, am proud to have been a part of that as Minister for Education for close to six years.

560 Mr Speaker, we have heard many references in this debate to the unprecedented challenges we have faced over the last four years – and it is true, we have faced challenges like never before and we will continue to face challenges. The continuing post-Brexit negotiations are one example of that, what happens whether there is a deal or no deal. Now is not a time to take risks. Now is not the time to gamble with our future. We know what we get with a GSLP/Liberal Government: a Government whose record is there for all to see and all we have to do is look around us. All we have to do is look at the economic record over the past 12 years.

565 I remember when I used to travel and speak to politicians from other countries. They just could not believe how we delivered growth consistently in double digits. We are and have been the economic envy of countries around the world. We have heard from the Chief Minister some of the economic data that he has presented. This is not data produced by the Government simply because the figures are convenient. This data is produced by officials, by professionals. The figures do not lie. They show that Gibraltar is in the process of an economic recovery in less time than expected, in less time than most other countries, with a prediction of a surplus for this year when other countries are still struggling to recover and can only dream of an economic outlook such as Gibraltar's.

575 Again, the figures and the facts announced by the Chief Minister can only be described as staggering: 7.5% growth expected in our economy in 2022-23; net debt to GDP ratio lower now than in 2011; a record number of jobs in our economy, not just coming back to pre-pandemic levels but a record number overall of jobs in our economy; a greater number of visitor arrivals; tourist expenditure up by over 60%; Government revenue significantly higher than predicted. This is astonishing. It shows that confidence continues to be there in Gibraltar despite the challenges we have faced and some of the continuing uncertainties. And it is no accident. It is a testament to the prudent management of the economy by the Government and it is that prudent management of the economy that has enabled the Government to consistently fulfil its pledges, that has enabled the Government to transform Gibraltar over the last 12 years in education, in housing, in health, on the environment and on sports and leisure facilities, with truly remarkable world-class facilities available in Gibraltar, with the expansion of financial services and gaming industries, with Gibraltar continuing to be an important destination for cruise companies and tourism generally, with the Port of Gibraltar continuing to be one of the most important ports in the Mediterranean; all of that achieved by this Government since 2011.

585 In 1988 the GSLP was elected into government under the slogan 'Time for change' and it is a slogan which Members of the GSD appear to have adopted. It is not time for change, it is time for Gibraltar, its economy and its political affairs to continue to be in the hands of an experienced team that have demonstrated time and again that Gibraltar is safe when it comes to fundamentals and that we enjoy a quality of life like nowhere else in the world. That is the Gibraltar I want to continue to live in.

595 Mr Speaker, I want to end by thanking you and all your staff, past and present. It has been truly a pleasure to come regularly to this House over the past 16 years. I will miss it. *(Banging on desks)*

**Mr Speaker:** The Hon. the Chief Minister.

600 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I thought you were going to invite me to start my reply, which I intend to do, and not just to move the adjournment, so I wonder whether you want to do that.

605 **Mr Speaker:** I beg the Chief Minister's pardon. I invite the Chief Minister to sum up, to respond to the matters raised by Members of the Opposition in his rounding up of the debate on the Appropriation Bill.

610 **Hon. Chief Minister:** Thank you, Mr Speaker. I intend to reply at length tomorrow. Hon. Members during the course of their addresses have said things which I think merit very detailed reply, for a simple reason: hon. Members have tried to present a case to the people of Gibraltar which is demonstrably untrue. Therefore, what I intend to do is to demonstrate to them why it is that the numbers that they have sought to rely on are not numbers that the public can put any reliance on, and that in fact it is the numbers prepared by the Government – that is to say the officials, not magicians, who work in the Treasury, the controlling officers of all the departments.  
615 Those are the numbers in the Estimates Book which this community should rely on.

I am not shy to say that people will not have to wait for National Day for fireworks, because hon. Members have, in their own statements, sought to pepper their contributions with unfair provocations. Today, we have heard Mr Licudi go through a lot of that material in a manner which I think will be appreciated by the public because he has calmly dismantled so much of what hon. Members have said, in particular in the areas that he had responsibility for in his illustrious front-bench career in this place. I will go through all of the contributions that hon. Members have made and I will demonstrate why it is that the people of Gibraltar are unable to place any reliance or trust in the things that hon. Members opposite have said.

625 Today, I will finish simply by saying that Gibraltar will today have seen again what a superb contribution Gilbert Licudi has made to the public life of Gibraltar, to politics in Gibraltar, to all of the departments he led in the time he was a Minister and was on the front bench. I will say, on behalf of all Members of the Government who have had the pleasure of serving with him, how much we have missed him on Monday mornings and how much we will continue to miss him on Monday mornings, in particular going forward if the people of Gibraltar entrust us once again with the responsibility of government. I will say a little more about other Ministers and Mr Licudi tomorrow as well as I reflect on the 12 years of government that we have enjoyed so far.

630 Now, Mr Speaker, instead of continuing with my reply, I move that the House should adjourn to tomorrow at 10 a.m., when I intend to go fully through all hon. Members' speeches opposite and demonstrate, as I have said, why it is that this community can place absolutely no reliance whatsoever on the things that hon. Members said and why the team representing the GSLP Liberal Government is the team that keeps Gibraltar safe.  
635

### Adjournment

**Chief Minister (Hon. F R Picardo):** I move that the House should now adjourn to tomorrow at 10 a.m., Mr Speaker.

640 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Tuesday, 18th July at 10 a.m.

I now put the question, which is that this House do now adjourn to Tuesday, 18th July at 10 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Tuesday, 18th July at 10 a.m.

*The House adjourned at 12.24 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 10 a.m. – 2.49 p.m.**

**Gibraltar, Tuesday, 18th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 10 a.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## **Standing Order 7(1) suspended to proceed with Government Bills**

**Clerk:** Meeting of Parliament, Tuesday, 18th July 2023.

Suspension of Standing Orders. The Hon. the Chief Minister.

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

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

## **PAPER TO BE LAID**

10 **Clerk:** Papers to be laid. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to lay on the table the Revolving Facility Agreement for His Majesty's Government of Gibraltar with NatWest.

**Mr Speaker:** Ordered to lie.

## **Standing Order 7(1) suspended to proceed with Government Bills**

15 **Clerk:** Suspension of Standing Orders. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I now beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with Government Bills.

20 **Mr Speaker:** Those in favour? (**Members:** Aye.) Those against? Carried.

## **Appropriation Bill 2023 – Debate concluded – Second Reading approved –**

**Clerk:** We continue with the Second Reading of the Appropriation Bill 2023.

**Mr Speaker:** The Hon. the Chief Minister.

25 **Chief Minister (Hon. F R Picardo):** Thank you, Mr Speaker.

In continuing my reply on the Appropriation Bill 2023-24, it is clear that one of the things we are doing is reflecting on what is, in effect, the end of the lifetime of this Parliament; we are heading towards a dissolution. And so, of course, because this is a state of the nation debate and it is the last state of the nation debate that we are going to have in the lifetime of this Parliament, I will have to make comments in respect of the widest of the issues that we have heard already ventilated in this debate by Members on this side of the House and hon. Members on that side of the House. I am going to reply, in particular, in respect of the points they have made relating to the public finances, and I am going to reply in particular to the points they have made in relation to the performance of the economy, and I am going to try to do that, this year, in a slightly different way. Instead of going through the speeches of each hon. Member one by one, I am going to try to take the themes that I detected were running through the statements that were made by hon. Members. I am going to go through those themes methodically, and because I have looked at the numbers and have done my research in respect of the things they have said, I have absolute confidence in saying that I am going to demolish each one of the theories they brought to the table – not with words, not with argument, I am going to do it with numbers. I am going to demonstrate empirically that the things they have said are unreliable when you look at the data, and then I am going to address the other things that they have each said individually.

Before I go on to those themes, I want to say something about the Chamber generally. I want to say something about Parliament and political life. There are some people in this Chamber across the floor from us who we started with in politics 33 years ago, so I want to start by thanking everyone for their friendship, for their personal regard. The fact is that we fight like cats in a bag to a very great extent in this place because it is what we are paid to do. The public expect us to defend our ideas, govern Gibraltar; they expect them to challenge us in the measure of what we do and hold us to account. That is what we are about. We have an adversarial system of government and opposition, and nobody should read into that that there is any personal animosity between Members in the House. In fact, in many instances there are great friendships across the floor of the House. There is great parliamentary companionship that we share, and hon. Members reach across, as I reach across to them, when they know that we have issues in our lives etc. So the fact that we fight hard to defend our arguments, that we are part of that adversarial system, should not be seen to represent any pugilistic desire on the part of each of us to destroy each other as an individual. What we are trying to do is get to the bottom of the argument, and today, when I do what I have to do to the arguments that they have put, I am not going for them, I am going for their argument, much as I fully accept that they did not come for us when they were putting their arguments.

I think it is important that at the end of a four-year cycle, that is just something that we put on the table, and as Leader of the House I am proud to put that on the table in front of our community. Indeed, our friendship transcends this debate and the differences that we have scratch the surface of the commitment of everybody in this House to this place that we call Gibraltar. We put the spotlight on those differences, we dance on the pinhead of our differences, but in great measure we are all here to defend Gibraltar. We have different views in that respect, and in some of those views we believe, on this side of the House, there is an inherent danger for Gibraltar. I want to go through those arguments now but on that basis, because our differences are about our ideas, ideas that we have to defend robustly. Indeed, Mr Speaker, if I may say so, when we agree with each other, as I have said before on many occasions, when the House is working together in tandem across the floor, looking at the detail of legislation together – one, just now, has the little giveaway on parliament.gi – the numbers fall way. The minute we start working together, people tend to stop watching; they, unfortunately, only watch when we are going at it hammer and tongs, gladiatorially defending our ideas. But it is never about denigrating each other, and I do not think anything I have done as Chief Minister in the past 12 years has been about denigrating anybody opposite, however tough I may have been on them. I may have talked about ability, I may have talked about aptitude, but I have never called hon. Members opposite unfit to govern. I would never call them that. I was called that – a demonstration that you can be



called whatever, it does not matter, the reality always trumps what you might be called. After 12 years, the people of Gibraltar having made the judgement three times over that I should govern, obviously the fact that I was called unfit to govern meant nothing. But I have never been called ridiculous before. I have been called many things but never ridiculous. I just want to be clear that I do not think any of them are ridiculous. I might think some of their ideas are ridiculous and I will go through them and explain why, but I have never called any of them ridiculous and I have never called any of them dirty.

So, Mr Speaker as we are going into the election year, having heard how Mr Clinton descended into calling me ridiculous and saying other things, what I want to do is call for temperance in debate, especially as we go into the election period. I know it is an issue that I will make common cause on with the Leader of the Opposition, who believes in temperance in debate and believes that we should be having a contest of ideas. I look forward to an electoral period, which is apparently fast becoming a two-horse race, where both of the teams in the election – us in coalition with the Liberal Party; hon. Members, who knows, either on their own or in coalition with what is left of Together Gibraltar ... I wonder how they are going to allocate seats in that respect. But anyway, I will have some fun with that in the future. How are they going to tell people of their long-serving executive who might want to be candidates that they cannot come in because a party that no longer has parliamentary representation is going to be a part of the team? He might square that circle. But as we go into that debate – which is, in my view, in reality going to be a two-horse race, even if there are three parties contesting the election – we must lead by example and we must have temperance in debate and not call each other ridiculous. I know that as the political prize of winning an election that once again feels to them, as I can sense, to be slipping from their less than firm grasp ... desperation may kick in, and I detected what I thought was an element of desperation or frustration in Mr Clinton in his address, but that is no excuse to start calling each other ridiculous or to start saying that we are dirty, in particular given that the things that led Mr Clinton to say that we are ridiculous are things that I will demonstrate he got wrong. So, if anything, that description did not just fit the person he threw it at; it might, by some, be deemed to be something that better describes not him – because I am not going to say that he is ridiculous; I do not think he is – but it better describes his analysis and the positions that he is taking in relation to this debate.

And so, Mr Speaker, let me start by saying that I thought hon. Members ... People will say that they were broken records and all the rest of it. I thought they played more repeats than BBC2 in their speeches. It was all about repeats. Mr Bossino is right, we do deserve better opposition, except of course it is much more important for us to do government, so we cannot go and do their job too, and we cannot field two teams in this General Election campaign, and we are not going to do opposition so that they can do government because if they do the job of government that they have done in opposition ... Goodness gracious, they would be more bothered about chickens than they would be about the issues of the day, as I will demonstrate. But it is clear and even Mr Bossino recognised that we even do opposition better than them, let alone government. And so it is clear to me that there are no – and those in the 1980s will remember this quote – Scorpions, there are no winds of change blowing in the town in relation to the Government, but one can certainly feel the wind of change blowing in the Opposition. Even though that may not be what this election is ostensibly about, it is very clear that this election – as I thought Mr Xiberras, may he rest in peace, said so effectively in 2003 – on the Opposition side is about grooming horses but not about changing the Government.

Why do I say that? Well, just look at what has happened in the past decade, in the past 12 years. Look at the baseline from which the GSD judges success. Look at how that has moved. Look at how the GSLP Liberal Government has moved the baseline of expectation from what *they* were able to deliver. They now demand that we do things that they were against doing when they were in government. Of course we were elected to deliver change, but we have delivered change in so many areas and will still deliver it in areas where we may not yet have been able to deliver it or may need to deliver it again. Gibraltar needs us to continue our reforming zeal, but we have

130 changed so many things, it is a badge of honour for this Government that we have even changed  
 them. We have delivered so much change from Government that we have even changed the GSD  
 Opposition. (A Member: Yes.) We have changed them to believe in what we believe, or at least  
 they pretend to. There is now a GSD Opposition where two Members say, ‘Whilst Keith Azopardi  
 135 is Leader of the Opposition, equality for all – at least whilst Keith Azopardi is Leader of the  
 Opposition’. They now argue for what we argue and against what they did.

But, of course, on some issues they remain hopelessly divided, like the issue of equality, which  
 I will come to. Some people on that side are virulently anti-LGBTQ+ equality, they are virulently  
 anti-women’s reproductive rights, and if I may say so with respect to Members sitting opposite, I  
 think those who hold those virulent views are the real spiritual leaders of that side. The one thing  
 140 that we have not been able to change is how deeply hypocritical, politically hypocritical the GSD  
 is when it comes to saying one thing and doing another, taking one position in opposition and  
 doing the opposite in government. They know that that is true and they know it is also true that  
 no Opposition has ever gone from holding anything other than the eight Opposition seats to  
 holding Government. We can have the discussion about what happened in 1984 at seven in the  
 145 morning, but no Opposition has ever gone from holding fewer than seven seats to holding  
 Government. That is the political reality in which we are operating. So what is obvious, what is  
 transparent, what the public know and what the public can sense is that they need to settle their  
 civil war before they bring the battle to us. That is the reality.

Just listening them, every one of their speeches has been a real flop. Mr Clinton’s address:  
 150 when I go through it, apart from the fact that it is delivered with a little less vehemence than one  
 might expect given the seriousness of the issues that he says are bubbling under, you do not feel  
 any passion for that seriousness that he is talking about. These were not the speeches of the  
 Minister for Public Finance of a government in waiting. Where were the plans for what they were  
 going to do? The only plan they seem to have is to have a Public Accounts Committee and wait for  
 155 the value for money audit of the Principal Auditor, something I will come to later.

Mr Phillips’s address: although it was peppered with loud references to rhubarb, there was  
 absolutely nothing in it. I will come to it in a minute, but it felt like we were seeing the delivery of  
 a script for *It Ain’t Half Hot Mum* during the course of a Budget debate.

Mr Feetham’s address: I will go through it in detail, but I am still trying to work out whether it  
 160 was Gaston’s valedictory – I will explain why I am calling him Gaston in a moment – or whether it  
 was the first scene of *The Empire Strikes Back*. We are still divided, probably the latter. I am the  
 one person he cannot fool in this place. We have a quasi-symbiotic relationship. We know each  
 other as if we had given birth to each other, politically.

And Mr Bossino’s address: strong on fire, short on gas. You know what happens when you are  
 165 long on fire and short on gas, yes? You are soon to be extinguished, because you run out of gas  
 when you are burning really hot but with nothing in the tank. Former Leaders of the Opposition  
 and obviously a future Leader of the Opposition – nothing else, in my view, so FLOPs all round.

And of course, the Leader of the Opposition today, also soon to be a FLOP – a former Leader  
 of the Opposition – but not because he is going to move to this side, in my view. I do not get a  
 170 sense that there is a feeling in the streets that Keith Azopardi is going to be the Chief Minister of  
 Gibraltar before the year is out. I do not think I am so disconnected, and people around me would  
 tell me: ‘The man is just, with his charisma, taking over the town. You will see him talking to  
 everyone. He walks down the street greeting people from a distance. Fabian, your time’s up.’  
 Perhaps they are telling him; no one is telling me. But look, the judgement will be in the ballot  
 175 boxes. Let’s see whether people decide to put a gentleman who finds it difficult to raise his eyes  
 to greet people in the street in charge of Gibraltar’s negotiating team to build relationships across  
 the table with negotiating counterparts and establish relationships with the British political class  
 to ensure the protection of Gibraltar, especially when I go through the things he has said about  
 those things in the past. Let’s see, because the public will make the decision and the electorate is  
 180 always wise. If they choose him, they choose him, but the winds of change that the Scorpions sang  
 about do not feel, to me, to be the winds of change that the Rock scorpions are singing about. I

do not get that tune. I do not even hear *The Final Countdown*, which is my favourite tune of the 1980s.

185 It is not as if the hon. Gentleman is a stranger to being a flop. He flopped in 2003 when he asked Peter Caruana to step aside and let him take over. He flopped in 2007 when he led the PDP to its first General Election defeat. He flopped in 2011 when he led the PDP to its second General Election defeat. He flopped in 2019 when he led the GSD to its third consecutive General Election defeat. He is used to flopping. I just do not want somebody who is that much of a flop in charge of the affairs of Gibraltar, because I do not want Gibraltar to flop. It was their worst result in  
190 25 years – since 1992, their worst result, no? Yes, so in 25 years: 19 plus eight is 27. It was their worst General Election result in 25 years, in a quarter of a decade, I am sorry to tell him. I am sorry if it is crystallised in his brain now that I have done the maths for him, but I think that is why Mr Feetham has such affection for him. I do not think it has anything to do with keeping Bossino at bay. I think it has more to do with the fact that the GSD had their worst General Election defeat  
195 under Mr Feetham in 2015 *until* Mr Azopardi came and spared his blushes in 2019, *menos más*.

The GSD know that they are not a government in waiting. They know it, their party knows it and the public knows it. That is the reality. They are all opposition and no leadership, all opposition and no vision, all opposition and no plan for our people's future. Let's look at the themes they have tried to develop during the course of this week, in particular Mr Feetham and Mr Clinton.  
200 They talked first and principally about their big idea by addressing the issue of Brexit and saying that of course the issue of continuity is not an issue because they are going to include us in their negotiating team. Oh, what a whizz, what a great idea, fantastic. They want a safe and secure agreement, just like us; they will only back a treaty if it is safe and secure, but we have missed all the opportunities that there were to do such a treaty. So they need to lead the team, include the  
205 people in it who missed all the opportunities and then we will be fine. Let's look at some of the things they have said now and in the past, and then let's determine what the missed opportunities they say are, and let's determine what their positions on the issues which will make us safe and secure going forward are and have been. I want to be very clear: the things I am going to talk about are the things they have said. In other words, I am going to take the battle to them using  
210 the things that they have said and they have committed to writing.

Let's be clear, success has many fathers and defeat is an orphan. There is no treaty. Whose responsibility in Gibraltar is it that there is no treaty? It is mine. Of course, with my Deputy Chief Minister, working together politically, it is ours. Of course, with the Government, it is ours. Of course, with the negotiating team, it is ours. But I make the calls with the Deputy Chief Minister and with the Government. It is *my* responsibility. The failure to have a treaty today in Gibraltar,  
215 on the Gibraltar side, is my failure. I do not mind standing up for that failure because it is a failure I will defend in the absence of a safe and secure proposal that I was willing to bring back to the people of Gibraltar, because on the fundamentals we will never shift, *ever*. So I do not mind them saying that I have failed to do a treaty, because I know if I had brought the treaties that potentially  
220 might have been on the table to the people of Gibraltar they would not be acceptable, and as I have said around the negotiating table, 'I am not prepared to agree this, not because I cannot sell it, not because the people of Gibraltar do not want it, I am not prepared to do this because I have been in politics for 30 years to say no when you came to ask for it.' That is my position at the negotiating table, not that it might not be sellable but that we will not do it because our position  
225 has not changed for 30 years. In some instances, our position has not changed for 50 years. And our position will not change on the fundamentals, not because we cannot sell it, but because we will not do it, because we will not go through the needle. We will not go through the eye of the needle of any session on sovereignty – none, titular or otherwise – and I think there are people on that side of the table who agree with us; not even a titular session on sovereignty, not even  
230 what might be described as a fig leaf to help the other side to do the deal. No, no, no. A socialist Chief Minister quoting Margaret Thatcher – no, no, no, because on the fundamentals we stand firm. Even titular issues of sovereignty are a step too far, and let whoever needs to hear that hear it, wherever they may be. They have heard it round the negotiating table, they will hear it here.

235 They will hear it wherever they have to hear it. There is no private position that we take which is different to our public position – all our positions are the same.

I even extend that, of course, to a potential status deal – in other words, a deal that goes beyond just an arrangement between the United Kingdom and the European Union on Gibraltar’s future access on immigration and goods matters to the European Union – or a status deal *à la* modern Andorra, for example. We will not do a modern Andorra deal, which is to cede half the titular sovereignty of Gibraltar to a Spanish sovereign. We will not do that deal. I think there are people on that side who would not do that deal. I think there are people on that side who agree with us that Andorra, even modern Andorra, is joint sovereignty. I *think* there are people on that side ... Obviously, the issue for me is that, for me, this is the dividing issue on Gibraltar politics. If you believe that, you should be on this side, you should not be on that side. In fact, you should be with us whichever side we are on, because we defend the same position when we are in opposition as when we are in government. So let’s be very clear: we on this side, on the GSLP Liberal side, will never recommend an Andorra-style solution to the people of Gibraltar in a referendum. We consider even the modern Andorra solution to be joint sovereignty. Even a Spanish titular sovereign would be unacceptable to us, and – I am surprised I even have to say this – it should not even ever be proposed to us. Not only would we not recommend it in a referendum, we will not say privately that we might accept a modern Andorra solution, and we are saying publicly nobody should come and privately propose it to us.

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250  
255 So why am I saying those things? Well, because they have said they want a safe and secure treaty, which does not go anywhere near a concession on sovereignty, and they have said that we have missed opportunities. Let’s look at exactly what they said about those missed opportunities, and then let’s look at what they have said about the key issues and let’s bring those two things together.

Mr Azopardi, in his address in response to me, said this:

Before I turn to that financial analysis in detail, and as this is a state of the nation debate, I want to say something about the longstanding Brexit negotiations and the state of play of them. Our policy is and continues to be that we would like to see a safe and beneficial agreement concluded with the EU which establishes a new relationship with the European Union.

– so far, so good –

We do think there have been failures along the way and missed opportunities to secure lasting rights for residents of Gibraltar which could already have settled aspects of what we all want.

260 That is what he says to us of the people he wants to include in his negotiating team. Indeed, at different times Mr Azopardi has even said that we should have had our deal with the TCA. But then he went on to say:

the Chief Minister knows he can rely on us to make common cause with him against Spain as necessary for the defence of Gibraltar’s interests. We would hope, likewise, that we could count on him on the fundamentals if there is a subsequent change of government in Gibraltar.

265 Remember, of course, that as I have referred the House to in my previous Budget addresses, Mr Azopardi was the Gibraltarian who said, in an article in the *Gibraltar Chronicle*, that one of the ways we should be looking at dealing with the future relationship with the European Union was that the President of the European Union should have responsibility for Gibraltar’s external relations. I have quoted extensively from that article – it is in the *Hansard*. Imagine that. Talk about judgement. The Hon. Mr Azopardi was talking about giving the control of our external relations to Jean-Claude Juncker, who was then the President of the European Commission – Jean-Claude ‘I have had one too many’ Juncker in charge of Gibraltar’s external relations. The European Commission is the entity that gave Spain that veto that we talk about, and we are talking about

giving them responsibility for our external relations. I think the result of the Brexit referendum in Gibraltar was 96%, but I do not think it would be 96% today, given the way people have thought that the European Commission has behaved in some respects – not in the negotiation, but in some respects with us during the period of the mandate etc. I do not think the faith that Gibraltar had in the European Union is there today, let alone agree with the Hon. Mr Azopardi that we should give control of our external relations to the President of the European Commission.

The next thing he said we had done wrong, the opportunity we had missed this time, was that we had allowed frontier workers to have freedom of movement before we had secured anything for us. Well, that is not true, as I have shown before. The Withdrawal Agreement preserves the agreement, the rights of everyone who is exercising European rights. Some frontier workers retain rights under the Withdrawal Agreement because it is a consequence of us not having had a hard Brexit at the time, but many of them no longer do. The churn of frontier workers is almost a thousand a year, more even, so of those who were in Gibraltar, who were exercising rights under the Withdrawal Agreement – probably about 10,000 – the Withdrawal Agreement came into effect in 2020. Thereafter, already half of them are likely to have gone without those rights. And yet he said that we should have done our agreement with the TCA. The TCA deals with issues which do not interest Gibraltar. I do realise that they are confused and they might say, ‘No, we have not said that.’ As I will show, Mr Speaker, they have said both that we should be included in the UK agreement and that we should not be included in the UK agreement. I will go through both, so hon. Members can choose which ones they prefer – which position they have taken which is diametrically opposed they would prefer today and which one they would prefer tomorrow, because they have taken both positions. Consistency is important to most people in politics, obviously not to them.

Look at what he said when he was the Leader of the Bar in October 2016:

As we have to take control of our own laws, the Government may also wish to consider retaining the ability of EU citizens to move freely, establish themselves, move capital and provide services into Gibraltar.

– in exchange for nothing, he was saying –

It may make reciprocal treatment easier going forward if we send the clear signal that, at least in Gibraltar, EU citizens will not lose the four freedoms.

So now he says that the missed opportunity is that we gave frontier workers continued freedom of movement, which is exactly in exchange for nothing, which is exactly what he was proposing in October 2016. Has he forgotten that? How dangerous to have somebody in charge of the Brexit negotiating team who forgets the positions he has taken in relation to Brexit. First of all, only three of the four freedoms apply to Gibraltar fully. The fourth freedom – freedom of movement of people, capital and services – applies. The freedom of movement of goods never applied to its full extent because we were not part of the Customs Union, and in any event this is to a very great extent, but not exactly, what happened under the Withdrawal Agreement, which he then brought his hatchet out to hit us about. So, at one stage he is saying have a different solution, also. Then he is saying have exactly the same solution as the UK.

Ironically, when I do some of my research for these things, I find gems that I do not expect to find. In exactly the same edition of the newspaper, also on the front page on 15th October 2016, the GSD, then led by Mr Feetham, also had a headline. The GSD were then saying we have to have exactly the same solution as the UK. *Claro, el integracionista*, the integrationist, wanted us to have exactly the same solution as the UK. They are even more confused than I thought. When I started to look in detail at what were the positions that Joseph Garcia and Fabian Picardo would have to kowtow to as part of the GSD negotiating team on Brexit, I found that one position was here and the other position was there, but that the negotiators were going to be there.

315 Under Mr Feetham we have to have the same solution, no differentiated solution. This is what Mr Feetham said on 15th December 2016 to Jonathan Scott in an interview on GBC:

To the extent that it is suggested by the Chief Minister or anyone else that somehow Gibraltar can negotiate a separate deal to that negotiated by the United Kingdom that involves more Europe, for example a special status within Europe, my position is that that is not realistic for Gibraltar.

Of course, his position changed to the complete opposite of that. Do not worry, I know that it changed. On 25th January 2017, he said this:

The GSD continues to believe that the best solutions for Gibraltar are that Gibraltar acquire the same rights as the United Kingdom in any future agreements that the United Kingdom makes with the European Union.

Same, same, same.

320 Look at this complete volte-face. By 26th July 2018 the GSD position on the most fundamental issue affecting this generation of Gibraltarians is to say that the interests of the United Kingdom and Gibraltar are diametrically opposed. Mr Feetham was saying this – this was in an address to Rotary:

Our interests are now so clearly unaligned with the interests of the United Kingdom that we would be foolish to make our negotiating strategy entirely UK facing. There is no point anymore in saying that we want the same deal the UK negotiates with the EU with an opt out.

325 Well, it was not us who were saying it, Mr Speaker, it was them. He might as well have said there is no point in us saying anything, because the only position that was being decried by the GSD was the GSD's position. The negotiation has gone on for 21 months up to now, right? This is a complete change of position in the GSD in 13 months. So in the space of the negotiating period they would have changed position from one end to the other. What sort of negotiators are they? I do not know. Joseph Garcia and Fabian Picardo do not negotiate like that.

Not only is there a real risk that there will be no UK deal, the issues that concern the UK are not the issues that concern Gibraltar.

330 Of course, the hon. Gentleman was saying, 'What about reverse Greenland?' Doesn't he realise that the consequence and effect of reverse Greenland is de facto what we are negotiating now? Doesn't he realise that? Well, perhaps he will, because his legal analysis of issues relating to sovereignty and to Brexit, which I will come to, is not as strong as one would have expected of a senior silk.

The interests that the UK wants to protect are not the interests that Gibraltar necessarily wants to protect. Their objectives are not our objectives. We are a finance centre that wants to be both EU and UK facing. We are a small community with little space that depends on frontier fluidity.

335 Mr Speaker, it is remarkable. I could go through the position that is put by Daniel Feetham a year after he put the opposite position and think it perfectly describes the position of the Government – perfectly. The incredible thing is that he took that position when? When we briefed him on what we considered to be the right negotiating position to take. He actually says to Rotary, 'Look, I am taking this position having considered these issues with the Government.' Having  
340 considered these issues with the Government, yes; having been briefed and having done a complete volte-face on the thing which he said was the only safe position.

345 So what is the only safe position for the GSD? In 2016 it is to give our foreign affairs to the European Commission, to negotiate nothing other than the same deal with the UK – except, of course, Mr Azopardi is saying negotiate a different one – and then, in 2018, to negotiate something completely different. What is the position that we have to take in the Brexit negotiating

team when we go as part of their Brexit negotiating team? What is it? I am sure that even they do not know. On this fundamental issue the leaders of the GSD have gone from one side to the other, like a drunk meandering down Main Street at three or four in the morning not knowing which lamp post to grab and falling over.

350 Mr Clinton's analysis of Brexit, Mr Speaker ... Oh, no, he did not do one, so the Minister for Public Finance in the new GSD Government after the General Election, the Chancellor of the Exchequer for Gibraltar, does not address the key issue that affects the economy and, by dint of the economy, the revenue and the public finances of Gibraltar. Just that is enough to demonstrate that the analysis we heard from Mr Clinton is, in my view, not worth the paper it is written on – a

355 waste of paper, Mr Speaker.

In his analysis in this debate, Mr Feetham said this:

... Mr Azopardi, and his team are ready and willing to perform and do so well,

– 'his' team; that is to say no longer Mr Feetham's team, Mr Azopardi's team –

a team that has both experience of government and opposition, a team that contains Members who have formed part of negotiating teams with both Spain and the UK.

Well, actually, Mr Speaker, just a footnote. I do not think anyone on that side has ever negotiated anything with Spain. I do not think so. Mr Feetham was in No. 6 as Minister for Justice but did not negotiate the Cordoba Agreements, although he wrote extensively defending them. Mr Azopardi was outside the GSD, aggressively attacking the Cordoba Agreements. So unless somebody who we have never seen in any photograph, who negotiated with Spain at the time when they were in Government ... I do not know who it is that Mr Feetham was referring to. He

365 got even that wrong – unless they are telling us that Sir Peter is coming back, because I understand he was the only one who used to conduct the negotiation. And then he goes on:

And, of course, we have the benefit of their support from the Opposition benches when they lose the next election

– he is speaking to us –

because it is our policy to have one cross-party Gibraltar delegation when addressing international fora and negotiating our new relationship with the European Union.

A hell of an assumption there, Mr Speaker. It may be their policy; it does not mean that we have to go along with it. He went on to say:

It is absolute nonsense that they are the only ones who can negotiate a new treaty with the European Union, absolute nonsense.

370 A clear position from Daniel Feetham. Interestingly, Mr Feetham, I think, went on television, even before he had said those things, to say exactly the same things, but I am going to demonstrate to him and perhaps to others on that side, as well as to the general community, that actually there is a very good reason why we are the only ones who can negotiate with the European Union, Spain and the United Kingdom – the very good 'only Nixon can go to China' reference that hon. Members will know – because when he went on television he went even

375 further. He said this:

We all want the best for Gibraltar and I would assume that if we were to be elected into government

– 'assume', Mr Speaker: to assume makes an ass of you and me –

Mr Garcia and Mr Picardo would agree to form part of the Gibraltar delegation which we have invited them to form part of.

380 I have not even called a General Election yet, Mr Speaker. In their fantasy they have won it, they are sitting in Convent Place, ringing me up: 'Hello, dear Leader of the Opposition' – if I am, because I might not be – 'we want you to form part of a negotiating team. Ask that lovely Joseph Garcia to come with you, would you?' They are offering jobs and participation in negotiating teams even before I have said ready, steady, go to their General Election.

385 'And therefore,' he said, Mr Speaker –

**Hon. D A Feetham:** We are generous.

**Hon. Chief Minister:** Mr Feetham is saying, from a sedentary position, that they are generous. As I will show, they are not just being generous. I will show during the course of my address that 390 they are also threatening company directors and they are threatening others even before the General Election has been called. I will show them where they have done that.

He went on to say, on GBC:

Therefore, there will be continuity in the negotiations because what we are not going to do is what the Government have done over the last four years, which is go it alone, completely ignore the Opposition, not have the Opposition on board.

395 But we have never done that, Mr Speaker. We have briefed them consistently. When we have briefed them, we have asked them whether they had any ideas that they wanted to put to us, whether there was anything that they felt we had not put which should be put. Did they ever suggest anything? No, nothing, zilch. And indeed, past experience that we have of working with the GSD, when they were in government and we were in opposition, was that even on joint sovereignty they did not want us involved, because obviously it was a battle that was going to be won and the former Chief Minister knew that thereafter there was a General Election and he 400 wanted all that glory. But Joe Bossano got up in this House, in what I consider to be a memorable moment which should be highlighted in the annals of our political history, and said to Peter Caruana, who was not including him in the team to fight joint sovereignty, 'Don't worry. Before they get to you, they have to get through me.' They will have that from us, but they will not have us as part of their negotiating team. Peter Caruana conducted the Cordoba negotiations without 405 any Member of the GSD being with him, let alone any Member of the GSLP or the Liberals being with him. That is typical of the GSD, saying one thing in opposition and doing the opposite in government.

410 And what opportunities is it that they say we have missed, Mr Speaker? To use frontier workers like a bargaining chip, which Mr Azopardi says one day and then forgets, having said the opposite on another? That we form part of the TCA and then realise, as we have been telling them, that the TCA has nothing for us? These are not serious people to put in the context of the negotiation as political representatives of the people of Gibraltar who know their position on Brexit. These are not serious negotiators. Without being pushed in a negotiation, without pressure, I have already demonstrated they have changed their position on whether we should be part of the UK 415 agreements, or not. I have already demonstrated he has changed his position on whether we should use frontier workers as bargaining chips, or not. So Mr Feetham was wrong in the assumption that he made. We will not form part of a GSD Government's negotiating team of a Brexit treaty. We will not, and for very good reason. Indeed, by the time I finish going through the part that I am going to go through now, I do not think anyone in Gibraltar who joins us in our view 420 of sovereignty, and indeed some people on that side who join us in our view on sovereignty, none will want a GSD negotiating team to lead on Brexit, none, especially if you care about British exclusive sovereignty over Gibraltar – real, substantive and titular – and British exclusive sovereignty over the waters around Gibraltar.



425 I have still got to do a little bit more before I get to that good bit, Mr Speaker, because I have to go through another thing that was said during Mr Phillips's rhubarb-rhubarb style address. I am surprised he is not here to hear me with his army of blue and yellow soldiers ready to take me on. He said this:

When Mr Isola romantically [...] waxed lyrical about the Hon. Chief Minister. He said the GSD could not be trusted with the public finances and the crucial Brexit negotiations.

– quite right, too –

Of course, as always, he is completely wrong, Mr Speaker. I will tell him something for free:

– in fact, I am going to do it like Mr Phillips did –

he talks about only one man being able to take us forward, but we have an army of yellow and blue men and women in the GSD ready to balance the books, reduce the debt, restore public services and get Brexit done. Compare that to a record of the one man [who has failed to] get the deal done before [a crucial] Spanish General Election.

430 Well, Mr Speaker, I can remember an English blonde political bombshell who talked about getting Brexit done – and it is not just Mr Phillips I am thinking of – and look where that got the United Kingdom. Let's compare my record with Mr Phillips and let's see what he and his blue and yellow army can do. Let's concentrate on the yellow, which is the colour of cowardice, let us be always clear.

435 Mr Bossino – who I also have to deal with – also replying to Mr Isola, who seems to have drawn so much of their fire just for telling it like it is, said this:

Deploying [...] what are inelegant references to us by suggesting that we do not have a clue [...] that we do not understand diplomacy and that the Gibraltar public will understand this and re-elect them into office [...] Quite apart from the fact that we do have a competent team to lead the negotiations to a final conclusion ...

440 Seriously? I think even Mr Bossino is embarrassed when I am talking about the different positions they have taken and whether we should be part of the same deal as the UK or not, whether we should use frontier workers as bargaining chips or not. If they flip-flopped on these issues, issues where I think Mr Bossino's position is aligned with mine and with the Deputy Chief Minister's ... I do not think Mr Bossino believes that frontier workers should be used as bargaining chips and I do not think he believes that we should have formed part of the TCA, which does nothing for immigration or movement of goods. But they do realise now, I hope, that they obviously do not understand diplomacy, because you cannot go into a diplomatic exchange having taken so many different positions, especially on the most important issue of our generation.

445 The truth is that the Hon. Mr Azopardi has no longer pursued the idea that we should hand over control of our external relations to the European Commission. Perhaps he realised how dangerous and ridiculous it was when that was one of the things that Sr Margallo suggested should be the case. Sr Margallo, in his first post-Brexit proposal, said one of the ways to deal with this is that the external relations of Gibraltar become the responsibility of the European Commission, and of course there it would be Spain that would be responsible for those issues. I think after that I have not heard Mr Azopardi say the thing that he had said before, which Sr Margallo picked up as one of the things that he agreed with.

455 And so we cannot form part of a negotiating team that is not putting a clear position, that is taking positions which are contrary to ours – on those issues of the TCA, the frontier workers, the European Commission President having control of the external relations of Gibraltar – just as we cannot go to the United Nations with them, because we have a different view as to what the effect of the Constitution is and whether we should attend the C24. And because we are not going to form part of the team, of course, if people want continuity they need to elect a GSLP Liberal

460 Government that will put Fabian Picardo, that will put Joseph Garcia, that will put this Cabinet in charge of the negotiations, because they are not going to get continuity unless they vote for us.

The deepest irony that I have detected in all of this is that when they have seen the reality, which of course they have understood too, the public will not want to change the poker player at the table before the last round of cards is dealt, when the poker player knows everybody else and knows how they feign when they have cards or do not have cards; that Gibraltar is not going to change the generals in the last week of the war. They are not going to change Norman Schwarzkopf just as we are about to topple the regime. But do you know what the irony is, Mr Speaker? That having realised, as they have, that the Gibraltarians are far too clever to fall into that trap, what do they do: they take the opposite position they took in 2011. In 2011, they had a newspaper which they gave £100,000 of taxpayers' money to in one year, and the headline in that newspaper was 'Careful, warning, vote Picardo but you get Bossano.' That was the warning. Now it is the opposite. It is 'Vote Azopardi, but don't worry, you'll get Picardo.' It is ridiculous. They are not ridiculous but their positions are ridiculous. They are saying to the general public, 'Vote GSD and we will deliver a GSLP Liberal negotiating team in the Brexit negotiation.'

475 It is remarkable. How low has the proud GSD been laid? It is an admission, in effect, that they cannot run the negotiation. And why would we want to work with people who have been criticising our decisions all along? They have criticised the MoUs, they have criticised the Tax Treaty, they have criticised the Withdrawal Agreement, they have criticised the New Year's Eve Agreement. The New Year's Eve Agreement is the foundation of the negotiation that we are doing. How can they be the negotiating team that goes to turn the New Year's Eve Agreement, that they criticised, into a treaty between the European Union and the United Kingdom? Without the New Year's Eve Agreement there is no negotiation for a treaty, without the MoUs there is no New Year's Eve Agreement and without the Tax Treaty there was no Withdrawal Agreement or New Year's Eve Agreement. So Mr Feetham's assumption is wrong. We are not going to form part of the negotiating team. We are not going to be part of the political stunt that they are trying to pull, which is to pray in aid the Opposition to support their Government should they ever form it. If people want continuity in the negotiation, they will have to vote for the real thing: for the GSLP Liberal team.

490 The key issue is sovereignty. That is the key issue because when you look at what GSD policy is on sovereignty and you do a cold analysis, there is a thread that runs through their positions and it is a rotten thread. I am going to show how rotten it is and how it pervades the past leadership of the party and the current leadership of the party. Their position is that the modern Andorra is not joint sovereignty. They are the party of the potential recommendation of modern Andorra to the people of Gibraltar. They are the party that somehow did not see that joint sovereignty was what could come if you talked about Andorra.

Let me just be very clear. I believe I have, with my Government, the best relationship Gibraltar has had with the United Kingdom for generations and for decades. If an official – I know none at the moment who would do so, because they are close friends and supportive of Gibraltar – or a Minister – I know none and have met none who would do so, because they are close friends and supportive of Gibraltar – were, in the future, in my presence as Chief Minister, ever to say the words 'joint sovereignty' and fly a kite, I have a message for whoever is in government in the United Kingdom at the time. Not only would they be told immediately to stick it where the sun does not shine, I would guarantee that Minister or official that if they took one step forward I would not make it my business to defeat an attempt to cast joint sovereignty again as a pall over the people of Gibraltar, I would make it my business to bring down that government in the United Kingdom. It is that simple. I would mobilise everything Gibraltar has, every resource I have to bring down a government in the United Kingdom if they dared to give traction to joint sovereignty over Gibraltar. And do you know what? With the ability of the Government of Gibraltar and the people of Gibraltar to mobilise public opinion in the United Kingdom, I dare say we could achieve it.

510 What you cannot do in 2023 is forget the history of the past 20 years, because the people sitting in the negotiating room are not going to have forgotten the history of the last 20 years,

515 they are going to have read up on it, and what we are not going to do is form part of a negotiating  
team under a GSD Government led by Keith Azopardi that has sent the most conflictive signals on  
the issue of sovereignty. If Keith Azopardi becomes Chief Minister of Gibraltar, if Keith Azopardi  
520 leads the Gibraltar negotiating team, like I have led it as Chief Minister with the Deputy Chief  
Minister, then instead of having opposite them in the Spanish Foreign Ministry, in London in the  
Foreign Office or in Brussels in the Berlaymont the man who said, 'Wake up and smell the coffee,  
Gibraltar will never be Spanish,' or the man who wrote the book about the identity of the people  
of Gibraltar, a hawk's hawk supported by the hawk of hawks ... Instead of having that opposite  
525 them, they would swap our rock-solid position for the position of the man – Mr Azopardi – who  
said in print that the Andorra solution is not joint sovereignty, and a joint negotiating team  
proposed by the man – Mr Feetham – who, in the thick of our difficulties with Sr Margallo in  
August 2013, said that he was prepared to come back from France to help me with the issues  
affecting the artificial reef and potentially to remove the reef. Imagine when Sr Margallo read that  
530 the Leader of the Opposition in Gibraltar was taking a completely different position to the position  
being taken by Picardo, which was we will never move the reef, it is in BGTW, and the other guy,  
the Hon. Mr Feetham, was saying, 'I will come back from France and, if necessary, I can see  
circumstances where we will remove the reef.' We are not prepared to sit opposite the  
negotiators for the Ministerios de Asuntos Exteriores with the guy who said Andorra is not joint  
sovereignty and the guy who said they would remove the reef, so we will not agree to form part  
of this negotiating team.

Mr Speaker, I am not being ungenerous. I am doing a cold, legal analysis. It is there on  
pages 369-73 of his doctorate book *Sovereignty and the Stateless Nation*, a very interesting read.  
I do not agree with the premise. It is an important work of scholarly analysis which is hugely  
535 relevant to this debate, and it will not just have been read by me. When he launched he knows I  
congratulated him on it, and I read it and I remember what I read.

More controversially,

– he says in the book –

some commentators have referred to an Andorra-style model for Gibraltar. This has proved controversial only  
because of the current constitutional status of Andorra is often misrepresented in the Gibraltar media as a form of  
joint sovereignty. A solution based on the Andorra model would be a hybrid formula that would not fall under this  
heading.

– his words, not mine –

Andorra was not a suitable precedent for the joint sovereignty model put forward in 2002 because, as a result of its  
1993 constitution, Andorra had become an independent state and not a territory whose sovereignty was held jointly  
by two other states. However, the Andorra model does provide an interesting example of an imaginative way of  
addressing the sovereignty issue. The Andorran constitution recognises, in accordance with the institutional  
tradition of Andorra, that the Co-Princes are jointly and indivisibly the head of state of Andorra, the Co-Princes are  
a historical institution and are, in their personal exclusive right, the Bishop of Urgell and the President of the French  
Republic. The Co-Princes perform normal constitutional functions as head of state within the Andorra system. They  
also have functions in relation to certain categories of treaties or may initiate a process of constitutional revision  
that appoints some members of the judiciary. It seems clear that the Andorra model is not one of joint sovereignty  
but rather a model based on sovereign independence of Andorra, where the people of Andorra, who are sovereign,  
have consented to the Co-Princes performing government. The Co-Princes are not sovereign in Andorra. Those who  
are sovereign, namely the people, are the representatives of Andorra. To that extent, and while it is possible to  
speak of the Co-Princess having the titular sovereignty in Andorra, even that is a slight misnomer which does not  
accurately reflect the constitutional position, in that it insufficiently describes the sovereign legitimacy of the people  
of Andorra.

It is a moot point whether Spain would accept an Andorra-style solution. This could be the quid pro quo for Spain  
accepting that it cannot acquire sovereignty and that the people of Gibraltar are the key repository of that  
sovereignty. Indeed, the parties may wish to enter into a tripartite agreement or treaty to replace the Treaty of

Utrecht, to which the EU may become a fourth party if it is to have some involvement in the resolution of the conflict. Such a treaty could provide for the vesting of sovereignty in or for the people of Gibraltar on trust.

540 Everything I have read is a direct quote from Mr Azopardi in *Sovereignty and the Stateless Nation*. I respect that that is his view. It is his legal view. I am not making anything up, I am reading from his text. I am not being nasty, I am not calling anyone names; I am simply disagreeing with the analysis that he has done and pointing out to my fellow Gibraltarians that this is what our negotiating counterparts will know is Mr Azopardi's position. They know for us they cannot even say the words 'joint sovereignty' or the word 'Andorra' – we walk out of the room. They know for  
545 him it is the sort of thing he said the Spanish might accept that may form part of a tripartite agreement to replace the Treaty of Utrecht, that it could be quadripartite with the European Union. How can we sit that man with these views opposite the negotiators for Spain in the context of this negotiation? I am starting to think that the only hawk left on that side is Mr Bossino. Look, we are all Gibraltarian patriots. I do not think Keith Azopardi wants anything which is bad for  
550 Gibraltar. We are all Gibraltarian patriots but I have a different view of what modern Andorra is, and the people sitting opposite me in the negotiation know that, the people sitting in London know that and the people sitting in Brussels know that.

What does talking about modern Andorra do to the uninitiated – that is to say a person who has not done a PhD on the subject? Let's look at what Peter Caruana said in Seville in 2010. I can  
555 say this without fear of contradiction because a press release was issued by the GSD Government on 1st December – it is Government Press Release 319/2010. There was a question put to the Chief Minister and this is what the Chief Minister answered. Eduardo del Campo of the daily *El Mundo* asked what would be the best final status for Gibraltar, to maintain the current status quo, or not? This is the answer that the former GSD Chief Minister gave in 2010:

The current status quo does not displease us, it pleases us, but is it the final status for Gibraltar? I personally think that it is not. The answer to the question is simply this. My obligation as Gibraltar's political leader is not to indoctrinate Gibraltarians as to what they should think and not think about a possible future solution to the problem. That is not my obligation. My obligation is to protect their right to choose and not to be victims of imposition, which is what I do. So what if there should be proposals? Any would be good, provided that they are freely accepted by the people of Gibraltar. For example, I have many times said that a proposal which I do not think Spain would make, is not minded to make now or perhaps ever, a proposal for a possible solution to the Gibraltar issue, which to a certain extent is problematic for everyone, would be, for example, a status like Andorra, which is a situation in which, well you all know, the Andorra posts its new Constitution of 1993, obviously not the one before. Well, if that were viable, I would say that, well, let's put that to the people of Gibraltar in a referendum.

560 – GSD policy 2010 –

I would even not see it as impossible that I might recommend it to the people of Gibraltar.

GSD Policy 2010. GSD leader 2009, *Sovereignty In the Stateless Nation*: modern Andorra is not joint sovereignty. But in the end, the people who will have to decide will be the people of Gibraltar and not Peter Caruana or Peter Caruana's successor. I am not making anything up. In 2009-10 the current leader of the GSD is saying that modern Andorra is not joint sovereignty and the former  
565 leader of the GSD is saying that modern Andorra is something we would be prepared to recommend in a referendum if Spain would put it. And we are going to put these people opposite the Spanish negotiators?

What happens when you talk about Andorra to the uninitiated, the question I posed before? Well, we know what happens. We have an empirical record of what happens. In his book *Outside  
570 In*, Peter Hain talks about his conversations with Peter Caruana. He says this:

Emyr Jones Parry, then the Foreign Office political director and later NATO and UN ambassador, whom I trusted implicitly, advised me to meet on a one-to-one basis and ask Caruana what he thought a final settlement might look like,

– exactly the same question that the fellow from *El Mundo* put in 2010 –

so I did just that.

– in other words, Peter Hain tells us in his book he did exactly in private what the *El Mundo* guy did in a press conference –

Caruana gave an intriguing, thoughtful and encouraging response: ‘An Andorra solution would be worth looking at’, he said.

I am now going to quote from Peter Hain’s book, Mr Speaker:

Andorra’s status is essentially one of co-sovereignty between Spain and France, expressed through the King and the bishops, though it has its own autonomy and its own representation to the United Nations and in the European Union. I responded enthusiastically and we had a productive discussion in which he was, however, at pains to stress the need for caution, insisting that there had to be a long and familiar list of confidence-building concessions from Spain, such as freeing up border controls in their access, matters which had for so long caused such antagonism towards Spain.

When I later saw the former Chief Minister and Labour Party Opposition leader, the crafty but likeable Joe Bossano, he also gave me a long lecture about never selling out, an old-class warrior, he was somebody who you sensed would never change. We had a good-natured discussion, which included his experiences when living in London as a Labour activist.

Joseph Garcia, leader of the smaller Liberal group, was more extreme than Bossano.

575 – (Laughter) –

A few weeks later, I decided to go to Spain for further discussions with Ramón de Miguel and his team, hosted by our Ambassador Peter Torry. Having again talk to Emyr Jones Parry beforehand, I decided to surface a co-sovereignty proposal. Essentially, I explained to the Spanish, it would mean Britain and Spain sharing sovereignty, with Gibraltar having much more autonomy, getting rid of all the colonial nonsense and also overriding all the obstacles that affected normal daily life – border controls, restrictions on telephone access etc., the lack of easy diversions to Malaga of incoming plane flights to Gibraltar Airport in bad weather, and so on. Having broken the sovereignty logjam, the Spanish were really up for all sorts of ideas and were no longer obstructive on any of Caruana’s confidence-building measures. My officials concurred that this meeting proved to be a dramatic breakthrough.

Shortly afterwards, I briefed Peter Caruana on the Madrid meeting, telling him, ‘Gibraltar gets more power, more sovereignty in terms of your own decision-making structures, things you’ve wanted for a long time, and you, as Chief Minister, become a more powerful figure by obtaining powers currently determined by the British Government acting on behalf of London. All the frustrating obstacles and the intimidation preventing normal life from the Rock will go, but the co-sovereignty has to be a part of it. If it isn’t, then we are stuck with the status quo. I want you to be part of negotiating all the detail. You can shape the outcome and protect all your interests.’

Caruana listened politely, then all the creativity and flexibility he had first demonstrated in our productive lunch a month earlier expired in a puff of traditional Gibraltarian obstinacy: ‘There is no prospect of me doing that, no prospect of me agreeing with such an approach,’ he said. But I reminded him he had set me off on the co-sovereignty model through his Andorra idea. ‘Well, I might be willing to go along with something like that, but only subject to all sorts of conditions,’ he conceded, explaining with passion that he had to maintain the confidence of his electorate. He could not go out on a limb.

And then we know what happened. José María Aznar wobbled at the last minute. Ironically, it was Aznar who saved us from joint sovereignty. In fact, Peter Hain later says that he was deeply disappointed:

And so was Ramón de Miguel. We had negotiated toughly and in good faith. He soon phoned, embarrassed, apologising profusely. Several years later, he said ruefully to me,

– talking about Ramon de Miguel –

shaking his head, ‘Aznar and Piqué, rest in peace, made a huge mistake of historic proportions.’

580 – he appreciated the supreme irony that it was Madrid that came to the aid of Caruana –

I do not regret what we did

– says Peter Hain –

or the personal flak that I took in ensuring that, at the very least, co-sovereignty will always remain part of the future political architecture for Gibraltar. In time, I believe serious thinking on the Rock will come to see it not as a threat but as a liberating opportunity.

I suppose some have, Mr Speaker, serious thinking on the Rock.

I want to be very clear that Peter Caruana denies the version of *Outside In* which Peter Hain wrote. In the leaders' debate in 2011, with Mr Azopardi there, Peter Caruana asked me whether I preferred his version of what had transpired or Peter Hain's. I said that I would choose his version every time over Peter Hain's. But of course the one thing that Peter Caruana cannot challenge is what he himself said in public in Seville, which Peter Hain says he said in private at the Waterfront, and the answer that Peter Caruana gave in public in Seville is the same answer that Peter Hain says he gave him in private at the Waterfront. Sir Peter has never denied it, and in fact it was in Government Press Release 319/2010.

So that is what happens when you talk about a modern Andorra solution being acceptable. You open the genie. You let out the genie of joint sovereignty. Peter Hain has explained that. The whole genesis of joint sovereignty comes from talking about an Andorra-style solution being acceptable, and an Andorra-style solution being potentially acceptable is the basis of what I have read hon. Members from Mr Azopardi's book. He considers it is not joint sovereignty, but look, others do and they want to go down the route of a modern Gibraltar constitution, which is joint sovereignty with Spain – and those are the people that, if the electorate were to decide should become the next Government of Gibraltar, will sit heading the Brexit negotiating team, sitting opposite Spanish negotiators and European negotiators alongside Foreign Office negotiators. That is not safe for Gibraltar.

So it is clear that to keep Gibraltar safe you have to vote for the continuation of the negotiating team that you have now, led by the GSLP Liberals with me and Joseph Garcia representing us, and the Cabinet with Joe Bossano in it. It is that clear, and that is why, having done that forensic exercise, I tell the GSD we will not accept their offer to form part of their negotiating team because just the fact that they form a negotiating team is dangerous for Gibraltar, is bad for Gibraltar and puts our sovereignty at risk, especially with a potential Partido Popular government around the corner already saying that what they want is to put the joint sovereignty proposals on the table, as you will have read in some of their pronouncements in public.

Give Spain no hope, and you do that only with a GSLP Liberal team. We are the ones who keep Gibraltar safe. Put *them* in the room and we are toast. Of course they had to defend Gibraltar against joint sovereignty in 2003 successfully, but only because they lit the match. They lit the match, it is clear, and his book is the bomb at the end of the match if he becomes Chief Minister of Gibraltar. Even with PSOE in government, having him opposite would be a boon to the negotiators. We will not send those signals, ever. We will have no part of that, ever. We will not form part of any such negotiating team. I want to be clear: I do not want, I will not seek, I would not obtain agreement, leave or consent for my party to negotiate any Andorra-style solution and I will form no part of any team that includes people who have proposed that as something which is acceptable, let alone – if Mr Feetham were to decide to be a candidate – form part of a team sitting opposite Spanish negotiators with a man who said he was prepared to come back to Gibraltar to help me remove the artificial reef as the way of resolving the crisis that we had in 2013. Where is Margallo now, and where is the reef? Where it has to be. And one of the blocks in the headquarters of Vox in Madrid is a painful reminder to them in particular that those are British waters and that the reef remains where it should be.

If they win the General Election because the people of Gibraltar decide that they should win, before they get to them they will have to get through me, but I am not going to go and sit alongside

630 them and be part of their negotiating team, absolutely not. We will make our opinions known on what they come back with, just as they have, because it is one thing is to help them in the negotiation, give them our views etc., it is quite another to end up with Andorra splattered all over our faces like we ended up with Cordoba splattered all over our faces without anybody knowing what was going on in the negotiation there.

To think that Mr Azopardi said in December 2019 that I, the Chief Minister, Fabian Picardo, was not the right person to negotiate Gibraltar's future relationship with the EU – well, it is a good thing that the public disagreed in October 2019. We delivered, after that, the New Year's Eve Agreement, we delivered the Withdrawal Agreement. Imagine if we had not had those things. We would not be negotiating an EU treaty now. But what is clear to people sitting opposite us is that we have what it takes to say no. We have what it takes not to blink. We are very clear that Andorra is joint sovereignty and want no part of it. We have what it takes to take the tough decisions. We have what it takes to say no to an agreement if it is bad for Gibraltar, and *they* are the party that had a policy in 2010 of potentially recommending a modern Andorra-style solution to the public. *They* are the ones who carelessly unleashed the genie of joint sovereignty. *They* are the risk Gibraltar cannot afford to take. We are the option that keeps Gibraltar safe, and that should be the end of this debate because more than whether the deficit moved or the surplus moved, whether or not there was £¼ million more for scholarships or not, that is the defining issue of Gibraltar politics and on that their key position in this debate is not one that can survive today because they now know we will not form part of the negotiating team. There will be no continuity because we will not be there and the public know how dangerous it will be to put *them* at the head of the negotiation.

645 But let's look at the numbers, because the next theme they developed was that the surplus is a hopeless fiction, so let me look at the rest of the contribution of the Leader of the Opposition in this debate. He had the two key things: Brexit – 'they will come as part of our team'; then 'the restoration of financial stability is not true, the surplus is a hopeless fiction'. There is a hopeless fiction: the hopeless fiction that the Opposition, the GSD, is somehow dependable in the way that they do an analysis of the figures; the hopeless fiction that the GSD is going to form Government after the next election, which I suppose they need to keep going so at least they have 20 or 30 people to distribute their leaflets. Do not worry, we will always feed them at the polling stations because our people are like that and we like to share what we have. But otherwise, if you do not keep the hopeless fiction going, you do not even have the people to give *la papeleta*. The blue and yellow army is not so extensive, there are not that many in it. They might have to call Wagner in support if they start to run out of the blue and yellow soldiers they talk about.

660 We leave the decision as to who is going to govern Gibraltar to the people. We take absolutely nothing for granted on this side of the House, let alone the support of the people of Gibraltar, but the analysis that I have just done and the commitment to writing by him of an Andorra-style solution being not joint sovereignty I think is going to probably ring the death knell of any chance they may have thought they had of forming government. That is the only hapless – not hopeless, hapless – fiction. But what is really unacceptable is for them to try and leverage their way into No. 6 Convent Place by saying that we have massaged figures, by saying that we have somehow prevailed over the Financial Secretary – who is an official, not a magician – and all his team, to produce numbers which are untrue, and then, in order to make that fiction apparently true, massaged the figures themselves. There is a pattern developing. They do not like these numbers, and when they do not like a number they say it is not true or they say something is missing.

675 They do have some very strange bedfellows, Mr Speaker, really strange bedfellows. When it comes to taking down the Pride flag, the curtailment of LGBTQ+ rights, being anti-abortion and saying that the nation's Budget is not true, there is the GSD, Partido Popular and Vox. It is exactly the same position across the board. So when people look at what is happening in Spain on their television screens, if they look at Spanish politics and they see the things that are being said by the right wing there, they just need to click on to here and watch them doing exactly the same thing, at least some of them: Mr Bossino when it comes to abortion and LGBTQ+ rights, and

Mr Azopardi and Mr Clinton when it comes to numbers. Put them in a blender and you end up with Feijoo, Partido Popular. It is remarkable. What next? Are they going to stop banning Virginia Woolf plays, as is happening in Spain in the areas where Vox is governing with Partido Popular?

Mr Azopardi said this: 'The projection of the surplus does not stand up to scrutiny. It is a fiction, it is a convenient narrative. The Government is rewriting its financial record, pretending things are better than they are, not taking a responsible approach. The reality is people should be told how serious things are. We refuse to tell our people electoral fairy tales.' Well, we have told them how serious things are.

Then he said: 'When the Chief Minister gave his speech about financial stability being restored and the surplus, there was a stunned silence at the Chamber dinner.' Was there? No, Mr Speaker, there was a very respectful silence from the minute I started talking to the minute I ended, but it was not a stunned silence. I do not know whether the hon. Gentleman understands what he says. A stunned silence is when suddenly everybody goes quiet, but when everybody is quiet and continues to be quiet, there is respect in the room for the speaker. So how could he talk about a stunned silence? I will tell you why: he was not there. The Leader of the Opposition did not attend the Chamber of Commerce's annual dinner in an election year. He was not invited, he says. I have not been invited to Chamber dinners when I have been Leader of the Opposition, and I have paid my way. The party buys a table or the law firm buys a table. He was not there in his capacity as a lawyer, he was not there in his capacity as leader of the GSD, he was not there in his capacity as the Leader of the Opposition. It is an important thing. He then comes here and quotes the Chamber report as if it were the gospel. Well, why didn't he go to mass that day, for goodness sake? Why?

He said that the Estimates Book was a stunt prop which sets out a financial miracle, a feast of financial recovery years ahead of time. 'What a magician,' he said – I am surprised he did not call me David Copperfield, (*Interjection*) (A Member: Paul ...) Paul Whatshisname, Mr Speaker, Paul Daniels – 'a surplus built on deeply massaged figures.' Well, here is the happy ending, because these are not massaged figures, these are real figures. Mr Clinton did a similar analysis, but then actually subject what they have said to rigorous analysis, not just what is going to sound good – 'What can I say to damage Picardo politically?' – because you can say whatever you like to damage somebody politically. I can say anything I like about hon. Members, try and justify it and it is worthless, but when you subject things to rigorous analysis – which is what this debate is about; it is a debate about numbers, especially when you are talking about the surplus – what happens?

Let's look at the estimated surpluses of the past 12 years, the time that I have had the honour and privilege of being the Leader of the House and Chief Minister. Let's look at what I presented as estimates and what I presented as outturns. In every instance, every surplus I have predicted has been exceeded except for the two years when COVID hit – obviously, it destroyed everything because we started to spend the money that would have been the surplus. The lowest level of underestimation was £21.9 million – £22 million – in the year 2015-16. In other words, in 2015-16 we exceeded our estimate for the surplus by £22 million, so if this year were 2015-16 the £2.5 million would have become, by the end of the year, £24.5 million. The highest level of underestimation is £66.4 million, which happened in 2013-14, so if this year were 2013-14 and we have an estimate of £2.5 million, it is likely that we would have ended up with £68.9 million – that is to say £69 million of surplus. That is my record, not that I predict £2.5 million and I end up with a deficit. So the least well we have done over budget is £22 million. The most over budget on the surplus we have been is £66.4 million. It is consistent, at least, if you look at the trend that we always underestimate the surplus because we always underestimate revenue, which is the prudent thing to do. If you exclude the COVID years, the average underprojection for 10 out of the 12 years is £44 million a year underestimate on the surplus. That is to say if this year we were to perform to the average underestimation of the surplus, the surplus, instead of being £2.5 million, would be £46.5 million. That is not some fluke event, it has happened every year except the COVID year. That is why the argument about the £2.5 million being a hopeless fiction is a hapless fiction. It is completely nonsensical. Just look at the direction of travel. And then he



730 will say, ' But you overspent. I will show him that we overspent less than they overspent in each year and we still got the surplus.

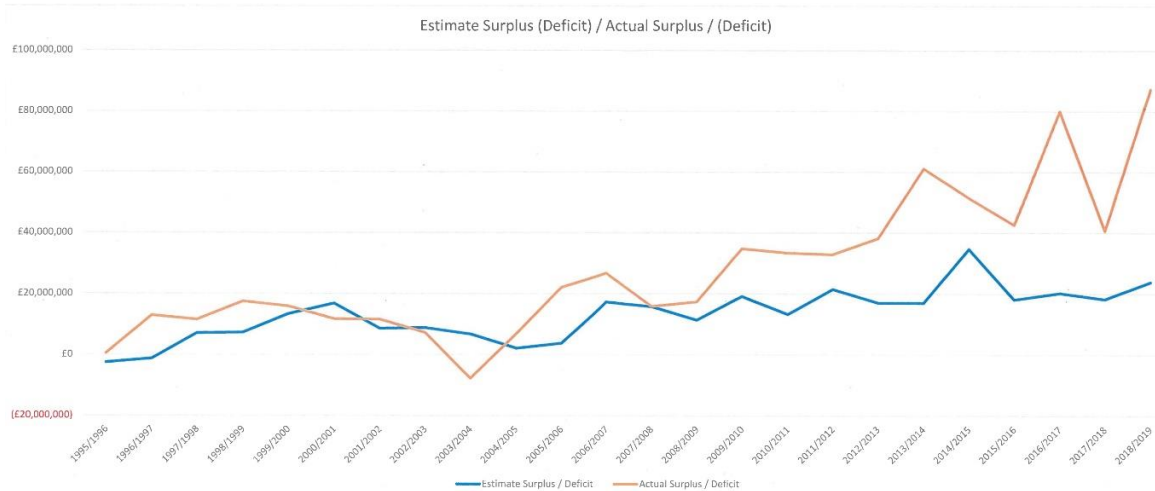
This year that we are reporting to, the last financial year, 2022-23, we did better by £30 million. So doing better on average by £44 million – at least by £22 million, maximum by £65 million – has been borne out even in this year, because this year we have done £30 million better than we  
735 expected to. It was not enough to get us into surplus, but it pulled us from a £45 million deficit to a £15 million deficit, and that is despite giving £30 million to the companies structure of the recurrent. So if you took the £30 million out – and why would I say that we should take the £30 million out, because they did not give it to measure our surpluses like they measured their surpluses – this year we would have had, for the year that we are reporting, not a deficit of  
740 £15 million, we would have had a surplus of £15 million, but we gave £30 million to the companies in order not to have a £100 million hole the companies, like we found when they were there. That is the reality, and if you do not give £30 million to the companies next year – which you do not have to give; we give it because it is our policy, they did not give it – the surplus will not be £2.5 million, it will be £32 million already.

745 But look at this, Mr Speaker. The trend is there. In 2012-13 we underestimated revenue by £32.1 million. We had an estimated surplus of £17.1 million. We ended up with a surplus of £37.2 million, £20.1 million better than the estimate. In 2013-14 we underestimated revenue by £66.4 million. We had estimated a surplus of £17 million. We ended up with a surplus of £50 million, which was £33.3 million better than the estimate. In 2014-15 we underestimated  
750 revenue by £25.4 million. We estimated the surplus at £34.6 million. We ended up with a surplus of £51.2 million, which was £16.6 million better than the estimate. In 2015-16 we underestimated revenue by £21.9 million. We had estimated a surplus of £18.1 million. We ended up with a surplus of £38.8 million, which was £20.7 million better than the estimate. In those years you could add £25 million, if you wanted, to each of those figures because we were giving £25 million to the  
755 companies, which they did not give. So we are denuding our surpluses of £25 million, which would have flattered their surpluses if we had calculated our surpluses in the way that they do.

Let's keep going. In 2016-17, we underestimated revenue by £64.9 million. We had estimated a surplus of £20 million. We ended up with a surplus of £75.8 million, which was £55.5 million better than the estimate. In 2017-18, we underestimated revenue by £23.1 million. We had  
760 estimated a surplus of £18.3 million. We ended up with a surplus of £36.1 million, which was £17.8 million better than the estimate. In 2018-19, we underestimated revenue by £56.5 million. We had estimated a surplus of £23.8 million. We ended up with a surplus of £82.8 million, which was £59 million better than the estimate. And then the pandemic hit and there were no surpluses, but what a direction of travel.

765 Mr Speaker, I wonder if the Clerk would please call the usher and distribute to all Members, on this side and that, a graph that shows how we have exceeded our estimates compared to how they exceeded their estimates of surplus. Indeed, in some instances their surpluses did become deficits. There is no reason to think that our surplus is a hopeless fiction. Far from it, there is every reason to believe that we will exceed our surplus.

Table 1



770 This graph is headed ‘Estimate Surplus (Deficit)/Actual Surplus (Deficit)’. Members can see how  
it starts in 1995-96 and how it goes, and Members can see that Mr Azopardi has tried to pretend  
that this does not exist, that in fact the blue line will go through the beige line and we will go to  
deficit. No. All of the data, all of the trend shows the opposite with the numbers that I have given  
him. No evidence to the contrary, no reason to talk about a hopeless fiction, far from it. He is as  
775 wrong about that as he is about Andorra not being joint sovereignty. This is not a hopeless fiction  
of a surplus. This is a hopeless argument and it is put forward by hopeless advocates of doom and  
gloom, hopeless merchants of doom hopelessly having failed to check their figures. The figures  
speak for themselves. The numbers do not lie and they are based always on the Treasury’s  
conservative figures about revenue and expenditure – we always look at overexpenditure, in some  
780 instances – and surpluses.

They put a negative gloss on everything. They give a negative spin to every single aspect. They  
want to talk the Treasury down, they want to talk our nation’s economic performance down, they  
want to talk the public finances down, as long as they are not the ones in charge. It is predictable,  
it is unfair and they are wrong, always wrong. Of course, everything is subject to performance. We  
785 could have another instance which is dramatic. We could have another pandemic – please, God,  
that will not happen. Many other things could happen, but the trend, except for the two years of  
the pandemic, is there.

Why do they do this, Mr Speaker? Why do they think that we are not going to keep to our  
surplus estimation? Well, because perhaps that is what they did when they were in government.  
790 That is what happened, in effect, in some years after what Mr Clinton called their glorious march  
up Main Street in 1996 when they felt like they were liberating Gibraltar, he said.

In 2000-01, with Mr Azopardi in the Government as a Minister, they had estimated a surplus  
of £16.8 million. They ended up with a surplus, yes, but of £9 million. They were £6.8 million worse  
off. That year, their estimate of their surplus was a hopeless fiction. In 2002-03, with Mr Azopardi  
795 in the Government, they had estimated a surplus of £8.8 million. They ended up with £5.2 million,  
£3.5 million worse off. That year, their estimate was a hopeless fiction. In 2003-04, the election  
year, they threw the kitchen sink at the electorate. There were so many goodies thrown at the  
electorate that people were knocked on the head as they walked down Main Street and past  
College Lane. They estimated a surplus of £6.7 million. They ended up with a deficit of £1.3 million,  
800 £8 million worse off than their estimate. That was a hopeless GSD fiction, a hopeless fiction which  
turned a surplus estimate into a deficit. In 2005-06, they estimated £3.7 million. They ended up  
with a surplus of £2 million, which was £1.7 million worse off.

In 2008-09 they had estimated their surplus at £11 million. It came in at £17.4 million. They did  
better that year than their estimate. You are thinking to yourself, ‘He has been on his feet for too

805 long. Why is he making this point? It is good for them. Why is he making this point? Well, Mr Speaker, it is because in that year, when they had predicted a surplus of £11 million and they ended up with a surplus of £17.4 million, that – Mr Bossano should calm himself now – is the year they took £19.3 million, which was in the Savings Bank Reserve, into the Consolidated Fund. They plundered the reserve of the Savings Bank on 31st March – this is real alchemy – to turn a deficit  
810 of £1.9 million overnight into a surplus of £17.4 million, because otherwise they would have been £13 million worse off. *That* is the sort of fiction that we had to accept we were subjected to when they were in government.

Of course, if that is how they behave, perhaps they think that is how we behave, but I have shown them that the trend is completely different. It is quite the opposite. Judge us by what we  
815 do, not by what you would have done. The only time we have failed our estimate targets for the surplus is in the pandemic. Even last year, already £30 million up. But I bet whilst he is sitting there he wishes that before coming up with this nonsense of a hopeless fiction as his theme and Mr Clinton's theme he had done the research, because he sits there now with economic egg splattered all over his face. I have even plotted it in a chart, because a picture is worth a thousand  
820 words. I have done the work for him with the team at the Treasury. I have asked them to put it on a graph. All the numbers are there. In fact, all the Estimates Books are now online, so he can go and look at them and verify the figures. No insults, not calling anyone ridiculous, just the difficult facts that make their arguments unsustainable and demolish the proposal that they were making, unsound arguments that they put and they took to the people of Gibraltar here and in interviews  
825 outside of here, all falsely representing a position which was not the case.

All of those excesses of the surplus we have done, as I have said, whilst contributing to the companies. So we calculate the surplus after we have taken £25 million out for the companies for about 10 years; now £30 million every year. The total amount of recurrent contributions to the companies structure is £311 million. Mr Clinton says he knows nothing about what we pay back  
830 and what we do not pay back. It is all there in the Book. He just wants us to do it for him. He does not tally it. The capital contributions that we made to the companies, £162 million; a total of £473 million contributed to the companies structure in recurrent contributions and capital contributions. In the period between 2002-03 and 2011-12, the GSD only put in £49 million to the companies. That is why it had a hole of £100 million in it. That is how we fixed the hole,  
835 Mr Feetham, by putting the money in to plug the hole. No magic, just proper accounting for the people's money, and that is not including the £65 million that we contributed to another government company, the new International Bank, which is a company: £65 million. So, in total, £538 million, more than half a billion pounds contributed to the companies structure. It is there for all to see, and our surplus, therefore, is very real, very deliverable, we hope will be exceeded,  
840 not turned into a deficit, and in fact is very likely understated compared with GSD surpluses, despite us paying into the companies structure.

But all of that could fail if spending is uncontrolled under us, because we are so profligate in the way that we spend, we are so extravagant with what we spend. It is the theme that they have been developing constantly. As they say, if you repeat something often enough it will eventually  
845 catch, and they have been repeating it now for 12 years. Mr Azopardi and Mr Clinton both said that we are an out-of-control Government. Mr Azopardi said, 'He should have kept to the Budget, but he overspent by £90 million last year and this year.' Well, we have dealt with those £90 million etc. He said that the estimates were the 'promises Mr Picardo does not keep'. He says that we estimate one sum, but in fact we spend more. Again, he cannot have researched those points  
850 before making them, he just must have thought that that would be what sounded good in an election year, because if you research it, whatever period of 10 years you take in the time that they were in government – he was in there for eight, so let's take those 10-year periods – every 10-year period they averaged a growth in expenditure of 114%. That is to say if you take 10 years, in any 10-year period they doubled the budget and 14%. In any 10-year period under us – and we  
855 are dividing the COVID year by two because it is a double year, so just divide it by two – we have increased cost by 65%. Let me just be clear with them in case they have not got it: 114% is more

than 65%, so if cost growth is uncontrolled under us, it was running wild under them, obviously. In the six years, just six years, between 2006-07 and 2011-12, just those six years, their expenditure grew by 68%. In six years, they grew more than we have grown in 10 years on expenditure. So who is uncontrolled, and why didn't they bother to do this exercise before training their *pistolete* gun on us, because this is what they are going to get back? How are you going to put these people in charge of the Brexit negotiation? They are going to say something and they are going to get cannoned back. So who was uncontrolled? They were at least double-uncontrolled as we are, in particular in the period when he was a Minister.

865 He said we were trying to hide the reality from the public and that he had warned that the GHA had to be realistically estimated. Are they serious when they make these points? Genuinely, I am asking whether they are serious because again this was remarkably under-researched. GHA expenditure under the GSD went from £22.4 million estimate in 1997-98 to £87.245 million actual in 2011-12.

870

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** They boasted it was a good thing.

875 **Hon. Chief Minister:** Yes. That is an increase of 290%, Mr Speaker. In our time it has increased by 74.7%. So they increased something by 290%, we increase it by 74% – and we are the ones who are out of control.

880 They overspent in 1998-99 by 5%, in 1999-2000 by 8%, in the next year by 5%, in the next year by 4%, in 2002-03 by 15%, in 2003-04 by 9%, then 7%, then 4%, then 4%, then 6%, then 9%, then 5%, then 7%, then 10%. That is their overspend. In the COVID years we overspent by 17%, but our average spend is much lower. In fact, in the first year we underspent by 0.46%, then we overspent by 5%, 7%, 8%. Yes, as a year we overspent by 13%. But that is less than their overspend of 15%. Then 8%, 5%, 5%, 5%. How can it be a mortal sin when we overspend on the GHA, which is demand led, and yet a gracious virtue when they overspend? When they overspent in the GHA, when he was a Minister for Health, it was all about investing in the health of our community. When we overspend, it is uncontrolled expenditure that is going to undo us and makes the surplus a hapless fiction. Does he really think that the people of Gibraltar do not see the reality, that they will fall for the fiction?

890 How could it be, Mr Speaker, that if we spend in the GEA the amounts that the fuel costs – we are spending more, we are spending the amount that the fuel costs as the fuel is invoiced – it is terrible and 'you have no control over expenditure', but when they do it, it is perfectly okay because they have to keep the lights on? Why do they ask me if I have a crystal ball to talk about the price of fuel and not lend me the crystal ball that they must have had when they were in government if they got their estimates bang on? Of course they did not. The price of fuel fluctuated wildly. What could you do, not buy the fuel?

895 But this is not just about the GEA and the GHA, Mr Speaker. Before I move on, I want to look at other areas of expenditure. The GHA capital expenditure: they overspent on the GHA capital expenditure in 1997-98 – I hope they are making a note – by 52.4%, the next year by 37%, the next year by 24%, the following year by 38%. In 2006-07, they overspend the GHA capital expenditure by 73%, in 2008-09 by 11%. And of course their *pièce de résistance* – election year – in 2011-12 the GSD overspent the GHA capital budget by 99.7% ... Sorry, no, 99.8%. We underspent the GHA budget in most years. In 2015-16 we overspent by 18% and in the COVID years by 9%. Every other year, we have underspent the GHA capital budget. Whose expenditure in the GHA is uncontrolled? Why doesn't he research the point? Why does he make me embarrass him by showing him that the point he has made is not a bad one, it is an almost crooked one? It is remarkable. But actually, in some of these years they were already spending even more under the hospital loan, the off-the-books loan agreement. So how can they criticise us?

905 And then – I am embarrassed for him – he went on to criticise us for the GPMS overspend. He was Minister for Health. He should have known not to do this. Why is he making me do this,

Mr Speaker? In 1997-98, they overspent the GPMS budget by 11%, in 1999-2000 by 9%, the following year by 10%, the following year by 16%, the following year by 10%, the following year by 13%; the following year, 2004-05, by 19%; in 2006-07 by 5%, then by 8%, by 7%, by 7%, by 8%, by 5%. In 2012-13, we kept it at zero. We then overspend by 9%, 9% and 2%, and then we do not overspend again until 2022-23, by 18%. How can he say our GPMS is overspending and it is a problem when I have shown him that when he was Minister for Health it was overspent by more? In that period, they increased the estimate by 111%, or 96% from the first estimate to the actual. We increased it by 10%. Fourteen years of excesses out of 16 in the GPMS budget. Of course, this is demand led. We defend the spending. But of course you also have to put up the Social Insurance to pay for it, so that you get it closer. And they attack us and say that we cannot budget? They do not even look at the numbers before they go on the attack. It is just painful, Mr Speaker. No insults, I am not calling them any name. I am just giving them back the facts, the painful, killer facts that demonstrate that everything they have said is absolutely wrong and unreliable.

On sponsored patients they overspent every year except for four, and their maximum overspend was 34%, 35%, 20%. We overspend in some years, yes, because it is demand led – what can you do? But how can they say that we are not good arbiters of the purse strings when they overspend by more than us? Come on, be fair. And if you cannot be fair, well, at least find something on which you can attack us and not something which is tantamount to spitting upwards as a team and staying there to actually collect it on your foreheads, for goodness' sake. Do the research. The public needs to look at them and feel that they can have some semblance of an alternative government in Gibraltar, not this shower that cannot even look at their own numbers in government before attacking the person who is standing opposite them. And these are the people who are going to sit opposite the negotiators? What research are they going to do? Well, maybe this research, Mr Speaker. As ever, their record in government is worse than ours. How did they think they were going to fix all these things? How did they think it was all going to be resolved? In 2004 when Mr Azopardi left the Ministry it was all going to be resolved by the appointment of David McCutcheon, on £106,000 a year, a 104.6% increase over the salary of the person he was replacing. *Toma tela*.

Anyway, what would he do? He has been a former Minister for Health. Did he gently give us advice? Did he say, 'Cut the number of nurses,' or 'You have too many doctors'? I think we have doubled the number of doctors since they were in power. Maybe he would say, 'Cut the number of doctors, cut the number of nurses, you've got too many of them. Don't send so many people for operations, or make them wait a little longer so it straddles the financial year *y te ahoras un poquito de dinero*, Fabian.' No. Would he stop repatriating services to Gibraltar? No. He does not say any of what he would do to control the costs. Or is it that he would say they would spend more in Health, that he would give them more? And if you give them more, they will spend even more, of course, yes? So is it that he is saying we are spending too much and he is going to cut, cut, cut; or is it he is going to give them more, more, more, which they say we have not got to give? But certainly on health they come here in their political glasshouse to throw stones, knowing what the consequence of that is: cracked windows, because the stone comes down.

'But', he says, 'the biggest offence is in temporary cover in the Department of Education.' Well, Mr Speaker, if you look at our time in Education, we have overspent on temporary cover by 10%, by 31%, by 9%, by 1%, by 10%, by 43%. We have underspent by 42%, by 2%, by 2% and by 0.7%. In their time, the thing that he said was where the overspending was worse they grew by 325% in the cost of temporary cover. Let me take them through the years they were in office, starting from 1995-96 all the way to 2011-12. This is the overspend per year: 8.3%, 23.4%, 34.2%, 25.9%, 26.6%, on budget in 2000, 22.1%, 23.7%, 25.1%, 12.5%, under budget in 2005-06, 12.3%, 7.6%, 67.44%, 7.3%, 13.8%, 2.5%. Well, if overspending on temporary cover in the Department of Education is something that demonstrates that you cannot control the purse strings, the GSD wins the bout hands down. We are knocked out. We have never managed to overspend by 67%. Do not try it, by the way. *(Laughter)* They win, they are the biggest overspenders. Congratulations, you won the prize – except it was the thing you were attacking us with. They were attacking us with this. Of

course, when they do it, it is an investment in the education of our children; when we do it, it is a disgraceful vice because we are out of control.

And what about scholarships? They overspent on scholarships by 9%, by 16%, by 9%, by 14%, by 17%. When they do it, it is an investment in education. When we do it, we cannot estimate, we do not know how to count. It is a vice in our hands – a virtue in theirs, a vice in ours. Of course it is, because that is political hypocrisy. When you do one thing and you say it is great, and you see your neighbour do it and you say it is terrible, that is hypocrisy. It is also an attempt to pretend to the public that you are the opposite of what you are. So when we do it, it is a failure to control runaway expenditure, and yet this is the serious politics that our community expects at the end of a lifetime of a Parliament – an Opposition that attacks on the things on which they are worse performers than the Government that they are attacking.

Mr Speaker, the hon. Gentleman and his arguments are toast. When you subject his arguments on the surplus, you subject his arguments on expenditure and you subject his arguments on safety and security of sovereignty in their hands, all of his arguments are toast. They multiplied the health budget by four from £20 million to £87 million. We have not even doubled it yet. How can they make it an issue? Well, I suppose they can make it an issue because they do not prepare, and, because they do not prepare, they come here and say things that they are unprepared to realise are going to damage them. So when you do the analysis and look at the reality of what the Budget represents and of what they have represented in government, what happens is that you gut his suggestion that this is an unreal projection based on hopeless fiction. You end up realising that if there is one Estimates Book that you can trust, it is a GSLP Liberal Estimates Book, not a GSD Estimates Book. And that is just looking at the heads that he decided to take me on. If you look at all the others, it is exactly the same.

And so, Mr Speaker, I turn now to my analysis of each of their contributions individually, in particular the analysis of the Leader of the Opposition. The Hon. the Leader of the Opposition needs to realise that when he criticises Sir Joe, it is a little unfair when he is not here to listen to Sir Joe. He missed a part of what Sir Joe was saying. I will tell him why I am saying he is criticising him. What sort of a Leader of the Opposition has Keith Azopardi been – not since he became leader of the GSD but not Leader of the Opposition, since he became Leader of the Opposition in 2019? Has he done 80 hours a week, like I was doing as Leader of the Opposition because I left my practice in April 2011 when I became leader of the GSD? Is he doing 120 hours a week, as the Father of the House was doing and did as Leader of the Opposition, if not more? I may be undercounting there, right? No, he has not been a full-time Leader of the Opposition in the run up to a General Election, he has been a full-time lawyer who has done a bit of opposition on the side. He has been in what Mr Clinton describes as our plush offices – lawyers' plush offices – being a lawyer, a King's Counsel, and a very good King's Counsel he is too. I do not doubt his professional ability. I know they always question my professional ability; I never question theirs. He is doing his work as a King's Counsel in his plush office, earning big money, right? Indeed, such big money that when the time came to negotiate with me the possibility of becoming my Solicitor General, he wanted £400,000 a year. We were not ready to pay it, not because he is not worth it – because I do not denigrate them professionally. Of course he is worth £400,000 a year, but the Government is not going to pay £400,000 a year for Keith Azopardi to be its Solicitor General. He did not have such concerns about the public finances then, did he?

The only moment I have seen a smidgen of passion about him was when he started to talk about 1996 and all that. And so, as I will say to others, when Mr Isola spoke about 1996 it was not that Mr Isola was disgracefully going back to 1996, it was that Mr Isola was replying to Mr Azopardi having gone back to 1996. Why? Because I said I remember a Gibraltar in 2011, of course, the change of government, not two changes of government ago.

And then he attacked me for saying that I want to win an election to be Chief Minister just one more time. Well, what is wrong with that? I understand he only wants to do one term. He is alleged to have offered people the ability to become his deputy – this is all allegation, I put nothing by it – on the basis that he is going to go quickly. He just wants four. He just wants to see the words 'Keith

1015 Azopardi' etched into the woodwork at No. 6 Convent Place, with his name under mine. Maybe  
just one more time, like the final sighs at the end of *Careless Whisper*, Mr Speaker. What is wrong  
with wanting to win just one more time – to finish what we have started, in my case? Twenty  
1020 seven years ago was 1996, seven elections ago – not the last change of government, two changes  
of government ago. He was 28, I was 24. How is 1996 relevant? Of course, I am talking about the  
Gibraltar I found and how I have changed it when I am saying 'I remember Gibraltar when ...', but  
when I did that analysis I was very careful and respectful because I said Gibraltar was not a  
wasteland in 2011 but there were things that I wanted to change that were my policy, that were  
1025 the policies of the people who made up the executive committees of the parties that fought the  
election to win it, that are the policies of the people who make up the Cabinet from 2011. Those  
are the things we wanted to change. That is why I could say, 'I remember when ...' in 2011. But in  
1996, come on.

1025 Remembering the fast launches – hasn't he seen that we had a mea culpa in our manifestos  
and we said there would never be a return to the fast launch activity, and people voted for that?  
And there has not been a return to fast launch activity. But Gibraltar was not a wasteland in 1996,  
and as I said in my original address, Gibraltar was not a wasteland in 1988 either. There was a  
change of government that wanted to do things in a different way, very successfully after 1988,  
1030 successfully in many respects after 1996, very successfully after 2011. But to say that it was a  
wasteland for young people and that the GSD had to give people opportunities is utter nonsense.  
It was only before 1996 that you had investments like reclamation, which they were selling until  
their last term – fibre put into Gibraltar, affordable housing, all of those things.

1035 He says, 'When did I attack Sir Joe?' Well, in your soliloquy on 1996 when you said that  
everything was terrible and you had to fix it, and the 'terrible Gibraltar' – the words that he used –  
and the liberation from tyranny that is what we have been told had to happen. What opportunities  
did his Government create, when he was a Minister after 1996, for young people? Scholarships?  
Affordable housing? I will give them one: the bowling alley in 2008. I remember a Gibraltar in  
1040 which every young person who was interviewed said the only thing missing here was a bowling  
alley. They delivered the bowling alley, fair enough, but the scholarships, the housing for when  
they came back, the jobs did not happen after 1996. It happened during and because of 1996.

1045 I thought, however, it was particularly ungenerous of him to attack Sir Joe in his soliloquy on  
1996 and I thought it was particularly ungenerous of him to attack me because I became  
emotional. He has known me for long enough to know that I wear my heart on my sleeve because  
I cannot hide it, however big a coat I try and wear on it, and I cannot talk about family without  
getting emotional. I can talk about everything else, I can defend myself against him, against  
1050 anybody who comes on any issue, but when I talk about family I become emotional. It was  
particularly ungenerous of him to say that I was acting when I became emotional, ungenerous and  
unfair, and he knows in his heart of hearts that that was just completely cheap.

1050 He has spent his time here as Leader of the Opposition complaining about the fact that we got  
contributions for Campion Park – terrible that we could not even pay for Campion Park. But he did  
not make any such complaints about Commonwealth Park. We got a huge contribution from  
another charitable trust for Commonwealth Park. They did not make any complaint then. So we  
get money to develop Commonwealth Park, no problem; we get money to develop Campion Park,  
1055 'Ooh, terrible.'

And how can they say that they are better managers of debt when we have reduced the debt  
due to the Government under the Central Arrears Unit and they grew it because they got rid of  
the Central Arrears Unit?

1060 They no longer attack us for the tax refunds because we are paying more tax refunds than ever  
before. Indeed, our surpluses are unflattered and reduced by the amount of refunds that we pay –  
about £10 million a year, which we add more to; £14 million this year. Indeed, last year – forget  
not giving the contribution to the companies – we ended up in a deficit of £15 million when we  
gave £14 million back to taxpayers, which they never did when they were in government. We  
could have hung on to it in an election year to show that we are taking it to a deficit of minus

1065 £1 million. Indeed, then I would have had a serious conversation with Sir Joe Bossano and said  
 'Mira Joe, este año dejate de darle 30 millones a las compañías' and I would have declared a  
 surplus this year just ended of £29 million. But no, we pay the taxpayer back, in particular in  
 difficult years, because the taxpayers need their money back.

1070 So in all of that, with the affordable housing that is being delivered at Hassan Centenary  
 Terraces, where the snagging is going so well I understand there is nothing to snag and people are  
 delighted with the homes they are getting and are going to get in phase 2; with affordable housing  
 being the foundation of people's wealth, not with the sorts of problems that people have in  
 Bayview and Cumberland, which *they* developed, where we are going to have to bail them out at  
 1075 Cumberland because parts of the floors are sagging and falling, Sally and John that he talked about  
 actually feel a lot better under this administration than they would under a GSD administration,  
 not least because they are confident that we do not believe that Andorra is not joint sovereignty,  
 but anything they buy from us will multiply as an investment. Sure, we are late on delivery, but  
 isn't it better that we deliver late but at the right quality than they have to spend a lot of money  
 rectifying because we rushed to finish on time?

1080 Mr Speaker, I put it to you that if this were not a Parliament, if this were a court, I could sit  
 down now and if you had to deliver judgment on the public finance issues, on the economic issues,  
 on the political issues and on the sovereignty issues, knowing the judge that you are, of good  
 character, I am sure that you would deliver a judgment entirely for the Government with costs on  
 an indemnity basis against the hon. Gentleman.

1085 The Gibraltar team at the Island Games is back. They have broken records. They *are* a broken  
 record. All we have heard is exactly the same every year. How much contempt can he have for the  
 people of Gibraltar to go back to 1996, as if that mattered with this electorate? The worn-out  
 mantra that they tried to make stick, the character assassination of Joe Bossano which they then  
 regretted because they decided that they had to play him against Picardo. Vote Picardo get  
 1090 Bossano, in 2011, as a bad thing. Vote Azopardi get Picardo, in 2023, as a good thing. What hope  
 can anybody have that the GSD is led by a man with vision, by a man with imagination and by a  
 man with dynamism? It is not. It is a party with no energy, it is a party with no capacity to govern  
 Gibraltar, it is led by a man with no imagination, no vision and no dynamism in the political sense.  
 I make no criticism of him professionally or personally.

1095 Mr Speaker, I feel almost as if Mr Azopardi is trying to create a local Gibraltar version of MAGA:  
 Make Azopardi Great At Last. This is not about Gibraltar, it is clearly about personal ambition, but  
 the electorate can see straight through it. The electorate have a clear unease in their gut that they  
 do not have an alternative government, that they are looking at a lack of ideas in the GSD, a lack  
 of energy, a lack of commitment from Members opposite – that is very clear, a complete lack of  
 1100 commitment. In fact, it is about time that hon. Members started to give back to this community.  
 It is time that the GSD got something done – a GSD acronym as well: Get Something Done. Come  
 on, get something done. The least they can do is organise and really put the battle to us, because  
 in this two-horse race our democracy needs a serious contest of ideas and they are not up to it.  
 They cannot do this whilst being in the Court of Appeal, whilst being in the Magistrates Court,  
 1105 whilst being in the Supreme Court, whilst giving an opinion, whilst making so much money, whilst  
 sending the Bill, whilst collecting the fees. They cannot do it. They are getting money to be the  
 political representatives of people of Gibraltar, and that should be their salary and that should be  
 what they run on. But they have not done it. The election is now around the corner. They cannot  
 give this the time it needs. They are taking people for a ride.

1110 In the last meeting that we had – we have not finished Questions yet – the Leader of the  
 Opposition of His Majesty's Government of Gibraltar, seeking to become the Leader of the House  
 and the Chief Minister, seeking to lead Gibraltar's negotiating team in the Brexit negotiations,  
 asked a question about chickens. I get it that it matters to people with the noise, but is that really  
 a Leader of the Opposition's question? Seriously?

1115 And do we know how much each question costs? If you take their salaries and divide by the  
 number of questions they put this year so far, Mr Reyes – wakey, wakey – costs £568.76 per



question. He is obviously the senior partner in the organisation: £568 per question. Mr Phillips, £212.34 per question – obviously the junior in the organisation. Mr Azopardi, £315.37 per question – senior-junior or junior-senior? Mr Feetham, *más baratito*, £256.86 per question. I would not pay him that for his legal advice an hour, he might want to know. Mr Clinton, £241.29 per question. That is what they cost per question. The question on the chicken cost us £315.37. I congratulate Mr Bossino for being value for money: £151.67 per question. That is more than I charged when I started practice, per hour, but a decent fee for an hour's work by a junior lawyer these days. I think it is a bit expensive per question. But this demonstrates that the value for money audit that we have done shows they are not value for money for the people of Gibraltar. It is a scandal. The total average per question is £291.05 per question. Each question is costing the same as an hour of a middle-ranking lawyer's time. It is a joke. If Mr Clinton wants to talk about value for money, he had better start looking at himself. If he wants to talk about ridiculous, do not look at himself, because I am not going to call him ridiculous, look at the ridiculous cost per question.

And we are not taxing the people more, Mr Speaker, even to pay for their questions. We are making sure that the cost of COVID is being spread as it should, and in fact we have been able to lower the cost already. We are taking tax down this year. I gave him three hours between my speech and his. How could he come here and talk about us taxing people more? I suppose because he thought we were going to stick at the 2% for two years. Didn't he want to at least amend his speech a little bit? He said if they were in government, taxes could go down more quickly and salaries could go up more steadily. If they spend most of their speeches telling us that the public sector costs too much, and then he talks about putting their salaries up more steadily, do they think they are going to believe that? Don't they know in the public sector that they are coming either to cut the cost by reducing services and reducing the headcount, or cut the salary bill, or else they are misleading everyone?

He was the one who said I was presenting a false picture of solvency and financial health to the people. I am not. I can demonstrate, as I have, that our surplus estimations are reliable. He is the one presenting a false suggestion that our Budget is a hopeless fiction. He is presenting a false suggestion that there will be tax cuts and public sector pay rises under them, because both positions cannot be true. He is literally doing the opposite of what he said. He is not telling our people the hard truth. He just does not want our people to be told our good news, the good news – now there is a reference to the Bible – because what he is trying to do is literally feed the 5,000 with five loaves and two fish. It would be a miracle if he were to do it – down taxes, up salaries, all magic, or sleight of hand, or either Mr Speaker. He knows we do not just have five loaves. He knows we are accurately reporting the numbers. He knows he cannot give the pay rise he is hinting at. He knows he cannot give the tax reductions that he is hinting at. It is either one or the other. He knows either that our numbers are correct, or he knows and he does not mean it when he is saying that he will give tax reductions and pay rises; or, option three, he thinks that he can emulate Christ and feed the 5,000 – or, in this case, the 32,000 – with five loaves, two fish and a deficit, because that is what he is telling us we are going to produce. He is saying there is not a surplus, he is saying there is a deficit because the surplus is a hopeless fiction. Well, of all the people sitting opposite that I am looking at, I did not have him down for Christ, I can tell you that much; I did not have him down as a miracle worker. As Mrs Thatcher said, I say of myself in the eyes of him. If the GSD saw me at Eastern Beach walking on water, they would issue a press release saying it is a disgrace that the Chief Minister does not know how to swim.

'Where in the I&DF is the wastewater treatment plant? It is disgraceful. You are not committed to it because it is not in the I&DF.' Well, it is not in the I&DF because we are not going to pay for it. It is going to be produced by a third party. The tender actually provides for them to produce the plant. We will provide the sewage for the operation of the plant. That is why it is not in the I&DF, because there is no capital cost to the Government.

Then he called us 'the most secretive administration in our history ... hundreds of millions of pounds in off-the-book transactions ... we do not know where it has been spent'. Now it is more

1170 than just a simple web of companies – a ‘jungle’ where we have stashed the people’s money away.  
I will address a little bit of that in my reply to Mr Clinton, but to him and Mr Clinton the idea that  
we have to explain to them what the beach sheds are for and what they are intended to do ...  
Well, Mr Speaker, I will dissent to particulars. The beach sheds are for people to put away the stuff  
they take to the beach without having to take it home. The purpose is to receive cash when we  
sell them or rent when we rent them and therefore produce a profit. I would have thought it was  
1175 pretty basic. This is not a complex financial transaction. This is *para mete la barraca, la sombrilla  
y la silla*, and as Mr Bossano has said, we have been oversold, there is more interest than there  
are sheds, but even that they need explained to them. I suppose this is the same level of quality  
of analysis about the beach shed and what it is for as you are asking questions about chickens.  
Really a tasty bite of a question, I must say. I really got my teeth into that one. I would have  
1180 thought it was obvious.

And then he quotes from the Chamber report, talking about uncontrolled expenditure, as if it  
were the King James Bible, but he does not go to their dinner to hear them say at the dinner that  
the Government is doing very well and to hear my analysis of why that part of the Chamber’s  
editorial was wrong. Maybe if he had come he would understand.

1185 And what about the homeowners who are having to pay their mortgages against higher  
interest rates? What about the deal that the GIB is doing to keep those interest rates down? How  
can he talk about the negative without reflecting the positive thing that the Government has done  
to ameliorate the cost for John and Sally that he talked about?

What about the schools their children go to, the magnificent schools that children now go to  
1190 in Gibraltar? Or is it that he thought it was okay for the children of the Upper Town to go to  
St Bernard’s, which was a Victorian school under Mr Reyes as Minister for Education, because the  
children from the Upper Town matter less than the children from the South District? Is that the  
reality? Maybe that explains why they are not so welcome when they visit the Upper Town at  
election time, because the children of the Upper Town matter as much to us as the children of the  
1195 South District, the North District and everywhere else in Gibraltar. That is why every school in  
Gibraltar has to be fit for purpose and to a standard, and that is where you have to judge the  
Gibraltar in which we live. That is a point I make to all of them, Mr Speaker. Talk about the Gibraltar  
in which we live being anything other than a quality Gibraltar.

And remarkably, having said in the first part of his speech that he was going to deliver tax cuts  
1200 and he was going to raise salaries more quickly, he then said to me that the tax cut I am proposing  
is not affordable, and then he said that the lump sum that we are going to pay to the public sector  
as a result of our negotiation with the unions is not affordable. How can you, in the same speech,  
say, ‘With me, taxes down, salaries up; with him, the 1% tax cut is not affordable and the lump  
sum non-consolidated amount is not affordable’? I despair, Mr Speaker. Please can I have a serious  
1205 Opposition? The public deserve a serious contest of ideas. Where is Sir Peter now? I disagreed  
with him profoundly in everything, but the quality of the argument was much higher than the  
quality of the argument today.

And it is all a bribe, they say, because it is going to be paid at the end of September. Well, the  
unions are negotiating with the Government in the run up to the Budget. The Budget is in  
1210 June/July. We agree to pay something at the end of the second quarter, the first half of the year,  
and it is a bribe because they think it coincides with the election. At the end of the day, their  
predictions on the election have been as bad as their predictions on the estimates. Mr Clinton was  
predicting an election in February 2022, and then when it did not happen he said March, and then  
when it did not happen he said May, and then when it did not happen he said before the summer,  
1215 and they he said in the autumn, and then he said in the winter, and then he said in February, and  
then he said in March, and then they said in May, and then they said pre-summer. You cannot rely  
on them on anything. The date of the election has been obvious for all to see if they follow the  
instruction the Father of the House gave me many years ago when you look at the options. They  
are not even reliable when it comes to looking at the calendar.

1220 Then, when he attacked me on the delivery of affordable homes, I thought the man has taken  
leave of his political senses. I am not going to do the analysis now, I am going to do it when I deal  
with Mr Bossino, but how can he attack me for a failure to deliver affordable homes when already,  
having failed to deliver all of the ones that I promised, I have delivered more than they delivered  
1225 in 16 years? Anyone who delivers one apartment delivers more than he delivered in the eight  
years he was a Minister, because they delivered zero.

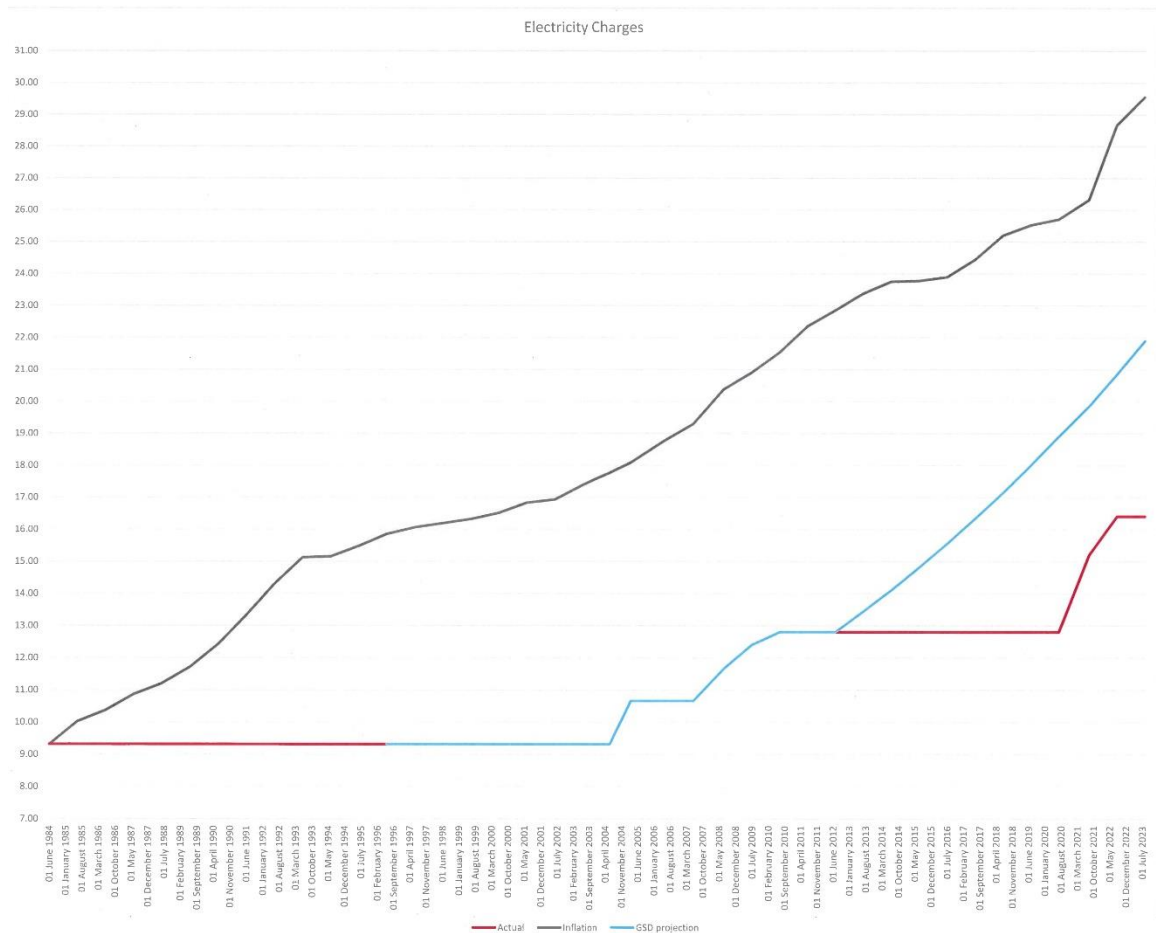
When it comes to rainy day funds, I would say that the hon. Gentleman should take advice  
more from Sir Joe Bossano than from Roy Clinton, because when it comes to Community Care and  
the Savings Bank, those are much better under the stewardship of Sir Joe than they are under  
anybody else. I will prove that to him, too.

1230 He said I wrote an electioneering headline that I wanted, which was that financial stability has  
been restored. I do not want that to be an election headline, I want that to be reality for my  
children and for his. I want it to be reality for everyone in our community – for the patients who  
need care, for the magnificent public sector workers who need to be paid. I do not want to restore  
financial stability to win an election. I would happily, if the Devil were to come and put on the  
1235 table ‘restoration of financial stability but you lose the election’, I do the deal with the Devil, I  
shake his hand, I lose the election, but I take the restoration of financial stability for our people  
every time. This is not an election headline, this is the deepest desire of the Government, which  
includes the man who said the road to self-determination is paved by self-sufficiency. That is what  
we believe. This is not writing a headline, this is actually delivering a strong economic performance  
1240 despite COVID, despite the aftermath of Brexit, and it is doing what we need to do. But he  
obviously decided he was going to write his speech when he saw the news report of what I had  
said at the Chamber dinner, which he was not at, because he is supposed to be responding to my  
analysis. He did none of that. Lazy politics. That is what we come to expect of them – a few hours  
of work as Opposition leader a week, and from there you win the election. Not quite. The people  
1245 of Gibraltar expect more than part-time politicians.

And no, the people are not bailing out the Government with their taxes, the people are paying  
for COVID with their increased taxes in an *esprit de corps*, a feeling of solidarity that everybody  
understands and should not be exploited in a Trumpian fashion by those who now want to suggest  
that we are being bailed out. What is being paid for? Everything that happened in COVID. And  
1250 what else? The schools for our children, the scholarships for our children, the care for our patients,  
the domiciliary care for those who are home so that we have beds available in the Hospital. And  
when we did the COVID things, we did them with their full support, so if anybody is being bailed  
out, it is the whole House that is being bailed out because they agreed that we should do the  
spending and incur the debt that we had to incur.

1255 And then he says all of this has been paid for by higher electricity charges. Seriously, higher  
electricity charges? If the hon. Clerk could get the usher to come, Mr Speaker.

Table 2



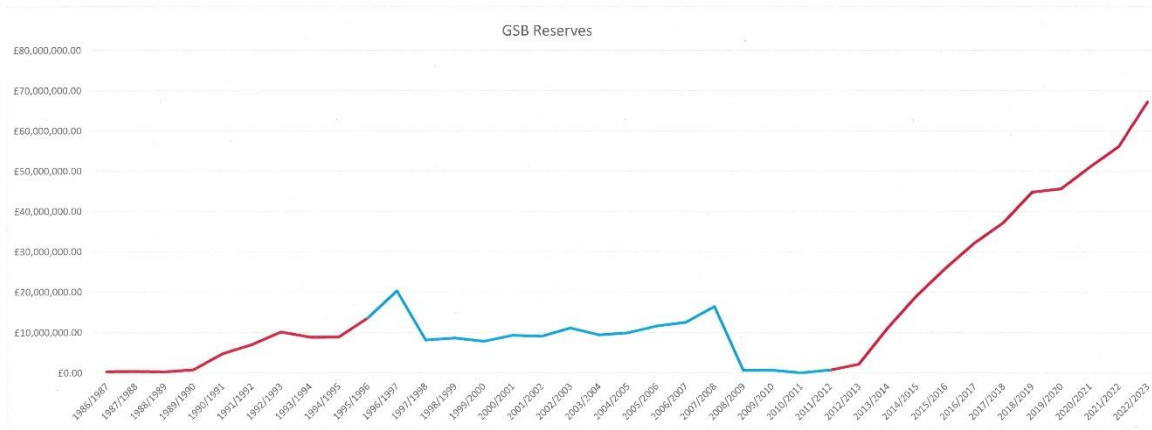
1260 This year, we have once again frozen electricity charges. The price per unit at the moment is  
 1265 £16.40, and we are not putting it up, even though we said it needed to go up because the cost of  
 fuel has gone up. We are not putting it up because we understand that there is a cost of living  
 issue. But do hon. Members forget what the cost of electricity would be if they were in  
 government? I have plotted it, Mr Speaker. The red line shows how water and electricity charges  
 went up under the GSLP administration between 1988 and 1996. The blue line shows how it went  
 up under the GSD and the red line shows how it has gone up under us. We had to put it up because  
 the cost of fuel was going up. Look at the cost of fuel, which is the black line. We stopped it going  
 up.

1270 Hon. Members will see that the chart shows two lines moving forward from 2011-12, not one.  
 There is not just a red line, there is also a blue line. Do hon. Members remember the reason for  
 that blue line? They can come here and say it is terrible that I put up electricity charges in the year  
 that that electricity production costs have gone through the roof, but do they really think the  
 people of Gibraltar will forget that when we entered government they had signed an agreement  
 with RBS which included a legal requirement on them to put up electricity charges 5% a year for  
 20 years? I have not plotted it for 20 years, but 5% per year for 20 years is 100%. I have plotted it  
 to where it is now. If we had a GSD government, the cost of electricity would be much higher. It  
 would, today, be 21.9p. So how can he attack me for having to put up electricity a little bit? Does  
 he not think of these points when he makes them? If somebody has an obvious response to you,  
 do not make the point, because you are going to get it back.

The political maturity of Gibraltar today is such that we put up tax by 2% for two years when  
 we have to, we can bring it down sooner than we expected to, we pay our way, we have the  
 support of the United Kingdom with a sovereign guarantee but not a handout, and all of this also

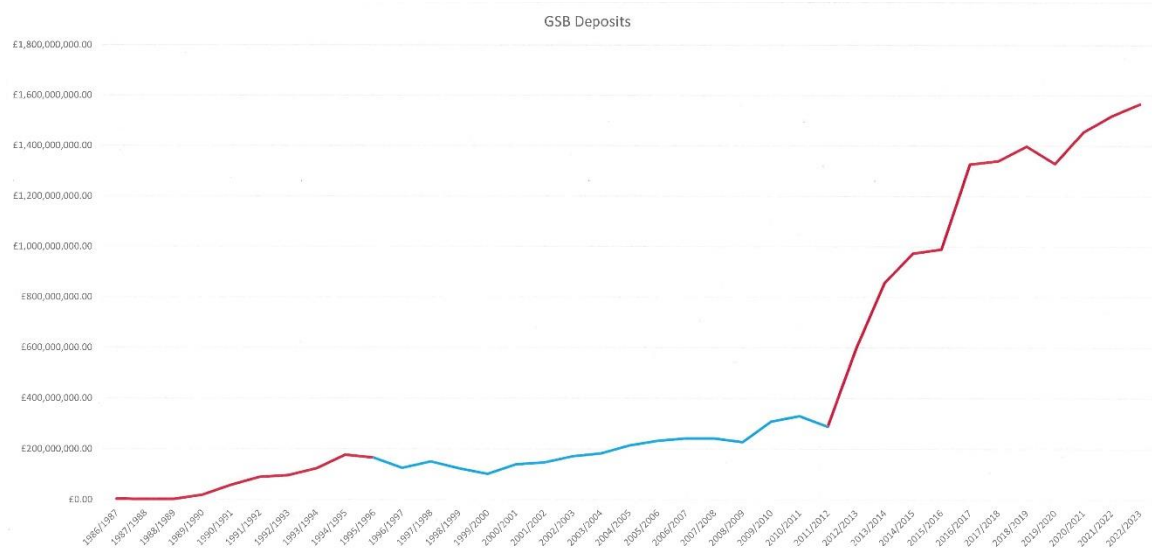
1280 with a cash reserve, a cash reserve in the Savings Bank and the cash reserve that exists in Community Care, so that we do not have to give Community Care donations when the rain comes. Mr Clinton says, ‘Why don’t you use the rainy day funds?’ Well, to an extent, Community Care was seen as the rainy day fund. We are using it because we are not giving it money and they are paying using the money that we have given them.

Table 3



1285 But look at the deposits in the Savings Bank. A picture is worth a thousand words.

Table 4



1290 Mr Clinton and Mr Feetham say that they do not like Joe Bossano as the arbiter of the Savings Bank and what it does, that there is no board, there is no real decision-making there. Well, look at how the Savings Bank deposits shoot up when Joe Bossano is in charge. Look at that. The public do not agree with Mr Clinton or Mr Feetham, or with Mr Azopardi. Look at how the cost of electricity would have shot up if the GSD had been in government – the second blue line, over the red line, 5p per unit more expensive, a quarter more. And what does that increased level of deposits in the Savings Bank do? Look at the reserve of the Savings Bank. Yes, the blue line goes down to zero. As I said when I did the analysis of their surplus, they snuffed the £19.3 million in the Savings Bank reserve to take it to the Consolidated Fund to flatter their deficit into surplus.

1295 And yet look at what it does: it goes up massively under Sir Joe. And finally – all of these things that they talk about that they do not seem to give thought to – look at Community Care. Look at

how it goes down to zero in 2011 and look how it goes up. And now it comes down because we are allowing them to use their rainy day fund so that we do not have to give them more in this period.

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How could it be clearer? Sleight of hand and massaging of the figures, seriously? We took a deposit balance and more than multiplied it by five. The deposits in the Savings Bank in 2011-12 were £288 million; they are now £1.5 billion. The public do not agree with them that Sir Joe is not a good arbiter of where their money should be put. In 2010-11 there was £1,000 in the Savings Bank, £1,444. There is now £67.1 million of reserve. That is the reality. There is no sleight of hand here and massaging of figures. This is the uncomfortable truth, and that is why everything the Hon. the Leader of the Opposition tried to do was an entirely hopeless fiction. Indeed, if he turned up with that speech to me, as a publisher, I would tell him to get lost because it is not a book that is going to sell much the minute the critics get a look at it.

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Mr Speaker, I think that careful analysis demonstrates to anybody who may be watching that there is absolutely no reason to believe that Mr Azopardi would better prepare himself to go into the negotiations on Brexit, that he would better prepare himself to present an Estimates Book next year than he has this year when he is allegedly doing the job of Leader of the Opposition, and therefore very good reasons to reject his candidature to take the top job in Gibraltar politics – that is to say not to make him Chief Minister after the next General Election. But if he had a strong team, that might avail him of some support, which might at least carry him into No. 6 Convent Place. Unfortunately, as I now move on to deal with the rest of them, it is pretty obvious that he has not got a very strong team.

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His strongest support, I suppose, is allegedly Mr Clinton. A lot of what I have done has already dealt with much of what Mr Clinton said on the issues of expenditure and on the issue of the surplus. I want to start with Mr Clinton by telling him that he was right, in my view, about one thing, that when we worked together in the winter and spring of 2020 it was our finest hour. Absolutely true. There was a gathering storm and we got together and worked together, and nobody will ever be able to take that away from us, not even any one of us in the subsequent unfair and ungenerous criticism that he might seek to do of the effect of what he agreed to do in the winter and spring of 2020.

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For all the reasons I have set out about the tenor of my address today to them in respect of their arguments, I am actually very pleased that he is here and he is healthy and that the scare that his ticker-ticker gave him last year is in the past, that we will, I hope, continue to enjoy his analysis during the course of what is left of the lifetime of this Parliament and that then he will be roundly rejected by the people of Gibraltar and be one of the ones who is not elected. I wish him all the worst politically and all the best personally, as he knows, but it was absolutely right that he should reflect – and I thought he did that generously – that it was our finest hour. But to go from that to saying that Joe Bossano has a parochial, small-town vision just does not seem to me to be something that you can reconcile. That is what he is saying. He is saying we have parochial, small-town visions. He is saying it to all of us, to him. We have already extended the three loan guarantee to Gibraltar agreement with the banks, the loan. The UK loan is subject to the final sign-off by Parliament – it has to go to Parliament to be laid, it is an exercise that has to be done – and we will be able to draw down on the moneys on the new loan when the old loan expires. The old one expires in December, the new loan kicks in after that, and the 14 days in Parliament in the UK will have expired in good time for that. So that is done. I have laid it today because it has been signed and I have to lay it as soon as it has been signed – and I am sorry for a bit of a rush there, but it was being signed and I thought he would believe it was right that I should bring it as soon as possible. He can now look at the terms of it. He will see that they are the same terms, something which he thought would not be acceptable.

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And then he goes on to talk about the ‘jungle’. Well, we are all in the jungle, Mr Speaker, the mighty jungle, but he has made the mistake of waking the lion that was sleeping. Sir Joe already replied in the analysis that was shared by Gilbert Licudi on how they got it wrong on departmental expenditure. But look, we are running an organisation with an income of over £700 million, with

1350 expenditure in the region of £500 million to £600 million. Of course the accounts are complex. This is not a salary coming in, paying for the mortgage, paying for the car and paying for the baked beans. This is an extraordinarily complex beast now. That is why there are a hundred more pages to our Estimates Book. Of course, if you do not understand that, you think it is a jungle, but all of the information is in there.

1355 But you know what, Mr Speaker? It is also true outside of this place, beyond the Frontier. It is a jungle out there with the law of the jungle and Gibraltar has to be fleet of foot and needs to be able to defend itself, and in some instances cannot afford to lay *Hansel and Gretel* like clues to others as to how we do things, or they would seek to stop us from doing it. There are people out there who wish us harm, and we are not going to give those people a route map to how we are going to ensure that our people survive.

1360 I thought, Mr Speaker, as I said before, it was particularly ungenerous of him to call me ridiculous because we were doing a bit of heckling. They were doing a lot of heckling during our speeches. We did not call them ridiculous. We may have said they were nervous. But I think on reflection, given the things that we say to each other personally – not politically – he could have called me many other things, political things and not ridiculous, because he confirmed again that he is not an economist and so I assume that he will be content when I say that I am, therefore, less than impressed by his economic analysis. Yes, you did. The hon. Gentleman says he did not do any economic analysis. He said that he did not think that interest rates would come down. That is an economic analysis. He must be the only banker in the world – because he is not an economist – who thinks that now is a prudent time to fix for 25 years, because he was saying it is terrible that we had not fixed for 25 years and we had only fixed for three. I explained why we had only fixed for three, because we think in three the rates are going to be down. We may or may not be right, we do not have a crystal ball, but he seems to think the opposite. The front page of the *Sunday Times* section on money this weekend was all about the fact that it is very likely that interest rates are going to come down in three years, and it is giving advice – which may be wrong, it could go up or down – to people who are taking mortgages or going to floating or going to fixed to hold for three years. Who knows? Nobody has a crystal ball, but neither does he. So he cannot say that we are wrong to have fixed for three and wait to try and fix for the remaining 22 either. The prevailing wisdom, so to speak, is that interest rates are likely to come down, and if you look at what Rishi Sunak has done in saying to the Bank of England that they must tame inflation, that suggests that interest rates are going to go down very sharply before a British general election and then drop as they try to get inflation down. We may or may not be right. If we are not right, we will have to fix for another three and then find the right moment, a sweet spot, to try and fix for the 22. We will see.

1385 But then he makes inferences, in the way that he addresses us, which are very ungenerous. He says he is not there for the knighthood, he is not there to represent any sectorial interests, he is only there because he is worried. I have no doubt that he is there for all of those noble reasons, but why is he saying it to us as if we were here for anything other than the same noble reasons? Is it that he thinks I am here for the knighthood, or that Joseph Garcia is here for the knighthood, or any of us? Certainly we all know that Sir Joe Bossano was not here for the knighthood, but why must he think that the rest of us are somehow here for a knighthood or a gong? Maybe it is one of these excuse qui s`excuse s`accuse, one of those things where you do not see the mote in your own eye, where you are saying something to someone that you actually mean about yourself, because it is what you would be doing. I do not know whether it is that.

1395 He did not understand that I was a man of depth, he said, who could quote Shakespeare, and that he was very impressed by that. Well, maybe he needs to look at himself a little bit. Maybe he has some of that 'ambition, which o'erleaps itself and falls on th'other', which is from *Macbeth*. Or maybe there is something dark inside him that wants a gong or wants a knighthood. Maybe the more apposite quote is 'stars hide your fires, let not light see my dark and deep desires', also from the Scottish play. Maybe those are the things that are playing out inside him.

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For me, this is a vocation. I am here because I love politics. I think Keith Azopardi and Damon Bossino are here because they love politics, because they started in politics with Joseph Garcia, with Vijay Daryanani and with me. I think the others are also here because they love politics, because we love Gibraltar. We love politics because we love Gibraltar. I have just told him in the analysis I have done before that I am prepared to do everything it takes to bring down the British government if they talk the words 'joint sovereignty' in front of me. You think I am here for a knighthood? I would not get, perhaps, to see the end of the night if I try and take them on, but I take them on – let alone the knight and the hood. So it is wrong to make inferences that suggests that he is here for noble reason and we are not, with respect to him.

On the issue of the reconcilable £26 million, he spent a large part of that saying how can we go from a £45 million loss to a £50 million loss? He explained how part of the revenue is made up of the additional employment and the additional 2% and he showed us exactly where he is able to find these things. Why is he doing that? Why is he showing us his working out, just to demonstrate that his main thesis is wrong? If he says, 'Look, I have worked it out because the 2% here is the employment' and shows it is all in the Book ... You can work it out in the Book, but knowing that Gibraltar has to refinance he takes every opportunity he can to try and denigrate the book, which is what people will put reliance on when doing an economic analysis. Well, the real experts in HM Treasury in London and the real experts in the lending banks have taken a different view. That is why I have been able to lay this document today, but he says he cannot reconcile this £26 million, and he says it must have been done, therefore, by some sleight of hand. Of course, because if he does not know how it is done, it cannot be done. If he does not know how it is done, then it must be a trick. If he does not know how it is done, then it cannot be correct. To an extent, the hon. Gentleman will forgive me for saying that that is pure, unadulterated political arrogance – 'If I cannot do it, if I cannot see how it is done, then it cannot be done,' – and in that, he reminds me a little bit of Iago in *Othello*. There: more depth, Mr Speaker. He took the easy reference, the Cassius reference, 'Yon Cassius' with 'a lean and hungry look' – him ... mean and hungry, compared to me these days ... Believe me, Mr Speaker, I am the hungriest person in this place with my intermittent fasting, *very* hungry; I hope not mean. Albert Isola can be described as many things – charming usually, mean never. So, frankly, I think he is getting his Shakespeare wrong. In Iago we saw someone who used to say 'I am not what I am' because he hid something, and so when he got up and said, 'I am not here for gongs, I am not here for knighthoods, I am here for a noble purpose,' I was almost reminded of that other Iago quote: 'I know my price, I am worth no worse a place', which was Iago saying that he actually was better than everybody else, which is a little of what he says that he is.

And then, of course, when we ask him about any issue, he says, 'No, you work it out,' and then he complains when we tell him that, too. I am very clear that there is no sleight of hand here. He gets documents from us confidentially, which we agreed to provide him as part of the COVID process, which give him some information, and yes, as a result, I am surprised that he comes here and says we are not transparent. We are actually giving him a lot of information confidentially.

And, yes, there is an uptick in March 2023, but he does not do what a fair-minded person would do, which is perhaps to ask me, or think maybe this forms part of the February receipts. No, he does not pose a question. He comes here with a warped theory that, in my view, says more about him than it does about us. His questions assume we have done something underhand, which might be somebody not seeing the mote in their own eye. The answer is actually that the numbers were just banked in March for February as they always come in at the end of the month, and actually, contrary to his narrative but consistent with ours, revenue payments on account are up. Hopefully this signals the shoots of recovery out of COVID, but of course that does not work for Iago's narrative, because despite knowing that we had to renew with the banks, he was still thumping and thumping and worried and worried – but not so worried that he did not want us to ensure that we take the full £500 million possibility because he wants to have the £75 million in the unlikely event that he is elected into office. He wants to know he has got that £75 million. Is it for



tax cuts? Is he borrowing for tax cuts, like Liz Truss and Kwasi Kwarteng? Is he borrowing for pay rises? Is that how they are going to fund it?

1455 I have just laid the document. The answer to his questions is this. We did receive £24 million from state aid recovery in September 2022. There was some doubt as to whether this will be challenged. As a result, it has not been taken into revenue to flatter the figures, but rather it has been kept on deposit, despite the fact that it is very likely that we will be able to keep the lion's share of it. So we did not flatter the income tax receipts in March by generating excessive government tax company payments. Gibraltar Commercial Property Company Ltd, GSBA Ltd, 1460 Gibraltar Carparks Ltd and GSTR Ltd met their statutory obligations to tax by making their total tax payments, and this is in line with their obligations. CFCL did not make a payment as there was a credit balance held at the Tax Office. Again, perhaps the above points to what he might have done differently if the situations were reversed.

1465 It seems to me that he thinks he can just grab the Book and other Books and have his reports and sit in his office, which I assume would be somewhere in Convent Place as Minister for Public Finance, and just review reports, like Warren Buffett, and in that way control expenditure and control everything. He is not the Oracle from Omaha. God help us if he had not heeded Buffett's advice, because we have, and when the tide went out we were not caught without our bathing costume. Even now, with the tide coming back, we still have our full reserve in the Savings Bank. 1470 If we had followed his advice and put all our indirect borrowing on balance sheet, we might not have got the borrowing that we needed when we needed it.

How deluded is he when he asks for these value for money audits as the way that he will identify waste? First of all, the Principal Auditor, for no reason connected to the Government, is delayed. The last value for money audit that the auditor identified pointed to £2.5 million of expenditure as being something that needed to be addressed – of course, not the whole 1475 £2.5 million. So what is he saying, that his job as Minister for Finance will be simply to wait to receive the Principal Auditor's report on value for money and then address that, which of course should be addressed? That is what he is going to do? So the estimates process with Roy Clinton is the same again as last year, except the bit where the Principal Auditor has said we need to look at value for money? Well, he will be a much less effective Minister for Finance than this Minister for Finance, or indeed the former Minister for Finance, because I sit down and I go, with my team, through the estimates line by line trying to identify any area where in a new year we could cut costs. He is not going to do that. He is just going to wait for the Principal Auditor's report. I put it to him that he will not be very much value for money if that is what he is going to do as Minister 1480 for Public Finance.

Of course interest rates have gone up and our interest rate costs are higher. Everybody knows that. How can that be a point that he makes as if it were a salient, important new point to make during the course of this debate? That is why we have not fixed for longer than three years, because we are doing the right thing and I value more doing the right thing and fixing for a shorter 1490 period, even though as a result I have not been able to come here and say, 'There, fixed for 25 years.' It would have been a great political boon to come here and say fixed for 25 years. I could have done it at today's rates. I had the offer. I will tell him I had the offer to fix for 25 years at today's rates. I chose not to. I made what I think is the right call for my children and for everybody's children, because otherwise, in 25 years they will still be paying today's rates when it is very likely that if they fix for 22 years, in three years they will be paying lower rates. We do not know, but it is the right thing to do for Gibraltar because all of the thinking suggests it is going to be going down, but it is very unlikely to be higher and all the advice I have from economists, from banks, tells me that it is very likely to be lower. So I have taken that advice in the interest of Gibraltar. I will have him out for a beer three years from today. Whoever is Chief Minister, whoever is Minister 1500 for Public Finance – none of us might be by then – if the interest rate is higher, I will pay for the beer. If the interest rate is lower, he will pay for the beer. Mine is a Peroni.

Anyway, it is very clear to me that if all he is going to do is look at reports and look at the auditor's value for money audit, he is going to be an armchair general, as he is today, even when

1505 he is on the front line. He is going to sit in No. 6 Convent Place waiting for reports to read, and that is it. He is not going to be on the front line. He is not going to be sitting with the Financial Secretary going through, line by line, with the controlling officers etc. Always behind the report, never on the front line, never in touch with the issues in the GHA, never in touch with the issues in the GEA except when finally the lights go out. When they come in and bring him his mug of tea made with cold water and they call him Chancellor, as he no doubt will require his secretary to call him, and she says, 'Chancellor, your tea is cold,' and he says, 'How dare you bring me cold tea?' and she says, 'Chancellor, you have not paid for the petrol for the generator,' he will realise that you have to have an eye to what is happening on the front line and not just sit behind a report and think that you can run Gibraltar from a report at No. 6 Convent Place.

1510 All of this is all about Project Fear. We have seen it today. They have taken a complete part of the Tory campaign machinery: Project Fear on finances; Get Brexit Done if you vote for them. My goodness! Of course their mission is to hold us to account. I get it, I have no rancour in their trying to hold us to account, but that does not mean just criticising us. They have to understand we have a mission too, and it is a critical mission. Our mission is to lead, and lead we do, and when we lead, we do the things that we have to do to ensure that the tunnel is finished; that we close the Eastside deal; that we do not project for further borrowing if we can avoid it; that we finish the affordable housing; that the dockyard is turned around with a new operator, where we drive a hard bargain on the lease but we get what we want there and we see them succeeding; where the banks have agreed to a three-year extension on the same terms as before, with the 22 years to come afterwards, where we work with the United Kingdom to have approval for this extension of three years with a sovereign guarantee, with more to come for 22 years, I am confident; 30 new companies in the gaming centre; continuing to grow financial services; 747 more jobs. That is how you lead, not by sitting behind a report and looking at a value for money audit sitting in Convent Place. That is what we are doing.

1520 We are not saying that with the 10% of the surplus we are going to pay for the loans. It is £500 million. We are not saying that is how we are going to pay for it. We are saying that we are committing 10% of the surplus to go towards the surplus to reduce it, and then we pay the surplus at the end. It is payable in a bullet at the end. That is what we are talking about. But look, if we have a GSP Liberal Government with an average surplus of £44 million, in 10 years we will have paid £40 million towards the capital, which will reduce the interest. What we are doing is giving a commitment on 10%. We are not saying that is how it is going to be paid. If we have a surplus of £100 million, we can give £50 million to repay the debt. If we have a surplus of £25 million we can give £10 million to repay the debt. What we are saying is we are committing to *at least* paying 10% from the surplus. But of course they think we are never going to have surpluses. If we choose them, the surplus will always be lower because I have done the analysis that demonstrates it.

1530 The expenditure part of the Book that he criticised us so greatly for, I was surprised to see he was suggesting was somehow wrong. I have done the analysis already with Mr Azzopardi. Our expenditure grows by 65% in any 10-year period, theirs by 114%. How can they criticise us? In fact, their average is 114%. It is a maximum of 134%. In the six-year period between 2006-07 and 2011-12 they grew the expenditure by 68%. That is what the numbers objectively show. When they had control of the purse strings, when they were not just sitting there criticising, when they were in No. 6 doing, they were worse at controlling expenditure. They grew expenditure more.

1540 And he was wrong in his analysis to think that there was anything wrong with our revenue, absolutely wrong. For the reasons I have shown and demonstrated with graphs, our revenue is more reliable than theirs, our surpluses are more factual than their fictions, because the one that they had to raid the Savings Bank reserve for was a fiction.

1550 And then he says, 'You bandy GDP about. Don't you realise' – listen to Sir Joe – 'GDP has nothing to do with public finances? Of course GDP has nothing to do with public finances.' It has the same to do with public finances when I mention it as when Sir Joe mentioned it in his speeches and when Sir Peter Caruana mentioned it in his speeches. Those are the economic indicators. So you talk about the economic indicators ... He had better perk up because if there is the slightest

chance that he is going to win an election after the autumn, he needs to design a Budget speech because he is the Minister for Finance. There is a section in the Budget speech delivered by everybody who has delivered a Budget speech, whether it was the Financial Secretary or, thereafter, Bwana, as Brian Trainer referred to Sir Joe when he took over. That section is the economic indicators, and there you give the GDP, you give the numbers for employment etc. That has nothing to do with public finance, which is what this debate is about, but it is an economic indicator because this is a state of the nation address.

So why is it wrong that I talked about it in exactly the same ways as Sir Peter talked about it? Sir Peter would go on about GDP for a lot more than that. I never linked the GDP to wages. I never did that. It was Unite the Union that did that in their report, but I am grateful because I think it is foolish to link GDP to wages. He agrees with me, therefore, that the reports of Unite on wages in Gibraltar is based on a false premise, although the hon. Lady went on to rely on it greatly. When the GSD Chief Minister refers to the GDP, it is magnificent, it shows the growth that they are presiding over; when I refer to the GDP, I should listen to Joe Bossano and not talk about it, although Sir Joe Bossano talked about it when he used to be Minister for Finance. These people tie themselves up in so many knots that they are completely unreliable. The public must be saying, 'My goodness, why are they putting poor Mr Picardo through this, having to explain this to them? It is remarkable.' Of course the GDP is not public finance, it is a measure of growth of the economy. Those two are different. There is not a linear connection between them, but as the economy grows, usually public revenue also grows because there is more economic activity, more interaction for the Government, more payments of taxes, more payments of all government fees. That is why it is relevant. And as the GDP grows, also our kitty grows, usually. It is not linear, it is not connected, but there are some non-linear connections.

When he talks about us taking on unseen debt, he seems to think that he can conveniently completely ignore the companies under which they borrowed, not just one: GCP carparks, the borrowing on the Hospital. They have all said ... the new GSD all say that the Hospital was hidden borrowing, even the person who was Minister for Health at the time.

And when it comes to Sir Joe saying it is just an estimate, as if that were irrelevant, it was not Sir Joe saying that. Sir Joe was quoting Sir Peter Caruana, the man one of their number has described as the greatest Gibraltarian of all time. (**Hon. D A Feetham:** Our time.) No, you said all time. (**Hon. D A Feetham:** Our time.) You said all time. Anyway, (*Interjection*) he dropped the Book to say, 'This is a worthless waste of paper.' Mr Speaker, do you know what he should do? I have not brought it, because I think it is a bit childish, but he should drop the last GSD Book, the 2011-12 Book, and listen to the thud it would make, and then drop our Book and listen to thud it would make, because ours has a hundred more pages. It is like comparing my manifesto of 2015, the 'Strongest Foundations' manifesto – boom! when that fell – with the pamphlet that the GSD delivered in 2015. It did not quite sound the same. But look, there is something in it. We have got a hundred more pages. How can you say there is not disclosure of the facts of the finances of Gibraltar with a hundred more pages? It is remarkable, Mr Speaker. By the way, he needs to remember it is not LIBOR anymore, it is SOFR.

I am not going to sing to him *Welcome to the Jungle* from Guns N' Roses, but it is a jungle out there, and therefore having a National Economic Plan that is assisting the Savings Bank in its own growth and assisting with the growth of the economy is a very good thing because the jungle out there could get a lot more dangerous for us in coming years. So whether it is sheds on the beach or any other positive, profitable economic activity, the Hon. the Minister for the Savings Bank has the full support of the whole Cabinet in what he is doing there, and, I think, of the whole of Gibraltar.

When he talked about *The Jungle Book*, I was surprised that the hon. Lady actually smiled and they were a little positive to each other about it, because *The Jungle Book* was written by Rudyard Kipling. When I quoted Rudyard Kipling's Magnificent *If* last year, I was told in response it was terrible that I had done so because Kipling is now seen to be responsible for anti-Semitic tropes, and if that is the case, Mr Speaker, I will not be quoting Kipling, but I was surprised that despite

1610 having heard that, he went down the route of quoting *The Jungle Book*. I am not going to go down  
the route of *The Jungle Book* quite yet, but if this is a jungle ... I may be Tarzan but he is no Jane.  
He is more like Cheetah, monkeying around with the Estimates Book, throwing it around –  
amusing, but not serious. If we are dealing with *The Jungle Book*, then maybe he is more like King  
Louie, the man who sees himself as the king of the swingers, the jungle VIP, the one who wants  
the gong, the knighthood – he has reached the top. But what is to stop him going further? I can  
1615 hear him singing to me, Mr Speaker, ‘the king of the Swingers, the jungle VIP. I’ve reached the  
top’ – of the Opposition – ‘and had to stop and that’s what’s bothering me. I want to be a Minister,  
Minister cub, and stroll right into office, and be just like the other Ministers, I’m tired of monkeying  
around.’ Is that what he is saying? Is that why he sees it all as a jungle? Is that why he is talking  
about gongs and knighthoods? Is he just tired of being an accountant and he wants to be a  
Minister instead?

1620 His idea that he is going to completely flatten the jungle is not one that is met with support  
from the Minister for the Environment. Taking down jungles is not a good thing, it is the root of  
all evil affecting the planet, as is the sort of politics that is done by people like Trump and  
Bolsonaro, where they get up and threaten people. The hon. Gentleman got up and said that the  
directors take that into consideration in their plush offices when he was talking about the charities  
1625 that make up the National Economic Plan. So already, without the election called, they are  
threatening people. The hon. Gentleman – I am very grateful – is nodding his head, and I am  
grateful if *Hansard* would reflect that when I have said that the hon. Members are threatening  
people, the hon. Gentleman has nodded his head. It is remarkable. We are back to the same old  
GSD with a blacklist of people whose heads they are going to cut off when they are elected, if they  
1630 are elected. That is not the Gibraltar that we want. That was not about leading a liberation up  
Main Street in 1996.

And then he says that the burden of tax has increased on the ordinary worker. Has it? I have  
just taken it down 1%. The ordinary worker is paying with everyone. I have put up tax, where they  
had it at 5%, to 27%, not on the ordinary worker but on people earning hundreds of thousands of  
1635 pounds. And then he says, ‘You should tax property developers.’ Did he miss the measure I  
announced in respect of taxing contracts?

And then he says what we have to have is a Finance Bill, because everything is about going  
back to the old ways and how things were done. He is the Jacob Rees-Mogg of this Chamber. He  
just wants to go back. If he were in the *Mr Men*, he would be Mr Victorian. He just wants to go  
1640 back to the way things used to be done.

The one thing that he was very clear about, which I am grateful for, was when he said that we  
should only have given the pay rises to those earning £34,000, or the lump sum. At least he is  
clear. The GSD’s position, the position of their ‘Chancellor’ is the measure of payment of the lump  
sum, or the pay rise, should be only for those earning £34,000 or less. That is a very clear position.  
1645 I am very grateful that he has put it, and the unions and all public sector employees should know  
that they would have given a pay rise to those reaching up to £34,000. (*Interjection*) Okay. But  
then he reads the bulletin from Unite and says it makes sense with the second limb. So he agrees  
the second limb. He agrees this limb and the second one. (*Interjection*) It is remarkable that he  
should challenge one but accept it with the other. I just do not understand it.

1650 And then he talks about the billions that we owe. The calculations that he does are always  
completely wrong, just trying to pick up any figure that appears to have been borrowed without  
taking into consideration all the amounts that have been paid – for example, the £500-odd million  
that I have told him has been paid into the companies structure. He talks about these billions  
owed to try to scare people about debt, but he never talks about the asset side of the balance  
1655 sheet. If you are going to talk about the fact that we owe so much, talk about the billions of value  
that the Government of Gibraltar owns. The Government of Gibraltar owns billions of pounds of  
assets, many more billions than even in his worst calculation he can suggest we have in debt, and  
so there is absolutely no reason for people to be worried, no reason for people to have to be  
concerned.

1660 Then he told me that I had not done much for the private sector. What does he want me to do,  
 reduce the revenue more? By doing things for the private sector, what he is asking me to do is  
 reduce taxation or reduce charges, or give handouts. He is telling me on the one hand that we  
 have not got money to even do the payment to the public sector because that is going to wipe out  
 1665 the surplus, and then he turns his tongue with the fork that he has nailed it into to say give more  
 to the private sector as well. In other words, not just to 6,000 people, give to 31,200 people. I  
 know he is not an economist, but can he count? It is remarkable.

Mr Speaker, on the Public Accounts Committee, can I just make it very clear to him if he goes  
 with a policy on the Public Accounts Committee to the general public in his manifesto he must  
 know that he is going to be misleading them, because the Opposition, if it is the GSP Liberals, will  
 1670 not form part of a Public Accounts Committee. We said it before, we said it in 1996, we will not  
 form part of ... We think it is a bad thing for an economy like Gibraltar to have the Public Accounts  
 Committee process. We think it is a bad process. We said it in 2019, we said it in 2015 and we said  
 it in 1996. So if he goes with a policy that says there is going to be a Public Accounts Committee,  
 he needs to understand it is not going to become a reality in the nature of how Public Accounts  
 1675 Committees are organised in other parliaments.

Then he talked – again, when he got most animated – about 1996 and how people were  
 liberated from the tyranny of the GSLP. In other words, the great Sir Joe – whom he worships, who  
 he thinks is great, who he thinks is magnificent – was a tyrant in 1996 who we all had to be  
 liberated from, to bring in the person who then went on to spend more than all of the estimates  
 1680 he had ever proposed; in other words, the person who committed all of the sins that Mr Clinton  
 is attacking me about. But 1996 was not about a new hope – 1988 was a new hope, 1996 was *The  
 Empire Strikes Back*, as I told them before. They were not marching in liberation, they were  
 marching as the emperor finally got the place in his grasp, because – I do not want to mix my  
 metaphors, Mr Speaker, and my issues – by the time we got to 2010-11, senior politicians in  
 1685 Gibraltar were giving interviews to Spanish television about issues affecting life in Gibraltar, which  
 would not be carried locally, and not just Sir Joe Bossano on the Dr Giraldi Home but also Keith  
 Azopardi, who also gave an interview on the Doctor Giraldi Home. The liberation of 1996 was a  
 little like the liberation of Warsaw or the liberation of East Berlin, which was a momentary  
 liberation before the Iron Curtain came down. That is the reality, and indeed the leader of the GSD  
 1690 today, as leader of the PDP, was talking about tyranny in Gibraltar in 2011 and the undemocratic  
 nature of what Gibraltar is – although Mr Clinton is right, at least he stayed in the GSD.  
 Mr Azopardi walked in liberation in 1996 and then walked back in 2011 saying that it was all  
 tyranny again.

How can he say with a serious face that we want to rule by decree? We have curtailed the  
 1695 Henry VIII style measures that have been implemented in Gibraltar considerably from the  
 Henry VIII style measures that have been proposed in Westminster. We have curtailed them a lot  
 more. We have agreed them with hon. Members opposite. So what ruling by decree?

Mr Speaker, this was a complete joke of a speech. He says we do not want to come here to  
 answer questions. We answer more questions than they ever answered. We have monthly  
 1700 meetings of the House when we can. A demonstration of that is that we had them monthly before  
 the referendum, and then afterwards it has been very difficult but we tend to have monthly  
 meetings, and then COVID got in the way. How can he say these things and think that we will not  
 think what he says is a joke to such an extent I thought I was watching ‘Carry on Roy’, which was  
 not as funny as *Carry On Cleo* and much more in the nature of *Carry on up the Khyber*, which was  
 1705 a depiction of the Charge of the Light Brigade by the *Carry On* squad?

Starting to end his contribution by saying let in people who care is once again supremely  
 ungenerous because he suggests that the people who are here do not care. Does he really think  
 that we do not care, that I would have lost what I have lost, that I would have done what I have  
 done, that I would have given what I have given if I did not care, that all of us would have done  
 1710 what we have done, lost what we have lost, given what we have given in the time that we have  
 been in government if we did not care? Come on. You let yourself down very seriously when you

make statements like that. Be serious. Although I am prepared to accept that he did not mean it, that remark was cruel and it was unnecessary, especially after this term and everything we have given in this term. When he reflects, I hope his conscience will tell him he was wrong to suggest that we do not care.

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Mr Speaker, Dick the Butcher will have many supporters, he said, for his 'Kill all the lawyers' refrain. More eyebrows were raised on his side of the House than mine when he said that. I suppose that in saying that he was just confirming that he still wants to be leader of the GSD, that 'Vote Roy' is not a campaign that we have seen the end of. So much for 'Bossino 27'. It may not be such an easy attempt as Mr Bossino might have thought.

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For somebody who wants to lead a political party in Gibraltar to say that he thinks access to Downing Street and having the opportunity to speak to the Prime Minister on the issues that relate to Gibraltar does not matter and is just a photo opportunity is really not sensible because it is hugely important to be able to put the case of Gibraltar to the Foreign Secretary directly, to the Prime Minister directly. Those are hugely important and it means that I am not the new dawn false prophet, it means he is, somebody who fails to understand the basics of politics and the politics around him.

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He says, 'Where are the new schools that you are delivering this year in the Book? Where are they?' Well, one of them is rented, so it is not going to be there, and we have told him we will be able to determine the rent when we have finished the conclusion of the agreements; and two are being paid for by the TNG Foundation. He knows that, doesn't he? We made a public statement about it. In lieu of the premium for Bayside agreed at £21-odd million, they are building the schools. So they do not have to be in the Book. It is that simple, so what was so remarkable? One of the key themes he was developing: they do things that are not in the Book. Hidden, hidden, hidden. It is all out in the public statements and the information we have given them. It is remarkable, but to say that the Book is just a waste of paper is a demonstration that with friends like him Gibraltar needs no enemies. We do not need Peter Hain to say that the things being done in Gibraltar are a scam if we have Mr Clinton to suggest more or less the same thing. Before, everybody in this Chamber would at least defend the work of our civil servants. Now the GSD attack the work of our civil servants, and the GSLP Liberals defend the work of our civil servants.

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We are not seeking a blank cheque from the public. We account for every penny we spend. That is the reality, even if he cannot see it because he is not good enough to understand the Book because, let's face it, he is sometimes not able to work things out. When we tell him they are in the Book and show him what they are, he says, 'I look forward to the closure of the COVID Fund formally by the Chief Minister.' Well, actually, it is not the Chief Minister who can close the COVID Fund. There is a reference in the rules to the Chief Minister closing the COVID Fund, but the law says it has to be closed by the Governor, so he is wrong about that as well.

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He says people should know only 33% of the COVID Fund was used to pay BEAT, 77% was used to go to government revenue, which enabled the Government to pay everything else – the salaries, the GHA etc. – and we should have used the rainy day funds when it was pouring. Well, look, I have just shown him that we have permitted Community Care to run down its reserves – that is to say, to use that reserve. But we have been able to get through and restore financial stability – as I have shown him, we have and we will, as I have shown them in the charts – without touching the reserve of the bank. It is a very good thing that we have done it without touching the reserve of the bank – and not what they did, which was to take the £19.3 million in order to be able to still have some element of a surplus – without leaving the Savings Bank reserve at zero or Community Care at zero, which is what they did to us.

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And yes, I do think that the hospital deal is wonderful because it means we are going to pay much less interest and we are going to have much more left over for the use of the general costs of healthcare.

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Finally in relation to Mr Clinton, I do think that at one stage the device of throwing the Book was the only way he knew he could keep people awake for the rest of his speech, so I forgive him

it, but I will never forgive him saying that we have to be replaced by people who care, as if we did not.

1765 Mr Speaker, I move on now – with a little left, but I hope to be finished by two – to deal with Mr Bossino. Mr Bossino has been called many things, principally by the people who sit with him. He has been called Slim Shady ... all of these things that the people sitting next to him call him. I am not going to call him anything of that sort, I am just going to do him the honour of referring to him in the same way as Mrs Thatcher referred to Geoffrey Howe after he had retired, because  
1770 listening to him really was, when it came to attack, like being mauled by a sheep – Shaun the Sheep, actually, because he looks a little like Shaun the Sheep with that beard that he has left – and an intellectual sheep at that, because none of his arguments could actually fly. They were all grounded by the facts. I give the same economic analysis every year. I was not giving it because Vijay Daryanani is Minister for Tourism. I go through those economic indicators every year and  
1775 the economic indicators showed that all the things that he had been saying about the terrible Minister for Tourism were, actually, untrue. Everything has to be set in its proper context.

Before I come to that detail, I have heard the Hon. Mr Azopardi and the Hon. Mr Feetham say so many times now, ‘Whilst Keith Azzopardi is leader of the GSD, there will be no way back on equal rights for LGBT+ people and women’s rights,’ but I think it is important that I translate, for  
1780 the general public who may be watching today, what that means. What Mr Feetham is saying in code and what Mr Azopardi is saying as both a sword and a shield is that when they fall, *après Keith, le déluge*. In other words, once Keith is gone, it is Damon, and when it is Damon it is an obligation, for reasons of conscience, to undo the amendment to the Crimes Act on women’s reproductive rights – that is to say abortion – and an obligation to undo or have no more progress  
1785 on matters relating to equal sexual rights etc. As the hon. Lady said – I do not know whether he was here to hear her – he represents the sort of politics of Uganda, the politics of Vox, of taking down the Pride flag, of not having a Pride cavalcade down Main Street. He is to be seen down Main Street every Saturday taking his picture with whoever happens to be out in town organising anything public. He captures political COVID on the day of the Pride parade down Main Street  
1790 every year. I say political COVID advisedly because I think if he did have to go down Main Street, he would probably wear a mask in case he caught anything – in case he caught L, G, B, T, Q or +. It is remarkable. *Après Keith, le déluge*.

So you see, when I talk about GSD austerity and when I talk about GSD cuts, what the general public need to know is that I am not just talking about cuts to services, to salaries, to the  
1795 headcount of the Civil Service and the public sector; I am talking about cuts to rights, cuts to progress, austerity in the rights that the people of Gibraltar have acquired to love who they want to love, to marry who they want to marry, to have a termination if their circumstances so require and are in keeping with the rules that this House has set out and the public commenced. Austerity – not just in the financial, austerity of rights. There is a constituency for that, Mr Speaker,  
1800 of course there is – we did not win the referendum on abortion by 100%, we won it by 70-odd per cent. If he wants to represent that constituency and the GSD want to represent that constituency, of course they should – that position should have political representation – but you should stand up and say that you stand for that. He is not shy of doing so, and I encourage him to do so, to say that except on the sovereignty of Gibraltar, where I consider him a hawk rather than a dove, he is  
1805 Vox. Opus, Vox, you name it, we all know what he is. He knows what he is and he is not shy of it, and it is good that he is not shy of it. He defends what he is and that is absolutely right. He should not allow the others to camouflage who he is and who his party are ‘whilst Keith Azopardi is leader of the GSD’. And then what?

He talks about Parson’s Lodge and the Moorish Castle. It is almost as if he wants us to refurbish these places, which would entirely undo their heritage value. As if we were bad managers of that.  
1810 With £10 million the GSD gives you a hole in the ground where there used to be a theatre. With £1 million the GSLP gets you a UNESCO site. With £1 million a year the GSD did not even have to start with the foundations of the Theatre Royal.

1815 When it comes to being managers of our heritage, Mr Speaker ... I was reading this article by Keith Azopardi on 21st September 2006, warning against the GSD's Cordoba Agreement:

Azopardi warns against sharp-toothed wolf in sheep's clothing.

I do not think he meant Shaun the Sheep, he meant Spain, I think, then, because it was before he had written his treatise on modern Andorra not being joint sovereignty. I am always fascinated by the articles I find around what I am reading:

PDP executive tanks lead way for new members. The GSD's management of one of our prized heritage assets, the tanks that contained the water, that victualled the Victory on its way to victory at Trafalgar, were destroyed.

1820 This is what the PDP, led by the now leader of the GSD, said. It was the tanks that drove more people to become actively involved in the PDP. So the leader of the GSD was leading a party then that thought that the management by the GSD of the heritage assets was so gross that it was driving people into the party that led to the GSD losing the election in 2011. Thank you, Mr Azopardi. I never thank him enough. We won by very little margin in 2011. If it had not been for him, the GSD would not have had its vote split and they would have won the election. We won  
1825 it thanks to the current leader of the GSD. I think we are going to win in 2023 also thanks to the current leader of the GSD and his position on sovereignty and Andorra, so I have to thank him for 2011 and for 2023.

1830 But on the management of heritage, Mr Bossino needs to think a little bit more. What about the large-scale projects that we have done at Wellington Front, the ongoing work at the Northern Defences, the Mount, the Lime Kiln, the Upper Rock, the Almond Tower at the Moorish Castle?

1835 He also wants to bad talk the Museum and Knightsfield. He wants to talk it down. He says his key compromise, his key position, key policy, fundamental ... 'When I am elected, I will publish the Knightsfield contract.' I think it contains a confidentiality clause, but okay, if he were elected perhaps he could negotiate his way out of it. But it is not a contract that we negotiated, so the great reveal that the GSD will do when they publish the Knightsfield contract will be to publish the deal that the GSD did with Knightsfield. The great disclosure is of their allegedly now not-so-good activity in government, if that is what he is saying, because we did not do that deal.

1840 And then he says that Environment and Heritage do not talk. Has he realised that Environment and Heritage are the same guy in this room, the same Minister? Of course they talk, of course they are in contact. And that he has no idea, no vision, the Minister for the Environment, Oh, yes? We brought the Antiquities Act to Parliament, we set up Heritage Vision, we work with the Heritage Trust. And when he says that we do not co-ordinate between Environment, Heritage and Tourism, the National Park Co-ordination Board was created by the National Parks Bill, which they voted against. You could not make this up. Has he seen, since 2011, the number of projects that John Cortes has led on when it comes to heritage etc.? Has he been to the Upper Town? I go very regularly. I love the Upper Town. I was born in the Upper Town and I lived in the Upper Town, in Calpe. Albert Isola, whom he denigrates, used to live in Bell Lane. We are Town people, not South District people just like him. I was not lucky enough to live in the Rock Hotel, I lived in El Calpe. When I go out with my bike, I come down and go through all of that area. Has he seen how good  
1845 the area around Old Police Barracks is, the refurbishment of the Moorish Castle Estate, the refurbishment of Police Barracks Estate and Old Police Barracks, the new schools at St Bernard's? Has he seen how good it looks? Is it perfect? No. Is it better? A hundred per cent better.

1850 And how is it that when we talk about the air terminal costing three or four times what it was anticipated to cost, that is talking about old chestnuts, but when the Leader of the Opposition gets up and gives a soliloquy on 1996, that is talking about contemporary issues? Seriously? Mr Bossino  
1855 has demonstrated that he, too, is soon going to be no more and no less than a FLOP. He is going to be a future Leader of the Opposition, but that is it, it is clear, a future Leader of the Opposition.



1860 On airlines, we now have 39 flights a week. The flights are full. We have BA operating three flights, 22 Saturdays this summer, the first time for our Airport; a daily flight to Manchester since last summer, also a first, with capacity increased. You look at the facts and it is better under Vijay Daryanani than it was under Joe Holliday, despite Joe Holliday being called Holliday. But he does not want to listen because he wants to attack. He does not want the facts, he wants to make it up.

1865 And then, Mr Speaker, you have a guy like Vijay Daryanani, who – despite it all, because this is the theatre of gladiatorial conflict, has to listen to him saying the things that Mr Bossino says, despite the indicators all showing the magnificent performance – sent him a letter on 17th February, maturely:

Dear Damon

– I know that they have been friends before –

During the question and answer session in Parliament earlier this week, I extended an invitation to you for a meeting in my office, where I would brief you confidentially on Royal Caribbean International's decision not to call at Gibraltar during 2024. I once again extended an invitation during last night's *Viewpoint* debate.

As I have said publicly, we are dealing with a publicly listed company and consequently there are matters under discussion which are commercially sensitive. It is not appropriate to air these in public. Gibraltar is a serious, reputable jurisdiction and the Government is of the view that further public statements will harm Gibraltar.

Now that the *Viewpoint* debate is over and your concern of being muzzled for the debate is no longer an issue, I once again make myself available to brief you confidentially and answer any questions you may have. Our offices can arrange a mutually convenient time. I look forward to hearing from you.

Very best wishes.

Vijay Daryanani.

1870 What has the response been, Mr Speaker? Tumbleweed. He has not replied. He is laughing from a sedentary position. A mature person in the shape of the Minister for Tourism inviting him to a discussion to deal with issues: no reply. He pretends to be mature. He then does not behave as if he were mature. He has not got a moment to reply to the Minister, to write and say, 'Dear Vijay, of course we should work together on everything that we can, but I consider this to be a highly political issue. I want to exploit it to the maximum. I do not care about Gibraltar. I just want to make the most of it for my own party political ends. I am not coming to see you.' Nada, zilch, not even an acknowledgement. That is not maturity.

1875 A number of new cruise lines are coming to Gibraltar. Royal Caribbean is coming back in 2025. What are the issues? There has been a lot of repositioning. They have changed where they were.

1880 He says we need a strategy, as if we did not have a strategy. We are already down no more and no less than the rest of the world is down on cruising and with more new cruises to come. Pure spin. And when you look at the indicators, when you look at the numbers and you look at the money coming in, it shows that it is all pure spin – spin delivered with the usual charm and charisma and gusto, but God bless us should we end up with him running Gibraltar with just charm and charisma, because it does not get you very far. At least the Hon. the Leader of the Opposition does not rely on that, because he has no charm and charisma.

1885 And then he calls us a shanty town. How is it that he thinks he is using his pulpit for the public good in Gibraltar, describing any part of Gibraltar as a shanty town? Does he know what a shanty town is? There is no part of Gibraltar that is a shanty town any more. There might have been.

1890 And we are not going to take his advice and go to Fitur. We are not going to take that advice. You look at what he says ... He says, 'Don't go to Sea Trade,' which is the place where the maritime industry is represented and the Minister for the Port and Tourism should definitely be, 'go to Fitur instead.' They used to say, 'Don't go to the C24 in New York, it's a waste of time.' It sounds to me like they want to go to Fitur, they do not want to go to Miami and they do not want to go to New York because Miami and New York, for a short period – not the wibbly-wobbly – is too much like hard work and Fitur is a tapas run in Madrid. But whilst we are here, we will go to the ones that

1895

matter, the conferences that matter, to continue to bring business – and, note, not to tapas runs in Madrid. I will leave that to him, hopefully not paid for by the taxpayer.

1900 In all that time as Shadow Minister for the Port not to have raised for one moment in a positive statement the incredibly successful, careful and remarkable work done by the Port Authority, and the Captain of the Port in particular, on the removal of the wreck of the *OS35* is just remarkable. I will tell him why. Usually our critics are outside of Gibraltar. On this issue, even the Spanish media and Spanish officials have praised the excellent work done by Juan Luis Ghio as Captain of the Port and the team at the Port Authority and Vijay Daryanani as its Minister – and he and the Leader of  
1905 the Opposition have just criticised. So the Port Authority of Algeciras, our critics beyond, have said, ‘An operation very well done on the *OS35*, absolutely well delivered, did the right thing when the time came, put it in the right place and now removed in the right way.’ And then nothing. *Que savorio*. Negative, just rancour, not praising even officials and saying, ‘The Minister is has done very little because the Minister is a Minister, but here, the officials in the Port Authority that we  
1910 in the GSD created’ – you created the authority, turned it from a department to an authority, gave them 12½% extra pay; that is how you controlled expenses – ‘have done a magnificent job. This guy who is now the Captain of the Port was employed by us when we were in government. What a great choice, he is now Captain of the Port. He has done a magnificent job. He has put Gibraltar up there because when we have been under the microscope, nobody serious has criticised us,  
1915 everybody serious has praised us.’ Not a dicky bird. Instead, he prefers to say, ‘What was the Minister doing going to Bangladesh instead of going to Fitur on tourism?’ Talk about mixing apples and pears. The Minister did not go to Bangladesh for anything to do with tourism. He is also the Minister for Business. It was a Commonwealth business conference. So how would he connect the two? How can he be so nonsensical in his approach to the politics? This is the man who thinks of  
1920 himself as the next leader of the GSD and then sees himself as the next Chief Minister of Gibraltar. We are not a Spanish town, to go and sell our wares in Fitur.

And by the way, the criticism of the roundabout outside of the airport tunnel I thought was particularly laughable because we built the design they left. We did not want to change the design because it would have cost consequences, so we built the design they left. So again, he is not just  
1925 criticising themselves by suggesting there is something wrong in the Knightsfield contract, he is criticising themselves by criticising the roundabout which they left.

It is just tragic to see an Opposition that puts such little thought into the work they are doing, a little like – and I am going to take these two themes together now – Mr Reyes, and I am grateful he is back, and Mr Bossino. We have built, he said, the sporting facilities too far from residential  
1930 areas. If we built them closer to residential areas, they would say we were creating congestion, which is what Mr Reyes said we are going to create by putting Bishop Fitzgerald and Governor’s Meadow where we are putting them, at the Europort Avenue. I almost pulled every single one of my hairs out when I heard that, every single one. How can Mr Reyes attack us for putting Bishop Fitzgerald and Governor’s Meadow at Europort Avenue? *They* put Bishop Fitzgerald and  
1935 Governor’s Meadow at Europort Avenue, we have just rebuilt them. It is remarkable. This is remarkable. They are worse than a shower. And Mr Bossino says it is terrible that you put the sporting facilities there – the sports days were a disaster, nobody could park. Well, I went to the sports days up at Lathbury. Everybody could park, everybody was delighted, it was packed and there was space left over. These are wonderful new facilities. I do not just say it. I know they have  
1940 had new people taken into their executive, very proudly announced new people that they have taken into their executive recently, some females in particular. Kim Chang, who is the Director of the Gibraltar Institute for Sport, said this on *NewsWatch* last week about the sporting facilities in Gibraltar:

One of the other legacies from the Gibraltar Island Games is we have these fabulous sports facilities, and now we are capitalising on that. We have just launched the Gibraltar Institute of Sport, so we have got that. And we recently had Lady Mary Peters over – she is going to be the patron, so that is a fantastic coup for us. And we are just going to maximise these fantastic opportunities in Gibraltar for warm-weather training, to try and boost the athletes who

have done so well here and try and better those performances for Auckland in two years' time and then the Commonwealth Games. And let's try and increase high performance sport in Gibraltar.

1945 This is the Director of the Gibraltar Institute for Sport, a guy who knows something about sport. And then Lady Mary Peters – she is the Olympic gold medallist – on GBC as well:

I am absolutely falling in love. I came for three days to see all the facilities that Joslyn is going to set up at the Gibraltar Institute for Sport, to see if we can bring people here to use these facilities, because they are fabulous.

This is an Olympic gold medal winner. Mr Bossino will forgive me for putting more score by what she thinks of what the track at Lathbury is like than him. I know he goes for the odd jog, but he ain't no Olympic gold medal winner, Mr Speaker.

This lady says of Northern Ireland:

We have 1.7 million people and I don't think we have these facilities, and you've got 34,000 people and you've got them. So I think you've got to increase the participation in sport, although it's already increased in the schools, but I'm going to bring elite athletes here, to use the facilities to train, and the youngsters will be able to watch them and train like them.

1950 And Joslyn Hoyte-Smith, also an Olympic gold medallist, says the same thing:

They are fantastic facilities here. We are looking at bringing elite athletes and high-performing athletes. The facilities are outstanding. There is no reason why anybody in the world wouldn't want to use these facilities.

1955 And Mr Reyes says it is a bit windy up at Lathbury, you should have put it somewhere else – or Mr Bossino said that. Gibraltar really does deserve a better Opposition, not because the Opposition should become the Government but because the Opposition should be roundly discarded. I am becoming disappointed Together Gibraltar have given up. They should have taken over from them. It is remarkable.

And then he said, 'Well, you must have sold Rooke to the highest bidder.' No, we have not sold Rooke to the highest bidder, we have sold Rooke to the lowest-rise bidder that provided the best project for our community. Wrong again.

1960 And then, going on to housing, he says the housing list is staggeringly an unacceptably high. Really? Well, let's look at the golden legacy. He is the one who said that the GSD left us a golden legacy. In 1988, the housing waiting list was 2,126. When the GSLP left office, it was 265. It is in the *Hansard* for 28th June 1996. So the GSD inherited a housing list that was 10% of what it had been when the GSLP had inherited it. By 2011 it had gone up to 1,433, so in 16 years they multiplied the housing waitlist by six. We had already halved it by January this year, when it was 1965 792, so our performance is double as good as yours. Not as good as Pepito yet, but double as good as you. So where is the housing list that is staggeringly and unacceptably high? He set the benchmark. He said the GSD left us a golden legacy. A golden legacy is 1,433 people on the housing waiting list. We have 792. Ours is platinum.

1970 'The GSD's handling of housing development is marked by appalling mismanagement.' I did not say that, he did. 'The GSD's handling of housing development is marked by appalling mismanagement' are not my words. That is the PDP manifesto signed by Keith Azopardi in 2011. That is what the leader of the GSD thinks of the GSD's performance in respect of housing development. You could not make this stuff up, Mr Speaker.

1975 He complains about the affordable homes. He says it is terrible that they are delayed. Well, how many more affordable homes did they promise to develop? In 2015, in the thing that Mr Feetham will remember was the manifesto that was a pamphlet, absolutely no affordable homes were promised. In 2019, the commitment is this:

We will pursue to completion any housing projects that are inherited from the GSLP in respect of which there are existing contractual commitments that may have been commenced by the time we are elected to Government.

1980 That is it. They promised to build zero affordable homes in 2015 and in 2019, and that must ring true because, let's face it, in 1996 and in 2000 they built zero affordable homes. Zero. Maybe that is why the leader of the GSD said that the GSD's handling of housing developments is marked by appalling mismanagement. He was right.

1985 Let's look at what he says is our lost generation. It is what he said. *Nonsense*. Look at the number of affordable homes that have been developed in our respective periods in office. The first GSLP administration delivered 2,442 affordable homes under the 50/50 regime, 305 a year over eight years. The GSD delivered 801 over 16 years, 50 flats a year. In the 12 years to date, we have delivered, already, 1,273 – actually delivered. That is 106 flats per year. When we finish the current programme, which I hope we will be able to finish if we are returned to office by the people, we will deliver 2,141 homes definitely in 14 years, but let's say 16 years so we do the calculation in the same way: 178 flats a year versus 50 flats a year. Who has got the lost generation? They do. Who has the responsibility for the appalling management of Gibraltar's property development? They do. Who has failed the young people of Gibraltar? They have. That is the reality, and if he had done the research he would not have exposed himself to the point being made against him. That is why he cannot be Chief Minister of Gibraltar, because he does not bother to descend to particulars, he does not bother to understand the point he is making, he does not bother to realise the risk he takes with the things he says and he should never be empowered to take risks with Gibraltar on behalf of the people of Gibraltar, and this is a demonstration of how wrongly they have got it. And if he is going to build a rental estate, with what money? They say they have to tell us the difficult truth, they say we have no surplus and they say we have no money, so how are they going to build a rental estate?

2000 He was saying to me that I had said my gut told me that we were going to win, but he said my gut was smaller so maybe I was wrong. This year, at last, I can genuinely say that reports of my girth are greatly exaggerated, because now I am of a smaller gut. It is completely new for me to be thin: new wardrobe, new look. Not for him – he has always been gutless, something I have always been jealous of, but now I am brave and thin.

2005 He talked about the lonely photograph of my mug at Catalan Bay. Doesn't he know that because of data protection I never take a photograph of the mug with the person I am seeing, I only take a photograph of the mug on its own? And I was far from lonely at Catalan Bay. I got a lot of business done. But in fact, if people told him I had very few people with me, I can tell him the few people I had with me were more in my private meeting than went to their public meeting at Catalan Bay. That, I will tell him for nothing, and I must tell him – I am very sorry to disappoint him – I cannot recall being booed at a recent awards ceremony. If I had been, I would take it because people are entitled to boo – you are a public servant – but it does ill behove him to just make it up. But I suppose he just makes it up because there is nothing else to attack us on.

2015 They said it was terrible that Mr Isola got up and responded to some of the things that had been said because I was supposed to be the one doing the reply, and yet they then went on to have seven bites at the attack cherry, suggesting that they can do what they like and we can only reply through me. I suppose it is typical that when somebody says to them that they are wrong it is inelegant, and when they call us every name under the sun it is proper politics. It is the typical mixing of the virtue and the vice. Maybe he called Mr Isola inelegant because he had not heard what Mr Clinton called me. And then he said that if they are elected, we will have a clean Gibraltar again – and I do not think he meant the streets. And that is not inelegant? Frankly, I think his yardstick of elegance is very one sided.

2020 He then went on to try and suggest that there was a difference between Joe Bossano and me on the issue of the treaty. Far from it. Every word that Joe Bossano has spoken he speaks for the Government and for Joe Garcia and for me, every word, especially about the four-year horizon. This treaty, if we do it, has a four-year timeframe because if the thing that is supposed to happen at the end of the four years is not something that we negotiate our way out of, we will not agree it, and that is it. But given that they say they are going to take over the negotiation, how do they purport to negotiate that that four-year horizon does not materialise? Is it that they are going to

2030 say, 'We need the treaty to continue at whatever price – please could you change the bit that we  
do not like?' Or is the better negotiating position, which is our real negotiating position and not  
just a tactic, to say, 'Oh, yes? Well, if that is going to happen in four years, end of treaty'? What  
does he think is the right way to negotiate the way out of that which we do not like? Of course it  
is by doing exactly as Joe Bossano has done and I have done, which is to set out the reality of the  
2035 position, to say that the people of Gibraltar will not accept that and that there will be a four-year  
horizon. And these are the people who say, 'Put us in charge of the Brexit negotiation and come  
along, so that when we crash the car you are in it too.' Good luck with that.

It is no coincidence, however, that things are being done in the last months of the lifetime of  
this Parliament. People are electing a government to be there for four years, to do until the last  
2040 day of the four years, and in this particular lifetime of this Parliament we have had two years when  
we could not do anything, so of course we are delivering towards the end in some respects, but  
delivering we are. When we do not deliver, he chastises us for not delivering in the lifetime of the  
Parliament. Therefore, he has to accept that we deliver when we deliver it in the lifetime of the  
Parliament, however late.

2045 Mr Reyes delivered his short, 31-minute speech – for which we were grateful – making points  
which are frankly remarkable. He says that the GSD would never use taxpayers' money for the  
stadium. Well, if there was one thing in the pamphlet, it was a stadium paid for by taxpayers'  
money. So the GSD's position has been to pay for the stadium with taxpayers' money in 2015 and  
to never, ever pay for the stadium with taxpayers' money today, because it is convenient.  
2050 Genuinely, if anybody is interested in looking at what they say versus what they have said, it is  
really quite remarkable. They say one thing today and another tomorrow.

What really I thought was shameful was that Mr Reyes should say to us that he hoped for our  
children's sake that the new school buildings which will come into use from September prove to  
be a product conforming to the higher standards. How dare Mr Reyes say that to us? Mr Reyes is  
2055 a very affable person, he is a very affable colleague in Parliament, but this is an affront. As from  
September, apart from the Jewish School, every school will have been built by the Government of  
the GSLP Liberals – including St Joseph's, which is the first one done in the first GSLP  
administration. They presided over surpluses – I have shown their surpluses were smaller than  
mine, but they had surpluses – and they allowed the children of the Upper Town to continue to  
2060 have to suffer the Victorian building that was St Bernard's. It was Victorian and it felt Victorian.  
John Cortes and I cried when we went to the KGV and saw how our Alzheimer's patients were  
being treated. We shed a tear, too, when we went, together with Gilbert Licudi, to see  
St Bernard's. It was my alma mater. That is what posh people call the school they used to go to. I  
had very deep affection for it. I was ashamed. Although it was in the very first months of my  
2065 leading this community, I was ashamed to see that the good people of the Upper Town were  
having to have their children put through that school in the way that the GSD had left it. So, given  
that Mr Reyes was Minister for Education at some time – weren't you? – well, was in the  
Government that had a Minister for Education that tolerated that, frankly I think it is remarkable  
that he had the gall to say to us that we have to deliver to the highest standard when we are  
2070 delivering to the highest standard, really remarkable.

On vocational courses, for example, the hon. Gentleman does not seem to know that we have  
offered a vocational course in Bayside and West Side for construction and it is had to be  
discontinued because it was taken up by zero students. It is remarkable.

2075 And the idea that the teaching profession is somehow being ignored when the teaching  
profession is actually working with us on the school developments ... They are involved in the  
planning. The head teachers are involved in the planning and talking to the staff to make sure that  
they get the schools that they need. I am so looking forward to finishing this part of the  
programme when, in the first week in September this year, we have the handover of the new  
Bishop Fitzgerald, the new Governor's Meadow and the new St Mary's, because the programme  
2080 will be almost complete. We will then move the Jewish School, we hope, and every school will  
have been developed by a GSLP Liberal Government, if the people of Gibraltar return us to office.

Mr Speaker, I come almost now to my conclusion, dealing with Mr Phillips and Ms Marlene Hassan Nahon. Mr Phillips, frankly, was loud. That was it, he was loud. He is not here to hear me respond to him. He has not told me where he is. The Hon. Ms Hassan Nahon has told me that she has to be away from Gibraltar. She said she intended no discourtesy and I fully accept that. Mr Phillips has just not turned up. I am not surprised because nobody can objectively look at our record in government and say it is hopeless. Nobody can objectively say that our Book reveals half the story. Nobody can objectively say that we want no oversight or transparency.

What is actually regretful is that a Member of this House should suggest that for the last four years in particular we have been playing Monopoly, we have been playing games. I do not know whether Mr Phillips has enough Spanish to know the phrase that suggests that his face should fall of shame for having said that. How can anybody seriously say to this team that has been through what we have been through – that had to lock down this community, had to pay BEAT, had to take the risks that we had to take in ending lockdowns, in creating a silver hour and a golden hour, that had to address the community every day at four o'clock in the afternoon to tell them what was happening and what was going to happen next – that we have been playing a game? Maybe it sounded funny when he sat down and in an infantile way confected a speech that he thought might connect with some of his own supporters but go no further, but it is deeply disrespectful to this House and to every public servant of Gibraltar, and indeed even to the other Members of this House who sit alongside him and co-operated with the Government, to suggest that we have been playing a game for the past four years. It is deeply disrespectful to our families in particular, given what we did. It is extraordinarily disrespectful to the families who lost loved ones in the past four years during the pandemic, to the people who are experiencing problems at the Frontier because they are blue ID card holders and we have not been able to do a deal because it is not safe and secure to do a deal on the terms that have been put to us – deeply disrespectful. The past four years have not been a game, Mr Speaker, and I deeply resent the suggestion that they have been.

Mr Phillips cannot even come up with something funny to say for himself. He had to adopt Ms Hassan Nahon's planet Picardo reference from last year. Well, at least for her it was an original thought. Couldn't he think of anything original for himself?

He attacked Mr Isola for talking about 1996, probably because he missed that the person who talked about 1996 was Keith Azopardi, his leader, and Albert Isola was replying.

But then, most remarkably, because I know he had been here last year, he said we had not heeded their warnings of a potential perfect storm. He said Mr Feetham and Mr Clinton had been warning of the potential perfect storm. Has he forgotten what Mr Feetham said about the perfect storm and the effect of it? I am surprised because it was the cover of my Budget reply notes. This is a quote I put on the cover of my Budget reply notes and which was the theme of my response in 2021 and 2022. It is a direct quote from Daniel Feetham because Daniel Feetham sometimes makes the point for me even better than I make it myself. He said this:

Of course, no one on this side of the House is saying that if they had been prudent with the people's money over the last 10 years we could have avoided a £157 million deficit, which is of course COVID related and no one could have predicted the pandemic.

So much for the warnings that we were being given by Mr Feetham. Mr Feetham himself said, 'My warnings were irrelevant because we would have ended up in the same place.' No, it is all, for Mr Phillips, about getting Brexit done, it is all about the Venetian palace at No. 6, it is all about criticising the Music Festival. The hon. Gentleman has become the *Daily Express* of political speeches, although I am surprised he criticised the Music Festival because he and his family were there enjoying it with us – enjoying perhaps a bit too much a few too many of the drinks that were shared at the time, so I am surprised. Maybe he had forgotten, because he had had too many of the drinks, that he had been there, because he was criticising his own spending.

So I do not accept that I am leaving a broken Health Service, a decimated public service. I really do not accept that. And the idea that I am giving jobs for the boys – literally? I suppose the only

2130 way he can make that out is by arguing that the 26 people who are unemployed are not members of the GSLP, because everybody else has a job. Those are the numbers that Mr Feetham says he cannot believe. I will come to them in a moment.

Mr Speaker, I am going on a little longer than I expected, but not for very long.

2135 He said something which I thought was right. He said the people who broke the system cannot be trusted to fix it. Absolutely right. That is why they can never come back to government, because they are the ones who broke the system, as I have shown with the numbers I have gone through. Neither did I say – and he completely misinterpreted – that we are the third richest country in the world. We are not the third richest country in the world. I did the GDP per capita calculation saying I think it is a nonsense and that it does not work but that it has been done every year, so I have to do it. Even the nonsense argument is not to suggest that we are the third richest country in the world. I did think at one stage he reminded me a lot of Lord Farquaad from *Shrek* in the way he was going on.

2140 If we have not done a Brexit deal, it is because it is not safe. If we have not come off the FATF grey list, it is not because we are not doing things properly and Cayman did them properly. We are very likely to come off it much sooner than Cayman did, because they were on it for two years. 2145 ‘There is no proper governance in Gibraltar. The GSD will concentrate on this when in government.’ This is utter nonsense. This is worse than spin.

And what he says is disgraceful is that I made them come back in the afternoon to give speeches ‘because we should be on summer hours’, he said. What utter nonsense is that? I am surprised that Mr Phillips should suggest we should only come here in summer hours. It was 2150 actually quite pathetic. What about the times we have been here late into the night? I have delivered a Budget speech at nine o’clock in the evening, Mr Speaker. He had none of that. He and the hon. Lady are complaining about being made to come here on a summer’s afternoon when obviously they would prefer to do something else. I had deliberately manipulated the diary of this House? Well, Mr Azopardi spoke at 3.30, Mr Reyes at 12.30, Mr Clinton at 5.30, Mr Bossino at 2155 8.30, Mr Feetham at 4.30, Ms Hassan Nahon at five o’clock. So what is wrong? I have given speeches at 9.30 at night. Before this was on television, before it was being streamed, people had to listen on the radio if they wanted to. I suppose I had an audience – I am here, aren’t I? – so he is criticising the GSD for that, in effect.

And the fact that there is no line on mental health is terrible, he says it is disgraceful. He says 2160 it is really terrible – serious, Mr Speaker – it demonstrates we have no commitment to mental health. Does he know that he sits next to a former Minister for Health in the GSD? And does he know that when the Hon. the Leader of the Opposition was Minister for Health in the GSD there was no separate line in the Estimates Book for mental health issues? Talk about being stabbed in the side, not in the back. Honestly, I think Benny Hill does a better job, even though he does not say a word and just runs around. 2165

We are not cutting locums, we are employing more consultants. You have fewer locums when you fill the consultant post. This is a remarkable approach to these estimates. It is not even worth going through the detail of what he says.

2170 The smelly bowlers from Green Arc that he talks about – does he know that they signed that contract, which is still enduring, just like Mr Bossino was criticising the Knightsfield contract, which they did? As I told you at the beginning, Mr Speaker, we have changed so much we have even changed what they think of themselves. Even they think that the contracts that they did were not good contracts. He does not recognise the better air quality that there is in Gibraltar – none of that, because he thinks he knows it all. He says he has a blue and yellow army ready to do the 2175 Brexit deal that they are going to get done. I really did expect a lot better from Elliott Phillips when he was elected to this House than the diatribe that we were presented with in the way that we were presented with it.

Mr Speaker, the Hon. Mr Feetham treated us to what may be his valedictory. As usual, I am persuaded of my view that he immatures with age. He really does remind me of Gaston in *Beauty and the Beast*, the primary antagonist of the beast, known for his muscular physique, his 2180

handsome appearance and his self-centred personality. In the story, Gaston is infatuated with Belle, the film's protagonist. Here, I suppose we are both infatuated with Gibraltar. (*Interjection by Hon. D A Feetham*) I would not want to freak out Mr Bossino at that thought. Gibraltar rejects Gaston's advances because she values intelligence, kindness and inner beauty over physical appearance, but Gaston's arrogance leads him to become increasingly determined to win Gibraltar's affection and eliminate any competition – primarily the beasts on this side who Gibraltar has developed feelings for. So the whole story is about Gaston and the conflict that he feels as he tries to manipulate and harm others to achieve his goals. It is so apposite, Mr Speaker. Throughout that cartoon, Gaston displays manipulative behaviour, rallying the villagers against the beast and organising a plan to dispose of him. However, his arrogance ultimately becomes his own downfall and his actions lead to his own demise. The parallels are all there.

And yet he gets up to round up for the Opposition as if he were still the Leader of the Opposition. He gets up and makes the first mathematical mistake: 23 years in politics, he says, half my life. *Mas quisiera tener 46 años*. Put all of the rest of the numbers that he treats us to in context. He cannot even multiply 23 by two. He calls me his principal political opponent. I think I am supposed to be flattered, but he is not my principal political opponent, my principal political opponent is Sir Peter Caruana. They have not yet been able to produce anyone who has been able to stay the course as Leader of the Opposition for long enough to remove me, so I am not going to accept that we are principal political opponents. I will say that the hon. Gentleman was not a close second but he is at least – I will give him this – a distant second. He is the only one who at least took the fight to us for a little while.

Then he goes on and says that I am not elegant. Okay, he may say I am not elegant, but Gibraltar has preferred me on three occasions to him, and Gibraltar does not tend to get it wrong. As he was delivering what is, to all intents and purposes, a valedictory – I think it is in effect a valedictory, although I know him well enough to know that he still harbours the chance that they will ask him to stay and they will beg strongly enough and he will reluctantly say he will – I almost felt a little like saying this is the moment that Andrew Neil was referring to when he talked about Liz Truss finally realising that her ambitions and her ability did not match; always painful, always sobering.

He is right that we are divided on the Estimates Book. We say we are honest, they say we are not, but when you look at the numbers and you look at who compiles numbers, which is the Civil Service, not the politicians – unless they had the habit of telling people what to put in the Book – it is clear that our Estimates Book is an honest reflection of our prudent management of the economy.

He says that the people of Gibraltar will not want a Government that gets away with any abuse of power. What abuses of power? There are no abuses of power, absolutely none; and if there are, there are courts to go to. No one has sued us for abuse of power in all the time we have been in government. They had a couple of cases of abuse of power, in particular a case involving gold. We did not.

He said that Mr Isola could not undo the great work that Keith Azopardi had done on joint sovereignty. Mr Isola does not need to undo the work that Keith Azopardi may or may not have done. You just need to re-watch the leaders' debate of 2011 to see Peter Caruana say to Keith Azopardi, 'For goodness' sake, Keith, you were just in charge of financial services, you had nothing to do with the public finances of Gibraltar', and absolutely denigrate the contribution of Keith Azopardi.

Given what he told us, how he jumped on to the analogy of the jungle, I was reminded, in his case, of so many characters, but I was reminded in particular of the snake in *The Jungle Book*, because Kaa, the snake in *The Jungle Book*, spends his time saying much what he said repeatedly to the people of Gibraltar unsuccessfully, just as Kaa was unsuccessful: 'Trust in me, just in me, shut your eyes, trust in me.' That is the song that Kaa sings to try and hypnotise the boy: 'You can sleep safe and sound, knowing I am around, slip into silent slumber, sail on a silver mist ... Trust in me.' That is what he has been trying to do for the past 12 years, persuade the people of Gibraltar not to trust their Government but to trust him, and on every occasion he has put himself up, he



has lost, he has lost, he has lost, just like the snake in *The Jungle Book*. I really do think it was not a good idea to talk about the jungle for the other side.

2235 They were warning about the problems, they were warning of all these things, he said again, so he fell for the trap of repeating what Elliott Phillips has said about them, that they had been warning about the problems, but in fact he had forgotten that he had said that even if we had heeded his warnings we would have ended up in the same place. He is hoist by his own petard. His own words undo his warnings.

2240 If you look at the thing he said which I thought was most fundamental this time, he said, 'Based on all the indicators, they' – the GSLP Liberals – 'have failed.' Except, of course, if you look at the indicators. If, instead of using the word 'indicators' – because you read it in *The Times* and you thought, 'I am going to say indicators when I go to Parliament next time. I am going to say financial indicators. If you look at the indicators, you have failed,' – and you actually do the work of looking  
2245 at the indicators, when you look at the comparison of the Budgets between us and them – I have given them the graphs – look at the growth in GDP and look at the growth in jobs, the reduction in unemployment, look at the housing waiting list and look at the affordable homes delivered, you name it, on all of the KPIs we beat them hands down except on one: expenditure. They increased expenditure by more than us, except they are saying expenditure is the problem. So expenditure  
2250 is more controlled by us than by them.

Then he went on to attack Joe Bossano, which he could not help because I think there is a thing there, still, about 2002 and the executive and all that. He could not help it. I have to say to him he has to get over that. It is 20 years since he left the executive of the GSLP. Come on, we can all be friends. I am serious – this is not my poker face.

2255 When it came to this debate and I was preparing my notes ... I always put a quote at the front. Two years it has been his, Mr Speaker, because the whole subject of this debate, in effect, is about trust, about trust on the numbers, and in particular it is about who you trust to go and run the negotiation for Brexit, who finishes the Brexit negotiation, who sits there – across the table from Spain, from the Europeans – with the UK in this negotiation. What did he say of me? I do not think  
2260 he meant it as a compliment:

Mr Speaker, I have to say I have never met anyone – and there is a sneaky admiration that I have for him on this front – with a greater ability to keep a poker face – of course, I am referring to the Chief Minister ...

Well, it is going to be in the manifesto, because when we go into the negotiation what we need is a poker face. That is what you need in a negotiation. That is why it is called a poker face. It is somebody who, in a negotiation, is able to keep their wits about them to such an extent that the other side is not able to see what he is thinking. That is a poker face. And he has said in this debate,  
2265 when he and the Leader of the Opposition were saying that they should be the ones running the Brexit negotiation, that the guy with the best poker face he has ever seen is me. Can he say those words again, so I can get it for a party political broadcast? Or do I have to rely on the video of here, Mr Speaker? That is the best compliment he could have given me, where the key issue in the election is going to be who goes to the negotiation: obviously, the guy with the poker face. Who  
2270 is going to go? The guy who wrote the book saying that Andorra is not joint sovereignty? This is not a poker face, this is a full house for the other side.

Then he went on to the 2011 General Election and what he was doing there. Mr Speaker, it is too late in the afternoon for me to have to, once again, demolish the arguments that we have demolished and that the jury of public opinion, namely the electorate, has already determined he  
2275 was wrong about at every turn. But I can, if he likes, over a coffee take him through everything he said and show why it is absolutely wrong. He cannot rewrite history. Albert Isola was here from 1996 to 2000 hitting the GSD when he was in the UK, so he cannot say that Albert Isola was somehow a cheerleader for Peter Caruana. At least Albert Isola stayed in the GSLP. He did not come back from the UK and then join Peter Caruana and perpetuate his time in power.

2280 The one thing, however, that I am not going to let him get away with is the thing he said about unemployment.

Mr Clerk, please call the usher, because a picture is worth a thousand words.

2285 He said he did not believe that there were 26 people unemployed in Gibraltar, as we have told him. He said he sees so many people who are unemployed – maybe because they do part-time politics, he might see a couple of day and those are the 26 – but he did not believe that those were the numbers. So I am giving them a chart now with registered unemployment in Gibraltar from 1995, with employee jobs from 1988 to 2000 and employee jobs from 1996 to 2022, and also unemployed average between 1990 and 2022 and unemployed average per year as well.

Table 5

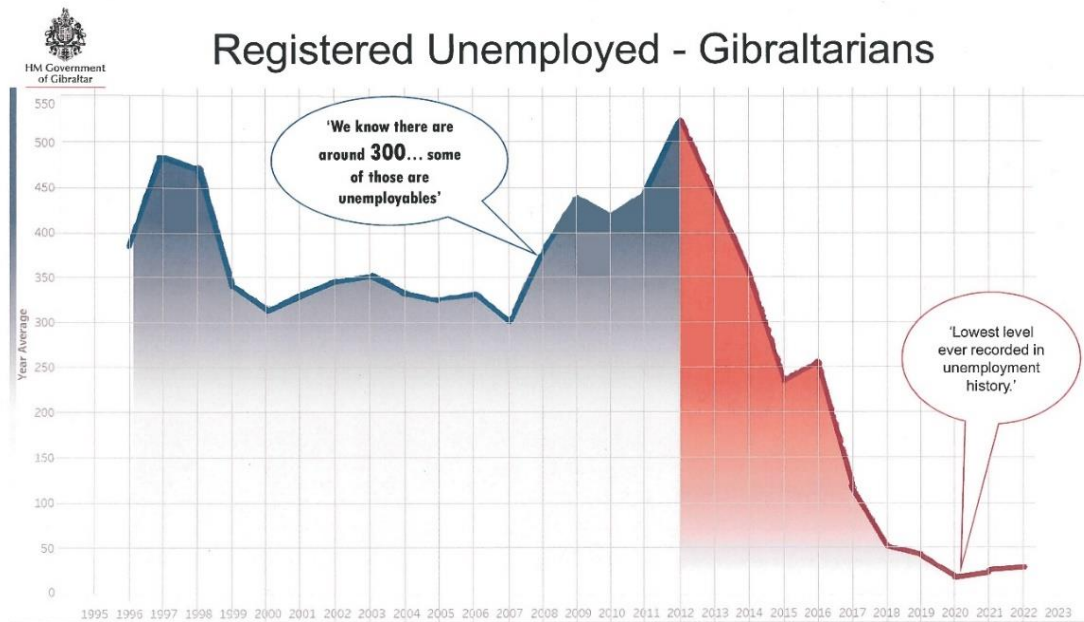


Table 5b

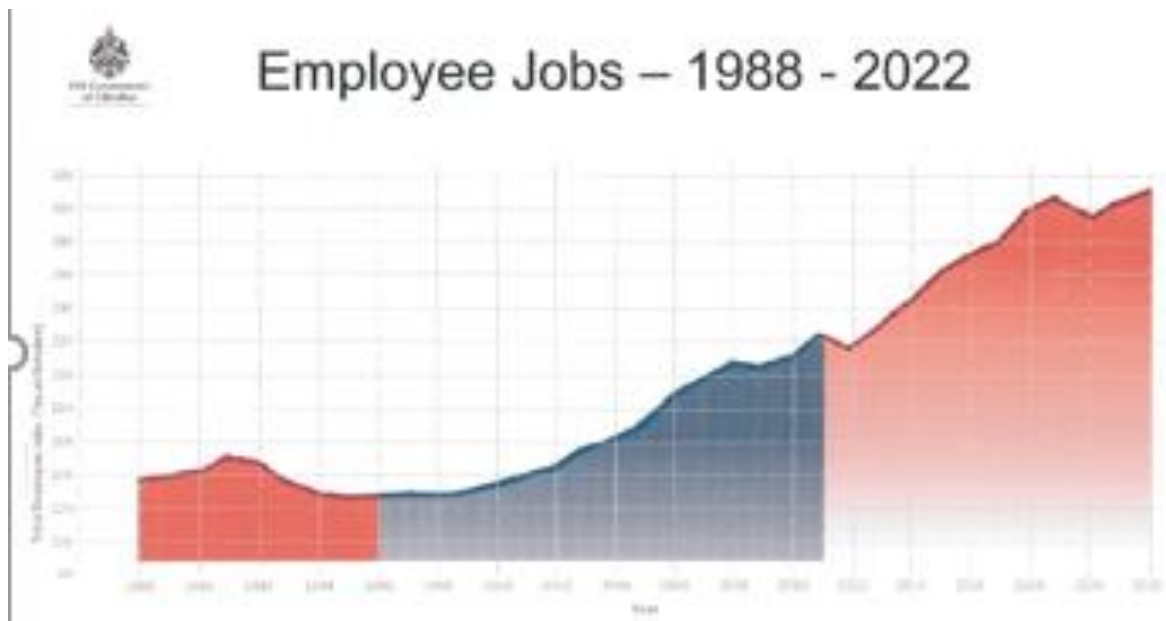


Table 5c

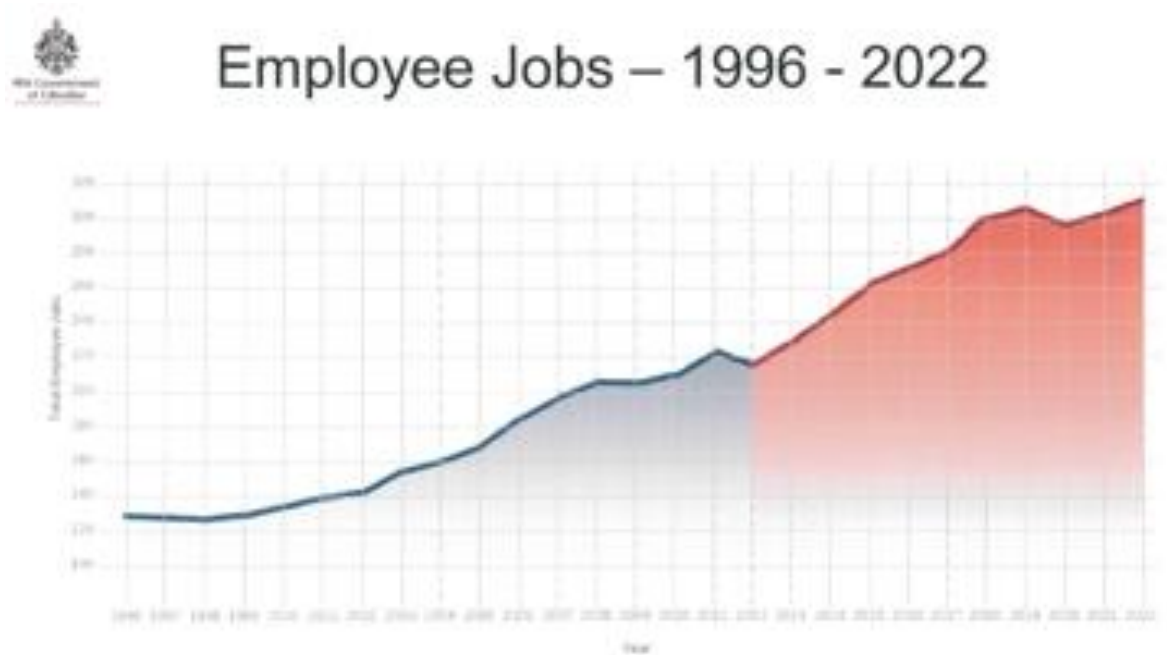


Table 6

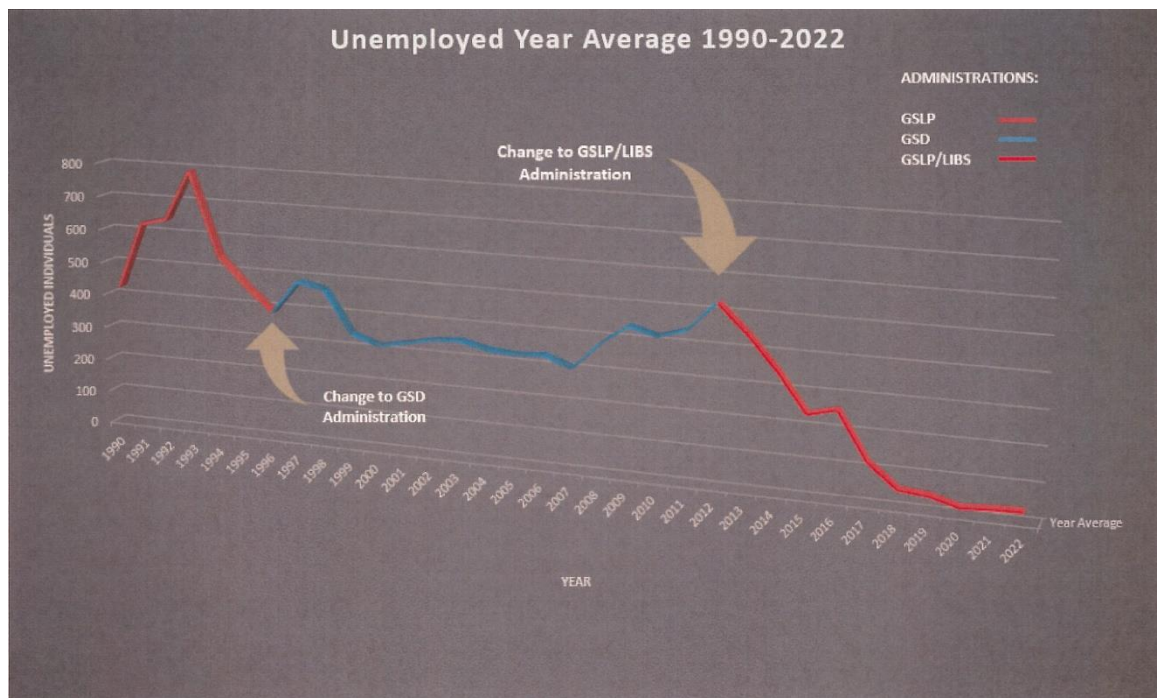
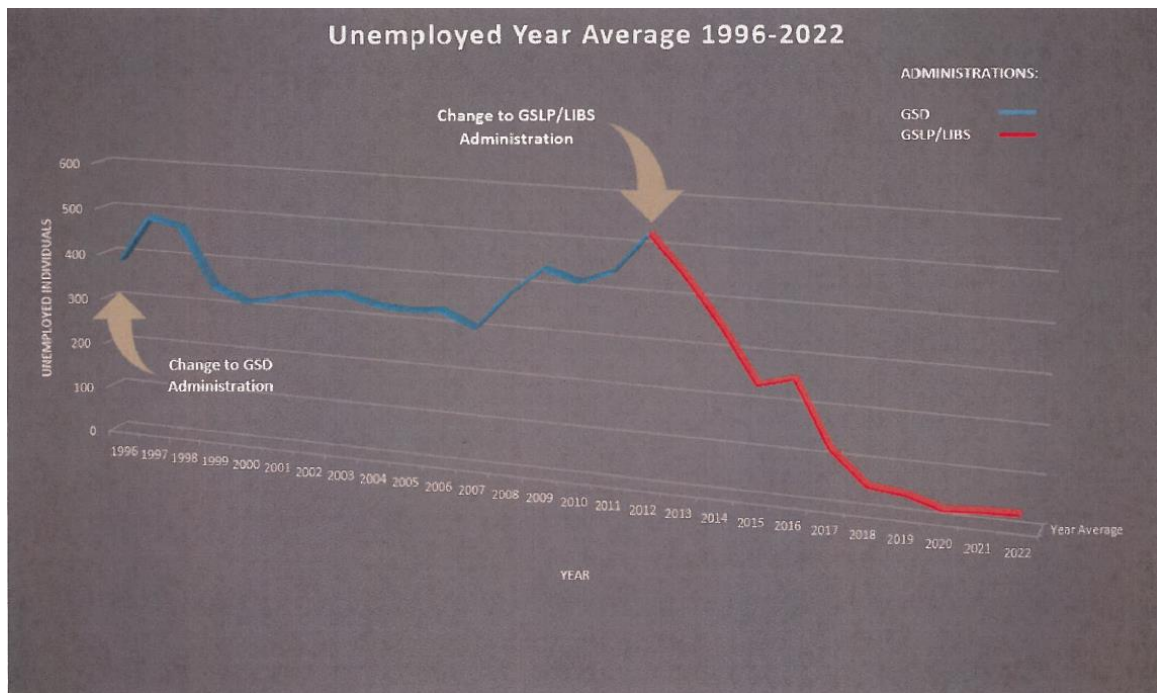


Table 7



2290 The numbers speak for themselves and a picture tells a thousand words. Look at how  
 2295 unemployment falls, measured in the same way that they measured it. Look at the number of  
 employee jobs. As the curve goes down in unemployment, the curve goes up for employment.  
 Look at that between 1996 and 2022. There is the answer. He can believe it. Or is it that he also  
 believes that it is not just the Financial Secretary who puts in the numbers that I tell him to put in  
 without any regard to what the reality is? Is it also he thinks every employer who returns an  
 employment record to the Employment Service, so the Employment Survey is skewed and it  
 produces these results? So he does not just not believe me, he does not believe every employer  
 who returns a return to the Employment Service.

2300 There is a caption there, because when he was sitting here next to Peter Caruana – well, not  
 really next to him, a bit further down – Peter Caruana said this:

Look, if I am an unemployed Gibraltar person, and we know there are around 280 to 300 and something of them,  
 some of those are unemployables, some of those are not looking for employment, and if they are, they are so choosy  
 and selective that I suppose they want to wait until the office of Chief Minister is vacant to apply for it, and if they  
 cannot get that job, they go round saying that they cannot find a job. No, what they mean is that they do not want  
 to accept any of the many jobs that are going.

2305 That is what Sir Peter said in the *Hansard* in 2008 was the view of the GSD with 300  
 unemployed – with him sitting there next to him. That is not our position. We said we could get  
 more people in jobs, and more people in jobs we have got. That is the reality. The numbers speak  
 for themselves and you can see those numbers for yourselves. We have left no stone unturned to  
 find jobs for Gibraltarians and we will continue to do so.

2310 What I did not think was fair was that he should end his address by praising the Police in a way  
 that suggested that we do not. Let's be very clear. The Royal Gibraltar Police enjoy the confidence  
 of the whole of this House, not just the Opposition. The Commissioner of Police enjoys the  
 confidence of the whole of this House, in particular the Government, not just the Opposition. This  
 Commissioner enjoys the full confidence of the Government. I have said so on television. He did  
 not have to come here to suggest that we do not. He does his cousin no service, by pretending to  
 come here to help him, to do that. He does the opposite. He attempts to do what he always  
 attempts to do: he attempts to politicise the Police for his own purpose.

2315 I will tell him how you undermine the Police. You undermine confidence in the Commissioner  
of Police by sitting next to him when he is having a meeting with the GDP and telling them what  
the shift patterns are going to be if they merge, and saying, 'No, Louis, that is not how you are  
going to do the shift patterns,' and telling them what you think, as Chief Minister, the shift  
patterns should be, which is what happened when he was Minister for Justice, when Louis Wink  
was Commissioner of Police and when Sir Peter was Chief Minister of Gibraltar. Well, he thought  
2320 he was also the Commissioner of Police. That is how you undermine the Commissioner of Police  
and that is how you undermine confidence in the Police.

What you should do is let them get on with what they do better than any other organisation,  
and that is what we do. That is not to say that there cannot be issues. Of course there are issues  
and of course they have to be dealt with – that is the interaction – but not to bring here any  
2325 suggestion of a lack of confidence in order to curry favour with the Police, in particular when you  
are saying that this is your valedictory. I thought at one stage he was going to grab the  
microphone, he was going to jump here into the centre dais as if he were Robbie Williams and  
treat us to the Clash's good old *Should I Stay or Should I Go* – if I stay there will be trouble, if I go  
it will be double. For goodness sake, Mr Speaker, what a performance. It is the same old frustrated  
2330 Daniel Feetham, the same old broken record.

By going through all of the scaring that they have done since 2011 till now, the one thing he  
does not get is the moral of the story of *Monsters University*. In *Monsters University* you have an  
ecosystem where the whole city is powered by the screaming of children. The monsters go out  
and scare the children so that they scream, and the screaming fills the tank with power. Yes?  
2335 When I have time with my children I do like to watch something with them. The moral of the story,  
which is deeper than just watching a cartoon, is actually that the monsters work out that they get  
more energy from the children by inspiring them and giving them hope than by scaring them, and  
that is exactly the difference between him and me. It is exactly the difference between them and  
us. They have spent the last 12 years trying to scare the public into voting for them. We have spent  
2340 the last 12 years telling people what we want to do with Gibraltar for Gibraltar, alongside them  
and inspiring them. That is the difference between him and us. Maybe he should give Mike  
Wazowski a call. In the end, this may be his last Budget address, or it may not. If it is, in the end,  
our relationship will have been more like Coyote and the Road Runner than anybody else –  
another cartoon, where the road runner always got away.

2345 The hon. Lady is not here to hear me respond to her and there is very little I intend to say  
because she has already indicated that she will not be standing for election, but she said some  
things which need to be replied to and some things that I want to say to her. First of all, I am very  
happy that the hon. Lady leaves politics as she entered it, and that, to me, is as a very good friend.  
We have had our ups and downs, we have had serious issues between us, but we have remained  
2350 close in the time that we have both been Members of this House. In particular, she has worked  
very closely with us on issues of progressive politics and I do think that in the future, should those  
progressive policies ever come under attack, the public in Gibraltar – if I am retired by then or  
have been discarded by then – will know that I am available to come and fight for those  
progressive policies. I am sure Mr Azopardi will, too. I am sure Mr Feetham will, too, and I am sure  
2355 she will, too. She has, to a very great extent, led on those issues and I think she has a very proud  
contribution that she can look back on in the context of what she has done in respect of  
progressive issues and, in particular, women's reproductive rights.

'The state of our nation today is appalling' is what she said. Really? When you start to say things  
like that is when you are not being serious in your analysis. 'Gibraltar is becoming unbearable to  
2360 live in with so much development and unpainted railings' – apparently, unpainted railings is  
something that one refers to in a Budget speech because it makes Gibraltar unbearable to live in.  
What about Commonwealth Park, Champion Park – railings painted every two years? What about  
our tunnels and the Upper Town, with art? What about all of the new areas there are? I think if  
the hon. Lady looks at the schools to which our children go, the homes in which our people are  
2365 living ... Of course there are still some things to go. Gibraltar is not more appalling today than it

was in 2011, in 1996 or in 1988. Of course there are issues, of course they have to be resolved, but frankly, Gibraltar is not going to consider that a statement such as that Gibraltar is appalling to live in is going to be serious. What about the bike lanes? What about the green walls in the new schools? Come on. The Upper Town is not abandoned. The Upper Town needs work still in some areas, but it is looking better than it has ever looked before. So when you ask where has the money gone, it is in the schools, it is in all of those new developments. It is obvious.

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I was grateful that she had picked up the GSD also in the way that they were attacking the issue of tax, because she was more serious when it came to tax, but I thought she was wrong to suggest that we had been using dirty tactics because of the way we had timed the debate on the estimates.

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I have gone through that already.

She referred to vanity projects. I still do not know what those vanity projects are. I suppose the vanity projects are the schools, I suppose the vanity projects are the primary care centres, the affordable housing or the sports facilities. I do not know what the vanity projects are, otherwise, but in the end she has come to politics, she has done politics, she is leaving politics and she leaves a friend and she leaves with the regard of the Government for the work that she has done.

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Mr Speaker, I now round up. It is really quite remarkable that Members opposite have told us they are once again going to vote against the Budget, this year in particular, for a simple reason: they say they are going to become the Government in the autumn, which means they will be running the Government with estimates that they have voted against. They are going to vote against being able to spend money the day after the General Election. They are going to vote against being able to continue to pay civil servants after the General Election. We will be gone, in their world. In their hopeless fiction in which they win a General Election, they have voted down the money they are going to have to spend. It is really quite remarkable. It is very clear that all of their statements were flops for the reasons that I have gone through, that many of them are already FLOPs because they are former Leaders of the Opposition, that Mr Azopardi is soon to be a former Leader of the Opposition, not because he is going to become Chief Minister but because he is going to be got rid of by the GSD when he does not become Chief Minister and then Mr Bossino is soon going to be a FLOP, a future Leader of the Opposition. But what they have demonstrated is that they have not got what it takes in this Budget debate.

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Are we are tired? Of course we are tired. We are tired of them. We are tired of their negativity. We are tired of them not having full regard for our people. That is the reality. We are not tired of delivering the best affordable homes in our history, we are not tired of delivering new schools for our children, we are not tired of serving our people. In this last state of the nation debate, what have they offered our people except flawed analysis, flawed understandings of the estimate, and their policy, which has fallen immediately, which is to suggest that we should form part of their Brexit negotiating team? Nothing is what they have offered our people.

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And what have they done in the past four years? They do have *hacheo* politics, the politics of rumour and innuendo, the politics of what they call perception because they cannot point at anything in reality. In particular, Mr Azopardi and Mr Bossino: one asking questions about chickens, the other one running like a chicken away from a meeting with the Minister for Tourism, always ready to criticise, never ready to meet and discuss. Mr Azopardi and Mr Bossino do seem to be the new Claudia and Cynthia of the Calentita-style politics that they seem to be running, bringing gossip and *hacheo* to this place. And to think, Mr Speaker, that that, opposite us, used to be the party of Peter Montegriffo and Peter Caruana. We might have disagreed with them, but that was a party of substance – but now the party of Azopardi and Bossino. Or is it Bossino and Azopardi? I do not know which way round.

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What substance is there now in the GSD that we have before us? They arrive together and they smile together, but they are obviously at political loggerheads. The next election for Mr Bossino is not about government and it is not about Gibraltar, it is about leading the GSD. It is the final act, in my view, of the post-Caruana civil war, in which Mr Bossino and his Vox-like values, I believe, will prevail, and then we will have the final real battle looming between progressive GSLP liberal politics and GSD deep conservatism, because they, the GSD, are all about opposition, not about

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leadership, all about opposition, not about vision, all about opposition with no plan for our people's future. The GSD stand against everything, but they stand for nothing. We know everything they are against but we know nothing about what they might support, other than that Andorra is not joint sovereignty.

So our people know now that the GSD are not a credible option for the future. It is the GSLP Liberals that will keep Gibraltar safe. We will get Gibraltar through the jungle, just like we have got our people through COVID, just like we are getting us through the Brexit crisis. Our message to our people who have suffered these COVID years, who may have lost loved ones, who are suffering the cost of living issues, is that we will continue to work for them as we have these past four years, these toughest four years. When our people look back at the challenges of COVID, the conclusions of the New Year's Eve Agreement even whilst we were in lockdown, the way we dealt with lockdown and with furlough, the way we designed BEAT, the way we got the vaccine because of the way we nurture the relationship with Britain, the way we got our sovereign guarantee because of the way we nurture the relationship with Britain – all of those photographs at No. 10, which are more than just photographs – everything we did for our businesses and our citizens alike, and they see how the economy and the public finances have recovered and they look at the alternative, I believe our people will genuinely and deeply value what we have done. They will genuinely and deeply consider the work that we have done which shows our good faith, demonstrates our hard work, shows that hard work pays off and evidences our deep and undying *love* for our country and our people.

There is only one coalition of parties in this Parliament that is on the side of the Gibraltarian people, and that is the GSLP Liberals. There is only one coalition of parties that is ready to stand up always for the Gibraltarian people, and that is the GSLP Liberals. There is only one coalition of parties in coalition with the Gibraltarian people, and that is the GSLP Liberals, only one coalition of parties that is the political wing of the Gibraltarian people, the GSLP Liberals – never caring for ourselves, always acting in the best interests of our people, whether our actions are popular or not. Judge us on our record. On judgement, we were right about the Lisbon, Strasbourg and Brussels processes from the beginning. When the GSD defended the Brussels process and attended the talks, we said no. We were right then and we are right now. When the AACR defended the 1987 Airport Agreement and the GSD defended the 2006 Cordoba Airport Agreement, we said no. When the GSD spent £100 million on the Airport before spending a penny on the KGV, we said no. We were right then and we are right now.

The public will also look at the contribution by hon. Members opposite, reflecting on these toughest four years. They came here to criticise everything and recognise nothing, and on spending they criticise our record but they forget that when they had the purse strings they lost the public's money. Yes, the GSD lost the public's money. They lost £10 million on the Theatre Royal. They lost £7 million which they loaned to OEM and was never paid back. They made no investments in the comprehensive schools, we had to deliver that; no investment in a Victorian St Bernard's, we had to deliver that. A number of multi-generational projects which needed doing delivered on time and on budget by the GSLP Liberals: a new PCC, a new children's PCC, new affordable homes at subsidised prices, and great quality new sporting facilities so our athletes do not have to go to Spain to train anymore unless they want to. Which of these is an extravagance? An increase in public sector pay and improving terms and conditions? Which of these do the Opposition say is an extravagance if they now argue that we should increase some of these things more? They talk about our spending too much, but they never point to the one thing they would not have spent on. They say we need to lobby and market more, and then they say we should not fly on the flights available because they cost money. This is nonsense opposition from parties with only nonsense to propose to the general public in Gibraltar.

The Gibraltarian public know the GSD is not on their side. The GSD is on their own side. They do not want to win for the Gibraltarian. They want to win for the GSD. They want to win for the rich they represent – the people they used to tax at 5% and we now tax at 25% – not for the working people we defend and whose side we are on. That is how they defended the working

2470 people, by having the tax on those who earned hundreds of thousands at 5%, and the tax on those who earned £20,000 or £30,000 at 25%. We do the opposite. We make sure that everybody pays their share.

So what was the golden legacy of the GSD? That the rich pay 5% and the rest pay 25%? Taxpayers' money loaned to OEM and lost? That was the golden legacy? When you spend one  
2475 minute looking beyond the headlines at the social media noise that they try to make, you can see the truth, and the people of Gibraltar can see the truth. They will not have the wool pulled over their eyes. The public, in my view, will see that the only option available at the next election, the only choice that will keep Gibraltar safe will be the GSLP Liberal team, and that these estimates for the year ahead are the best demonstration that we continue to work to keep Gibraltar safe,  
2480 that we keep the vulnerable safe and that we keep the incomes of working people safe, that we keep our public finances safe, that people who work each day in everything they do in this Cabinet team do it to keep Gibraltar safe.

We are the only safe choice, Mr Speaker. We are the only ones who will keep Gibraltar safe, especially given the clear position of the leader of the party opposite on an Andorra-style solution and what it means, which once again puts Gibraltar at risk under the GSD, puts Gibraltar's  
2485 sovereignty at risk with a GSD Chief Minister who has specifically written down that an Andorra-style solution is not joint sovereignty. That creates the risk, once again, that under the GSD a joint sovereignty solution would be mooted, and that is something that the electorate will want to avoid at any cost. They will want to avoid the risk that a vote for the GSD presents. The electorate will want to act to keep Gibraltar safe, and in my view they will vote to keep Gibraltar safe and they will do that by returning us to government to keep Gibraltar safe, because in this election, like in every election, it is always, first and foremost, for us, about keeping Gibraltar safe – just like this Appropriation, every Appropriation, is for us about one thing above all else, about keeping Gibraltar safe. With this one, it is about finishing what we started, about the social justice that we  
2490 want to do, about the protection of the vulnerable, which these estimates are designed to do.

And so, Mr Speaker, for that reason, I once again unhesitatingly commend the Bill to the House, and, because nobody does it better, I commend a renewed GSLP Liberal Government to the people. *(Banging on desks)*

Mr Speaker, I just left one thing out. I would propose that we come back and look at the detail  
2500 of the estimates in the Committee Stage and Third Reading at 4 p.m.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024 be read a second time. Those in favour? (**Members:** Aye.) Those against? (**A Member:** No.) Carried.

2505

**Clerk:** The Appropriation Act 2023.

**Appropriation Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Mr Speaker:** You need to give notice of the Committee Stage and Third Reading.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to give notice that the House should  
2510 resolve itself into Committee to consider the following Bill clause by clause –

**Mr Speaker:** Shall we say, 'I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree'?



2515 **Hon. Chief Minister:** Okay, too fast, yes. I beg to give notice that the Committee Stage and Third Reading be taken later today, if all hon. Members agree.

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

2520

**Members:** Aye.

**Mr Speaker:** The House will now recess until four o'clock.

*The House recessed at 2.49 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 4.01 p.m. – 7.06 p.m.**

**Gibraltar, Tuesday, 18th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 4.01 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## COMMITTEE STAGE AND THIRD READING

**Clerk:** Committee Stage and Third Reading. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House should resolve itself into Committee to consider the following Bill clause by clause, namely the Appropriation Bill 2023.

*In Committee of the whole House*

### Appropriation Bill 2023 – Clauses considered and approved

**Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024.

Clause 1.

**Mr Chairman:** Clause 1 stands part of the Bill.

**Clerk:** Clause 2. Head 1, subheads 1 and 2.

**Mr Chairman:** Head 1, Treasury, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 2, No. 6 Convent Place, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, can I just ask: on the grant to the Gibraltar Regiment at 2(14), that reduction is based on discussions with the Regiment?

**Chief Minister (Hon. F R Picardo):** Yes, Mr Chairman, this relates to a sum of money that was being paid in respect of work being done on terms and conditions which has now come to an end, and the person the Regiment was employing to do that work and who was being funded through that grant is no longer employed by the Regiment. Other support which is given to the Regiment is given through the Other Grants and Donations head.

**Hon. K Azopardi:** Mr Chairman, can I also ask on 2(22)? I am not sure if this is in order, but the Chief Minister will say if he has the information. Can he give us a bit more information on the outturn for 2022-23 on *ex gratia* payments, the general nature of those payments?

**Hon. Chief Minister:** Mr Chairman, these total nine *ex gratia* payments of different amounts. They are, all of them, potential claims which have been settled.

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**Mr Chairman:** Head 2, No. 6 Convent Place, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 3, Office of the Chief Technical Officer, subheads 1 and 2.

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**Mr Chairman:** Head 3, Office of the Chief Technical Officer, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 4, Customs, subheads 1 and 2.

**Mr Chairman:** Head 4, Customs, subheads 1 and 2 stand part of the Bill.

45

**Clerk:** Head 5, Income Tax, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, can I just ask, on payroll and overtime emergency, the kind of provision to which those funds are directed? Why is it classified as emergency?

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**Hon. Chief Minister:** Mr Chairman, the view we have taken is that the manning level should support the ability to discharge the functions of a department in normal run of play. Therefore, there should be very little in terms of manning level maintenance because the manning level is maintained, there should be nothing agreed by way of conditioned overtime in these clerical departments, and therefore, when something needs to be done, it is, in effect, something which needs to be done and therefore should be classified as an emergency and is approved by the head of department and by the Chief Secretary as something that needs to be done in a particular period of time.

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**Hon. R M Clinton:** Mr Chairman, if I can ask, just slightly below that, in Payroll 1(1)(c), Allowances – estimated as £90,000 and came in at £180,000, estimate next year £90,000 – why the increase to the outturn?

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**Hon. Chief Minister:** Mr Chairman, I am told that the outturn is higher as a result of substitution paid and changes in allowances which were agreed at the time. For that reason, they came in higher.

**Hon. R M Clinton:** Mr Chairman, if the Chief Minister could elaborate on what he means by ‘substitution’?

70

**Hon. Chief Minister:** Substitution is when one officer is substituting for another, Mr Chairman, and is being paid a temporary allowance. So the person who is not at work continues to get their allowance because it is part of their pay, and the person who substitutes for them also gets the allowance because they are doing the job to which the allowance attaches.

75

**Mr Chairman:** Head 5, Income Tax, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 6, Parliament, subheads 1 and 2.

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**Hon. E J Reyes:** Mr Chairman, does it follow the same logic in 1(1)(c), where it says allowances, I think, of £5,000? Is that allowance when someone is acting for a higher grade from the clerical staff, or is it something completely different? Given it is Parliament, I have a curiosity on that one.

**Hon. Chief Minister:** Mr Chairman, it can mean various things. The allowance includes a substitution allowance, but is not just a substitution allowance. Different officers may have  
85 different allowances and they are booked under the allowances head. Without going through the list of allowances, I would not be able to tell you which are the ones that are relevant here, but it is not just the substitution. The substitution is something that can happen but is not necessarily the allowance that is relevant.

90 **Mr Chairman:** Head 6, Parliament, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 7, Human Resources, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, can I just ask, on Establishment, there is an increase in  
95 established posts there – first of all, the reason for that. Is that because other functions have moved to HR or because there is an expansion of that department?

**Hon. Chief Minister:** Mr Chairman, the hon. Gentleman will see that there are a number of changes. For example, the Gibraltar Development Corporation number is up from 10 to nine ...  
100 the Industrial Staff is up and there are a few other individuals booked here in respect of the Supernumerary Career Breaks etc., and the supernumerary staff is now all being booked here. He will see there is a section on supernumerary staff, so as people who need to be moved and are supernumerary are provided for, they are provided for here, even though they may not be working in the Human Resources Department. We have wanted to capture everyone who is  
105 supernumerary in one place rather than have different individuals booked as supernumerary in departments who, because they are supernumerary in that department, may be seconded somewhere else and then you lose track of them. So by putting them all here, you are keeping an eye on who is supernumerary and you will have a better control, when they are deployed  
110 somewhere, of what they are doing, because it is the Human Resources Department directly who are on top of that secondment and that supernumerary officer. You also do not run the risk that a supernumerary officer might be confused as a member of the complement of a department and that when somebody was supernumerary the number might remain as a member of the complement of a department. That is why we are booking it here. The increase that the hon. Gentleman will see – and this will fluctuate year on year – will not be relevant to those who are  
115 working in the Human Resources section. Those are really dealt with above, before the bold reference to supernumerary staff.

**Hon. K Azopardi:** I see. And is it right, then, that because the Deputy Director of Nursing Services is being booked as supernumerary here, the intention would be, beyond the post holder,  
120 to abolish that post?

**Hon. Chief Minister:** To abolish this particular office holder's position. As I understand it, Mr Chairman, the Deputy Director of Nursing was replaced as Deputy Director of Nursing in the GHA, but he moved to supernumerary and kept that title because that was the title it was agreed  
125 he would have the remuneration for, and we did not want to create a new grade which attracted the same remuneration as Deputy Director of Nursing, but there is a Deputy Director of Nursing who replaced him in the GHA.

**Hon. K Azopardi:** I see. The Deputy Director of Nursing who replaced him in the GHA does not  
130 carry the title Deputy Director of Nursing – is that right? – and carries a different title. Is that really what we are talking about?

**Hon. Chief Minister:** Mr Chairman, I do not think they carry the title, they carry the responsibility. The title has moved here and we have those issues, but the work is being done.

135 **Hon. K Azopardi:** And in respect of the GDC increase – the supernumerary the Chief Minister has explained – the increase on the GDC staff would be attributable to what?

**Hon. Chief Minister:** Mr Chairman, as the hon. Gentleman knows, the GDC is not broken down in the same way as the Civil Service posts, so these are the career breaks in the GDC that are being booked here. We had the same issue. He will see that there are supernumerary career breaks, which are the career breaks in the Civil Service, which are under a bold line on page 33. The GDC career breaks are being booked here again to keep an eye on those career break individuals and ensure that we are on top of the terms of the career break, which are usually a fixed period of time. When it is in the departments, sometimes HR could lose track of those and we do not want that to continue to happen.

**Hon. R M Clinton:** Mr Chairman, in subhead 2(6), Rents and Service Charges came in at £153,000 last year and the projection is £30,000, which seems to be quite a reduction.

150 **Hon. Chief Minister:** Mr Chairman, this is the Public Sector HR Department that we had established as a separate entity. That has now terminated its contractual commitment for a rental unit at Europort, and that is what reduces the cost.

**Hon. K Azopardi:** Just one final one on this one. On subhead 2(12) the increase in estimate from the outturn would be attributable to the explanation the Chief Minister has given that they are now booking extra GDC staff in this head – is that right?

**Hon. Chief Minister:** Yes, Mr Chairman.

160 **Mr Chairman:** Head 7, Human Resources, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 8, Immigration and Civil Status, subheads 1 and 2.

**Hon. K Azopardi:** Here, my question on subhead 1(1)(a) is almost in reverse. Looking at the establishment and the bottom line, or indeed the establishment of the department, it does not look like there is a big difference – there is only a difference of one person, yet the estimate is lower than the forecast outturn. That would be attributable to what?

**Hon. Chief Minister:** Mr Chairman, the complement is exactly as it should be, because the only person missing from the complement, the only post holder gone, is the supernumerary post holder.

**Hon. K Azopardi:** I understand that there is one less because that is what the establishment says, but what I am really asking is does that account for the reduction of, in effect, £60,000?

175 **Hon. Chief Minister:** Part of the reason is that, Mr Chairman, and it is also partly because there is a vacancy occasioning during the course of the year.

**Mr Chairman:** Head 8, Immigration and Civil Status, subheads 1 and 2 stand part of the Bill.

180 **Clerk:** Head 9, Financial Secretary's Office, subheads 1 and 2.

**Hon. K Azopardi:** In Financial Secretary's Office at 1(1)(a), the estimate, based on the same number of staff, is higher, but based on what – because posts have been filled, or just ...? What is that due to?

190 **Hon. Chief Minister:** Mr Chairman, it is just a move of the money. If the hon. Gentleman looks at the forecast outturn for 2022-23, he will see, on Secondment, that the sums paid in respect of the former Financial Secretary are reduced to zero. The current Financial Secretary is paid directly as a civil servant because he is a civil servant. The former Financial Secretary was not a civil servant, so, although there was a Financial Secretary, he was not paid out of the payroll at 1(1)(a), he was paid out of Other Charges at 2.

195 **Hon. K Azopardi:** Sorry, I am not sure I am following, because the Chief Minister mentioned Secondment but I cannot find Secondment. (*Interjection*) Oh, I see.

200 **Hon. R M Clinton:** Mr Chairman, it is just that if you look at the estimate of 2022-23, it was in at £200,000 for the secondment, but obviously the Financial Secretary's payroll number in the Book is much less than that. Is he saying that included both what he would have been paid as Financial Secretary plus something on top?

205 **Hon. Chief Minister:** No, Mr Chairman, that is not what I am saying. What I am saying is that the cost of the secondment is set out there when it was a secondment. For the outturn for 2022-23 it is not the full year. For the full year he needs to look at the actual of 2021-22 and the estimate for 2022-23. The secondee was not a civil servant and he was not paid as a civil servant. He was paid as per the secondment amount, which the hon. Gentleman has seen in the Book for the past four or five years – which I assume he has not missed because it is all information is here, it is not information that is not here – whilst the current Financial Secretary is paid on the terms of the grade that he holds in the Civil Service, which is lower.

210 **Hon. K Azopardi:** Sorry, but I am not understanding the point. The former Financial Secretary having left, and he left sometime during 2022-23 ... What I am asking about is 2023-24. There is an increase in salaries from the forecast outturn of £585,000 to £690,000, and I get that the secondment is zero because the former Financial Secretary is no longer there, but what accounts for the difference between £585,000 and £690,000?

220 **Hon. Chief Minister:** Mr Chairman, if that is the exercise he wants to do, he should not look at the £585,000. If he wants to look at the salaries of the Financial Secretary's Office without a Financial Secretary being paid as a civil servant, he needs to look at the estimate for 2022-23. The cost of running that office without paying for the Financial Secretary as a civil servant was £512,000, so the difference between £690,000 and £512,000 is what tells him the cost of the current Financial Secretary.

225 **Mr Chairman:** Head 9, Financial Secretary's Office, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 10, Government Law Offices, subheads 1 and 2.

230 **Hon. K Azopardi:** Mr Chairman, can I just ask, under subhead 2(23) Professional Fees, the forecast outturn – that corresponds to the sums of money for which there is information on the government website? That accounts for the breakdown? Is that correct?

235 **Hon. Chief Minister:** Yes, Mr Chairman, as I understand it. Of course, the bills come in, sometimes, at different times in the year, so reconciling the bills against the financial year is not always going to be exact, but they should be able to reconcile them across financial years.

**Mr Chairman:** Head 10, Government Law Offices, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 11, Office of the Deputy Chief Minister, subheads 1 and 2.

240 **Hon. R M Clinton:** Mr Chairman, in subhead 1(1)(e), Salaries in the Archives, there seems to be a £46,000 decrease from last year to the estimate for next year, but the establishment seems to be the same. I was wondering what would account for that.

245 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Chairman, that is related to the salary of the Archivist. The post is vacant at the moment. If an Archivist is appointed – and the process has already started – then that money will be allocated from somewhere else, from the supplementary funding at the back.

250 **Hon. R M Clinton:** So, Mr Chairman, if somebody is acting in their position, do they not get paid additional amounts to cover?

255 **Hon. Chief Minister:** No, Mr Chairman, the policy position that the Government has taken for some time is that you are only paid an acting if you actually do the job and the job that you do entails you doing something different to what you do on a daily basis. It is not automatic that if the person above you in the scale is absent for whatever reason, you automatically get their pay. We do not think that is a useful use of government money, so it is not automatic and the amount of any vacant post is therefore not provided for. We provide during the course of the year when the post is filled. He will see that throughout the Book.

260 **Hon. K Azopardi:** Mr Chairman, can I just ask on subhead 2(12), Land and Property Management – the sums which are booked here would be would be arising from what? Can we have an idea of that?

265 **Hon. Deputy Chief Minister:** Mr Chairman, that relates to decisions taken in the Land Management Committee. It involves things like taking emergency works, replacing fences, giving compensation to people who might be moved. It is that kind of thing. It is related to land issues.

270 **Hon. K Azopardi:** Can I ask on 2(19), the Hong Kong Office, which we had understood was closed but there is still a notional amount there – the reason for that being what, that there is an intention, perhaps, to consider opening it again? Why is it booked at all?

**Hon. Deputy Chief Minister:** Mr Chairman, that relates to invoices which have spilled over in the process of closing it down.

275 **Hon. E J Reyes:** Mr Chairman, on subhead 2(17) under the title Commonwealth Enterprise and Investment Council, can we have a bit of clarification? That is obviously going up slightly in expenditure, from £22,000 to the predicted ... it is over £10,000 difference. What exactly is charged under that head?

280 **Hon. Deputy Chief Minister:** Mr Chairman, that refers to the arrangements for the Commonwealth Enterprise and Investment Council office in Gibraltar and it is a contribution that the Government makes to that.

285 **Hon. R M Clinton:** Mr Chairman, I would be grateful if the Deputy Chief Minister could elaborate a little bit in terms of why it would need a contribution from the Government. What costs does it incur?

**Hon. Deputy Chief Minister:** Mr Chairman, the hon. Members will see that there are several Commonwealth entities and institutions which the Government has contributed to over the years.



290 This is not the only one. In this particular case – I think it was explained at the time in the context of Brexit, our departure from the European Union and the need to identify new markets and new business – this was taken on board as one of those for that reason.

**Hon. R M Clinton:** Yes, but what is the money actually spent on?

295 **Hon. Deputy Chief Minister:** The money is spent on the office in Gibraltar.

**Mr Chairman:** Head 11, Office of the Deputy Chief Minister, subheads 1 and 2 stand part of the Bill.

300 **Clerk:** Head 12, Civil Aviation, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, on subhead 2(3), Contribution towards Aerodrome Running Expenses, that is a contribution that is made by the Government to whom?

305 **Hon. Chief Minister:** Mr Chairman, this is a contribution paid – under an agreement done, I think, at the time he was in government – directly to the MoD. It is, in principle, a payment which goes towards the upkeep of the surface of the runway itself over a period of 20 years or so that the runway is resurfaced.

310 **Mr Chairman:** Head 12, Civil Aviation, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 13, Environment, subheads 1 and 2.

315 **Hon. K Azopardi:** Mr Chairman, on subhead 1, I am just looking at the bottom line. The estimate is £250,000 less than last year's forecast outturn. That would be due to what? The number of posts looks pretty much the same in terms of the establishment. Is it attributable to vacant posts? Can we have an explanation for that?

320 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Which line in particular, Mr Chairman? He said the bottom line of head 1. Yes, the difference between the two is a difference between the provision, for example, in emergency overtime, which is a token at £1,000 because it cannot be predicted, and the actual amounts that were paid as a result of the overtime having to be called in.

325 **Hon. K Azopardi:** I can see, Mr Chairman, that that accounts for £94,000, but the difference is – (*Interjection*)

330 **Hon. Chief Minister:** Because that is the total of the whole of head 1, so it is all of the overtime when you take it together. There is £80,000 there – £80,000, £80,000 and £8,000 and then go over the page and there is £94,000.

**Hon. K Azopardi:** Mr Chairman, in subhead 2(8), the contribution to the GDC staff services would be significantly reduced from the outturn. Again, that would be why?

335 **Hon. Prof. J E Cortes:** Subhead 2 in which line? Number eight. This will be as a result of posts no longer being there. Gibraltar Development Corporation posts are not part of the complement, and therefore, in the same way that vacancies are not funded directly at this stage, this will be posts that are no longer there.

340 **Hon. K Azopardi:** Mr Chairman, if that is the case, then I am not sure I am understanding, if we go to page 51, how GDC staff is ... there is only a difference of one there.

**Hon. Prof. J E Cortes:** Mr Chairman, there are two explanations. In fact, the overtime also is, as I said earlier, not provided for, and there was a considerable amount of overtime. If the hon. Member looks at page 51, there is also a reduction in one post there, which will make a contribution towards that difference.

345 If I may also offer some more information, on page 187, which covers the GDC payment, he will be able to see that that is explained under the environment head as a difference between the forecast outturn of £200,000 to £77,000 estimate in relation to the difference in overtime, which is the point I made earlier. Thank you.

**Hon. K Azopardi:** Can I just ask, Mr Chairman, on subhead 2, line 30, Upkeep of Cemeteries – ‘cemeteries’ in the plural – that contractual sum would cover all the cemeteries in Gibraltar, meaning, obviously, the ones that are used, but also the historic cemeteries?

355 **Hon. Prof. J E Cortes:** This is for North Front Cemetery. There is a small contribution towards Trafalgar Cemetery and occasionally the Jewish Cemetery, but this is essentially North Front Cemetery.

360 **Hon. R M Clinton:** Mr Chairman, in respect of subhead 2(18), Environmental Health, is there a fixed-term contract for provision of services with the Environmental Agency Ltd?

**Hon. Prof. J E Cortes:** Yes, there is.

365 **Hon. R M Clinton:** Mr Chairman, would the Minister happen to know for how long that contract is?

**Hon. Prof. J E Cortes:** I do not have that information here. I can advise the hon. Member if he reminds me outside the meeting, but I do not have that information.

370 **Mr Chairman:** Head 13, Environment, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 14, Collection and Disposal of Refuse, subheads 1 and 2.

375 **Hon. K Azopardi:** Mr Chairman, can I, on subhead 2(2), ask why there is such a big figure there of over a million pounds? Is it booked as overtime where it says ‘emergency’? Is that a million pounds – £1,000,038.

**Hon. Prof. J E Cortes:** Yes, that is overtime.

380 **Hon. K Azopardi:** I see the figure, for example in 2021-22, booked, as a different amount, as manning-level maintenance. I am not sure if that is the same work booked in a different way. Is it normal, that level of overtime, of over a million pounds?

385 **Hon. Prof. J E Cortes:** It is essentially the same; it is the same work. The subtle difference will be – and I would need to check the actual detail – that it will have been overtime as a result of absences due to vacancies, which is why it was down initially as manning-level maintenance, but that is essentially the same money, it is not going somewhere else.

390 **Hon. K Azopardi:** And so the other question I was asking the Minister was is that normal going back? I am not sure if he has that information, but is it normal that you have over a million pounds spent in that kind of work, whether it is booked as manning level or overtime?

**Hon. Prof. J E Cortes:** Yes, it is.

395

**Hon. R M Clinton:** Mr Chairman, on subhead 2(8), Disposal of Refuse, there seems to be a big jump of over a million from last year's outturn to the estimated. Is there some change in conditions that has warranted effectively more than a 50% increase?

400 **Hon. Prof. J E Cortes:** Yes, that is due to two factors. One is the increase in volume – we do produce more rubbish than we used to – but largely it is because of the increase in the fees that are charged by the receiving facility. They have increased and therefore we have had to increase the provision.

405 **Mr Chairman:** Head 14, Collection and Disposal of Refuse, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 and 2.

410 **Hon. D J Bossino:** Mr Chairman, can the Minister give some more information in relation to subhead 2(16), which is described as Sites Management Systems – what the activity is there? And secondly, why there is a significant increase of almost of a million pounds from the estimated amounts of the forecast and then the estimated amounts for this coming year.

415 **Hon. Prof. J E Cortes:** Yes, that is the combination of the visitor management system and the cave experience. The reason it has gone up is that it is linked to the number of visitors and therefore the government income has increased, but also the payments have increased because of the increase in visitors to the sites, particularly to the cave.

420 **Hon. D J Bossino:** Is that a service which is contracted out, the visitor management system that he refers to?

**Hon. Prof. J E Cortes:** Yes, it is contracted out. The costs go up linked to revenue. The more visitors we have the more we get, but the more we pay.

425

**Hon. R M Clinton:** Mr Chairman, on subhead 2(27) Beach Services, is that contracted services for lifeguards?

430 **Hon. Prof. J E Cortes:** Yes, that is the lifeguards and beach attendants. The management thereof is contracted out.

**Mr Chairman:** Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 and 2 stand part of the Bill.

435 **Clerk:** Head 16, Education, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, can I ask on subhead 1(1)(a), Salaries, where the outturn was lower and obviously there is a commensurate estimate of this year similar to that of last year's – the outturn was lower because of vacancies in the teaching posts, is that right?

440

**Hon. Prof. J E Cortes:** Yes, this was due to delays in the recruitment process which meant that some of what was projected and is now once again projected as salaries would have been covered through temporary cover.

445 **Hon. R M Clinton:** Mr Chairman, in head 1(1)(d) Temporary Assistance, consistently from 2021-22 there is an expense of £7.9 million, 2022-23 £6.2 million, and yet £104,000 for the coming year. Is there anything the Minister has done that he envisages he will need specialists or special needs learning assistants or support for maternity cover or other items which would justify such a huge reduction?

450

**Hon. Chief Minister:** It is not a reduction, Mr Chairman, it is the same estimate as we had last year.

455 **Hon. R M Clinton:** Yes, Mr Chairman, but the outturns, both for last year and the year before, were, in a very large order of magnitude, much larger, and it would appear that it would be sensible to make provision of the same magnitude or at least a fraction of the magnitude. But a notional amount – is that realistic?

460 **Hon. Chief Minister:** Mr Chairman, the point is always that as we recruit other teachers etc., as we recruit more permanent staff, temporary staff should be reduced, and therefore we always try to ensure that we are making the best use of money by keeping the pressure on and putting just the £1,000 and ensuring that we have the staff we need, and, if possible, in the full-time complement, not in the temporary cover complement.

465 **Hon. R M Clinton:** Yes, Mr Chairman, I can understand that, but there is only a variation of one person in the Education complement from last year's projected. If there was a need last year, would there not potentially be a need this year?

470 **Hon. Prof. J E Cortes:** But we are talking about last year. These posts were taken on during the course of last year.

**Hon. R M Clinton:** Mr Chairman, if the Minister looks at the establishment breakdown, there is no actual change from 2022-23 to 2023-24.

475 **Hon. Prof. J E Cortes:** But if the posts were there but were vacant they would have been covered under temporary assistance, and the intention is to minimise the temporary assistance because it is covered, as the Hon. Leader of Opposition pointed out, in salaries which are back to where they were estimated last year but more than the forecast outturn, because of what I have explained. The temporary assistance has been shifted to salaries.

480

**Hon. R M Clinton:** Which is effectively the question I was asking at the beginning, Mr Chairman: has something happened that he would not envisage having to use them? How many people have actually now been taken on board?

485 **Hon. Chief Minister:** The issue is, Mr Chairman, that ... I think this is the nub of it. He is not going to see a change in the complement that is going to explain that. It is that the complement is provided for, but it is not being paid for in some instances. That complement we now expect has been filled. The complement has not changed, but it has not been filled because of recruitment issues etc. We now believe that it has been closer to being filled and therefore there  
490 will be less of the 2.4 and more of the 32.9.

495 **Hon. E J Reyes:** If I may, Mr Chairman, on subhead 1(1)(c), when we talk about allowances, if we are correct in assuming that those are the teaching and learning responsibility posts and the allowances given for teachers who have those posts, the expenditure over the two previous financial years is twice as much as what the estimate is. From previous answers to questions, the Minister has led me to believe that those posts are almost all allocated or filled, and, if not, it is because it is an active teaching post, someone is actually paid for it. So am I correct? Are they TLR allowance? Or what allowances are they?

500 **Hon. Prof. J E Cortes:** These are essentially substitution allowances, which ties in with what we were saying earlier. During a time when the vacancies were filled in a substantive manner, you would expect those allowances to be higher and we are expecting them to be lower now that the vacancies are more or less filled. So they are substitution acting allowances.

505 **Hon. E J Reyes:** And in 1(2)(c) is it the same principle that covers for the allowances under the Industrial Wages section? Under industrial I take it they are probably lab technicians and maybe cleaners or whatever, so is there a need to have someone covering for that?

510 **Hon. Prof. J E Cortes:** Yes, there are quite a number of industrials, including all the cleaners, and that is a similar allowance.

515 **Hon. K Azopardi:** Mr Chairman, on subhead 2(35), St Mary's School rents, I assume that the finalisation of the school and the commencement of the rental period will be sometime during the financial year, so that there would be more than that token amount that would be paid out. From answers that have been given in the House before, it seemed to us that the annual costs would hover around £1.2 million, so do they have a more realistic forecast than the £1,000 of how much would be spent during this financial year?

520 **Hon. Chief Minister:** Mr Chairman, at this stage I do not want to say much more in relation to that because there are issues in the negotiation between us and the new landlord which are still live and therefore – they could be watching – I do not want to give anything away.

525 **Hon. K Azopardi:** Without treading on the negotiations, when he says 'the new landlord', has there been a change of position or is that just a sort of terminology?

**Hon. Chief Minister:** We have not signed the lease yet.

530 **Hon. K Azopardi:** Mr Chairman, the intention would be to use this school from this coming new school term, as from September – is that right?

**Mr Chairman:** Head 16, Education, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 17, Gibraltar University, subheads 1 and 2.

535 **Hon. K Azopardi:** Mr Chairman, can I ask, on the contribution to the Gibraltar University, which is subhead 2(1) ...? There is a reduction there of the estimate and can I ask ...? That, I assume, follows discussions with the University, and, if so, why is it being reduced? Is it being supplemented now by the University earning other funding through other means, through fees?

540 **Hon. Prof. J E Cortes:** Yes, Mr Chairman, the intention was always that the University would eventually become self-financing and they are well on track, as I pointed out in my speech last week. These are figures arrived at in discussion with the University and they are confident that they can meet their budget. They have already shared that one with me, as is their obligation

545 under the Act, and I share the confidence that they are now going to be able to meet it and that there will not be any shortfall.

**Mr Chairman:** Head 17, Gibraltar University, subheads 1 and 2 stand part of the Bill.

550 **Clerk:** Head 18, Heritage, subheads 1 and 2.

**Hon. D J Bossino:** Mr Chairman, can I take the Minister to subhead 2(13), which is entitled Heritage? Can he explain what that relates to?

555 **Hon. Prof. J E Cortes:** That is the contractual fee to the Gibraltar National Museum.

**Hon. D J Bossino:** Is that the one that goes to the service provider, Knightsfield Holdings? Is that part of the fee, or the entirety of it?

560 **Hon. Prof. J E Cortes:** Most of it goes to the service provider. I could not confirm all of it. There may be some flexibility for other peripheral expenses, but yes, that is essentially for the service provider.

**Mr Chairman:** Head 18, Heritage, subheads 1 and 2 stand part of the Bill.

565 **Clerk:** Head 19, Culture, subheads 1 and 2.

**Mr Chairman:** Head 19, Culture, subheads 1 and 2 stand part of the Bill.

570 **Clerk:** Head 20, Driver and Vehicle Licensing, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, on subhead 2(20), which is Transport Inspectors, the reduction there is due to some kind of policy initiative or different tasks or redeployment of work?

575 **Minister for Transport (Hon. P J Balban):** Mr Chairman, yes, the reduction there is because there has been a reduction in the complement. That is why the figure is lower.

**Hon. K Azopardi:** Mr Chairman, I am not following that because I would have thought that the reduction in complement would have been reflected in payroll instead of transport inspection.

580 **Hon. P J Balban:** Mr Chairman, this is GDC staff, so it would not be reflected in personnel in that section. Just to try to be helpful, if you look at green page 189 you will see where that section is.

585 **Mr Chairman:** Head 20, Driver and Vehicle Licensing, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 21, Technical Services, subheads 1 and 2.

**Mr Chairman:** Head 21, Technical Services, subheads 1 and 2 stand part of the Bill.

590 **Clerk:** Head 22, Social Security, subheads 1 and 2.

**Mr Chairman:** We are now dealing with Social Security, yes? Right. Would you call the head, Mr Clerk? Call the head.

595 **Clerk:** Head 22, Social Security, subheads 1 and 2.

**Hon. R M Clinton:** Mr Chairman, I think we had this arise last year. Subhead 2(17), Contribution to Statutory Benefits Fund – again, there was an estimate of £7 million and then nothing, and we have another estimate of £7 million. Is there an intention to make this payment of £7 million?

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** The £7 million goes to the Statutory Benefits Fund. The fund actually is not in deficit at the moment, it has a small surplus. The deficit or the surplus of the fund depends on the flow of contributions and benefits, so if during the year or closer to the end of the year we find that the need for the £7 million is not great and there is a problem of underfunding somewhere else, then we will do what we did last year. That is to say we are not going to spend the £7 million there if we have a need for it somewhere else which is not at the expense of the funding of the Social Security Statutory Benefits Fund going into the red.

In the absence of anything else, if we put in the £7 million, as it is at the moment, what we would have would be a greater reserve in the Statutory Benefits Fund. This is only going up by 1% this year, so it could be that this year they may need the £7 million because it could be that the entrants ... Every year there are more people coming into benefit than people dropping off at the other end, as it were. That is why there is an increase every year. So with 1% last year and 1% this year, it is possible that there may not be enough funding from contributions to cover the increase in the number of recipients, and that is what the £7 million basically is there for. But if there was sufficient money coming in and the fund did not really need it, then if there was somewhere else where we would be falling short, which had not been provided for, then we would in fact do what we did last year, which is make use of that money somewhere else where the need was greater, as part of the policy of restoring financial stability and not borrowing for recurrent expenditure.

600

**Mr Chairman:** Head 22, Social Security, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 23, Statistics Office, subheads 1 and 2.

605

**Hon. K Azopardi:** Mr Chairman, at subhead 2(8), Gibraltar Census, the costs of the census for this year, given that the census was done last year, would be due to what? Is it the publication of the census?

610

**Hon. Sir J J Bossano:** The end of the exercise. I do not know whether they are outsourcing any of the work of dealing with it electronically to do the calculations, but we spent £176,000 the previous year and this £80,000 should be the closure of that. Most of the work on the census is done by the permanent staff, but they have external expenses as well, which would come from the £80,000.

615

**Mr Chairman:** Head 23, Statistics Office, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 24, Economic Development, subheads 1 and 2.

620

**Hon. R M Clinton:** Mr Chairman, subhead 2(13) Economic Research, £200,000 outturn and £227,000 estimated. What is the nature of this economic research?

625

**Hon. Sir J J Bossano:** The economic research is not one thing that is permanent. It is not the same thing every year. We spent it on a number of projects that were related to things that we wanted to assess the potential, or areas where we have been looking to giving some support to some area where we thought there would be beneficial levels by priming a particular activity. We are just providing some more because we expect to be doing more this year. I gave an indication of that in the Budget speech, where I said we were planning to invite people to put in expressions of interest. So if we find that people are coming in with an activity, initially the department will

630 use its money getting involved in investigating it, in assessing it or in getting people to do an  
assessment for us, and then, if it is something that we think is reasonable to support, any funding  
they need from that would be on the basis of providing support as loans which the private entity  
would have to pay interest on – there would have to be assets there and they would have to pay  
it back – but this is money that we put in support of new activities which does not have to be  
635 refunded. The expenditure is of the department itself. It includes, for example ... I am doing,  
currently, research on the eventual employment of university students, so we have an exercise  
going on at the moment which has been paid in part from over 2,000 of the current of the last  
year and going on into this year, where I have some people who are working on tracking the  
returning graduates and there will be a report showing how many have actually finished up  
640 working in Gibraltar – the initial figures that I am seeing have shown that, in fact, it is probably  
less than half that finish up working in Gibraltar – and of those, identifying whether they actually  
finish up working in something that can be said to be the result of what they studied. As you would  
expect, there are three areas where this is so – lawyers, accountants and nursing. Nursing  
graduates finish up being nurses and people studying law finish up being lawyers, but for the rest,  
quite frankly, the degree seems to have had little impact on their eventual employment. I think it  
645 is important to do that exercise so that we make sure that when we are giving people advice on  
what they should be studying, we can try to encourage them to go into the areas where we may  
have labour shortages rather than into areas where, having gone through their university  
education, they find that they have no opportunity to make use of what they have learnt. That is  
an example of the kind of research we do.

650

**Hon. K Azopardi:** On subhead 2(15), Additional Contribution, can the Minister perhaps explain what the nature of the work booked as additional contribution is, in excess of £12 million consistently over the last couple of years?

655

**Hon. Sir J J Bossano:** It is at the back, on green pages 181 and 182.

**Mr Chairman:** Would the hon. Member switch on his mic? Otherwise, he is not going to be recorded.

660

**Hon. K Azopardi:** Well, I am not sure it does, and that is why, perhaps, the Minister can help me. If I go to page 181, I can see that the figure of £12.6 million for forecast outturn, this year's additional contribution, is there, and the estimate for next year, £12.8 million, is there. I am not sure there is a breakdown of that sum because the other contributions are in other departments or agencies, booked elsewhere, I assume, so I am not sure I understand that explanation, because  
665 then the bottom line would be £24 million.

**Hon. Sir J J Bossano:** This shows you where the recipient department is that has received people from the GDC.

670

**Hon. K Azopardi:** If the Minister gives way for a second, I think we understand it now because the breakdown is on page 182, not 181. I think that is it, because those sums at the bottom of page 182 would then account for the breakdown of sub-items (19) to (28). I think that is the explanation, isn't it?

675

**Mr Chairman:** Head 24, Economic Development, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 25, Procurement Office, subheads 1 and 2.

**Mr Chairman:** Head 25, Procurement Office, subheads 1 and 2 stand part of the Bill.

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**Clerk:** Head 26, Justice, subheads 1 and 2.

**Mr Chairman:** Head 26, Justice, subheads 1 and 2 stand part of the Bill.

685 **Clerk:** Head 27, Gibraltar Law Courts, subheads 1 and 2.

**Mr Chairman:** Head 27, Gibraltar Law Courts, subheads 1 and 2 stand part of the Bill.

690 **Clerk:** Head 28, Policing, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, on the establishment of the Police, I see a lower number there, largely because of the school crossing patrol officer. I assume the school crossing patrol officer was a police officer – or was it not a police officer? Was it an administrative grade? And is it somewhere else – in Education, for example?

695 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Chairman, the difference in the number is exactly nine, the number of the school crossing patrol officers. These were not police officers, and they do appear in another head. They now appear as supernumerary officers at Human Resources. The hon. Member may note it is at page 33 and there are six positions.

**Hon. R M Clinton:** Mr Chairman, in respect of any external contracted policing services, where would those appear under this head? Or, if not here, where?

705 **Hon. Miss S J Sacramento:** Mr Chairman, if the hon. Member were to look closely at page 95, subhead 2(10) says Investigation Expenses. That is where he will find the costs will be met from.

**Mr Chairman:** Head 28, Policing, subheads 1 and 2 stand part of the Bill.

710 **Clerk:** Head 29, Prison, subheads 1 and 2.

**Mr Chairman:** Head 29, Prison, subheads 1 and 2 stand part of the Bill.

715 **Clerk:** Head 30, Equality, subheads 1 and 2.

**Hon. E J Reyes:** Mr Chairman, in subhead 2(14), under Shop Mobility, I see it is a constant figure every year of £48,000, but can we have a bit of clarification on what exactly is incurred as a charge to Shop Mobility? What services are provided?

720 **Hon. Miss S J Sacramento:** Mr Chairman, this is a contracted service for repairs of mobility scooters.

**Hon. E J Reyes:** Mr Chairman, mobility scooters that pertain to the Ministry per se, or are these privately owned and it is a contribution to help them repair those mobility scooters? I am not quite certain what maintenance is required to what scooter.

730 **Hon. Chief Minister:** As I understand it, Mr Chairman, it is the service that is provided. People who have their mobility scooters would otherwise not be able to obtain the service, so the Government, for many years now – I think Shop Mobility started under them, not under us – has maintained this service.

**Hon. E J Reyes:** Am I right in detecting from there it is a social assistance to those who may have mobility problems and a mobility scooter is loaned to them or maintained for them and so on?

735

**Hon. Chief Minister:** I do not know exactly the terms on which it is done, but yes, Mr Chairman; otherwise, those people would not have this service available in Gibraltar.

**Mr Chairman:** Head 30, Equality, subheads 1 and 2 stand part of the Bill.

740

**Clerk:** Head 31, Civil Contingency, subheads 1 and 2.

**Mr Chairman:** Head 31, Civil Contingency, subheads 1 and 2 stand part of the Bill.

745

**Clerk:** Head 32, Gibraltar Regulatory Authority, subheads 1 and 2.

**Mr Chairman:** Head 32, Gibraltar Regulatory Authority, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 33, Town Planning and Building Control, subheads 1 and 2.

750

**Hon. D J Bossino:** Mr Chairman, if I may, subhead 2(11) Consultancy Services – what does that relate to?

755

**Hon. Miss S J Sacramento:** Mr Chairman, this is for contracting services that may need to be outsourced – say, for example, specialist advice that may not be available within the office.

**Hon. D J Bossino:** Like? The question is a one-word question: like, or such as?

760

**Hon. Miss S J Sacramento:** Mr Chairman, the hon. Member will see that there is a reduction in this subhead year on year, and this is a balance to show that. The hon. Gentleman will know from questions he has posed in Parliament that there have been vacancies in the professional technical side of the complement, so sometimes technical and professional information may need to be outsourced to others, and he will see that now there is a significant reduction from ... There is a slight reduction from last year and a significant reduction from the year before, but it may be, from time to time, that additional resources ... It is either that additional resources are required – say, for example, to deal with big projects – or it may be that there is a very net point that needs to be looked at and the people who are currently working in the department are unable to do so because of time constraints and the workload that they have.

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770

**Mr Chairman:** Head 33, Town Planning and Building Control, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 34, Office of Fair Trading, subheads 1 and 2.

775

**Mr Chairman:** Head 34, Office of Fair Trading, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 35, Fire and Rescue Service, subheads 1 and 2.

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**Mr Chairman:** Head 35, Fire and Rescue Service, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 36, Airport Fire and Rescue Service, subheads 1 and 2.

**Hon. K Azopardi:** Mr Chairman, on the contribution to the Airport Fire and Rescue Service, which is subhead 2, that equally is a contribution to the MoD – is that right?

785

**Hon. Chief Minister:** No, Mr Chairman, that is no longer a contribution to the MoD. The Airport Fire and Rescue Service came to the Government *con bombo y bladillo* press releases and photographs, some years ago. The hon. Gentleman, I seem to recall, was already in public life; I am surprised he missed it.

790

**Hon. K Azopardi:** There is a volume of *bombo y bladillo*, so sometimes I miss them – (**Hon. D J Bossino:** A deluge.) the daily deluge – but grateful for the explanation.

**Hon. Chief Minister:** It is just that we do so.

795

**Mr Chairman:** Head 36, Airport Fire and Rescue Service, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 37, Housing, subheads 1 and 2.

800

**Hon. R M Clinton:** Mr Chairman, in subhead 2(19), Incidental Estate Security, £131,000 outturn for this year, £1,000 estimate for next year – if we could just have some information as to how that has arisen, especially as there was no provision for it last year.

805

**Hon. Chief Minister:** Mr Chairman, it has arisen as a result of a lot of antisocial behaviour in some estates and the need to move quickly to try to stop that antisocial behaviour.

The Hon. the Minister and I visited some of these estates, not just with photographers and cameras, as hon. Members sometimes do themselves, but actually to try to get under the skin of what is happening in terms of the anti-social behaviour. There are a number of things that we are doing and that we hope to roll out. One of them is CCTV, which is able to address some aspects of anti-social behaviour, and another is actually having the ability to deploy, in the short term, some additional security, which helps to hold the ring in some areas. This is what happened in the context of the last financial year and what we are making provision for going forward this financial year.

815

**Hon. K Azopardi:** I seem to recall having an exchange with the Hon. Minister, the last time we were here, on this subject of estate security, and I had the impression that the intention was to continue, in a couple of estates, the arrangements that had been put in place. So presumably the cost is not going to be £1,000, it is going to be much more than that, because the arrangements, I thought, also from that exchange, had been introduced at some point during the financial year but not at the beginning of the financial year, so that would only account to a partial annual cost if the cost is carried over for 12 months.

820

**Hon. Chief Minister:** Yes, although we do not expect it will be carried over for 12 months. In other words, we think that these are ad hoc situations that when particular groups of individuals – sometimes a family – are moved, then the issue is not one that continues throughout the rest of the financial year. Indeed, what we are trying to see is whether some aspects of this can be dealt with simply by the provision of CCTV and providing that feed to a central hub where it is monitored, and therefore you do not need to have a security guard there for as long, and that provides a more value-for-money service. So all of that is being assessed. Once we have a clearer assessment of that, we might be able to make a better full-year estimation next year.

830

835 **Hon. E J Reyes:** Mr Chairman, in subhead 2(17) Cleaning Services, is that cleaning in respect of residence estates or cleaning of ministerial offices? I am not quite certain what is covered by that £25,000.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Ministerial offices.

**Hon. E J Reyes:** So the Government's provision of cleaning of the estates, where would that be charged to?

840 **Hon. S E Linares:** That goes under the contract with the environment, which Britannia holds, so it is not under the housing.

**Mr Chairman:** May I proceed to the next ...? Head 37, Housing, subheads 1 and 2 stand part of the Bill.

845 **Clerk:** Head 38, Employment, subheads 1 and 2.

**Mr Chairman:** Head 38, Employment, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 39, Youth, subheads 1 and 2.

850 **Mr Chairman:** Head 39, Youth, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 40, Sport and Leisure, subheads 1 and 2.

855 **Hon. K Azopardi:** Mr Chairman, on subhead 2(12) Additional Contribution, a question in two parts: an explanation for the forecast outturn increase, the additional, loosely, £400,000 and the £350,000; and the reason why there is a forecast which would be lower. What is booked generally under additional contributions is difficult to understand.

860 **Hon. S E Linares:** Mr Chairman, I would like to direct the hon. Member to the GSLA green pages, where it is all laid out and why there is an adjustment to do with the services that they give, which is the yellow pages of the Sports and Leisure Authority – sorry, the green.

865 **Hon. K Azopardi:** I am grateful for the Minister sending me there, but it was not footnoted in the Estimates, so I had not originally thought I had to go there, but I can see from the top of page 211 that the figures that I have talked about – £5,214,000 and the £6,091,000 for last year – are at the top of the page. I can see that. What I am asking is what is the general sense of those costs. Is he saying in his reply – have I understood it rightly? – that that breakdown would be in the items that follow in terms of recurrent payments? If so, they are not exactly the same figures because the bottom lines are slightly different, but is that pretty much correct that it is the breakdown of the (1) to (27) items there?  
870

**Hon. Chief Minister:** Mr Chairman, I am surprised he says he did not see the footnote. It is there in subhead 2(10). In Other Charges, subhead 2(10), he will see Contributions from the Consolidated Fund to the Gibraltar Sports and Leisure Agency. There is a (ii), which refers him to Appendix E, which is the page we are looking at, which is page 211.  
875

**Hon. K Azopardi:** That is not the subhead I was asking about. I was asking about subhead (12). That footnote said (10) and I was asking about (12). (**Hon. E J Reyes:** Additional Contribution.) That is the reason why I did not think it was footnoted there, that the footnote arises earlier. I can see why it can be taken to be a heading rather than a just a footnote to (10).

880

**Hon. D J Bossino:** I am not too sure.

**Hon. Chief Minister:** Exactly, Mr Chairman. If he looks at after (10), there is a heading and it has the (ii), which is relevant to (11) and (12).

885

**Hon. K Azopardi:** Yes, that is what I said.

**Hon. Chief Minister:** Oh, I see, he thought the footnote at (10) was actually by (10), not at the foot of the page. I see. Okay, well, it is there.

890

**Mr Chairman:** Head 40, Sport and Leisure, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 41, Digital Services, subheads 1 and 2.

895

**Hon. R M Clinton:** Mr Chairman, in subhead 2(7), Consultancy Services, if we could have some information as to the nature of those consultancy services.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Yes, Mr Chairman, these are five individuals who replaced a significantly larger sum, probably four times that amount, in the firm that worked previously. We took on consultants directly and they are doing the job at a far better-value rate.

900

**Hon. R M Clinton:** And if the Minister has the information available, Mr Chairman, in terms of the nature of the work they are undertaking, is it design for the new ... or part of the Government's digital strategy? Is there any particular specialism that they have?

**Hon. A J Isola:** Yes, each of them in different areas relating to the design of different e-services that are being built at this moment.

905

**Mr Chairman:** Head 41, Digital Services, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 42, Information Technology and Logistics Department, subheads 1 and 2.

910

**Mr Chairman:** That is in relation to head 41, or are we talking about head 42?

**Hon. R M Clinton:** Thank you, Mr Chairman. The same area, subhead 2(8), Consultancy Services. In this case, I would be interested to know what sort of difference in consultancy services would be offered under this head compared to the previous one.

915

**Hon. A J Isola:** Mr Chairman, those services are in respect of one individual who has worked with Government for a considerable period of time in software and has supported us in areas like income tax and other significant parts.

920

**Hon. K Azopardi:** Mr Chairman, on subhead 2(11), Maintenance Agreements and Licences, that figure of £5.2 million would be in respect of what kind of agreement?

925 **Hon. A J Isola:** This covers all of the agreements that ITLD manage, so for example data centres,  
licence agreements with Microsoft, with Apple, with cybersecurity firms that also provide us with  
their expertise – primarily licence agreements for different software that we use. There is a whole  
list of them that the Government uses across the board, including for example with the Police,  
with Customs, ASYCUDA. There are licence fees across the whole of the Government that come  
930 from this subhead but include stuff like cybersecurity work that we contract directly with different  
firms. So it is a very significant chunk and the largest part of the work that ITLD manage in terms  
of providers.

**Mr Chairman:** Head 42, Information Technology and Logistics Department, subheads 1 and 2  
stand part of the Bill.

935 **Clerk:** Head 43, Broadcasting, subheads 1 and 2.

**Mr Chairman:** Head 43, Broadcasting, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 44, Financial Services, subheads 1 and 2.

940

**Hon. R M Clinton:** Mr Chairman, subhead 2(8) Consultancy Services – if we could have some  
information as to the nature of those consultancy services.

945 **Hon. A J Isola:** Yes, Mr Chairman, these are contract officers within the department and also it  
includes a separate individual who works with us on Moneyval and the National Risk Assessment  
specifically – the NRA that we started some four years ago in preparation for Moneyval.

**Hon. R M Clinton:** Mr Chairman, just to be clear, I think I got two answers in one. I asked  
specifically on 2(8) and I think he has mentioned 2(12) as well. Are they different functions?

950

**Hon. A J Isola:** Well, there is a contract officer in Contract Officers and there are also other  
individuals who are working as senior executives in Gibraltar Finance who come under consultancy  
services, as well as the National Risk Assessment individual I referred to as well.

955 **Mr Chairman:** Head 44, Financial Services, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 45, Gambling Division, subheads 1 and 2.

960 **Hon. R M Clinton:** Mr Chairman, if we start with subhead 1, Salaries seems to have decreased –  
£140,000 total payroll, to £104,000. I was trying to see if it is explained by the GDC, but it does  
not seem to be.

**Hon. A J Isola:** Mr Chairman, that is in relation to one vacant HEO post that has not been  
funded.

965

**Hon. R M Clinton:** Mr Chairman, on subhead 2(12), Application of Funds from Regulatory  
Settlements, £77,000 as a charge – I wonder if we could have some clarity as to why it is showing  
as a charge. If it is funds from regulatory settlements, I would imagine money coming in – and this  
is money going out somewhere, I guess.

970

**Hon. A J Isola:** Mr Chairman, this is regulatory fines. This is part of a series that were entered  
into by the regulator with the benefit of some of those sanctions going to the Centre of Excellence  
at Gibraltar University for responsible gambling courses and to fund the Centre of Excellence. So  
the moneys have come in either directly to the University and then been booked back to be

975 corrected, or through the Consolidated Fund as a charge to the firm and then paid to the  
University, which is what we did with these – a part of the regulatory sanctions. Not all regulatory  
sanctions go to the University. The bulk of them actually come into the Consolidated Fund like it  
normally would, but there are some ... The initial ones we did, I think, some time ago, related to  
980 these, where some firms committed, as part of that regulatory agreement settlement, to send x  
number of people to do AML and other courses at the University.

**Hon. R M Clinton:** Mr Chairman, I am grateful to the Minister. Would the Minister be able to  
point me quickly, on the revenue pages, to where the fine would be?

985 **Hon. A J Isola:** No, I would not, Mr Chairman. The regulatory settlements which were made  
originally were improperly booked and that was subsequently corrected, and I think this is the end  
of that correcting process.

**Hon. R M Clinton:** Mr Chairman, can he perhaps provide a little bit of flavour to what he means  
990 by ‘improperly booked’? Was it booked to the wrong income subhead, or was it offset against  
something?

**Hon. A J Isola:** Mr Chairman, if he looks at page 11, subhead 5, under Other Reimbursements,  
I am advised that is where these receipts are paid into.

995 In respect of the comment that I made, which he just raised, what happened was that, in good  
faith, payments were made directly from firms to the University and did not come through the  
Consolidated Fund, and therefore we corrected that to ensure that it was booked properly.

**Mr Chairman:** Head 45, Gambling Division, subheads 1 and 2 stand part of the Bill.

1000

**Clerk:** Head 46, Health and Social Care, subheads 1 and 2.

**Hon. K Azopardi:** On subhead 2(4), Secondment, can the Minister perhaps explain what that  
1005 secondment of £86,000 would be?

**Hon. A J Isola:** Mr Chairman, yes, that is one individual who is seconded to the GHA and  
working in operations at the Hospital operations – not surgical operations, (*Laughter*) nothing to  
do with clinical, but the management operations, if I can call it that, at the GHA.

1010 **Hon. K Azopardi:** But seconded with a view to temporary assistance to the administrative  
management, or because there is going to be a job created in the operational management of the  
GHA?

1015 **Hon. A J Isola:** There was an individual in post who was going through an administrative  
process, and so this individual was seconded in to provide that level of support during that time  
and that will hopefully then be corrected at the earliest opportunity.

**Hon. R M Clinton:** Mr Chairman, just to follow up on that, seconded ... Is this from a  
1020 professional firm? Is it legal services, accountancy services, or is it something else?

**Hon. A J Isola:** No, seconded internally from within Government. To be accurate, from an  
agency – (**A Member:** A government agency.) a government agency. Not a lawyer, not an  
accountant.

1025 **Mr Chairman:** Head 46, Health and Social Care, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 47, Gibraltar Health Authority Elderly Residential Services Section, subheads 1 and 2.

1030 **Mr Chairman:** Head 47, Gibraltar Health Authority Elderly Residential Services Section, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 48, Care Agency, subheads 1 and 2.

1035 **Mr Chairman:** Head 48, Care Agency, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 49, Drug and Alcohol Awareness and Rehabilitation Services, subheads 1 and 2.

1040 **Mr Chairman:** Head 49, Drug and Alcohol Awareness and Rehabilitation Services, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 50, Utilities, subheads 1 and 2.

1045 **Hon. K Azopardi:** Mr Chairman, just to confirm, on head 50, subhead 2(3), Additional Contribution, the lower figure – is that reflected by the fuel costs issue?

**Hon. A J Isola:** Mr Chairman, all the variations are detailed on page 240, which give rise to that number that the hon. Member has asked me about – within the green pages of the GEA at page 240.

1050 **Hon. K Azopardi:** Yes, I see that under (18) they are expecting lower fuel costs of about £3.7 million on current estimates. Do you want me to repeat it because you did not hear it? I can see, at page 240 on item (18), that they are reflecting possible lower fuel costs of about £3.7 million on current estimates.

1055 **Hon. A J Isola:** Mr Chairman, under Other Recurrent Expenditure there are a series of costs which are significantly reduced from the forecast to the estimate, which is what the hon. Member is asking me about on page 144. That is not the singular difference. There are others which have a difference which are reductions, not just in fuel, which is one of them, but then in Additional Generating Capacity Fuel Costs, and Additional Generating Capacity Other Costs in subheads (24) 1060 and (25) there are further reductions. If you add those up, that will give you the difference that he is referring to on page 144.

**Mr Chairman:** Head 50, Utilities, subheads 1 and 2 stand part of the Bill.

1065 **Clerk:** Head 51, Business, subheads 1 and 2.

**Mr Chairman:** Head 51, Business, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 52, Tourism, subheads 1 and 2.

1070

**Hon. D J Bossino:** Mr Chairman, can I take the Minister to subhead 2(11), Hotel Grading? Is that a service which is outsourced, firstly? And secondly, can he explain why the forecast outturn is £2,000, but then he is estimating it to go back to the 2022-23 estimate of £8,000?

1075 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Yes, Mr Chairman, this service is outsourced. We get experts from the UK who do this.



1080 The reason why the forecast outturn was lower and the estimate is higher this time around is because, due to COVID, we have not had a proper regrading and we are going back. So if he goes back to the actual of 2021-22, he will see that approximately £14,000 was spent over two years. That is £7,000 a year, so we are going back to more or less those levels.

**Mr Chairman:** Head 52, Tourism, subheads 1 and 2 stand part of the Bill.

1085 **Clerk:** Head 53, Postal Services, subheads 1 and 2.

**Mr Chairman:** Head 53, Postal Services, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 54, Port, subheads 1 and 2.

1090 **Hon. K Azopardi:** Only to ask, Mr Chairman, on subhead 2, Contribution from Revenues Received – the reduction there would be attributable to what?

1095 **Hon. V Daryanani:** Mr Chairman, I think there have been some changes, and as I described in my Budget speech, one of the most important issues was the OS35. That affected a lot of the Port's operations for a crucial five to six months and I think it is primarily due to that.

**Mr Chairman:** Head 54, Port, subheads 1 and 2 stand part of the Bill.

1100 **Clerk:** Head 55, Maritime Services, subheads 1 and 2.

**Mr Chairman:** Head 55, Maritime Services, subheads 1 and 2 stand part of the Bill.

**Clerk:** Subhead 56, Gibraltar Audit Office, subheads 1 and 2.

1105 **Mr Chairman:** Head 56, Gibraltar Audit Office, subheads 1 and 2 stand part of the Bill.

**Clerk:** Clause 3 –

1110 **Mr Chairman:** Can I just interject to say clause 2 stands part of the Bill?

**Clerk:** Clause 3. Head 58, Contribution to Government-Owned Companies, subhead 1.

1115 **Mr Chairman:** Clause 3, head 58, Contribution to Government-Owned Companies, subhead 1 stands part of the Bill.

**Clerk:** Head 59, Transfer from Government Surplus, subhead 1.

**Mr Chairman:** Head 59, Transfer from Government Surplus, subhead 1 stands part of the Bill.

1120 **Clerk:** Head 60, Contribution to the Improvement and Development Fund, subhead 1.

**Mr Chairman:** Head 60, Contribution to the Improvement and Development Fund, subhead 1 stands part of the Bill.

Clause 3 stands part of the Bill.

1125 **Clerk:** Clause 4. Head 61, Exceptional Expenditure, subhead 1.

**Mr Chairman:** Clause 4, head 61, Exceptional Expenditure, subhead 1 stands part of the Bill.

Clause 4 stands part of the Bill.

1130

**Clerk:** Clause 5. Head 57, Supplementary Provision, subhead 1.

**Mr Chairman:** Clause 5, head 57, Supplementary Provision, subhead 1 stands part of the Bill.  
Clause 5 stands part of the Bill.

1135

**Clerk:** Clause 6, the Improvement and Development Fund. Head 101, Works and Equipment, subhead 1.

1140

**Hon. K Azopardi:** Mr Chairman, can I ask on Royal Gibraltar Police, the forecast outturn £122,000 this year, £750,000 – that would be related to ...? What type of works and equipment would be required by the Police?

1145

**Hon. Chief Minister:** Mr Chairman, it is the whole gamut of police equipment, so he is going to find everything from the vehicles, the marine expenses, the Kevlar for the body armour, the bullets and all the rest of it. All of that will be around there.

Do you want more detail? Transport is £60,000, more or less; IT equipment, £25,000; building works, £5,000; furniture and equipment, £2,500; special equipment, £120,000; firearms, £44,000; and marine, about £450,000 – marines are the expensive ones.

1150

**Hon. K Azopardi:** And the marine one is what, a new launch or something?

**Hon. Chief Minister:** It is either works, Mr Chairman, or replacement of the *Sir Joshua Hassan*, which is the smaller ... not the fast one.

1155

**Hon. D J Bossino:** Mr Chairman, why the increase under the head for beaches, which is (r)(i)?

**Hon. Prof. J E Cortes:** That is the operational budget that the department responsible for it utilises, and you will have seen that there has been an increase because there is an intention to do additional works on some of the beaches for further improvements.

1160

**Hon. K Azopardi:** On (za), just at the bottom of the page, the new servers for ITLD – is that new servers for the Government itself, or is it something else?

1165

**Hon. A J Isola:** Yes, Mr Chairman, these are the new servers. We have had to replace the existing ones that have been in situ, I think, for five years. These are the new ones coming to replace them.

1170

**Hon. K Azopardi:** And at (z), the Government Computerisation Programme, that is part of a rolling programme? I see that in previous years – last year £450,000, the year before that, £2.7 million. Is that part of some overall programme? And what is the overall cost of that programme, if it is a programme?

1175

**Hon. A J Isola:** Mr Chairman, I would have to get precisely what these amounts relate to because they are part of the overall programme, but it is divided up, so I would not be able to say what capital costs these are in respect of, but I can certainly get that to the hon. Member.

**Mr Chairman:** Head 101, Works and Equipment, subhead 1 stands part of the Bill.

**Clerk:** Head 102, Projects, subhead 1, Roads and Parking Projects.

1180

1185 **Hon. K Azopardi:** Mr Chairman, perhaps an explanation of the forecast outturn in tunnels and roads to North Front, the £6.1 million spent this year – a better understanding of that and the increase over the estimate for last year. It is £1.6 million more than last year. And then why it is envisaged that it will cost £2 million. Is that a balance to complete? What kind of project are we talking about?

1190 **Hon. Chief Minister:** Mr Chairman, this is leftover works in the context of the tunnel. It is all of the remaining areas leading up to the tunnel and the works that will need to be done, some of it in the area of the Airport and the Frontier, on that side of the tunnel.

**Hon. K Azopardi:** Oh, I see, this is the Kingsway Tunnel, is it, the balance of that? I see. Okay. Did I understand correctly that that also goes for the £2 million for this year? That is a balance for Kingsway?

1195 **Hon. Chief Minister:** Yes, Mr Chairman, there are works to be done still on the Frontier side. The hon. Gentleman will see there is a temporary layout there. That will need to be finalised. I think we have taken the view that we were not going to totally finalise that until we decided whether or not there was going to be work that was treaty related which would change the way that the layout is proposed at the moment, so that is related to that.

1200 **Hon. K Azopardi:** The Minister, by the way, is blinding me with his torch.

**Mr Chairman:** Carry on to subhead 2, Mr Clerk.

1205 **Clerk:** Subhead 2, Relocation Costs.

**Hon. K Azopardi:** On Other Relocations, which this year has £1 million booked, is that an amount which they will use for relocations without a specific relocation in mind, or is it planned for specific relocations?

1210 **Hon. Chief Minister:** Mr Chairman, this is a list of potential relocations which, depending on when they might happen, would require much more considerable expenditure than that set out there already. But they are never likely to occur in this financial year and so the amount given is about a fifth of the amount that would be required for all of the relocations that are on the head-up display of the CTO.

**Clerk:** Subhead 3, Reclamation Projects.

1220 **Hon. K Azopardi:** Again, Mr Chairman, can we have an understanding of that? Is that ongoing reclamations; and, if so, is it only part of the cost?

1225 **Hon. Chief Minister:** Mr Chairman, this is the cost associated with the manner that we are dealing with Victoria Keys at the moment, which includes rubble processing, the movement of the Eastside rubble processing facility to the Coaling Island area, erosion protection for the Coaling Island reclamation etc.

**Hon. K Azopardi:** I see, so how much of the forecast outturn for last year was due to the same things – Victoria Keys, movement of the rubble, the Eastside, etc?

1230 **Hon. Chief Minister:** Mr Chairman, I do not actually have a breakdown of the forecast outturn for last year, I have just got a global figure, but I think it is because it is exactly that. I think it is the bulk of the work. He will see that a lot of the area in front of Coaling Island has already been reclaimed. The bulk of the work there has been done for that amount of money, and this is the balance that we expect to spend this year as a Government. There are other options of how that is going to continue at no cost to the Government.

1235

**Hon. K Azopardi:** But this provision does not contain provision for any other reclamation, other than that one? There is no provision for reclamations that they had in their political manifesto, for example?

1240 **Hon. Chief Minister:** Other reclamations that we had in our political manifesto because Victoria Keys was in our manifesto. Yes, there is a token in there in respect of that other potential reclamation, which provides enough cover for the technical work that is being done in respect of that.

1245 **Clerk:** Subhead 4, Other Projects.

**Hon. D J Bossino:** Mr Chairman, I will group these together for the Minister for Heritage. Could I ask for further details on (a), (d) and (g)?

1250 **Hon. Prof. J E Cortes:** (a), (c) and (g), I believe – is that what the hon. Member said, (a), (c) ...? (**Hon. Miss S J Sacramento:** (d)) Okay, thank you.

The Heritage Building Refurbishments is an amount which is available for use at the request, obviously with government agreement, of the Government Archaeologist for any works that may be required that he may identify.

1255 Item (d) is for a number of projects in the Upper Rock, which includes, this year, the provision of additional picnic sites.

The Garrison Library is structural work, including completion of electrical rewiring that was deemed to be necessary, obviously for good reason – we want the electrics to be good and safe. That is going to take the bulk of that, as well as some other improvements to the building.

1260

**Hon. D J Bossino:** That was very interesting, but I asked for (g), which is Heritage Projects, not Garrison Library.

1265 **Hon. Prof. J E Cortes:** Similar to the refurbishment one, this is the budget that the Archaeologist, with whom I meet every week, has available. We cannot predict exactly what may come up, but some of that will go to completing the works at Southport Gates and any other similar restoration works that the Archaeologist may deem are important to be carried out.

1270 **Hon. D J Bossino:** I thought it would be useful to have two further items, which I would like to ask. In this case it will be the Minister for Housing, I assume, which is (p) Infrastructure Provision for Housing Projects. What is envisaged there?

1275 **Hon. S E Linares:** These are works that need to be done in infrastructure for the housing estates – for example, Hassan Centenary Terrace, Bob Peliza and Chatham – and there is a value to each one of them which amounts to the £1.5 million that is there.

1280 **Hon. D J Bossino:** And my final point under this head is (s) because that deals with what would probably fit best the description he has just given in relation to (p), which is infrastructure provision for new developments. Can he explain what that relates to and how it distinguishes from (p)?

**Hon. S E Linares:** That they are not for the affordable homes. They might be for other projects like the Eastside, or any other places the infrastructure is needed.

1285 **Hon. E J Reyes:** Mr Chairman, if I can ask, in respect of subsection (zzg), the Island Games Facilities, is this in connection with the facilities for the Island Games of four years ago? I thought those projects were now complete. Perhaps we can have some clarification about the £265,000.

1290 **Hon. S E Linares:** These are probably works that need to be completed in Lathbury because if it is CSL, it will be the GSLA. The CEO of the GSLA would be handling this amount, so I would suggest that it is to do with works that might be needed to be done in Lathbury – finished or to complete.

1295 **Hon. E J Reyes:** Mr Chairman, how can I refer to this ...? At the very end, after the subparagraphs, there is a list of projects without actually being sub-numerated, but five from the end there is a section on boat moorings for which the last expenditure was in 2021-22. I am sorry, there has not been expenditure. Does that mean that there is no provision being made for the boat moorings that I alluded to during the Second Reading when I asked where we could find the expenditure earmarked for the Watergardens small boats marina? My understanding is the Minister has met the users there and has promised them continuously, but he said we had to wait for this next financial year for the project to get going, which was imminent – but I still have not found the expenditure allocated for it.

1305 **Hon. Chief Minister:** No, Mr Chairman, that is not the head for that. That is a discontinuing head. The ones that appear later in italics are the discontinuing heads. I think that Boat Moorings comes from something else that was done many years ago and is now just being shown as ending. The Watergardens marina, I think, is not dealt with here in these projects. I think it was dealt with through the Port Authority.

1310 **Hon. E J Reyes:** I think I have understood that the Chief Minister is saying that under the Consolidated Fund estimate there is a section in the Port Authority for upkeep of premises and so on. Is that the area he is referring to?

**Hon. Chief Minister:** Port Authority expenditure. It is not I&D expenditure.

1315 **Hon. R M Clinton:** Mr Chairman, subhead 4(zh), which is described as UK/European Treaty Joint Facility with a footnote that says ‘Up to 2021/22 titled “Airport Shared Office Facility”’, cost of £387,000 outturn in 2022-23 – I was just interested to know why this project has been renamed. Is the facility no longer at the Airport?

1320 **Hon. Chief Minister:** No, it has been renamed because it is now very likely to be referred to in the treaty, not just in the New Year’s Eve Agreement.

1325 **Hon. R M Clinton:** Mr Chairman, I do not see what that has to do with the Improvement and Development Fund projects. Why would the way something is referred to in a treaty affect how these projects are labelled? Perhaps there is something I am missing.

1330 **Hon. Chief Minister:** You are not missing anything. Mr Chairman, how these projects are labelled is a matter for the Government, and the Government has decided that because it is likely to be referred to in the treaty, although it is still going to be at the Airport in exactly the same way as it was set out in the New Year’s Eve Agreement, a more appropriate description going forward is to refer to the treaty which will engender the existence of it.

**Hon. R M Clinton:** Mr Chairman, the cost of £387,000 – how far is it to completion, this facility?

1335 **Hon. Chief Minister:** It has not been started yet, Mr Chairman. That is just the works that were needed to be done in respect of the infrastructure below the Airport in the event that we are to build this facility.

1340 **Hon. D J Bossino:** May I also ask what the cost in relation to (zi) relates to? It says Relocations Associated with Affordable Housing Projects. Which relocations are we talking about? There is £1 million which has been associated with it.

**Hon. Chief Minister:** The relocations in part, Mr Chairman, of areas like AquaGib, which needs to go to another site, which will include intakes etc. to make more space for the second phase of Bob Peliza Mews.

1345 **Hon. D J Bossino:** And, Mr Chairman, (zq), which is described as the refurbishment of the ex-St Martin's School. Given that the Possibility Centre is now opened, why is there a need for £450,000 to be spent this year?

1350 **Hon. Chief Minister:** Because it was opened this year, Mr Chairman. The year started on 1st April.

**Hon. K Azopardi:** Mr Chairman, on (zs), the Sustainable Traffic and Transport Parking Plan, the £1.2 million projection – is that largely the cycle lanes, or is it other things?

1355 **Hon. P J Balban:** Mr Chairman, that includes the bicycle lanes, but it also includes any other project which falls under the STTPP.

**Hon. K Azopardi:** So is there some kind of breakdown of how the £1.2 million would be used?

1360 **Hon. P J Balban:** Mr Chairman, it very much depends on the projects that are embarked upon, but the STTPP includes things like the residential parking scheme, of which we have done zones 1 to 4, but the intention was always that all of Gibraltar would be zoned and we would eventually have a zone 5 or a zone 6. A considerable amount of that funding will go towards the bicycle lanes because that is really the most important part of the project, something which has not been completed and is still ongoing and will be ongoing for many years. I expect that that would be, if not the lion's share, quite a substantial amount of that head in the future.

1365 **Hon. K Azopardi:** And on (zza), which is over the page, Eurocodes, can someone explain what that is?

1370 **Hon. Miss S J Sacramento:** Mr Chairman, the hon. Member may recall that in my Budget speech I made reference to the development of some codes that we need in terms of building regulations and codes, and I said that we would be prioritising looking at codes for earthquakes and high structures to ensure that they are safe against high winds. The hon. Member may recall that I said that in my intervention a couple of days ago.

**Hon. K Azopardi:** And the cost at (zzv) on the Mount, that is just a general refurbishment of the Mount, or is there any other specific intention there?

1380 **Hon. Deputy Chief Minister:** Mr Chairman, that refers to the ongoing refurbishment and restoration works which are going on at the Mount.

**Clerk:** Subhead 5, Equity Funding/Funding.

1385 **Hon. R M Clinton:** Mr Chairman, under subhead (5)(a) Equity Funding/Funding, Government-owned Companies, I would be grateful for information in respect of the £10 million outturn for 2022-23 in respect of which companies and what amount; and also, in respect of the estimate for 2023-24, what is it that the Government envisages that £10 million would be earmarked for?

1390 **Hon. Chief Minister:** Mr Chairman, this is general funding for the company structure where there is capital cost in the companies. This is how it is provided for. We provide the recurrent cost, as I gave him this morning. We provided a breakdown of the total recurrent cost that we have contributed to in the companies and also a breakdown of the capital costs that the companies have that we have contributed to, and this is a further £10 million that is going to be funded in that way for capital costs of the company structure.

1395 **Hon. R M Clinton:** Mr Chairman, he talks about capital costs but this is equity funding, so he has presumably subscribed for shares in government companies. All I want is identification of the companies and how much equity has been injected into each.

1400 **Hon. Chief Minister:** It has not yet been done, Mr Chairman.

**Hon. R M Clinton:** Mr Chairman, with respect, I was initially talking about the outturn for 2022-23, which does show £10 million.

1405 **Hon. Chief Minister:** Oh, he meant 2023-24, Mr Chairman? I thought he was asking me about 2023-24. The 2023-24 has not yet been done. It is money that is going to be spent.

1410 **Hon. R M Clinton:** I am sorry, Mr Chairman, we may be talking at cross purposes. Let's start at the beginning. The forecast outturn for 2022-23 shows £10 million as equity funding government-owned companies. Can the Government provide an analysis of what that £10 million has been spent on, in terms of equity? Otherwise, it is not equity.

1415 **Hon. Chief Minister:** Mr Chairman, the heading is not Equity Funding, the heading is Equity Funding/Funding. It is not just equity funding, it is being used as funding for capital projects, as I suggested to him. He has made the assumption that because the heading says Equity Funding/Funding, it has all gone to equity funding – another assumption of the sort that I illustrated could get them into so much trouble.

1420 **Hon. R M Clinton:** Mr Chairman, I am just trying to understand where this £10 million has gone. So this £10 million, presumably the Chief Minister can confirm that it is not equity funding but it is for capital costs, in which case, can he advise, at least, to which entity this £10 million went, or entities?

1425 **Hon. Chief Minister:** Mr Chairman, as he knows, we do not give a breakdown of the moneys in the government cash pool of the companies, and when we do capital projects we do not give a breakdown of which of the companies the capital projects have been carried out by. We have never given it; neither did they.

1430 **Hon. R M Clinton:** Mr Chairman, I am obviously not going to get any joy on that. Can we move to the estimate for 2023-24? Is any of that equity? Or is it, as the Chief Minister describes, again, for funding of capital projects in government-owned companies?

1435 **Hon. Chief Minister:** At the moment, Mr Chairman, it may be one, both or either, so I think it is likely that it will be capital projects rather than equity funding, but it could be some equity funding as well.

**Hon. R M Clinton:** And finally, Mr Chairman, in terms of AquaGib, is any of the cost of the acquisition of AquaGib envisaged in that item for 2023-24? Or is there some other mechanism that is envisaged by the Government to acquire AquaGib by way of financing?

1440 **Hon. Chief Minister:** There is another mechanism envisaged, Mr Chairman, which may not involve financing.

1445 **Hon. D A Feetham:** Just one question from me, Mr Chairman. Returning to the £10 million, at least can he confirm that that initially goes to Gibraltar Investment Holdings Ltd and then, from there, it is dispersed through the rest of the Government, the corporate structure? Or is that £10 million, without identifying the companies, going to separate companies?

**Hon. Chief Minister:** It usually does, Mr Chairman, but it does not have to.

1450 **Clerk:** Subhead 6, Brexit Measures.

**Mr Chairman:** Head 102, subheads 1 to 6 stand part of the Bill.  
Clause 6 stands part of the Bill.

1455 **Clerk:** Clauses 7 and 8.  
Appendix B, the Gibraltar Development Corporation.  
Appendix C, Borders and Coastguard Agency.  
Appendix D, Housing Works Agency.  
Appendix E, Gibraltar Sports and Leisure Authority.

1460 **Hon. E J Reyes:** Mr Chairman, in subhead (23), under Swimming Pool Expenses, given that we now have two swimming pools, is that a combined total for both, or are they accounted for separately?

1465 **Hon. S E Linares:** No, Mr Chairman, it accounts for both at the moment. The hon. Member must understand that the Lathbury pool is very much automated and everything is done by computer, so it does not have a lot of expense, as in running expense, when it is to do with the expenses of the pool.

1470 **Hon. E J Reyes:** Yes, I understand that part of the automated ... but given the substantial figure – the forecast outturn for last year was £350,000 and now we are making a prediction of £360,000 – the expenses will relate to what? Surely, no matter how much automation we may have up at Lathbury, if the day-to-day running and maintenance comes out of the swimming pool expenses – in the plural – I think there is very little provision being made to cater for an extra pool that is twice the size and twice the width.

1475 **Hon. S E Linares:** Mr Chairman, if the hon. Member looks at the actual 2021-22, it was up at £374,000, then it went to £360,000, which is the estimate, and it is expected to spend £350,00, and therefore ... Some works were done during that year because we had problems in the GASA.  
1480 I remember the hon. Member asking me questions about why it was closed. That was why we had an extra expense that year, but we are hoping that we can keep to budget at £360,000.

**Clerk:** Appendix F, the Gibraltar Health Authority.

1485 **Hon. R M Clinton:** Mr Chairman, if I may, under Recurrent Payments, item 46, Maintenance Agreements and Licences, we have an amount of about £1.7 million, which seems to appear for



the first time as an estimate for 2023-24, and I would be grateful for some indication as to what that is in relation to.

1490 **Hon. Chief Minister:** Mr Chairman, this is a new subhead which shows what was previously included under head 21 on computer and office equipment expenses, which, if the hon. Gentleman looks at it, had an outturn last year of £1.8 million and now has £220,000. The balance has come here – the £1.689 million is the balance of that – because we took the view that because it is a different sort of expense, it is actually a licence agreement, it should be booked differently. 1495 It was not a computer and office expense of the sort that we book elsewhere. The licences are usually provided for elsewhere.

I do not know whether the shadow Member for Health would have spotted that because he is not here today – he was not here for the reply and he is not here for the Committee Stage – but I think it is something that we have discussed before in questions.

1500 **Hon. R M Clinton:** Mr Chairman, I note, on line 35, that Compensation and Legal Costs was about £1.1 million for 2022-23, but obviously we pay quite hefty insurance, in line 38, of about £4 million. I vaguely remember – and I could be wrong – that there is an Insurance Sub-Fund that was created. I cannot remember whether the GHA is contributing to that or has its own external insurance. If not, why would that not cover any claims? 1505

**Hon. Chief Minister:** No, the Insurance Sub-Fund is for the Government to be self-insuring in most of what it does, but not the GHA. The GHA is a separate insurance, Mr Chairman.

1510 **Hon. R M Clinton:** In which case, the compensation paid out under line 35 obviously ... I guess the answer must be that it just is not covered by the insurance.

**Hon. Chief Minister:** Obviously.

1515 **Hon. R M Clinton:** Mr Chairman, in line 41, Rents and Service Charges, that seems to have gone up from £280,000 to £405,000 in the year forecast – if we can have some idea as to what that relates to?

1520 **Hon. Chief Minister:** Mr Chairman, yes, this is 15 premises that are booked, on which we pay rent – a catering container and portacabins etc., file storage, Brexit storage and some Rock vaults.

**Hon. R M Clinton:** Sorry, Mr Chairman, I did not hear him very well. The last word he said was Rock something?

1525 **Hon. Chief Minister:** Rock vaults.

**Hon. R M Clinton:** And the GHA is renting the space to store records or some other equipment?

1530 **Hon. Chief Minister:** I think there was a lot of the material there for COVID which was stored, Mr Chairman, and maybe some of the beds, some other material. I think we took this area during the pandemic because of the additional huge amounts of equipment we had to buy, and it had to be stuff that would not be perishable and stuff that would be able to be maintained in those areas.

1535 **Clerk:** Appendix G, Gibraltar Health Authority, Elderly Residential Services Section. Appendix H, the Care Agency.

**Hon. K Azopardi:** Mr Chairman, can I ask about item 29, Home Support – Supported Living in the Community, and the reason why the Government is projecting that estimate given the forecast outturn of £4.3 million last year and an estimate of £3 million?

1540

**Hon. A J Isola:** Mr Chairman, clearly, supported living in the community is a transitional stage, in most cases, and the estimate is based on what the experts in the Care Agency are telling us they are going to be requiring for the forthcoming 12 months.

1545

**Clerk:** Appendix I, Gibraltar Electricity Authority.

**Hon. R M Clinton:** Mr Chairman, if I may, on item 27, Contribution to ES Ltd – Operating and Maintenance Contract, I note that 2021-22 is £1½ million, 2022-23 is £2 million, and then 2023-24 seems to be £2½ million. There seems to be a pattern of an increase of £½ million a year. Can the Government shed some light as to for how long ...? Is it a schedule or contract in which there will be annual increases of half a million? And, if so, for how long?

1550

**Hon. A J Isola:** Mr Chairman, we do not have that information available with us, but I will be happy to get that information and pass it on to the hon. Member. It is clearly a contract. I do not know enough about the schedule to detail the answer, so I would rather err on the side of caution and get the right information.

1555

**Hon. R M Clinton:** Mr Chairman, I appreciate that.

And the line item above it, item 26, Contribution to ES Ltd – last year it was £11½ million and this year it is projected at £12½ million. I imagine it may be the same, in terms of some sort of contractual arrangement, but a million increase just seems to be a lot.

1560

**Hon. A J Isola:** Mr Chairman, I would say the same as in respect of the previous one. I am not sure how the funding arrangements are caught within that. ES Ltd is the company that owns the unit and obviously funds it, so I do not know if it is relating to increased interest costs, but again, I will come back and revert.

1565

**Hon. R M Clinton:** Mr Chairman, on item 17, GHA Related Expenditure, I note that there was an amount of £25,000 estimated last year and again for this coming year, but nothing was expended. Does the Government have an indication of what sort of GHA-related expenditure the Electricity Authority would have incurred?

1570

**Hon. A J Isola:** Yes, Mr Chairman, this relates to protective clothing and training in respect of the members of the GEA who work within the GHA, within what we call the Techno-Medical Division, which is members of staff of the GEA who are seconded to the GHA and work in the Hospital, maintaining, operating and repairing all the electro-technical equipment they have within the Hospital. It was not used last year and obviously it is being continued for this year.

1575

**Clerk:** Appendix J, Gibraltar Port Authority.

1580

**Hon. E J Reyes:** Mr Chairman, if I reference back to what I asked earlier on about the small boats marina at the Watergardens and I was asked to look under this section, would the expenditure earmarked for that one come under subsection (14), Maintenance of Port Installations and Equipment, or is it accounted for somewhere else?

1585

**Hon. V Daryanani:** Mr Chairman, it comes under Capital Account Payments, Works and Equipment.

1590 **Hon. E J Reyes:** So there is a £399,000 provision made for that. Is that the whole sum exclusively for the marina?

**Hon. V Daryanani:** We still do not have the exact cost of the marina, so it might be, or it might not be.

1595 **Hon. R M Clinton:** Appendix B to Appendix J stand part of the Bill. Clauses 7 and 8 stand part of the Bill.

**Clerk:** The Schedule.

1600 **Mr Chairman:** The Schedule stands part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Appropriation Bill 2023 –  
Third Reading approved: Bill passed**

1605 **Clerk:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Appropriation Bill 2023 has been considered in Committee and agreed to without amendment. I now move that it be read a third time and passed.

1610 **Mr Speaker:** I now put the question, which is that the Appropriation Bill 2023 be read a third time and passed. Those in favour of the Appropriation Bill –

**Hon. Chief Minister:** Mr Speaker, I call a division.

1615 **Mr Speaker:** A division is being called.

*Voting resulted as follows:*

**FOR**

Hon. P J Balban  
Hon. Sir J J Bossano  
Hon. Prof. J E Cortes  
Hon. V Daryanani  
Hon. Dr J J Garcia  
Hon. A J Isola  
Hon. S E Linares  
Hon. F R Picardo  
Hon. Miss S J Sacramento

**AGAINST**

Hon. K Azopardi  
Hon. D J Bossino  
Hon. R M Clinton  
Hon. D A Feetham  
Hon. E J Reyes

**ABSENT**

Hon. Ms M D Hassan Nahon  
Hon. G H Licudi  
Hon. E J Phillips

1620 **Mr Speaker:** The result of the division is as follows. There were 9 votes in favour, there were 5 against, and there were 3 non-attendances. The Bill is carried. *(Interjection, laughter and applause)*

**Hon. Chief Minister:** By almost two to one, Mr Speaker.

1625 I move that the House should now adjourn to tomorrow at three in the afternoon, when the Government intends to continue to deal with Bills. I will give the hon. Member an indication of which are the Bills that we intend to take tomorrow, as soon as I am able to, hopefully in a few hours.

**Mr Speaker:** I now propose the question, which is that this House do now adjourn to Wednesday, 19th July at 3 p.m.

1630 I now put the question, which is that this House do now adjourn to Wednesday, 19th July at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Wednesday, 19th July at 3 p.m.

*The House adjourned at 7.06 p.m.*



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.13 p.m. – 7.11 p.m.**

**Gibraltar, Wednesday, 19th July 2023**

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# The Gibraltar Parliament

*The Parliament met at 3.13 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[CLERK TO THE PARLIAMENT: S C Galliano Esq *in attendance*]

## Order of the Day

### BILLS

#### FIRST AND SECOND READING

#### Land Registry Portal and Electronic Stamping Bill 2023 – First Reading approved

**Clerk:** Meeting of Parliament, Wednesday, 19th July 2023.

Order of Proceedings: (ix) Bills – First and Second Reading.

5 A Bill for an Act to amend the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and wills, to amend the Stamp Duties Act 2005 to permit the electronic stamping of documents and to make provision for a budget measure, and for related purposes.

The Hon. the Chief Minister.

10 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and wills, to amend the Stamp Duties Act 2005 to permit the electronic stamping of documents and to make provision for a budget measure, and for related purposes be read a first time.

15 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and wills, to amend the Stamp Duties Act 2005 to permit the electronic stamping of documents and to make provision for a budget measure, and for related purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

20

**Clerk:** The Land Registry Portal and Electronic Stamping Act 2023.

#### Land Registry Portal and Electronic Stamping Bill 2023 – Second Reading approved

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the Bill for the Land Registry Portal and Electronic Stamping Act be read a second time.

25 This Bill is designed to allow Land Property Services to move to a digital registry with electronic registration of deeds and electronic stamping. Clause 3 of the Bill amends the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and will and thereby permit the creation of this digital registry. The Bill, therefore, introduces a new section 8(4) of the Gibraltar Land Titles Act giving the Registrar power to provide a portal through which any person seeking to register a deed must submit an application. That would facilitate the registration process and permit a move to this new digital registry. The requirements of the portal are set out in the Schedule. The Registrar will have a duty to provide assistance to a person who is not legally represented to register a deed or a will.

30 In clause 4 we see that the Bill would also amend the Stamp Duties Act 2005 to introduce electronic stamping as Land Property Services moves to a digital registry. The definition of 'stamped' will be amended, therefore. The current definition is retained for documents stamped prior to the commencement of this Act whilst new documents will be stamped by way of electronic stamping through an electronic stamping system, which is defined in that new clause 4A that hon. Members will have seen. Definitions of 'stamping' and 'stamp' are similarly amended to cover both the traditional stamping method and the issue of a stamp certificate issued electronically.

40 Section 16 of the Stamp Duties Act 2005 is also amended by this Bill to reflect the six-month period in which a deed must be stamped and registered, ensuring a streamlining of the process.

Section 30 is deleted, as there will no longer be a need for duplicates and counterparts of documents – good for trees, Mr Speaker. (**Hon. Prof. J E Cortes:** Indeed.)

45 Section 19C addresses a Budget measure which creates an exemption on certain affordable housing estates, as I described during the course of my relevant address, and will include references to Hassan Centenary Terraces.

Finally, the Bill amends the regulation-making powers at section 46 to introduce a regulation-making power which will cater for any other requirements of the electronic stamping system.

50 Mr Speaker, I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. Roy Clinton.

55 **Hon. R M Clinton:** Thank you, Mr Speaker.

Insofar as the Bill serves to modernise and bring into the 21st century systems for registration of documents and land registry etc., obviously those are matters which we can only welcome on this side of the House and are fully in support of.

60 The additional measure in respect of his Budget measure from 2019 ... I think I have made this point before, Mr Speaker, and I will continue to make it, that we seem to be in the habit of passing amendments that are mentioned and required by Budget speeches a substantial time afterwards. This was a measure from the Chief Minister's Budget speech from 2019, and if I may quote from his paragraph 497, which you will recognise:

Therefore, in order to assist with the purchase of future affordable homes, we will be introducing an amendment to the Stamp Duties Act whereby all initial purchases of properties by homebuyers in affordable housing estates developed by Government will be exempt from stamp duty. This measure will help ensure that future generations of Gibraltarians are able to continue to get on the property ladder and be the owners of their own home.

65 That was in 2019, and here we are, today, in 2023. It is evident that the completions of Hassan Centenary Terraces are due this summer, and therefore there is a need for this amendment to go through. Indeed, Mr Speaker, you will recall that the Chief Minister had originally certified this Bill as urgent on 20th June 2023. Seeing as the Bill was originally published on 25th May 2023, there was no requirement for a Certificate of Urgency, although I wonder why we did not do it in June.

70 Coming back to the Budget measure, what I would say is given the obvious increases in costs to young people and the difficulty in getting on to the first rung on the property ladder, we on this side of the House, in respect of this Budget measure, if indeed it had been put into a Finance Bill, would vote in favour of that particular clause, as we think it is a clause that is worthy of support, especially as mortgage interest rates, unfortunately, are on the increase.

75 This Bill covers two areas, really. One is in respect of modernisation, the other one is in respect of a retrospective Budget measure. They both have our support. In fact, this is an ideal example of what a Finance Bill would do, where it actually amends different bits of legislation in different places in one piece of legislation.

80 One thing that the Chief Minister did not mention, I think, in his address was the amendment he has proposed to this Bill dated 23rd June, where he has two particular amendments, one of which is in respect of the University of Gibraltar – a general exemption from all stamp duty – and then the second of which is whereby ... I think it is in relation to this specific clause of the University of Gibraltar, where it is effectively backdated to 1st January 2016. In respect of that I would request that the Chief Minister provide some clarification as to the necessity or the desirability of this amendment in respect of the University of Gibraltar and why it is backdated to 1st January 85 2016.

Other than that, Mr Speaker, we will support this Bill in full. Thank you.

**Mr Speaker:** The Hon. the Chief Minister.

90 **Hon. Chief Minister:** Mr Speaker, I am grateful to the hon. Gentleman for indicating that they are going to be supporting the Bill. I do think that we should all be welcoming the modernisation of the registration process and it becoming digital. I do not, however, agree with any of what the hon. Gentleman has said about the need for a Finance Bill. He knows I do not agree. He says he is going to keep saying that we should have a Finance Bill. I am going to keep telling him that we are 95 not going to agree to have a Finance Bill unless in any particular year we think we should and that we should do it in that way.

We are going to continue to make the amendments in the way that we make the amendments today, which was the way that ... He told us he marched down Main Street in 1996 to liberate Gibraltar from a former GSLP administration, and in that march he ushered in a Government that 100 did it in the way that we are doing it. Therefore, in respect of the liberation that he says he brought, we will continue the practice of that liberation.

Mr Speaker, frankly, I had a whole section to go on about yesterday, which I omitted because of the time, but very often with the hon. Gentleman it is all about form over substance, so you put a measure in that says that you will exempt or change stamp duties in an Act that deals with land 105 titles – which is what a stamp duty is, in effect, dealing with land titles – and he says it should not be there, it should be in a Finance Act, and if it was in a Finance Act it would be in the proper place and if it is in this Act it is not in the proper place, ‘but I still support it here and I support it in the Finance Act’. That is the best example I have seen of why the hon. Gentleman is all about form over substance, but I am pleased that at least on the substance he is going to support the Bill and 110 he is going to support the measure, even though it was a measure announced in a Budget that he voted against. What the hon. Gentleman is, in effect, telling us is that he wants us to put things in a form that enables him to support Budget measures and say that he supports Budget measures whilst at the same time voting against the Budget. Therefore, it is very clear that the form over substance debate is even confusing him. I am disappointed at the insistence on the part of the 115 hon. Gentleman that we must have a Finance Bill. We do not need to.

Finally, on the point of the University, the Government took the decision some time ago to exempt the University from the payment of stamp duties. The University is a charity. It is the sort of entity that we would want to see exempted from stamp duties. I believe the first relevant land title transfer was in 2016, which might have attracted stamp duty, which we were exempting them 120 from, and that is why we are advised to make the exemption now.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and wills, to amend the Stamp Duties Act 2005 to permit the electronic stamping of documents and to make provision for a budget measure, and for related purposes be read a second time. Those in favour? (**Members:** 125 Aye.) Those against? Carried.

**Clerk:** The Land Registry Portal and Electronic Stamp Act 2023.

**Land Registry Portal and Electronic Stamping Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading will be taken later today, if all hon. Members agree. 130

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

**Parliament (Amendment) Bill 2023 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Parliament Act. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Parliament Act be read a first time. 135

**Mr Speaker:** The Hon. the Chief Minister issued a memorandum on 23rd June explaining that the Bill was urgent enough to dispense with the giving of the usual six weeks. 140

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

**Clerk:** The Parliament (Amendment) Act 2023.

**Parliament (Amendment) Bill 2023 –  
Second Reading approved**

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the Bill now be read a second time. 145

The Bill is moved by the Government – if I may say so, at the request of the Parliament – to ensure that when the parliamentary election is called we have the flexibility for this election that we have seen work very effectively in the context of, I think, the referendum on the Crimes Act, where we made a similar amendment. That amendment only affected voting in referenda, not voting in parliamentary elections, and so this issue deals with postal voting and the need in our current legislation for the person who is going to vote by post to be out of Gibraltar. I know that in the past that has caused some difficulty for people who have to be out of Gibraltar after the relevant deadline has passed, or find that they return to Gibraltar for other circumstances, especially those who are going to be away in a place where they are not going to be able to get 150

155 their ballot in the right time, but sufficiently in Gibraltar, although they will not be here on polling  
day, that they will receive the ballot in Gibraltar, will be able to vote in Gibraltar and deliver their  
envelope to the post office so that their vote will be counted. The same amendment worked very  
160 successfully in the context of the Crimes Act and the report to us – and, I am sure, to Members  
opposite – from the Clerk and from the Parliament generally was that it made dealing with the  
postal voting easier. Easier means that more of those people who want to vote and who are  
entitled to vote get to vote, and more of those votes get counted because they return in time to  
be counted. Therefore, the Government is agreeable to the movement of this Bill. I certified it as  
urgent simply to ensure that the Parliament had the legislation in place before the summer, so  
that for an autumn election they will be able to have all of the relevant procedures in place.

165 Therefore, Mr Speaker, I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

170 **Hon. K Azopardi:** Mr Speaker, insofar as the issue of the postal voting, which is the only issue  
that the Chief Minister has addressed in his principal contribution on the Second Reading, we have  
no difficulty supporting it. Our difficulty in this proposed Bill lies somewhere else, and if I may  
address that specifically so that he understands our concern, the proposal would be to amend  
section 25 of the Parliament Act in the proposed section 3(3) of this Bill, to allow a provision that  
175 says:

In the event of an emergency as defined by section 10 of the Civil Contingencies Act 2007 being declared the Minister may by Notice in the Gazette suspend all or any of the provisions in any rules made pursuant to this section

Under section 25 of the Act, rules are introduced which are used to support an election. If, in effect, you suspend the rules, you suspend the election, and that gives us some concern at different levels. If I may explain, part of our concern is that this provision is potentially unconstitutional unless amended. So let me explain our concerns.

180 The Chief Minister will know that under the interplay between sections 37 and 38 of the  
Constitution, under section 38 – I think it is section 38 – the House must be dissolved within four  
years of its first meeting. So there is a constitutional requirement to dissolve the House at a  
particular moment in time. Under section 37 there is then a constitutional requirement to issue a  
writ for a general election within 30 days, so again, a deadline. This potentially, read like this,  
185 unadulterated without being made subject to the Constitution, could be used as a power that is  
used in a period where it is not possible to suspend an election because the Constitution requires  
a writ for a general election to have been issued for a particular date. I think that point would be  
met if at the Committee Stage of the Bill we were to introduce the words, at the beginning of that  
section, ‘subject to the provisions of the Constitution’. If we were to say so, I think it would meet  
190 that particular point.

The other point I would have is that this is unprecedented because there was not a power that would allow a Minister to suspend the rules and therefore suspend an election, and that brings into play all sorts of issues of democracy and power and so on. Those powers would need to be exercised cautiously. But of course, there may be circumstances, very extreme circumstances, that would require the exercise of a power, if it is done in consultation, when there are circumstances that make it absolutely necessary.

195 The Chief Minister knows that, for example, when there was no power specified in statute, when the Abortion Referendum was going to be first held it happened to coincide with the outbreak of the worst part of COVID. I remember he called me the leader of TG to discuss the issue of his proposal to suspend the Abortion Referendum until such time as the COVID pandemic settled, so that it could reasonably and safely be held, and of course we agreed, because it was the right thing to do, without any issue.

200

205 So I understand that there may be circumstances, but I think the backdrop of the civil  
contingency is ... The panorama is very different. The global pandemic has been declared as over  
by the WHO. We always have to have an eye on the possibility that something might emerge, so I  
recognise that we might want to cater for a power, as long as it is constitutional. But I think it is  
also important, given the sensitivity of the exercise of the power – because you would be doing  
so in a way that, in effect, suspends a general election – that it be done with general approval of  
210 both sides of the House and the parties contesting. I think what would meet that point would be  
if, after the words ‘at Committee Stage’ we were to introduce after the word ‘Minister’ ... if we  
were to say ‘after consultation with the Leader of the Opposition or such person who was the  
Leader of the Opposition before the dissolution of Parliament should a dissolution have occurred,  
and with his approval’, and then it would carry on ‘may by Notice ...’ You would expect a Leader  
of the Opposition, or someone who was the Leader of the Opposition in circumstances where  
215 there is a global or a particular Gibraltar-unique public health reason, civil contingency, to be  
reasonable, but I think it is important in the interest of democracy that it should say so.

Subject to the inclusion of those amendments, we would be able to support the Bill. Otherwise,  
I regret that on the current framing of that provision, we would not be able to support it.

220 **Mr Speaker:** The Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, I am grateful for the indication from the hon. Gentleman that  
they will be supporting the amendment to the postal voting aspect of this Bill. Similarly, I note the  
things that the hon. Gentleman has said.

225 The inclusion of these words is not a political imperative for the Government. We have just  
been asked to provide for this on the basis that when looking at the referendum, it was noted that  
in the context of convening the referendum the Chief Minister could simply issue a notice to stop  
that campaign, and here it was impossible to do. So this is a genuine concern about those who  
organise elections. If we are ever to find ourselves once again in a situation where it is necessary  
230 to stop a process, it can be stopped.

If I may say so, with respect to the hon. Gentleman, when I rang him it was not that I was  
ringing him with my proposal to adjourn the referendum, it was my proposal based on the advice  
we had been receiving from the medical professionals. It was not a decision that we had made;  
we were advised that we should make it. Again, in the context of this power, it would be a power  
235 that could only be exercised, as it says already, in the context of an emergency.

If I can go to the proposals that the hon. Gentleman makes, I have no issue whatsoever with  
including the words ‘subject to the Constitution’. I think they are entirely superfluous because  
every law we make is subject to the Constitution; it cannot be anything other than subject to the  
Constitution. Every law we make would have to take the words ‘subject to the Constitution’ if that  
240 were necessary, literally every law we make. If it gives him comfort because of the nature of what  
we are dealing with, which is a general election, to include those words, I would be happy to  
exceptionally – and I want to say this for the purposes of the *Hansard* – include those words in  
this context when they are genuinely, in my view – and he will agree with me on reflection,  
perhaps – not necessary.

245 The second point that he makes I find it very difficult to agree. The idea that a power exercised  
by a Minister in an emergency should only be subject to a consultation and agreement by the  
person who was or may have been or may be a Leader of the Opposition seems to me to be  
genuinely the wrong thing to be doing in that context. You have to understand when I make these  
points that I am not for one moment failing to understand the sensitivity of what we are dealing  
250 with. This is a general election that we are dealing with and suspending it would be a very sensitive  
thing and we must therefore ensure that our laws in that respect are very clearly set out, but the  
first part of the phrase says ‘In the event of an emergency’, and then ‘as defined by section 10 of  
the Civil Contingencies Act 2007’, which is an Act that they did when they were in government  
and is an Act which sets out, I think very accurately and in keeping with the UK civil contingencies

255 legislation, what the types of emergencies are. These are not at large. An emergency has to be  
declared and it has to be certified as such, and then certain powers are available. I believe that all  
the Governments of Gibraltar we have had to date and, no doubt, all Governments of Gibraltar  
we will have in the future will not seek to gerrymander an election by conjuring up an emergency.  
Indeed, I believe, from memory – and others may be better able to remember this, perhaps even  
260 the Leader of the Opposition – that in 1988, when Operation Flavius was executed in Gibraltar,  
there was already a general election on, and I understand – again from memory because I did not  
look at it for this, I read about it incidentally – that the general election campaign was either  
delayed by a week or somehow was put on hold. It may have been just the campaign that was  
suspended for a week and the date not changed, I cannot remember, but there have been  
265 instances in the past where things have happened where general elections have been affected.  
Here, that sort of incident would not, you would imagine, curtail a general election happening on  
a Thursday – this was an incident happening on a Sunday, resolved in great measure by the  
Monday, when the car was removed – but you could have a situation like that.

The question is do we genuinely not trust each other when we have ministerial office to  
270 discharge the functions that relate to the exercise of people’s democratic rights in a way that is  
going to be in keeping with the rules. I think he can trust me and I can trust him and we can trust  
every Member of this Parliament and every person who has been a Member of this Parliament in  
the past not to have used or abused any of the powers that they may have been given, in particular  
in the election period, in a way that would be designed to gerrymander. Having said that, I do  
275 think that it is not a bad idea that we perhaps look at this clause in committee and look at whether  
we perhaps put in a time limit, for example, where we might say you might suspend for no more  
than seven days and then put in something else – and for no more than seven days on no more  
than three occasions, and then if not, we might have to refer to some other agreement.

My view is that this is likely a power that would have to be used very likely after a dissolution  
280 had happened, because you would not dissolve if you were in the middle of an emergency, even  
if you had intended to. You might have a dissolution that happens to you, because you could be  
in the period where the dissolution happens. I seem, from memory, to recall that the ceremonial  
opening was on 14th November, so if you have an emergency on 10th November, a dissolution  
can happen to you. You might have been wanting to dissolve yourself on the 12th. You might find  
285 yourself in that sort of situation. So this happens when you are dissolved and you are still a  
Minister, there is no House, there is no Leader of the Opposition – of course, that is why the hon.  
Gentleman said ‘or had been Leader of the Opposition’. I think the power would be very sparingly  
exercised there. You would really have to show, if it was lockdown – to talk about the situation  
we have been through – that you had the medical advice telling you that you had to do it, that  
290 sort of thing, before you were ready to do it. You would be a fool, if you were standing for election,  
to simply suspend the election – to suspend the Constitution, in effect, by suspending the election.

So if I can, Mr Speaker, I will give the hon. Gentleman the comfort that I am prepared to think  
of some wording that we might look at in Committee Stage to put in some time limit for the  
Minister to act. Then, without being colonial, if he wanted to insist on some further comfort, I  
295 would suggest, apart from the time limits, potentially, if those time limits had to be renewed, that  
after their third renewal it would have to be with the consultation and agreement of His Excellency  
the Governor. That brings in a player who has been seen as being colonial in nature, but in my  
view, in the context of a general election, for example, is Crown qua Crown in respect of Gibraltar,  
to whom we take the oath, not a third-party administering power’s representative, and I think  
300 would potentially give us all an element of comfort in the context that the hon. Gentleman is  
suggesting. But to say that it has to be agreed between both sides of what had been the House  
post the dissolution I think is potentially problematic in my view of how it might be dealt with.

But anyway, I have given him my views and I think we can discuss it perhaps when other Bills  
are ongoing that we are not involved in. We might have a chat behind the Speaker’s Chair and we  
305 might be able to agree something for Committee Stage.

**Mr Speaker:** But you could start thinking of what it is that you can both agree to behind the Speaker's Chair, whenever that is possible. We have lots of Bills to deal with, so there will be time.

I now put the question, which is that a Bill for an Act to amend the Parliament Act be read a second time. Those in favour? (**Members:** Aye.) Those against? (*Interjection*) The Opposition are abstaining, but the Bill is carried.

**Parliament (Amendment) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading be taken later today, if all hon. Members agree.

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

**Education and Training (Amendment) Bill 2022 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Education and Training Act. The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Sorry, Mr Speaker, I thought the hon. Lady was going before me.

I have the honour to move that a Bill for an Act to amend the Education and Training Act be read a first time.

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

**Clerk:** The Education and Training (Amendment) Act 2022.

**Education and Training (Amendment) Bill 2022 –  
Second Reading approved**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** I have the honour to move that the Bill be now read a second time.

Mr Speaker, I draw your attention and that of the House to my letter of 19th May, which supersedes some previous letters. I apologise for having written to you several times, but the last letter was following extensive discussions with the Hon. Edwin Reyes, which were very productive, and I will mention that again in a minute.

Also to note that in Part VIII A the Roman numerals should read VIII A and not IIX A

This Bill amends the Education and Training Act to reflect current practice, as well as modernise the language used throughout the Act. These updates are of particular relevance in the context of special educational need or disability provision, the school leaving age and the role and duties of the Director of Education.



340 The challenges that have presented themselves over the last few years in terms of the pandemic and the realisation of the dangers of climate change have also been given consideration in these amendments, with the duty to provide remote learning and the duty to provide and promote environmental education.

345 In addition to these changes, new provisions are included centring on the information that is to be provided to the Department when registering a child, as well as the consequences of not doing so, a commitment to have at least two government secondary schools in Gibraltar and a concerted effort to maintain disciplinary standards in our schools and how students are to be reintroduced into schooling.

350 Clause 3(2) amends section 2 of the Act. Paragraph (a) updates the language of the Act. There are also amendments to reflect changes in how education establishments are now categorised and the new school leaving age of 16.

355 Paragraph (e) amends subsection (4) of the Act in order to reflect the updated school leaving age and, for the avoidance of doubt, when a pupil is deemed to have reached that age for the purposes of the Act. In short, the Act treats a child's birthday as occurring at the end of the school year, meaning that whilst they may turn 18 in March, for example, under the Act they will have done so once the school year is completed. This facilitates enrolment and so on.

Paragraph (f) amends subsection (5) of the Act in order to require a notice in the Gazette to be published should the date for the end of school year change.

360 Clause 3(4) amends section 6. It removes the Minister's ability to exempt an education institution from the provisions of the Act.

365 Clause 3(5) amends section 8. The amendments, in large part, update the language used. However, paragraph (e) introduces two new paragraphs and, as a result, two additional duties for the Director. These relate to remote learning and developing teaching techniques as a response to the issues we faced with the provision of education during the pandemic with online teaching clearly not currently being provided for.

370 Clause 3(6) introduces a new section 8A. It is an additional duty on the Director to promote education in regard to the environment, with particular emphasis on the climate emergency and ecological crisis and the provision of opportunities for pupils to experience the outdoors and build relationships with nature. Education regarding the very real issues facing the youth of not just Gibraltar but the world will play a lead role in the societal shift that is required. The addition of this section restates the Government's commitment to a green Gibraltar, as set out both in the election manifesto and the Climate Change Strategy, and it also meets the commitment I made during the COP26 climate summit held in Glasgow in 2021.

375 Clause 3(8) amends section 14 and in the process gives the Minister discretion on whether an Education Council should be established and its composition.

Clause 3(9) redrafts section 16 of the Act in two subsections with the intention that the principles of education policy should extend to independent schools.

Clause 3(11) introduces a new section 17A, which states what information is to be provided when registering a child at a government school.

380 Subclauses 3(12) and (13) focus on the provision of schools offering primary and secondary education. More specific to the physical changes that schooling has undergone during the Government's tenure, a commitment to maintaining a minimum of two secondary schools in Gibraltar will now be enshrined.

385 Clause 3(16) focuses on discipline and is another substantive move to align our procedures with our counterparts in the UK. The Director will now have a duty to ensure that behavioural policies are pursued in our schools, with a focus on setting out general principles which head teachers are to take into account when formulating these policies. These changes also take into consideration the pupils' needs with specific reference to their age, religious requirements and any special educational needs they may be living with.

390 In addition to this, clause 3(18) introduces reintegration interviews for people who have been suspended.

395 The changes that are contained in this clause also hold parents to a greater standard when it comes to a child's education, and they will also be required to take on new duties under these amendments. Specifically in regard to suspension, there will be a parental responsibility to ensure, where they have been notified of said suspension, that their child is not seen in a public place during school hours to which their suspension relates.

400 A view has been taken to refocus some of the existing duties that are present in our law, and I refer specifically to section 52 of the current Act, which is being amended by 3(41). This section deals with attendance, and the amendment now requires pupils to maintain an attendance record of 85% in a school term.

Clauses 3(26) to (29) reflect the modern relationship that our institutions enjoy with religious education, worship and instruction. In addition to this, the membership of the Advisory Council on Religious Education will now be more diverse.

405 Significant consideration has been given to the Department of Education's approach towards special needs provision and how we can best provide for these children's education, as well as to how we set out the procedures from the point of assessment onwards, and subclauses (31) and (34) to (37) address these issues.

410 To ensure that the newly introduced and amended duties mentioned are treated with the respect and importance they deserve, penalties which are attached to the Act have been increased throughout, with a general penalty provision increasing to £500 in the first instance and £1,000 for every subsequent offence.

415 These changes are required in the short-to-medium term and they are to be supplemented by amendments to subsidiary legislation over the course of the coming weeks prior to the Act being commenced for the start of the new term. This is reflected by the additional regulation-making powers that have been added under clause 3(50). These regulation-making powers address domestic matters such as registers setting out inset days etc.

All of these changes will continue to operate with the requirements set out in section 82(4), which states that all regulations under section 82 will need to be laid before Parliament.

420 As I said at the start of this address and have already mentioned in my Budget speech, I thank the Hon. Edwin Reyes for his contribution in this Bill, and I do so again now. We worked together on this for many hours and I dare say that we ended up with a better Bill in the end as a result of those very helpful and constructive discussions. I also wish to thank David Smith for his commitment in drafting and the team in the Department of Education – present and past, as we have been working on this for some years. I want to also thank NASUWT, both their past executives and the current team, including that in the UK, for their helpful contribution and feedback.

Mr Speaker, I commend this Bill to the House.

430 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. Edwin Reyes.

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

435 I am very grateful to the Minister for his patience when we have met, and we have been up and down and even left to right on the Bill. It is a Bill that we welcome because certainly it needed updating. It needed to be brought in line with the 21st century. It is actually replacing a 1974 Act, which in its own right was controversial. We are talking of close to 50 years and many things have happened in the world of education. With some of them, we are just the victims of what happens in the overall world, and more so because we follow the British system. In those 50 years we have had the introduction of national curriculums and so on in the UK.

440 I accept, and I just mention it to have it on the record ... the Minister and I agreed that subsequent to this Bill, he will at some stage look into the Education and National Curriculum Regulations as published in 1991. There were minor technical things and nomenclatures. We now

have a senior education adviser who has *[inaudible]* and so on. On that understanding, we are happy to reconfirm what I had already told the Minister, that we will be supportive of this Bill.

445 If I may highlight, Mr Speaker, among our many discussions I think we were unanimous in accepting that we are far better off, once again, in having lower and upper primary that are aligned with key stages. I think those were political ambitions from both sides of the House. I am glad to note the Government has decided to enshrine it in law, through public legislation, that there will be at least two secondary schools. That, of course, is welcome because it does give ... Although  
450 the Department of Education plans in such a manner that pupils coming from such a catchment area will go one year to one school and alternate, it does give pupils and teachers alike a choice, and we are all for choice.

Education is a partnership of not only the professionals in the schools but also parents, and I think a couple of things come out in this Bill where the Director is asked to make sure, through  
455 the head teachers, that the parents are made aware of the school and so on, so the school ethos, which cannot be defined in law ... Certainly those of us who have spent a lifetime in schools welcome that.

We did spend a lot of time, and I think we have now come to a consensus ... There was a section, from subsection (41) onwards, on the Advisory Council on Religious Education. The composition,  
460 as such, I am quite happy with. It is representative of the religious bodies now in Gibraltar. The Minister and I had discussed, because of the interpretation of the words ... At one stage, if I just look at section 41, it says:

The Minister may establish an Advisory Council on Religious Education under this section to advise the Minister upon matters connected with ...

and there is 'religious worship', 'religious instruction' and 'religious education'. So it is up to the practical day to day terms of the Director taking the policy decisions for the Minister of how,  
465 where and when worship may take place in school and so on. But we were both wondering is it something that holds properly, should it come to the ultimate of having to go to a court of law or whatever. What is the difference between religious instruction and a religious education? A note I got from the Minister, which I am not disputing but I wanted recorded, is that religious instruction is generally worship related – in other words, denomination related – whereas religious education  
470 is more objective teaching on different religions. That, I recommend to the Minister, is something he could perhaps mention to the National Curriculum Council to look at, because within the provisions of the National Curriculum and from core and foundation subjects and so on in UK they were trying to make some provisions for it. So we are not going to waste our time today – it does not really affect the primary legislation, but it is something that is pending.

475 In the same way, I will mention that on this side of the House, although the title is Education and Training Act, we accept from the Minister that he is really tackling the education aspect of it. It does not mean he has put away forever the training section, and that is something that we will hopefully be able to work together on in the future.

I know some things could be dictated by a new relocation of the College of Further Education and so on. My interpretation of all this is that the College of Further Education will continue to be  
480 an educational establishment to provide education but starting from an age of those past the compulsory school age, which is now raised to 16. I think in the old legislation there was a provision more clearly set out that pupils under the age of 15 could not enrol at the College. It is more of an administrative nature, but I mention it because it does make provision in the Bill that  
485 the compulsory school age is 16 but grants the Minister power to be able to raise that to 18, which I welcome because it aligns us more with the United Kingdom, where the compulsory school age is 18 but the pupil may leave at 16 with the consent of the authorities, and consent is granted where a pupil is leaving school at 16 not to stay at home but is engaging in some sort of apprenticeship or type of employment and so on. We are not restricting ourselves so much to  
490 that. We are saying up to the age of 16 you will attend; it is up to you what you do after that. I

think there will be provisions in the training part made available for certain priority to those who have left school at 16, who have completed at least two ... the equivalent of a GCSE standard, irrespective of what grade they end up getting. There is provision already in the Bill for the Director of Education to ensure that certain vocational training is delivered in schools. So again, that is covered in this legislation. And then there are practical, day-to-day terms, which I am not too worried about at this stage.

I said at the meeting with the Minister, and I record it here, I wish him the best of luck, having been involved in the profession for so many years. We have left within the Act the provision of school committees. The problem has always been getting the right people interested in taking part. The mechanism of it, especially the intention, is quite good. We tend to find that parents of children in lower and upper primary school are far more willing to participate on school committees. There is always a danger that these school committees take on a role that, at other times and in other places, may be interpreted as a school fundraising committee. I think the intention here is more to advise the school, to help the school, to even depoliticise the issue but get concerned parents to raise it with the Minister should the occasion ever arise that funding for certain upkeep of school premises and equipment may be required. So we are supportive of that.

I think the Minister accepted, and it is probably one of his amendments, that by inheriting the previous legislation, those appointed to the school committees had representatives of teachers, and it said here 'but not being a member of staff of the school'. Although I understood the Minister's argument is to bring in an outside influence, I said – I think the Hon. Steven Linares will probably nod his head with me – we had to sometimes semi-blackmail some teachers and say do, for heaven's sake, serve on a school committee. But if I am a teacher in a particular school, to go to a rival – a healthy rivalry exists – upper primary school and be part of that school committee ... Does your heart really go with you in your role there? If it is possible to have the members of that school staff, it just helps to reinforce the work being done through the committee – on which, I repeat, I wish the Minister the best of luck.

There are no objections to anything else. We had even discussed the section where the young person who wanted to get employment needed to consult the Director of Education if they were under 18, but it was clarified between us, so there is no problem there.

The Minister nods his commitment that he is going to revise the nomenclature, such as it made reference to Principal Youth and Careers Officers and we need those updated, as well as having on the record that although not a major objection – it was perhaps a bit of a safeguard on my side – the Government has to appoint a Director of Education and I said the Director of Education should be someone who, in his own right, is already a qualified teacher. We clarified this. The Minister first provided me with something saying that it is more appropriately dealt with by the Chief Secretary and even the Public Service Commission, but he undertook to follow it up and I trust him. I know that he did have some sort of experience in the schools, but I know his heart is certainly behind the right thing in this one here.

There are provisions for independent schools, as well, made here in the legislation. It does give the Director the right, or the power in fact – an obligation is perhaps the right word – to inspect the schools and see them and so on. I am interested – but it is a debate for another day – to follow up. Government can even make grants and contributions to independent schools, but, with the proviso that it is equally applicable to all independent schools, in principle there should be no major of objections to it.

I am glad to see we continue with the health provision, something that a few years back no one thought would ever be necessary. When we had the pandemic, certainly the schools needed to ensure the health and safety of pupils and staff and so on, so that in itself is very welcome.

Mr Speaker, I do not have anything else to add here in the notes, just to thank the Minister for his co-operation and, whether we both continue with our respective portfolios or not, I certainly look forward to working with whoever, on whatever side of the House, on the next phase, which will be the training one and so on. Therefore, once the Minister, at the Committee Stage, tables

his amendments, which I think are now in order, I reconfirm that we will end up supporting this Bill.

Thank you, Mr Speaker.

545

**Mr Speaker:** The Hon. John Cortes.

**Hon. Prof. J E Cortes:** Mr Speaker, thank you very much.

550

I would like to thank the hon. Member and, obviously, the Opposition for supporting the Bill and for his contribution in developing it.

555

I do not have to answer all the points point by point, because it is a summary of the discussions we have already had and we have agreed on the outcomes, which I confirm are in that letter. Just one minor point is that setting out that there should be two separate government secondary schools does come as a result of some speculation, with the co-location of Bayside and Westside, that it would become one school and representations from the union that this should not be so and it is not in the interests of Gibraltar that we should put, literally, all our eggs in one basket, and that is now confirmed.

560

So with renewed thanks to the hon. Member for the constructive way in which he has approached it, I am very happy to continue this collaboration. Just to point out that, yes, there are a number of regulations that need amending before, in effect, we commence at the beginning of term, although the commencement date is before that, but the de facto commencement of this Act will be when school starts, and between now and then we have a number of regulations that we will be publishing once this Bill is approved.

565

So, with nothing further ado, I once again commend the Bill to the House.

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

**Clerk:** The Education and Training (Amendment) Act 2022.

**Education and Training (Amendment) Bill 2022 –  
Committee Stage and Third Reading to be taken at this sitting**

570

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken later today, if all hon. Members agree.

575

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

**Heritage and Antiquities (Amendment) Bill 2023 –  
First Reading approved**

580

**Clerk:** A Bill for an Act to amend the Heritage and Antiquities Act 2018 and for connected purposes. The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Heritage and Antiquities Act 2018 be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Heritage and Antiquities Act 2018 and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Heritage and Antiquities (Amendment) Act 2023.

**Heritage and Antiquities (Amendment) Bill 2023 –  
Second Reading approved**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** I have the honour to move, Mr Speaker, that the Bill be now read a second time.

The Government has, for years, prioritised the preservation, enhancement and conservation of all aspects of Gibraltar's heritage. Being a place of great historical significance, there are items of great heritage value located in many different areas. This Bill serves two main purposes. It amends the 2018 Act to regulate the use of metal detectors, which can often be used to find items with heritage value. This will ensure that there is greater monitoring of articles with heritage value found using these instruments. Secondly, it implements measures consistent with the 1970 UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, which prohibits dealing in antiquities or objects of interest which have been unlawfully removed from the place they were found. This will ensure that any items of heritage value found in Gibraltar cannot be taken out of Gibraltar to be sold in antiquities markets online or added to private collections abroad.

The Bill inserts a new section 28A to the Act, which restricts the use of metal detectors by requiring the consent of the Minister prior to their use. There are exemptions for law enforcement officers and military personnel using such instruments in the course of their duties. The consent of the Minister will be required to use metal detectors in a public place, except for on the beaches, where there is a minimal risk of finding or damaging antiquities. Any archaeological findings must be reported. The granting of the consent to use a metal detector can be given subject to conditions, which will be implemented when necessary to safeguard any heritage item or historical area. Since section 28A governs the use of metal detectors, it replaces the former section 50 of the Act, which is repealed by the Bill.

The Bill also creates a new section 29A, B and C, together with consequential amendments, which together are intended to prohibit the dealing in antiquities or objects of interest which have been unlawfully removed or excavated from the place they were found, defined as tainted property. The Bill further amends, at section 49 of the Act, as well as the Imports and Exports Control Regulations 1987, to provide for forfeiture of any antiquity or object of interest which unlawfully is imported or exported.

Lastly, a minor amendment corrects an error in Part 3 of Schedule 2 and clarifies the definition of Alexandra Battery.

Mr Speaker, this Bill will go a step further in ensuring that Gibraltar history and heritage are protected and conserved for the benefit and enjoyment of everybody. The Bill also empowers our law enforcement officers to tackle conduct which seeks to treat the findings or trading in heritage objects as profit-making enterprises and sends a strong message that this will not be acceptable in Gibraltar.

I commend the Bill to the House.

630 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. Damon Bossino.

**Hon. D J Bossino:** Mr Speaker, this is a Bill which the Opposition wants to support, and the Hon. the Minister rightly points out that it is an improvement on the current legislation and the statute book, but can I ask him to address some points?

635 There is a point which I have been alerted to by my hon. Friend Mr Clinton, and if he will consider this point, it relates to the amendments to current section 49, which is in terms of removal of antiquities and objects of interest from Gibraltar. In his initial address to the House, the Hon. the Minister talks about that in terms of tightening the provisions in relation to the removal from Gibraltar. As a result of the amendments which this Bill introduces in clause 3(7), it  
640 widens it to include importation of antiquities. The definition of an antiquity or objects of interest is already in the legislation, and in effect, if I can paraphrase, is something of historical, archaeological or any value which relates to Gibraltar. It strikes us as somewhat draconian, but it may be inspired by the conventions that the hon. Member has referred to, that, for example, if somebody imports or purchases an item of historical value which relates to Gibraltar – through  
645 eBay, let's say – unless that individual has the Minister's permit, that individual could find himself the subject of a custodial sentence of 12 months. If I could ask him to address that point for the sake of *Hansard*, I think it would be very useful.

The other points, I think, are slightly more minor. Is the analysis correct that the repealing of current section 50 in clause 3(8) is, in effect, because it is a replacement by the intended new  
650 section 28A? The hon. Member will know that section 50 talks about antiquities etc. which are obtained as a result of use of equipment, whilst section 28A is more specifically targeted at use of metal detectors. I just, at a very high level, thought at this stage that the current provision was wider and therefore would be more effective than simply specific to metal detectors, because it talks about, as I said earlier, the use of equipment in more general and generic terms. So I would  
655 ask him, please, to address us on that; it would be very useful.

If I can also take the hon. Member to what is, should this be passed, section 28A(3), which defines a protected place. I think this would be of benefit for anybody who is considering this in the future. For the benefit of *Hansard*, is it, in effect, the intention that a protected place is, in reality, the entirety of Gibraltar, except for the seashore? In other words, henceforth, the use of  
660 metal detectors in Gibraltar, other than at the seashore, which is also specifically defined in the legislation, will be prohibited in order to obtain ... any antiquities identified as a result of the use of metal detector will be prohibited?

Can I also, finally, Mr Speaker, ask him to address this point as well, which is in section 28A(4), which talks about the removal of any antiquity or object of interest which has been discovered by the use of a metal detector? I have not considered the Act in detail when looking at this particular  
665 Bill, but is the obtention of these items other than by the use of a metal detector also covered? Again, it is as a result of the specificity of that clause that it may leave out less than desirable behaviour which ought to be caught, in our view, by the provisions of the Act and the Bill.

Mr Speaker, that is the end of my points in relation to this.

670 **Mr Speaker:** The Hon. Roy Clinton.

**Hon. R M Clinton:** Mr Speaker, in general, I cannot understand what the Minister is trying to do with this Bill, but on behalf of ... I must declare an interest, Mr Speaker. I have, for most of my  
675 lifetime, been an avid collector of anything in relation to Gibraltar, some of which may be more or less than 50 years old, but certainly all have a connection to Gibraltar and all are of interest to Gibraltar. In fact, it is through private collectors in Gibraltar who have assiduously, over the years, been collecting books, manuscripts, prints and various other items of interest, that they are repatriated to Gibraltar. Otherwise, they would still be out there, on eBay or other sites. And so I  
680 would ask the Minister whether the way this measure has been worded is perhaps draconian, in

that effectively what he is saying is that no one will be able to import so much as a postage stamp that is more than 50 years old into Gibraltar without permission. I know this is probably not his intention and I may be exaggerating, but on a rather bland reading of the law – and I am not a lawyer, but my colleagues are – it would appear that that would be how the provision would work.

685 There is no exit from that provision on importation. How does a bona fide purchaser for value of a Gibraltar item of interest import it legally into Gibraltar? Does everybody now need a permit from the Minister to import anything of historical value that is of interest to Gibraltar?

I think it is important. Again, as I said at the beginning, I understand what the Minister is trying to do, but perhaps it needs a bit of refinement, and I would ask the Minister to take that into  
690 account.

Thank you, Mr Speaker.

**Mr Speaker:** The Hon. John Cortes.

695 **Hon. Prof. J E Cortes:** Mr Speaker, I am grateful to both Members of the Opposition for what I think are interesting comments. I do not believe that we need to refine it. I will explain a little bit of the background and place it in context. There have been a number of instances very recently in which individuals, it would appear – and they have been subject to investigation – have been using metal detectors on sites of heritage interest and advertising their wares, so to speak, online  
700 outside Gibraltar and elsewhere. There has also been an incident in which one particular item was imported purporting to be a historical item of considerable value which came from Gibraltar, and there was no provision in the law for us to be able to tackle and seize it in any way. This is why we have introduced this. I do not think it is draconian, in the sense that I think common sense will prevail. If anybody has a genuine interest in regularly importing items of historical value, I think  
705 they can always apply for permission and the permission will be granted. It is not that we are trying to stop something bona fide like the Hon. Mr Clinton clearly does, so I do not think that is ever going to be an issue and the archaeologists will be on the front line to discuss this and assist anybody with interest. In fact, if I can move down specifically to metal detectors, we have already had one application even in advance of the law being passed. They have seen the Bill and they  
710 have applied. I think it is important that, yes, it should just apply to metal detectors and not to other equipment. Otherwise, we might require somebody to have a licence in order to use a shovel digging their garden, so I think we do specify metal detectors specifically.

I want to then also consider the other point that the Hon. Mr Bossino made regarding other items. The Act in itself does require any item, however it is identified, to be reported to the  
715 Museum curator, and therefore I think we are covering that one as well. (*Interjection by Hon. D J Bossino*) Yes, certainly.

**Hon. D J Bossino:** I am grateful for the response and I am sure that is going to be very useful, but if I can take him to the current definition in section 3(a), it is actually – following on from the  
720 point that my friend makes – wider than items even of historical interest. If one looks at it – and I think all the various subsections are to be read disjunctively – it means any object which is a work of art, for example – and I am paraphrasing the relevant bit – so long as it has a connection to Gibraltar – and it does not even necessarily need to relate to Gibraltar – will be caught by the prohibition unless you have the Minister's permission to bring that article in. So it is draconian not  
725 just in the sense of the penalties you can face as a result of this particular misdemeanour, being in breach of the Act, but also draconian in the sense of the wide net that is cast as a result of the amendments which the hon. Member now wants to introduce.

**Hon. Prof. J E Cortes:** Mr Speaker, I am quite flattered that the hon. Member is now accusing  
730 me of being too strict in protecting Gibraltar's heritage, when usually it is the other way round.

I do not believe that we need to amend, but in the spirit of the Hon. Chief Minister's discussion on an earlier Bill, I am happy, between now and the Committee Stage, to step outside and discuss



possible amendments in order to cover those facts. I am happy to do that, and if we come to an agreement I will propose it at Committee Stage. If not, I will keep the Bill as proposed.

735        **Clerk:** With nothing further to add, I commend the Bill to the House.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Heritage and Antiquities Act 2018 and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

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**Clerk:** The Heritage and Antiquities (Amendment) Act 2023.

**Heritage and Antiquities (Amendment) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken later today, if all hon. Members agree.

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

**Environmental Governance Bill 2023 –  
First Reading approved**

**Clerk:** A Bill for an Act to make provision about targets, plans and policies for improving the natural environment; to establish requirements for statements and reports about environmental protection; to impose duties on public bodies for improving the environment and enhancing biodiversity and for connected purposes.

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The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that a Bill for an Act to make provision about targets, plans and policies for improving the natural environment, to establish requirements for statements and reports about environmental protection, to impose duties on public bodies for improving the environment and enhancing biodiversity and for connected purposes be read a first time.

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**Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision about targets, plans and policies for improving the natural environment, to establish requirements for statements and reports about environmental protection, to impose duties on public bodies for improving the environment and enhancing biodiversity and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

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**Clerk:** The Environmental Governance Act 2023.

**Environmental Governance Bill 2023 –  
Second Reading approved**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

770 Prior to Brexit, most of Gibraltar's environmental law and policy derived from the European Union, and EU structures and processes have provided for the oversight and enforcement of such laws. This Bill sets out the measures needed to ensure that there is no environmental governance gap, now that Gibraltar has left the EU. The Bill requires a setting of long-term, legally binding and joined-up targets tailored to Gibraltar, and it embeds consideration of environmental principles  
775 in future policy making.

The Bill places a statutory requirement for the Government to prepare and maintain an environmental improvement plan, the first being the 25-Year Environment Plan, which is about to be published, and creates a new statutory cycle of monitoring, planning and reporting to ensure continuing improvement to the environment. It also establishes a new framework for setting long-  
780 term and legally binding and joined-up targets covering, at least, air quality and resource efficiency and waste reduction, water and biodiversity.

The Bill legislates for environmental principles to protect the environment from damage by making environmental considerations central to the policy development process. The principles work together to ensure policymakers consider choosing policy options which cause the least  
785 environmental harm.

Ministers of Government will be required to make a statement to Parliament setting out the effect of new primary environmental legislation on existing levels of environmental protection provided for by environmental law. These statements will be published and open to scrutiny by Parliament, environmental stakeholders and the broader public as proposed new primary  
790 environmental legislation passes through Parliament.

The Bill also includes a commitment to review the biggest changes in environmental legislation from around the world every other year.

Lastly, the Bill also makes provision for new policy to conserve and enhance nature and biodiversity.

795 The Bill is partly derived from the UK Environment Act 2021, with appropriate modifications for Gibraltar's purposes.

The Bill allows Gibraltar to enshrine better environmental protection into law. It provides the Government and public bodies with powers and duties which, together, provide accountability, consistency and progress towards environmental improvement. These issues are too important  
800 to the well-being of current and future generations to be left to party political variance and the Bill will ensure that future governments are bound by environmental principles and are not able to simply undo progress in this area without accountability and transparency.

I commend the Bill to the House.

805 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, in the absence of my hon. and learned colleague Mr Phillips, it is my honour to respond to this Bill and to say briefly that we will support this Bill. We welcome  
810 it. It is important in terms of strategising on the environment. We agree it provides a framework, as the Hon. Minister has said, so that plans can be established and then introduced, debated and discussed and then adhered to by future governments. I think it is important for that to happen over a long-term basis. We have been saying that for quite some time, so we share those views and objectives and we welcome the passage of legislation that will enable those plans to be  
815 formulated and then tabled.

**Mr Speaker:** The Hon. John Cortes.

820 **Hon. Prof. J E Cortes:** Mr Speaker, I am very grateful to the Leader of the Opposition. It reminds me of the time he was Minister for the Environment and we used to work together. I am very grateful for the Opposition's support and I have nothing further to add in commending the Bill to the House once again.

825 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision about targets, plans and policies for improving the natural environment, to establish requirements for statements and reports about environmental protection, to impose duties on public bodies for improving the environment and enhancing biodiversity and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

830 **Clerk:** The Environmental Governance Act 2023.

**Environmental Governance Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Fireworks (Control) Bill 2023 –  
First Reading approved**

840 **Clerk:** A Bill for an Act to regulate the manufacture, storage, sale, possession and use of fireworks, and for connected purposes. The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that a Bill for an Act to regulate the manufacture, storage, sale, possession and use of fireworks, and for connected purposes be read a first time.

845 **Mr Speaker:** I now put the question, which is that a Bill for an Act to regulate the manufacture, storage, sale, possession and use of fireworks, and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Fireworks (Control) Act 2023.

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**Fireworks (Control) Bill 2023 –  
Second Reading approved**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

I think this House will be aware – and we have discussed this in the past in this Chamber – of the considerable concern there is every year around New Year in relation to the use of fireworks. I have been working together with many different agencies in order to develop a Bill: clearly, the drafting by Paul Peralta of the Gibraltar Law Offices; the Royal Gibraltar Police, the Fire and Rescue Service, the Environmental Agency, the Department of the Environment, Public Health Gibraltar and many different entities involved in coming up with a Bill that will offer protection, or at least potentially offer protection. It is a challenge in relation to fireworks, and therefore I have the honour to move the Second Reading.

The Bill makes provision for the manufacture, sale and use of fireworks.

Part 1 of the Bill contains the usual introductory provisions and also includes a clause on scope.

Clause 3 exempts persons and fireworks.

Clause 3(1) exempts the Forces, law enforcement, military cadets and airport bird management controllers from the scope of the Bill, as they need to use them as part of their duties.

Clause 3(2) exempts sparklers – *las bengalas*– Christmas crackers and throwdowns, which we know as *bombitas*, so that the age restrictions applied generally do not bite to these.

Part 2 of the Bill contains provision relating to the manufacture, storage and sale.

Clause 5 prohibits the manufacturing of fireworks. Even though manufacturing of fireworks is not undertaken in Gibraltar, this provision will ensure that this remains the case.

Clause 6 confers a power on the Chief Fire Officer to control the unsafe storage of fireworks in commercial premises. I should point out that although we are inserting this provision in the Bill, this is about futureproofing and not because the Chief Fire Officer has expressed any concern about the current licensed entity.

Clauses 7 and 8 provide for possible future events and not current concerns.

Clause 7 allows the Minister to place a restriction on the quantities of fireworks that may be kept in dwellings, and would be made only after consultation with the experts. Should behaviour change and persons stockpile fireworks at home in dangerous quantities, there will be a power available to tackle the matter.

Clause 8 sets out the penalties.

Regarding the sale of fireworks, clause 9 restricts the sale of categories F1, F2 and F3 fireworks to persons who are at least 18 years old, with the exception of category F4 fireworks. All fireworks manufactured in the UK and the EU are categorised. F1 fireworks are the least potent and captures indoor fireworks. F4 fireworks are at the top end of the scale and are intended for use by licensed professionals. The Bill reflects the policy decision taken following the advice of the multi-agency working group that I have referred to just now. Category F4 fireworks may only be sold to persons with specialist knowledge. These are persons who are certified either in Gibraltar or abroad for the use of those types of fireworks.

Clause 11 places an obligation on sellers to display notices that state the age limitations on sale.

Clause 13 requires that fireworks be labelled and marked in accordance with the information and details set out in Schedule 2. These parameters are the ones required in the UK and the EU.

Part 3 of the Bill contains provisions that apply to minors. Under clause 14, minors are prohibited from possessing fireworks. As is the case with alcohol, any prohibited items may be taken by law enforcement officers.

Clause 15 provides a restriction on the procuring of fireworks for a minor.

Part 4 of the Bill contains further restrictions on prohibitions. Clause 16 relates to category F4 fireworks and contains a list of persons who are exempt from the restrictions on possession of

900 these fireworks. Other than persons with specialist knowledge, the exemptions are based around government fireworks displays and those in the trade.

Clause 17 includes a ban on a number of firework types. The list of prohibited fireworks is taken from the UK's own list and includes the sort of annoying fireworks that have attracted the most attention – firecrackers, for example, *los petardos*.

905 Part 5 contains provision relating to the use of fireworks. Under clause 18, the use of fireworks on private property is permitted around New Year's Eve festivities and is not permitted at any other time unless authorised. Category F1 fireworks are exempted.

Clause 19 provides that the use of fireworks in or from public areas is never permitted unless authorised.

910 Part 6 contains provisions about enforcement and contains a regulation-making power for the purposes of fixed penalty notices, as well as powers for the courts to order the destruction of fireworks following a conviction.

Part 7 contains general provisions, including consequential amendments to other enactments. Schedule 1 sets out the different firework categories and their characteristics.

915 Schedule 2 contains provisions as to labelling.

I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. Damon Bossino.

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**Hon. D J Bossino:** Mr Speaker, this is a welcome development and I congratulate the Minister and the Government for introducing this piece of legislation. I think it is of huge and significant importance. I think it is very much – I think he alluded to it in his introduction – a first step in a direction that we all want to reach. But, of course, it is an issue, really, of enforcement, so 'the proof of the pudding' comes to mind, and let's see what happens this coming New Year. It was particularly bad, I think, last year. We need to be very conscious of certain groups and individuals of a certain demographic in Gibraltar – the elderly, the ill, the infirm and those – and I think I have referred to that particular group in this House before in this context – who have special educational needs and those within the autistic spectrum who simply cannot stand the loud noises and it sets them off on tantrums, which are not welcome. So a very welcome legislative initiative, but can I ask him to comment, therefore, on the issue of enforcement and how he sees that playing out?

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Can I also ask him to comment on what will be section 18? In my view, sections 18 and 19 are really the important sections that deal with the prohibition of the use of fireworks and the casting of fireworks etc. Can I ask him to comment on 18(2), which is the enabling provision that allows, in this case, him, or any future Minister with this particular responsibility to 'make regulations for the purposes' – and I am quoting, Mr Speaker – 'of prescribing other dates and times when fireworks may be used and those regulations may amend subsection (1).' Subsection (1), for the benefit of those listening, is that there will be a blanket prohibition for the use of fireworks in private properties, except in the period beginning at 11 p.m. on 31st December and ending at 1 a.m. the following day, which I think is going to be very welcome news for many people, whilst at the same time not being total party poopers and allowing people to enjoy the welcoming of the new year. But if I could ask him to comment on subsection (2) and what that flexibility will lead to in his mind at the moment.

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945 Because in many respects this is so radical a change and a move, I think he and I may have debated the point in the past that this is something which will require education and almost a cultural shift. We are now in July and it is so hot that Christmas seems like it is never going to happen, but it is really just five months down the line, and you know how time flies, so can he comment in relation to trying to educate – without saying it is in any patronising way – people that this is now going to be the law and it is going to be rather strict and there is going to be a complete and utter prohibition on the use of fireworks, unless it is within that very small window?

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I also ask him to make comments on the labelling and markings provisions. I am taking him back, slightly, to section 13, which sets out very specific provisions in relation to labelling and what it needs to say – and indeed, I think, the size of the notices that have to be set out in the establishments selling these things – and how, particularly, the labelling of these fireworks ... I just do not have it clear in my mind how you address that, because it only applies to items which are made available on the market, which is very specifically defined in the soon-to-be new Act. The point I am making is how does it capture and deal with those items which are imported from nearby Spain? I say this totally and utterly anecdotally, but I think I would say the vast majority of these items come in through the land Frontier, so can he comment on that?

And simply to join the hon. Member in congratulating the legal team that has produced this piece of work. He mentions Mr Paul Peralta specifically, and it must have been not an easy task, looking at the definition of these things. We all know what they look like and what they do, but actually to put that type of definition in a piece of law would have been quite a task, so I congratulate Mr Peralta and the rest of his team.

**Mr Speaker:** The Hon. John Cortes.

**Hon. Prof. J E Cortes:** Mr Speaker, I would like to thank the hon. Member. I enjoy getting on with him again. Perhaps we should not talk about heritage too often.

I am grateful to the hon. Member for his support and for the words of praise to the legal team and, indeed, to the whole team. I confirm it was very difficult to get our heads around this. There were several drafts and a lot of discussions, but I think we have come up with a fairly robust – it needs to be tested – piece of work, but it was necessary and I am glad to see general agreement in the House about this.

The questions of enforcement and education I am going to take together because we are very acutely aware of the challenges to both, and the same team that got together to draft the regulations will be meeting after the summer to prepare an educational campaign and discuss enforcement strategies. We do not want to arrest half of Gibraltar at five minutes to 11 on New Year's Eve. Clearly we have to do it in a way ... and have a practical approach, and we will be meeting the different agencies involved in order to ensure that we educate, firstly, and then look at enforcement. I agree that it is complex, I agree that it is needed, I agree that fireworks can have extremely distressing effects on the elderly, on some children, particularly on pets as well. My own granddaughter, mentioned here before, could have had her face blown off, and did not by this much, this last New Year's Eve, so we are acutely aware of these needs, and I am glad ... I repeat that we share the concern and are at one in getting this tackled.

In relation to section 18(2), there was a view, as part of the discussion, that perhaps we should allow open house for fireworks other than on New Year's Eve, and there was mention of National Day and Guy Fawkes, but we took one step back and decided that there could be specific occasions in some great celebration where we would take a view that people could just let fireworks off from their houses. So we would not want to preclude it completely, but we did not want to encourage it, and this was the way we decided to tackle it, by making it possible to allow but not allowing it outright. That explains why that clause is there.

In relation to labelling and importation, there is one registered fireworks supplier in the industry in Gibraltar, and both the legal team and I have met with them and have discussed this with them. They are very supportive of this and they obviously will keep to the labelling. Any legally acquired firework from Spain would have to follow EU regulations and therefore would be covered, but illegal fireworks would not. If illegal fireworks are imported, they are not adequately labelled and could be confiscated and there would be an offence. I do know that apparently there is a garage in Ronda that produces fireworks which are readily available throughout Andalucía, and that some of them come to Gibraltar. These are the sorts of things that would not be properly labelled, and these are the sorts of things that we would capture.

I think I have addressed all the points. I am happy to give away.

1005 **Hon. D J Bossino:** I think the hon. Member has addressed all the points, and this is simply by way of addition. Is he able to advise this House how advanced he is in terms of the making of the regulations? I think he makes an important point about having the complete and utter prohibition in the main Act, but that subsidiary legislation will allow, through the use of ministerial discretion, the ability for fireworks to be used on certain special occasions. How advanced is he in relation to that, and when does he think it is going to be published?

1010 **Hon. Prof. J E Cortes:** Mr Speaker, at the moment we are not recommending that we should make those exemptions at this point. The committee wants to meet again to discuss it once this is in law. We are not advanced in any way at this point in time, but we do have a list of possible circumstances where that could happen. *(Interjection by Hon. D J Bossino)* One more, Mr Speaker.

1015 **Hon. D J Bossino:** I am really grateful to the hon. Member for his patience. Is it the intention to commence this Act before this coming New Year?

1020 **Hon. Prof. J E Cortes:** Yes, Mr Speaker. I have nothing further to add in commending the Bill.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to regulate the manufacture, storage, sale, possession and use of fireworks and for connected purposes be read a second time. Those in favour? **(Members: Aye.)** Those against? Carried.

1025 **Clerk:** The Fireworks (Control) Act 2023.

**Fireworks (Control) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1030 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? **(Members: Aye.)**

**Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023 –  
First Reading approved**

1035 **Clerk:** A Bill for an Act to amend retained EU law relating to compulsory insurance for the use of motor vehicles; and for connected purposes. The Hon. the Minister for Digital, Financial Services, Health Authority and Public Utilities.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, I have the honour to move that a Bill for an Act to amend retained EU law relating to compulsory insurance for the use of motor vehicles and for connected purposes be read a first time.

1040 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend retained EU law relating to compulsory insurance for the use of motor vehicles and for connected purposes be read a first time. Those in favour? **(Members: Aye.)** Those against? Carried.

**Clerk:** The Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Act 2023.

**Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023 –  
Second Reading approved**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**

1045 Mr Speaker, I have the honour to move that the Bill now be read a second time.

Interpreting Directive 2009/103/EC in the case *Vnuk*, the Court of Justice of the European Union controversially expanded the requirement for compulsory third party motor insurance to be applied to private land and to a range of vehicles that were not constructed for road use. In 2018, the case of Lewis and Tindall – upheld in *Motor Insurers' Bureau v Lewis*, which is persuasive authority here in Gibraltar – found that the interpretation of the 2009 Directive in the *Vnuk* judgment was sufficiently clear and precise to have direct effect and could, therefore, be enforced directly against the Motor Insurers' Bureau (MIB). The MIB is Gibraltar's and the UK's body responsible for compensating victims of uninsured and untraced drivers, such a body being a requirement of Article 10 of the 2009 Directive.

1055 As the scope for compulsory third party motor insurance obligation in Gibraltar and the UK extends only to motor vehicles and to roads and other public places, the *Lewis* decision has meant that the MIB's liability for insurance claims was extended beyond what had been required by applying the 2009 Directive to accidents on private land and potentially to a range of vehicles not constructed for road use.

1060 In line with the equivalent amending legislation already enacted in the United Kingdom, and in consultation with and on the advice of the Motor Insurers' Bureau, which, as noted, acts as the UK's and Gibraltar's compensation body in connection with untraced and uninsured drivers, this Bill removes the *Vnuk* decision from the laws of Gibraltar. Specifically, this Bill ends the effect of the *Vnuk* decision in retained EU law and that of related retained case law. It thereby ends any associated liability for insurance claims against the MIB in respect of accidents on private land and for vehicles not constructed for road use.

1065 Mr Speaker, I commend this Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, I understand this Bill was discussed by the Minister with my hon. colleague Mr Feetham, and the implications of it were also discussed. We will support the Bill.

1075 **Mr Speaker:** The Hon. Albert Isola.

**Hon. A J Isola:** Mr Speaker, I am grateful, and yes, indeed, I have discussed this previously with the hon. Member Mr Feetham, who has been involved professionally with the Motor Insurers' Bureau in this matter, too, so he is fully aware. I am grateful for the hon. Members' support.

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**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend retained EU law relating to compulsory insurance for the use of motor vehicles and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

1085 **Clerk:** The Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Act 2023.



**Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1090 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Insurance Schemes of Arrangement (Recognition) Bill 2023 –  
First Reading approved**

1095 **Clerk:** A Bill for an Act to provide for the recognition of judgments or orders made by the Courts of EEA States sanctioning Schemes of Arrangement relating to reinsurance business transfers, and for connected purposes. The Hon. the Minister for Digital, Financial Services, Health Authority and Public Utilities.

1100 **Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that a Bill for an Act to provide for the recognition of judgments or orders made by the Courts of EEA States sanctioning Schemes of Arrangement relating to reinsurance business transfers and for connected purposes be read a first time.

1105 **Mr Speaker:** I now put the question, which is that a Bill for an Act to provide for the recognition of judgments or orders made by the Courts of EEA States sanctioning Schemes of Arrangement relating to reinsurance business transfers and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Insurance Schemes of Arrangement (Recognition) Act 2023.

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**Insurance Schemes of Arrangement (Recognition) Bill 2023 –  
Second Reading approved**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that the Bill for the Insurance Schemes of Arrangement (Recognition) Act 2023 be read a second time.

1115 The Bill creates a regime which largely mirrors parts of the Chapter III provisions in Regulation (EU)1215/2012 in relation to the automatic recognition of judgments of Member States in Gibraltar for the purposes of the recognition of orders given in EEA States sanctioning a Scheme of Arrangement. This Bill is intended to close a gap which would otherwise arise as a result of the intended revocation of Regulation (EU)1215/2012 following our withdrawal from the EU. This is particularly important given that it is no longer possible to undertake insurance EEA  
1120 portfolio transfers under the Solvency II Regulations to Gibraltar insurers and that an alternative legal mechanism for such proposed transfers is a Scheme of Arrangement sanctioned by a foreign court and recognised in Gibraltar. This is precisely what this legislation will do.

1125 Clause 4 ensures that the GFSC retains ultimate control over what reinsurance business can be transferred to Gibraltar under a scheme of arrangement, by ensuring that no approval order is to have effect in Gibraltar unless the GFSC has given its prior written consent.

Mr Speaker, I commend this Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

1130

**Hon. K Azopardi:** I am grateful, Mr Speaker. Likewise, we will support this Bill. As the Minister says, it is important for there to be this ability to recognise the orders of courts of the EEA in relation to schemes of arrangement and it makes sense for this legislation to be introduced, especially in the context of what the Hon. Minister says.

1135

I just have one question, and perhaps he can clarify when he replies on the Second Reading. He mentions the intended revocation of Regulation (EU)1215/2012 on the enforcement of judgments post Brexit. Is the Government considering, in the context of the discussions on Brexit, the possibility of retaining that if an agreement is done? I do not mean that in isolation. There may be other things as well that, as a package, may be retained in terms that if it is possible to enter a new relationship with the EU, it may be part of the relationship for there to be recognition.

1140

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

**Hon. A J Isola:** Mr Speaker, what we do or do not do as a result of the outcome of the treaty negotiations is something which will be totally separate, obviously.

1145

If we revoke Regulation 1215, which is what the intention is, and do not do this, then we lose a tranche of business which we would rather keep. That is the sole purpose of this. At this moment in time it only applies in respect of one jurisdiction which permits them and there is some business coming our way which we are keen to ensure we are able to receive by putting in place this legislation, so I am grateful to the hon. Members for their support.

1150

**Mr Speaker:** I now put the question, which is that a Bill for an Act to provide for the recognition of judgments or orders made by the Courts of EEA States sanctioning Schemes of Arrangement relating to reinsurance business transfers and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

1155

**Clerk:** The Insurance Schemes of Arrangement (Recognition) Act 2023.

1160

**Insurance Schemes of Arrangement (Recognition) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1165

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

**Road Traffic (Windscreen Transparency) (Amendment) Bill 2023 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Road Traffic (Windscreen Transparency) Act 1998. The Hon. the Minister for Transport.

1170 **Minister for Transport (Hon. P J Balban):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Road Traffic (Windscreen Transparency) Act 1998 be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Road Traffic (Windscreen Transparency) Act 1998 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

1175

**Clerk:** The Road Traffic (Windscreen Transparency) (Amendment) Act 2023.

**Road Traffic (Windscreen Transparency) (Amendment) Bill 2023 –  
Second Reading approved**

**Minister for Transport (Hon. P J Balban):** Mr Speaker, I beg to move that the Bill for the Road Traffic (Windscreen Transparency) (Amendment) Act 2023 be read a second time.

1180 This Bill amends the Road Traffic (Windscreen Transparency) Act 1998 to harmonise the legislation relating to advertising on taxis and buses. Going forward, this will allow for uniformity in this matter, which is currently dealt with in subsidiary legislation.

Mr Speaker, I commend this Bill to the House.

1185 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles of the Bill? The Hon. the Leader of the Opposition.

1190 **Hon. K Azopardi:** Mr Speaker, what we wanted was a bit of clarification on this Bill, and I was hoping to get it on the Minister's original contribution, but as I have not, then can I just ask him the question, because we do not really understand the explanatory memorandum, which is to 'remove the requirements for windows that face the rear of vehicles listed ...' We are not really sure we understand the purpose of that in the context of what he just said, which is about advertising, as the object of the Bill is transparency of the windscreens. So perhaps he can illuminate us on that.

1195 **Hon. P J Balban:** Mr Speaker, this was something that came to me from the Chief Examiner at the MoT, and it was because at the moment what happens is that there is a different provision for advertising on the rear of taxis than there is on buses. You may have noticed some taxis have some advertising on the back, and it was just to bring both bits of legislation together neatly so that the same thing that applies to taxis applies to buses, whereby, for example, a taxi needs to show what they want to advertise to the Minister and the Minister has to approve it, to make sure that there is nothing that someone could take offence to, for example. That is not the case on buses, so it is really just to harmonise with the same process for taxis.

1205 **Hon. K Azopardi:** I am grateful to the Minister for giving way. When it talks about the removal of the requirement for windows that face the rear, is it that you can place advertising on the windows, or that the windows will be removed? That did not make sense to me. Presumably it is about advertising, as he is talking about now.

1210 **Hon. P J Balban:** Yes, Mr Speaker, anything that prohibits or prevents the light from coming through a windscreen, anything behind the B-pillar, is something which is not allowed. For example, there is an exemption for taxis and buses so that we can have advertising, and that is something which does happen. You can see back perfectly well, but you cannot see in. What this does is allow the same process. The process is done through one type of legislation and the other somewhere else, so it is just to bring them all together, so buses and taxis can advertise using the

1215 rear window. This is what this does. It is just a question, I think, of housekeeping to bring it all together as one.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Road Traffic (Windscreen Transparency) Act 1998 be read a second time. Those in favour? (**Members:** Aye.)  
1220 Those against? Carried.

**Clerk:** The Road Traffic (Windscreen Transparency) (Amendment) Act 2023.

**Road Traffic (Windscreen Transparency) (Amendment) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Transport (Hon. P J Balban):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1225

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

**Fair Trading Bill 2020 –  
First Reading approved**

**Clerk:** A Bill for an Act to repeal and re-enact with amendments and modifications the Fair Trading Act 2015; to continue the establishment of the Office of Fair Trading and to make  
1230 provision for its composition and functions; to make provisions for the protection of consumer interests and for the making and investigation of complaints; to encourage good business practices towards consumers; to make provision for the licensing of businesses; to make provision for information gathering, investigatory and enforcement powers of the Office of Fair Trading; to make provision for the imposition of sanctions and for purposes connected therewith.

1235 The Hon. the Minister for Digital, Financial Services, Health Authority and Public Utilities.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that a Bill for an Act to repeal and re-enact with  
1240 amendments and modifications the Fair Trading Act 2015, to continue the establishment of the Office of Fair Trading and to make provision for its composition and functions, to make provisions for the protection of consumer interests and for the making and investigation of complaints, to encourage good business practices towards consumers, to make provision for the licensing of businesses, to make provision for information gathering, investigatory and enforcement powers of the Office of Fair Trading, to make provision for the imposition of sanctions and for purposes  
1245 connected therewith be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to repeal and re-enact with amendments and modifications the Fair Trading Act 2015, to continue the establishment of the  
1250 Office of Fair Trading and to make provision for its composition and functions, to make provisions for the protection of consumer interests and for the making and investigation of complaints, to encourage good business practices towards consumers, to make provision for the licensing of businesses, to make provision for information gathering, investigatory and enforcement powers of the Office of Fair Trading, to make provision for the imposition of sanctions and for purposes

connected therewith be read a first time. Those in favour? (**Members:** Aye.) Those against?  
1255 Carried.

**Clerk:** The Fair Trading Act 2020.

**Fair Trading Bill 2020 –  
Second Reading approved**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that the Bill now be read a second time.

1260 As hon. Members will note, this Bill was originally published in 2020, shortly after the outbreak of COVID. A lot of work had been done in previous years in preparation for this, and obviously, with COVID, its work was somewhat delayed. There is also relevance of IT in ensuring that at the time that this is implemented, the appropriate IT systems are in place to enable the new system of working, which is digitally based, to be able to support what is intended.

1265 The Bill is a radical change to the manner in which the OFT will operate, and, of course, one of its new additions, and it will be taking the format of the Financial Services Act with the decision-making committee, which I will go into in a moment. But it provides the regulator, the OFT, for the first time, with real enforcement and sanctioning powers, which it has not had previously.

I am extremely grateful to the Gibraltar Federation of Small Businesses and the Chamber of  
1270 Commerce, who have heavily engaged with us in improving the legislation. The hon. Members opposite will be aware that a letter has been sent to the Speaker with significant amendments as a result of those discussions. I have to tell Members that those discussions are ongoing and it may be that we come back with a very small number of further changes in the future. Hopefully we will be able to deal with those by regulation, but we will, of course, work with Members opposite  
1275 to ensure that we are clear on what it is that we are doing. So sincere thanks, and I very much hope to be able to meet with the OFT, GFSB and the Chamber very shortly to finalise their representations, which obviously have led to this Bill being prepared in the first instance, many years back, as a result of the manner in which the current legislation was found to be difficult and cumbersome to enable businesses to work.

1280 The Bill is aimed at supporting the business community of Gibraltar by streamlining the process of establishing new businesses and enhancing consumer protection. The proposed legislation absorbs certain licences issued under the Licensing and Fees Act, making the licensing process quicker and easier for businesses.

1285 Mr Speaker, given the length of the Bill, I propose to speak to the various parts, commencing with Part 2, as Part 1 simply contains procedural elements.

The Bill, in Part 2, also creates a new framework for the Office of Fair Trading, promoting good business practices and preventing anti-competitive behaviour.

In Part 3, the OFT will have the authority to handle complaints from both consumers and businesses, facilitating resolutions between parties.

1290 In Part 4, the Bill focuses on introducing a simplified business licensing application process, eliminating unnecessary bureaucracy. The Business Licensing Authority will be disbanded and all applications will be processed directly by the OFT. Certain businesses will be exempt from requiring a licence, and the OFT will have the power to amend conditions on existing licences. In the past, there was this cumbersome process of making an application, which is being done away  
1295 with. They will be directly dealt with by the OFT, normally, in most cases, without the need to actually have a hearing. Hearings will take place if there is an issue with the application, or if there are complaints or objections to the application. The following businesses should be exempted from requiring a business licence: companies providing a service within the same group – in other words, intra-group companies; domestic services provided to a private household; journalists; a

1300 person receiving a rental income from real property in Gibraltar; and small cottage industries,  
artisans and service providers with an annual turnover below a certain amount, initially to be set  
at £20,000 per annum. This is the de minimis number that has been set, below which licensing is  
not required, as the costs of licensing are disproportionate to the amount of turnover the business  
proposes to have. There will also be restrictions on catering service providers that operate from  
1305 club premises.

Part 5 provides the OFT with the regulatory powers it requires to investigate and verify  
compliance with the provisions of the Bill. This includes the power to conduct enquiries,  
information gathering and the appointment of inspectors – again, as we do in financial services  
and we will do in the new gambling Bill. These are the powers that are commonplace in those  
1310 sorts of regulatory pieces of legislation.

Part 6 of the Bill finally gives the OFT the teeth it requires to tackle non-compliance with a  
range of sanctioning powers. The Decision Making Committee will be responsible for exercising  
these powers. So again, as in the Financial Services Act, it is not the OFT itself that sanctions, it is  
the Decision Making Committee of independent people, apart from it, that will deal with the  
1315 sanctioning of people the OFT proposes to sanction. It will have the same system that hon.  
Members may be familiar with, in terms of ‘minded to’ notices, which are served prior to it going  
to the Decision Making Committee, and then their making representations to the Decision Making  
Committee.

Part 7 outlines the OFT’s role in providing guidance to businesses and co-operating with other  
1320 authorities.

Part 8 covers the right of appeal, regulations and offences under the Bill.

Part 9 ensures a smooth transition from the repealed Fair Trading Act to the new Bill.

Through these measures, the Bill aims to bolster the business environment of Gibraltar while  
safeguarding consumer interests.

1325 Mr Speaker, I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general  
principles and merits of the Bill? The Hon. Roy Clinton.

1330 **Hon. R M Clinton:** Thank you, Mr Speaker.

This is a major piece of legislation, running to 102 pages without the amendments. First of all,  
I would like to thank the Hon. Minister for giving us the heads-up this morning that it was his  
intention to bring the Bill to the House today, and also very kindly providing us with a clean version  
of the Bill and some very helpful notes, effectively his speaking notes.

1335 The Minister will know, having spent a significant amount of time in the financial services  
industry, that the mantra always was speed to market. This Bill has been a long time in gestation,  
dated, originally, 2020. We accept, obviously, that COVID happened, but it has been subject to a  
long period of discussion and consultation with both the Chamber and the Federation.

1340 Mr Speaker, at 12.21 p.m. we received from Parliament 16 A4 pages of amendments, which  
you will appreciate is not easy to digest. We, in principle, obviously support anything that will  
make life easier for the business community in Gibraltar and enhance their ability to do business,  
but as the Minister has already pointed out, this is really a living project and will probably still  
evolve and may still be subject to tweaks as it comes into place.

1345 There are two elements to this, I guess. There is the element of consumer protection and there  
is the element in respect of business licensing. The question, really, for us is where are we adding  
value on the business side? What is it that we are doing to help businesses? I think if you speak to  
businesses, pretty much the same as in those in financial services, they want the ability to start up  
and get going as soon as possible.

1350 In the UK, I do not believe a regime like this exists, so you could set up within 24 hours. Subject  
to whatever activity you were doing and whether it was something that did not fall under  
something that was medical or financial services, you could set up something fairly quickly. In

Gibraltar I am told it can take up to two months to get up and running in an ordinary business that is not anything related to financial services. Again, that, I accept, is anecdotal and I have no scientific evidence to say that is the case, but anything we can do to make the life of our business community easier we will obviously support.

1355

The other thing that we hear from the business point of view is yes, this is well and good, but what they are looking for is the policing and the parameters, and this is where the powers the Minister has mentioned I think will be welcomed, and it is the enforcement and the use of these powers which I think the business community would welcome.

1360

There were a couple of details in the legislation – and as I said, it is a major piece of legislation, but there is one particular point in, I think, section 104. It is about registers. I am pleased to see that the OFT register will be publicly available, as the Minister has said, now the IT system is up and running and ready to be implemented, but there is another register, of sanctions, in section 101:

The OFT shall compile and maintain a register of all sanctioning action taken under this Part.

1365

The register, ‘may in its discretion’ in section 102(1), ‘enable the contents of the register to be made available to the public’, and I just wonder whether there is any need for that discretion. I would welcome if the Minister could explain the thinking behind the discretion as to whether the register of sanctions should be public or not.

1370

The other thing that struck me – and because this piece of legislation has been evolving over time, I may have missed the nuance – is if we look in the Gazettes every month, the licence applications pretty much try to tick every single licence going, from making cakes to building aircraft, just in case you missed something, but in the legislation ... Again, I admit I may have missed it, but there does not seem to be a prescriptive list of licences. I am just wondering how you would know, if you are in business as a bakery, what licence you apply? Is it sale of confectionery, sale of drinks, sale of coffee? How would it work in practice? How would you know what licence you would need to apply for? I do see that there is a very wide general power in section 109, where the Minister may, by regulation, prescribe all matters which by this Act are required or permitted to be prescribed, which covers all things – prescribing forms of application, procedure, additional information, all sorts of things; it goes from (a) to (i). I just wonder, does the Minister have draft regulations prepared, which will go hand in hand with this, by which then prospective applicants will effectively know what it is they have to do? It is not entirely clear to me.

1375

1380

Other than that, other than the size of the legislation ... Obviously the Minister is keen to accelerate things, as with all things he does, which I commend, but it is, I think, perhaps a work in progress, and whether it does everything that it says on the tin we will see when it is put into practice. I accept that the Minister says it will be tweaked and amended as the users recommend or as the Minister and the particular people who are given the responsibility for putting this into action will find in practice.

1385

Thank you, Mr Speaker.

1390

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

**Hon. A J Isola:** Mr Speaker, I am grateful to the hon. Member for his comments and for his support.

1395

It is very much a living document. When you are trying to pass a fundamental change in the manner in which we work in this area there are going to be issues that arise from it, of course there are. As the hon. Member has quite rightly said, this is two strands: consumer protection and business licensing processes. I hope that we will get better in respect of both as we go along in implementing this piece of legislation and making changes, wherever necessary, to ensure that we achieve those very objectives that the hon. Member has referred to.

1400

1405 The hon. Member said ‘speed to market’ and I think he was referencing the delay it has taken us to get here, which is right – I acknowledged 2020. Speed to market is exactly what we are trying to achieve through this legislation, so the old method of having to advertise your application for two weeks in the Gazette and one newspaper, and then only after those two weeks have expired, when both adverts have been live for two weeks, can you make your formal application ... So the process begins after at least two to two and a half weeks from when the adverts were positioned, the application is then considered, it would then go to the Trade Licensing Authority, the BLA now, and then eventually you would hear back – so a lengthy process. This bypasses all of that. It is going to be on the website, you are going to be able to see it quickly, so the one strand that he refers to is to ensure that we can do this far quicker still. We do get speed to market in terms of licensing.

1415 He references the United Kingdom. Obviously, the positions of the United Kingdom and Gibraltar are totally different. We have a border; we have, hopefully, fluidity across businesses coming here that may not be licensed, competing with those that are. It creates unfair competition. Consequently, the second strand of the legislation is to give them the teeth to be able to enforce when it is not being complied with, and I think that is also extremely important. Doing this, and in the manner in which it is now, to an extent, tried and tested through financial services, the Decision Making Committee, where independent people from the regulator have the ability to then sanction or find enforcement powers, I think will work extremely well.

1420 The policing of the parameters, which the hon. Member referred to, is also important and I think this legislation, for the first time ever, gives that authority the ability to actually do that, and they do now have resources. As a result of that work in Money Val in particular, they have a very good grip on the commercial landscape and what is happening in and around town, with more resources to enable them to do that work, so I think that will help as well.

1425 In respect of the discretion, I believe it is always preferable to have a discretion. Why? Because there are instances where it may not be in the public interest to publish a particular sanction. I, myself, have seen, both in financial services and in gaming, where that has become an issue, and I will happily give the hon. Member examples of those behind the Speaker’s Chair, obviously not publicly. So they will, as a matter of norm, be published, but you reserve the right, in exceptional cases in the public interest, to be able to exercise that discretion.

1430 In respect of the items, my understanding – and I will confirm this subsequently to the hon. Member – is that the list of items is a list that they have been working to for some time, and that refers and relates to the same list that Customs uses for importation of goods, I believe, but I will come back to the hon. Member when I get confirmation and give him those particulars.

1435 I am grateful to him and the Opposition for their support in respect of this legislation.

1440 **Mr Speaker:** I now put the question, which is that a Bill for an Act to repeal and re-enact with amendments and modifications the Fair Trading Act 2015, to continue the establishment of the Office of Fair Trading and to make provision for its composition and functions, to make provisions for the protection of consumer interests and for the making and investigation of complaints, to encourage good business practices towards consumers, to make provision for the licensing of businesses, to make provision for information gathering, investigatory and enforcement powers of the Office of Fair Trading, to make provision for the imposition of sanctions and for purposes connected therewith be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

1445

**Clerk:** The Fair Trading Act 2020.



**Fair Trading Bill 2020 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken  
1450 today, if all hon. Members agree.

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

**Licensing and Fees (Amendment) Bill 2020 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Licensing and Fees Act. The Hon. the Minister for Digital,  
1455 Financial Services, Health Authority and Public Utilities.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that a Bill for an Act to amend the Licensing and Fees Act  
be read a first time.

1460

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Licensing and  
Fees Act be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Licensing and Fees (Amendment) Act 2020.

1465

**Licensing and Fees (Amendment) Bill 2020 –  
Second Reading approved**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that the Bill be now read a second time.

1470

This is a Bill proposing to amend the Licensing and Fees Act, a 1961 piece of legislation. The  
amendment proposes to repeal sections 27 and 28 in Part 3 in relation to auctioneers, brokers,  
bakers, guides and porters, so that these businesses are no longer licensed or regulated under the  
Act. By default, the repeal of these sections would mean that they would now be licensed and  
regulated under the new Fair Trading Act 2020, the Bill that we have just taken through its Second  
1475 Reading. It is intended that both pieces of legislation shall commence at the same time.

The effect of this change will be that these businesses will now be licensed using a modern and  
more relevant licensing system, as set out in the Fair Trading Act 2020, rather than in the now  
largely outdated and irrelevant requirements set out in the Licensing and Fees Act, which at times  
make little sense nowadays.

1480

Transitional provisions are included in this Bill, including provisions to ensure any applicable  
licences issued for these businesses under the Licensing and Fees Act shall be deemed to have  
been issued under the Fair Trading Act and shall remain valid for the period in respect of which  
they have been issued.

Mr Speaker, I commend this Bill to the House.

1485

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general  
principles and merits of the Bill? The Hon. Roy Clinton.

**Hon. R M Clinton:** Thank you, Mr Speaker. We have no comments and we will support the Bill.

1490 **Mr Speaker:** The Hon. Albert Isola.

**Hon. A J Isola:** Mr Speaker, I am very grateful to the hon. Members for their support.

1495 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Licensing and Fees Act be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Licensing and Fees (Amendment) Act 2020.

**Licensing and Fees (Amendment) Act 2020 –  
Committee Stage and Third Reading to be taken at this sitting**

1500 **Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

1505

**Proceeds of Crime (Miscellaneous Amendments) Bill 2023 –  
First Reading approved**

**Clerk:** A Bill for an Act to amend the Proceeds of Crime Act 2015, to amend the Friendly Societies Act and to amend the Charities Act. The Hon. the Minister for Justice, Equality, Public Standards and Regulations.

1510

**Mr Speaker:** Page 42.

1515 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Thank you, Mr Speaker. I have the pleasure to move that an Act to amend the Proceeds of Crimes Act 2015, to amend the Friendly Societies Act and amend the Charities Act be read a first time.

1520 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Proceeds of Crime Act 2015, to amend the Friendly Societies Act and to amend the Charities Act be read a first time? Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Proceeds of Crime (Miscellaneous Amendments) Act 2023.

**Proceeds of Crime (Miscellaneous Amendments) Bill 2023 –  
Second Reading approved**

1525 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill for a Proceeds of Crime (Miscellaneous Amendments) Act 2023 be read a second time.

Following recent changes in the Proceeds of Crime Act, a consultation exercise was carried out with stakeholders. This included the Charities Commissioner and the Gibraltar Financial Intelligence Unit, who requested some minor changes.

1530 Clause 4(a) of the Bill amends section 1E(2)(b) of the Proceeds of Crime Act, Cooperation with other FIUs, to delete a redundant ‘and’, but more importantly, clause 4(b) of the Bill amends section 1E(3) of the Act to allow the Head of the Gibraltar Financial Intelligence Unit to designate one or more persons as contact persons for the purpose of receiving requests for information from other FIUs and, in the absence of such designation, for the Head to be the contact person.  
1535 As currently worded, Section 1E(3) of the Proceeds of Crime Act appoints the Head as the designated contact person but does not confer on him or her the power to delegate the function. The amended version reflects the updated position under the Fifth Anti-Money Laundering Directive.

1540 Clause 5 amends section 1K, Access to Information held by GFIU, to extend the persons with access to information held by the GFIU by allowing it to disclose information to competent authorities, agencies or departments outside Gibraltar whose functions are connected with or relate to ‘(i) the prevention of abuse of financial systems or the prevention of money laundering, terrorist financing or proliferation financing; (ii) the prevention, investigation, detection or prosecution of criminal conduct; or (iii) the safeguarding against, and the prevention of, threats to national security’. This amendment has been made on the basis that the GFIU’s membership of the International Anti-Corruption Co-ordinating Centre (IACCC) requires the GFIU to share intelligence with the IACC. Without this provision, the GFIU can only share intelligence with it via Egmont Group channels rather than directly, which causes delay in the receipt of crucial intelligence.

1550 Clause 6 inserts a new section 41 into the Proceeds of Crime Act, which provides a mechanism for disclosure of information by the GFIU on a voluntary basis by any member of the public without the provider being deemed to be in breach of his or her duties or obligations of confidentiality or other restrictions on the disclosure of information, provided that the disclosure is made for the purposes of the exercise of a GFIU function. This will allow members of the private sector who  
1555 have information which they consider to be relevant to disclose the information to the GFIU without that disclosure having to fall within the narrow parameters of unauthorised disclosure under section 4G or a protected disclosure under section 4H, and therefore enhances and widens the scope of Gibraltar’s information gateways for the sharing of intelligence. Crucially, this brings us into alignment with the UK, where section 7(1) of the Crime and Courts Act 2013 similarly  
1560 provides that a person may disclose information to the National Crime Agency if the disclosure is made for the purposes of the exercise of any National Crime Agency function. In Gibraltar, the GFIU carries out many of the relevant equivalent functions of the National Crime Agency and these changes will enhance the GFIU’s ability to carry out those functions while protecting the reporting institutions who share information with the GFIU for that purpose.

1565 In Part 2, Amendment of the Friendly Societies Act ... In 2021, the Friendly Societies Act was amended to, among other things, provide a legislative basis for the Register of Friendly Societies to put in place outreach and educational programmes to raise awareness among friendly societies and the donor community about the potential vulnerabilities to financial crime, including terrorist financing abuse and terrorist financing risks and the measures that those societies can take to  
1570 protect themselves against such abuse. It is now felt that these obligations may have been seen as too onerous and there is the limit to encouraging outreach and educational programmes and encouraging charities to refine their best practices, rather than to directly undertake the outreach

and education programmes or the training themselves. Now section 8 gives effect to the requested changes.

1575 In Part 3, Amendment to the Charities Act, the position regarding the amendments to the Charities Act in clause 10 of the Bill mirrors the position regarding the changes to the Friendly Societies Act, as I have just read out.

Mr Speaker, I commend this Bill to the House.

1580 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

1585 **Hon. K Azopardi:** Mr Speaker, this is the first of a number of Bills that are being taken today and will tighten our criminal laws in respect of a number of areas. We will support this Bill, as we will the others on the Agenda. We consider that this Bill – together with the others, but I am speaking to this Bill only – will be a useful addition in the Proceeds of Crime Act.

**Mr Speaker:** The Hon. Samantha Sacramento.

1590 **Hon. Miss S J Sacramento:** Thank you, Mr Speaker, and I thank the Hon. the Leader of the Opposition for his indication.

I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1595 **Mr Speaker:** Not yet. I now put the question, which is that a Bill for an Act to amend the Proceeds of Crime Act 2015, to amend the Friendly Societies Act and to amend the Charities Act be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Proceeds of Crime (Miscellaneous Amendments) Act 2023.

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**Proceeds of Crime (Miscellaneous Amendments) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

1605 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree. I apologise for jumping earlier.

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

**Crimes and Communications (Online Safety) Bill 2023 –  
First Reading approved**

1610 **Clerk:** A Bill for an Act to amend the Crimes Act 2011 and the Communications Act 2006. The Hon. the Minister for Justice, Equality, Public Standards and Regulation.

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill be read a first time.

1615 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Crimes Act 2011 and the Communications Act 2006 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Crimes and Communications (Online Safety) Act 2023.

**Crimes and Communications (Online Safety) Bill 2023 –  
Second Reading approved**

1620 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill for the Crimes and Communications (Online Safety) Act be read a second time.

The Bill focuses on the creation of new criminal offences in relation to harms which are committed online, with the objective of enhancing protection of those in social media spaces.

1625 Clause 3 creates an offence in relation to flashing images. This was a UK Law Commission recommendation that there should be a specific offence of the intention of sending flashing images to a person with epilepsy with the intention to cause that person to have a seizure.

1630 Clause 4 creates a new offence in relation to cyber flashing, which expands on the current exposure offences. The new offence includes the unsolicited sending of sexual images using digital technology and differs from other forms of image-based sexual abuse, where the victim is the subject of the image. Here, the recipient of the image is the victim.

1635 Clause 5 creates an offence of extreme pornographic images. This law will shift criminal responsibility from distributors of extreme pornography to consumers, which was deemed necessary in the UK in order to deal with the volume of violent pornography available on websites based abroad. The Bill would make it an offence to possess pornographic images that depict acts that threaten a person's life, acts which result in or are likely to result in serious injury, bestiality or necrophilia. It also provides for the exclusion of classified films and sets out defences and penalties for the offence. The offence aims to break the demand-and-supply cycle of this material, which may be harmful to those who view it. Irrespective of how these images were made, banning their possession can be justified as sending a signal that such behaviour is not considered acceptable. Viewing such images voluntarily can desensitise the viewer to such degrading acts and can reinforce the message that such behaviour is acceptable. The restrictions on this material also achieve the aim of protecting others, particularly children and vulnerable adults, from inadvertently coming into possession of this material, which is widespread on the internet.

1645 The production of this Bill has been a long and complicated process and I commend the very thorough work and advice of Crown Counsel at the Ministry for Justice and the Government Law Officers for their many drafts of this Bill and for their continuous advice.

Mr Speaker, I commend this Bill to the House.

1650 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, this is an important addition to our criminal laws and we will support this Bill.

1655 Criminal laws have to be updated in relation to the emerging offences. The abuse of digital methods of communication to facilitate crime then needs the commensurate crackdown by the authorities and legislators of those new ways of committing criminal offences, so we support this Bill. It is important for that to be the case because the way that telecommunications devices can now be used in an intrusive way, if it is of criminal behaviour, certainly needs to find a penalty in the law, so we support this Bill.

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**Mr Speaker:** The Hon. Samantha Sacramento.

**Hon. Miss S J Sacramento:** Mr Speaker, I am grateful for the support of the Members opposite and for the Leader of the Opposition's intervention.

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**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Crimes Act 2011 and the Communications Act 2006 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

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**Clerk:** The Crimes and Communication (Online Safety) Act 2023.

**Crimes and Communications (Online Safety) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Transnational Organised Crime (Amendment) Bill 2023 –  
First Reading approved**

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**Clerk:** A Bill for an Act to amend the Transnational Organised Crime Act 2006, to make further provision under the United Nations Convention against Transnational Organised Crime.  
The Hon. the Minister for Justice, Equality and Public Standards and Regulations.

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**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that a Bill for the Transnational Organised Crime (Amendment) Act be read a first time.

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**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Transnational Organised Crime Act 2006, to make further provision under the United Nations Convention against Transnational Organised Crime be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Transnational Organised Crime (Amendment) Act 2023.

**Transnational Organised Crime (Amendment) Bill 2023 –  
Second Reading approved**

1695

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill be read a second time.

This Bill further implements specific provisions of the United Nations Convention against Transnational Organised Crime in Palermo, Italy, in December 2000, otherwise known as the

1700 UNTOC, which are currently not provided for under Gibraltar law. This omits a reference to a statute that has been repealed and another reference which is redundant, on the technicalities, but more importantly it creates a further regulation-making power for further implementation in the future.

The Bill amends the Transnational Organised Crime Act 2006.

1705 Clause 3 amends the 2006 Act in the following way. Clause 3 replaces section 5, which is on jurisdiction and makes provision for offences covered under the UNTOC occurring on board a vessel that is registered in Gibraltar.

Subclause 3(4) inserts a new section 8A, which provides for further grounds of refusal by the central authority in Gibraltar in respect of mutual assistance requests, and this is in order to give further implementation to Article 18(21)(a), (c) and (d) of UNTOC.

1710 Subclause 3(5)(a) omits the reference in section 9(1)(a) to the Criminal Justice Act 1995 and inserts the current provision, which is Chapter 2 of the Proceeds of Crimes Act 2015 (External Requests and Orders) Order 2019.

Subclause 3(5)(b) omits the words 'a court in Gibraltar shall proceed' after the amendment to subclause (5).

1715 Subclause 3(6) repeals section 10 of the 2006 Act, as the criminal offence is redundant since the passing of the Crimes Act 2011, save for the savings provision under section 601(2)(a), which provides that corruption under the Criminal Offences Act is only actionable if there is a comparable provision under the Crimes Act 2011.

1720 Finally, subclause 3(7) creates a new section 16A, which follows on from the regulation-making power in section 16 and is a regulation-making power for the Government for the purposes of further implementing UNTOC or another international convention extended to Gibraltar, obligation standards and recommendations. The regulation may contain consequential, supplementary, incidental and transitional provisions as may be appropriate. In addition, the Government is disapplying section 23(b) of the Interpretation and General Clauses Act, which has to do with the restriction of penalties under subsidiary legislation. Similar powers to the above appear under sections 129(g) of the Imports and Exports Act 1986 and section 184 of the Proceeds of Crime Act. The Trademarks Act, the Patents Act, section 179T of the Merchant Shipping Act and section 18 of the Mutual Legal Assistance (Council of Europe) Act are examples of this practice.

1725 Mr Speaker, I commend the Bill to the House.

1730 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

1735 **Hon. K Azopardi:** Mr Speaker, there already exists, of course, legislation to tackle transnational organised crime – it goes back to 2006 – and to the extent that this legislation reinforces that in line with the United Nations Convention Against Organised Crime, we support this legislation.

**Mr Speaker:** The Hon. Samantha Sacramento.

1740 **Hon. Miss S J Sacramento:** Indeed, Mr Speaker, this legislation further enhances the framework that is available, and I am grateful to the hon. Member opposite for supporting the Bill.

1745 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Transnational Organised Crime Act 2006 to make further provision under the United Nations Convention against Transnational Organised Crime be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Transnational Organised Crime (Amendment) Act 2023.

**Transnational Organised Crime (Amendment) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

1750 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Mutual Legal Assistance (Merida Convention) Bill 2023 –  
First Reading approved**

1755 **Clerk:** A Bill for an Act to implement, in part, the obligations in the United Nations Convention against Corruption made in Merida and New York on 9th December 2003 relating to mutual legal assistance; to make further provision for mutual legal assistance between Gibraltar and contracting states; to enable further provision to be made by regulations; and for connected purposes.

1760 The Hon. Minister for Justice, Equality and Public Standards and Regulations.

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill be read a first time.

1765 **Mr Speaker:** I now put the question, which is that a Bill for an Act to implement, in part, the obligations in the United Nations Convention against Corruption made in Merida and New York on 9th December 2003 relating to mutual legal assistance, to make further provision for mutual legal assistance between Gibraltar and contracting states, to enable further provision to be made by regulations and for connected purposes be read a first time. Those in favour? (**Members:** Aye.)  
1770 Those against? Carried.

**Clerk:** The Mutual Legal Assistance (Merida Convention) Act 2023.

**Mutual Legal Assistance (Merida Convention) Bill 2023 –  
Second Reading approved**

1775 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill for the Mutual Legal Assistance (Merida Convention) Act 2023 be read a second time.

1780 The Bill implements, in part, specific provisions of the UN Convention against Corruption, the Merida Convention, which are not currently provided for in Gibraltar law. The provisions are to do, mostly, with mutual assistance for relevant offences to which that Convention applies, and modifies current legislation to allow for such requests to be actioned in the particular and technical manner that is required to have the Convention extended to Gibraltar. In many cases, the assistance could already be provided and is, but it has been felt prudent to have a full and extensive Act covering all the areas, so as to expedite extension.

1785 Part 2 of the Bill sets out the local authorities in relation to the Convention and their functions and duties for the purposes of certain parts of the Bill. The central authority for requests shall be the Minister for Justice, and this follows the pattern in similar Acts where mutual legal assistance



is a major part of the implementation of a convention. The Bill also sets out the competent officers under it and their respective functions and duties. These are His Majesty's Attorney General, the Director of Public Prosecution and all Crown Counsel, as well as any other officers who may be designated.

1790 Part 3 sets out the definition of 'relevant offence' and the scope of the Bill.

Part 4 sets out the necessary modifications to other legislation being relied upon for the purposes of a request under the Convention. These are not textual amendments to the other legislation but rather technical modifications for the purpose of how that legislation is deemed to be changed in respect of matters under the Convention, such as letters of request for evidence, 1795 including the necessary provision under the Convention regarding language content and further information being required, or the transit and transfer of prisoners.

Part 5 makes provision for formal hearings through video conference, as required by the Convention.

Part 6 contains provision for the protection of witnesses who are involved in requests.

1800 Part 7 makes provision for other forms of assistance. This includes controlled delivery, sharing publicly available information and exchange of information between intelligence and law enforcement agencies.

Data protections are dealt with at Part 8.

1805 Part 9 deals with amendments to the Proceeds of Crime Act 2015 and the Crimes Act 2011, dealing with offences on vessels.

Part 10 has the miscellaneous provisions.

Clause 28 provides for the payment of ordinary and extraordinary costs of a request under Parts 5 and 6.

1810 Clause 29 is a standard provision giving the Chief Justice the power to make court rules in relation to proceedings under the Bill.

Clause 30 provides for the Government to make regulations for three purposes: (1) to amend the Schedule; (2) to make provision which is incidental to the Bill for the purposes of implementing a Convention requirement; and (3) to amend the Act through regulations for the sole purpose of implementing all necessary requirements and obligations under a convention or any other 1815 convention or international agreement extended to Gibraltar. All these powers are found in domestic legislation in various statutes over the years.

Mr Speaker, you have received a letter with proposed amendments to the Bill. The amendments are simply the correction of typographical errors.

1820 This Bill is required for the purposes of extending the Convention to Gibraltar, and I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

1825 **Hon. K Azopardi:** Mr Speaker, we will support this Bill. In the same way as the other Bill that we just spoke to was to amend our legislation in the context of a UN convention, this is the implementation of a particular United Nations convention, as the hon. Lady has explained, and we think this will be a useful addition to our laws, in compliance with international obligations.

1830 Can I just mention, while I am on my feet, that the hon. Lady spoke about a letter on amendments? We have not seen that letter, but we take at face value the issues that she has explained, that it will address issues of typographical nature. Perhaps it can just be passed to us for our assistance.

1835 **Mr Speaker:** The Hon. Samantha Sacramento.

**Hon. Miss S J Sacramento:** Mr Speaker, I once again thank the Hon. the Leader of the Opposition for his support of the Bills this afternoon.

I am not sure why the letter has not been circulated to Members in this House, but I would ask Mr Clerk if he could make arrangements for this.

1840 Thank you, Mr Speaker.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to implement, in part, the obligations in the United Nations Convention against Corruption made in Merida and New York on 9th December 2003 relating to mutual legal assistance, to make further provision for mutual legal assistance between Gibraltar and contracting states, to enable further provision to be made by regulations and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Mutual Legal Assistance (Merida Convention) Act 2023.

1850

**Mutual Legal Assistance (Merida Convention) Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Contaminated Land Bill 2023 –  
First Reading approved**

**Clerk:** A Bill for an Act to establish a framework for the protection of soil to perform all environmental, economic, social and cultural functions, to set the polluter pays principle for remediation purposes, to establish a land use and existing contaminated land area register, to establish historical pollution sources and to track the progresses of remedying soil contamination and reserving natural soil capacities, to confer powers on the Minister to impose remediation of contaminated soil; and for connected purposes between all bodies.

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The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that a Bill for an Act to establish a framework for the protection of soil to perform all environmental, economic, social and cultural functions, to set the polluter pays principle for remediation purposes, to establish a land use and existing contaminated land area register, to establish historical pollution sources and to track the progresses of remedying soil contamination and reserving natural soil capacities, to confer powers on the Minister to impose remediation of contaminated soil and for connected purposes between all bodies be read a first time.

1865

**Mr Speaker:** I now put the question, which is that a Bill for an Act to establish a framework for the protection of soil to perform all environmental, economic, social and cultural functions, to set the polluter pays principle for remediation purposes, to establish a land use and existing contaminated land area register, to establish historical pollution sources and to track the progresses of remedying soil contamination and reserving natural soil capacities, to confer powers

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on the Minister to impose remediation of contaminated soil and for connected purposes between all bodies be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Contaminated Land Act 2023.

**Contaminated Land Bill 2023 –  
Second Reading approved**

1885 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

This Bill essentially addresses the legacy of land contamination. Its main purpose is to provide an improved system for the identification of land that is posing unacceptable risks to health or the environment and to secure remediation where such risks cannot be controlled by other means.

1890 The Bill introduces a regime for the regulation of contaminated land. The Department of the Environment is the primary regulator of the Act. The Bill aims to identify such land and then tries to ensure that, where possible, work is carried out to make the level of risk acceptable. This will take into account the cost of risk reduction, practical considerations and the potential benefits. The Bill is intended to complement other regimes, for example those aimed at preventing new  
1895 contamination.

The intention is that the Act will improve the transparency and focus of regulatory controls to ensure that the regulator takes a strategic approach to land contamination problems, increase consistency in regulatory approaches and provide a more tailored mechanism, including liability rules, that is able to reflect the complexity and range of circumstances found on individual sites.

1900 The responsibilities of the Department of the Environment under the Bill are as follows: preparation of an inspection strategy to determine whether particular areas of land are contaminated; to identify and notify owners, developers, occupiers and those who may be liable that the land is contaminated; to undertake urgent remediation action in cases where there is imminent danger of serious harm; to determine who may be liable to bear the responsibility for  
1905 the remediation of the contaminated land following the ‘polluter pays’ principle, while ensuring that the cost burdens are proportionate and reasonable; to ensure that the appropriate remediation takes place either through voluntary action or by serving a notice on those responsible; to take further action if remediation is not carried out or is not effective; and to maintain a public register containing details of action taken.

1910 The Bill envisages a ‘suitable for use’ approach, which requires that the risks associated with land contamination are assessed on a site by site basis. It applies to land with contamination where the contaminants pose an unacceptable risk to human health or the wider environment.

The aim of remedial work should be to remove the pollutant linkage either by reducing or removing the contamination source, breaking the pathway or removing the receptor. The  
1915 standard of remediation should be such that significant harm or pollution is no longer being caused.

The process of securing remediation will comprise a number of stages. Prior to issuing an identification notice and remediation notice, the Department will enter a period of discussion and negotiation with all appropriate persons and other relevant stakeholders in order to seek  
1920 voluntary remediation. There are four possible outcomes to this consultation. In the first, the appropriate person agrees to undertake a remediation and issues a remediation statement. In the second, where no voluntary remediation strategy is agreed, the Department serves an identification notice and a remediation notice. In the third, the Department uses its powers to undertake remediation itself and issues a remediation statement on the appropriate person or  
1925 persons and can seek to recover costs. In the fourth, where particular remediation actions have been precluded because they would not be reasonable, having regard either to the likely costs

1930 and seriousness of the harm or pollution, the Department needs to prepare and publish a remediation declaration which records the reasons why it would have specified the remediation action in a remediation notice. The statutory guidance will contain more information about the process of remediation.

1935 The Department is required to inspect areas to identify land that is contaminated in line with their strategy for inspection. Where land is identified as contaminated, the Department will need to secure a remediation. In some circumstances, it may be unreasonable for the land to be remediated, in which case the land will remain contaminated and a declaration will be issued. Public registers will record the notification of identification of contaminated land and remedial activity at such land. The statutory guidance will require the Department to develop and publish a strategic approach to the identification of contaminated land which merits detailed individual inspection. The strategy will indicate how the Department will identify potentially contaminated areas and how these will be prioritised for assessment in more detail.

1940 The Department is required to give notice of land identified as contaminated to the owner or developer of the land, any person who appears to it to be in occupation of the whole or any part of the land, and anybody and everybody who appears to the Department to be an appropriate person. The notifications of contaminated lands are required to be placed on the public register.

1945 Mr Speaker, I commend the Bill to the House.

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

1950 **Hon. K Azopardi:** Mr Speaker, the principle of polluter pays has been a longstanding principle of maritime law, so we welcome the introduction of legislation that will replicate the polluter pays principle in respect of contaminated land. As a matter of general principle, that is welcome. Obviously this is a framework, it does not provide all the answers of how this is done, but I have some questions of clarification that I would seek the hon. Member to make in terms of the Bill itself, and then perhaps he can illuminate us a bit on how it would work in practice, because some of the questions, I think, would require answers that really descend into how it works, which is not really reflected in the legislation as it is intended. But if I could just raise a few issues with him.

1955 The definition of 'contaminated land' talks about conditions in respect of 'substances and/or conditions'. 'Substance' is then defined as 'natural or artificial substance, whether in solid or liquid form or in the form of gas or vapour'. There is, however, no definition of 'conditions'. There is a definition of 'substance' but not 'conditions', so I am not clear on what conditions that is referring to, which brings me to the wider question of this being a framework. Against what yardsticks is the contamination of the soil being judged? Presumably there would then be ... what? Regulations introduced under this piece of legislation that will specify the kind of thresholds of contamination? How will these analyses be done? Presumably there will be Environmental Health people who will do random inspections and they will be testing, but I would be grateful if the Hon. Minister could give us some idea of how this would work in terms of yardsticks which are not answered by the Bill itself. And are those yardsticks produced here in Gibraltar? Are they against some kind of internationally accepted thresholds of soil contamination?

1960 And then, in relation to a couple of the other sections, I had a couple of questions. One was in relation to clause 16, which is the exclusion from the Registers of Information affecting National Security. I was not really sure what the purpose of that would be. I understand that the object would be that certain information is not included to the extent that it is deemed that it affects national security. I get that, but I was struggling with the concept that there would be a finding, for example, by the Environmental Department that there is contaminated land, but that somehow would be excluded from the register. I am not sure why that would be.

1975 Equally, I was not sure I was understanding why there was a saving in clause 22 in the proposed Bill which says 'Except as may be provided by regulations, nothing in this Act applies in relation to harm, or pollution of controlled waters, so far as attributable to any radioactivity possessed by

1980 any substance'. So if, for example, there was a vessel in our waters that emits some kind of substance, as defined by the Contaminated Land Bill, that then pollutes and harms land or waters adjacent to the land which is captured by the Contaminated Land Bill, why is it that that would be an exclusion? What is the rationale for that? I would be grateful if the Hon. Minister could clarify.

Mr Speaker, subject to those clarifications, we will support the Bill.

1985 **Mr Speaker:** The Hon. John Cortes.

**Hon. Prof. J E Cortes:** Mr Speaker, I am grateful to the Leader of the Opposition for his support for the Bill and I welcome it. I think there are five points raised and I think I can address them.

1990 Yes, it is a framework, absolutely a framework, and there will be guidelines. I think I mentioned them in my speech and this is provided for, some formal guidelines and regulations that will be produced which will specify the manner in which the assessments will be carried out. These will be based on similar guidelines in the UK and the EU.

1995 The 'condition' as I see it, allows more scope and probably, if I may say, flexibility as to how accessible the contaminant might be to receptors. There might be contamination but it is completely covered by a thick layer of concrete, so even though there is a contaminant, the condition of the land is such that it is not a danger to the receptor. That is the way that it has been put to me.

In relation to radioactivity, as I see it, it applies to water and therefore it would not apply in relation to contaminated land. I cannot see any other reason for including that.

2000 Those are the points that I wish to make in reply.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to establish a framework for the protection of soil to perform all environmental, economic, social and cultural functions, to set the polluter pays principle for remediation purposes, to establish a land use and existing contaminated land area register, to establish historical pollution sources and to track the progresses of remedying soil contamination and reserving natural soil capacities, to confer powers on the Minister to impose remediation of contaminated soil and for connected purposes between all bodies be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

2010 **Clerk:** The Contaminated Land Act 2023.

**Contaminated Land Bill 2023 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

2015 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**COMMITTEE STAGE AND THIRD READING**

**Clerk:** The Hon. the Chief Minister.

2020 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House  
should resolve itself into Committee to consider the following Bills clause by clause, namely the  
Land Registry Portal and Electronic Stamping Bill 2023, the Contaminated Land Bill 2023, the  
Education and Training (Amendment) Bill 2023, the Fireworks (Control) Bill 2023, the  
2025 Environmental Governance Bill 2023, the Road Traffic (Windscreen Transparency) (Amendment)  
Bill 2023, the Fair Trading Bill 2023, the Heritage and Antiquities (Amendment) Bill 2023, the  
Mutual Legal Assistance (Merida Convention) Bill 2023, the Licensing and Fees (Amendment)  
Bill 2023, the Proceeds of Crime (Miscellaneous Amendments) Bill 2023, the Insurance (Motor  
Vehicles) (Third Party Risks) (Amendment) Bill 2023 and the Insurance Schemes of Arrangement  
(Recognition) Bill 2023. I think that is all of them.

2030 **Mr Speaker:** Before we continue, just to advise that the Chief Minister needs to get away for  
about 10 to 15 minutes, so when we get to his two Bills we will recess for 15 minutes – he will be  
called and will come over straight away.

*In Committee of the whole House*

**Education and Training (Amendment) Bill 2023 –  
Clauses considered and approved with amendments**

**Clerk:** A Bill for an Act to amend the Education and Training Act.  
Clause 1.

2035

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** If I may, with your permission, the letter dated 19th May asked for an amendment in  
clause 2 to substitute ‘day of publication’ with ‘by 17th July’. This was, of course, in order to ensure  
it was after the end of last term, when we thought we were going to take this at the last session,  
2040 so I would ask that we remove that change and we allow ‘day of publication’ to remain, as  
originally proposed. Other than that, all the amendments should stand.

**Mr Chairman:** Yes. You did mention there was another minor amendment, if you could just –

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**Hon. Prof. J E Cortes:** Yes, Mr Chairman.

**Mr Chairman:** That is probably not properly covered in the memorandum.

**Hon. Prof. J E Cortes:** Part VIIIA in the Bill, as I recall, appears with an unusual form of Roman  
2050 numerals ‘IIXA’. That is on page –

**Mr Chairman:** Can you draw me to the page?

**Hon. Prof. J E Cortes:** Page 19. I beg your pardon ... ‘VIII’ is the more correct form of Roman  
2055 numeral.

**Mr Chairman:** Yes, so VIII replaces IIXA.

May I ask Members of the Opposition are they content with the amendments? (**Two Members:**  
Aye.)

2060 Can you continue, Mr Clerk, with the clauses?

**Clerk:** Clause 2 as amended.

**Mr Chairman:** Clause 2, as amended, stands part of the Bill.

2065 **Clerk:** Clause 3 as amended.

**Mr Chairman:** Clause 3, as amended, stands part of the Bill.

2070 **Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Heritage and Antiquities (Amendment) Bill 2023 –  
Clauses considered and approved with amendments**

**Clerk:** A Bill for an Act to amend the Heritage and Antiquities Act 2018 and for connected purposes.

Clauses 1 to 4.

2075

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Chairman, you will recall – if I may – that there was a discussion ... We have been in contact, the Hon. Mr Clinton and I, and he has discussed it with the Hon. Mr Bossino, and I will be introducing amendments to clause 29C(7).

2080

**Mr Chairman:** When are you going to be doing that?

**Hon. Prof. J E Cortes:** If you wish, I can mention them now.

2085

**Mr Chairman:** I think what is required is something in writing, for the purposes of the record and for the purposes of the Clerk, who will then need to transpose it when he provides the amendments to the Bills which will become law.

**Hon. Prof. J E Cortes:** Okay. I will provide those in writing now.

2090

**Hon. R M Clinton:** Mr Chairman, the amendments are quite simple in relation to (7)(b).

**Mr Chairman:** Could you draw my attention to which page we are talking about?

2095

**Hon. R M Clinton:** *[Inaudible]*

**Hon. Prof. J E Cortes:** Yes. Mr Chairman, since there is no microphone for Mr Clinton, these are the amendments that I am now going to quickly write down, if you wish me to do that.

2100

**Mr Chairman:** Yes.

**Hon. Prof. J E Cortes:** And they are, as Mr Clinton has said ... *[Inaudible]* I just put it in writing, Mr Chairman.

2105

**Mr Chairman:** Let's do it verbally then put it in writing, just to confirm that we have understood where the amendments are.

**Hon. Prof. J E Cortes:** They are these, which have been, in fact, suggested by Mr Clinton and which are, I think, clarified.

2110 On page 5 – this is clause 29C – (7)(b) would now read ‘in subsection (1) before “exports” insert “imports a tainted antiquity or a tainted object of interest ...”. So we would include the word ‘tainted’ after ‘a’, in replacement of ‘an’, and then ‘a tainted’ after the word ‘or’. I will write that down for you as soon as my intervention is finished.

2115 If I may then point to further down on that page, the Hon. Mr Clinton has pointed out that to further clarify the requirements of the UNESCO Convention to which I referred, we should make the following amendment, which again I will write down, and that is in (e)(6) we remove the words ‘to the Crown’ after the word ‘forfeiture’ – I will make this clear in my written contribution – and then, in the next paragraph, paragraph (7), at the end, after the words ‘forfeited to the Crown’, we add ‘or repatriated to the appropriate authorities in the country of cultural origin’. That better  
2120 reflects a requirement of the Convention, but I will write this down as soon as my intervention is finished, Mr Chairman.

**Clerk:** Clauses 1 to 4 as amended.

2125 **Mr Chairman:** Clauses 1 to 4, as amended, stand part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

#### **Environmental Governance Bill 2023 – Clauses considered and approved**

2130 **Clerk:** A Bill for an Act to make provision about targets, plans and policies for improving the natural environment; to establish requirements for statements and reports about environmental protection; to impose duties on public bodies for improving the environment and enhancing biodiversity and for connected purposes.

Part 1, clauses 1 to 3.

2135 **Mr Chairman:** Part 1, clauses 1 to 3, stands part of the Bill.

**Clerk:** Part 2, clauses 4 to 23.

2140 **Mr Chairman:** Part 2, clauses 4 to 23, stands part of the Bill.

**Clerk:** Part 3, clauses 24 to 30.

**Mr Chairman:** Part 3, clauses 24 to 30, stands part of the Bill.

2145 **Clerk:** Part 4, clause 31.

**Mr Chairman:** Part 4, clause 31, stands part of the Bill.

2150 **Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.



**Fireworks (Control) Bill 2023 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to regulate the manufacture, storage, sale, possession and use of fireworks and for connected purposes.

2155 Part 1, clauses 1 to 4.

**Mr Chairman:** Part 1, clauses 1 to 4, stands part of the Bill.

**Clerk:** Part 2, clauses 5 to 13.

2160

**Mr Chairman:** Part 2, clauses 5 to 13, stands part of the Bill.

**Clerk:** Part 4, clauses 16 and 17.

2165

**Mr Chairman:** Part 4, clauses 16 and 17, stands part of the Bill.

**Clerk:** Part 5, clauses 18 to 20.

**Mr Chairman:** Part 5, clauses 18 to 20, stands part of the Bill.

2170

**Clerk:** Part 6, clauses 21 to 23.

**Mr Chairman:** Part 6, clauses 21 to 23, stands part of the Bill.

2175

**Clerk:** Part 7, clauses 24 to 26.

**Mr Chairman:** Part 7, clauses 24 to 26, stands part of the Bill.

**Clerk:** Schedule 1.

2180

**Mr Chairman:** Schedule 1 stands part of the Bill.

**Clerk:** Schedule 2.

2185

**Mr Chairman:** Schedule 2 stands part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Contaminated Land Bill 2023 –  
Clauses considered and approved**

2190 **Clerk:** A Bill for an Act to establish a framework for the protection of soil to perform all environmental, economic, social and cultural functions, to set the polluter pays principle for remediation purposes, to establish a land use and existing contaminated land area register, to establish historical pollution sources and to track the progresses of remedying soil contamination and reserving natural soil capacities, to confer powers on the Minister to impose remediation of  
2195 contaminated soil; and for connected purposes between all bodies.

Part 1, clauses 1 to 3.

**Mr Chairman:** Part 1, clauses 1 to 3, stands part of the Bill.

2200 **Clerk:** Part 2, clause 4.

**Mr Chairman:** Part 2, clause 4, stands part of the Bill.

2205 **Clerk:** Part 3, clauses 5 to 10.

**Mr Chairman:** Part 3, clauses 5 to 10, stands part of the Bill.

**Clerk:** Part 4, clauses 11 to 13.

2210 **Mr Chairman:** Part 4, clauses 11 to 13, stands part of the Bill.

**Clerk:** Part 5, clause 14.

**Mr Chairman:** Part 5, clause 14, stands part of the Bill.

2215 **Clerk:** Part 6, clauses 15 to 19.

**Mr Chairman:** Part 6, clauses 15 to 19, stands part of the Bill.

2220 **Clerk:** Part 7, clauses 20 to 23.

**Mr Chairman:** Part 7, clauses 20 to 23, stands part of the Bill.

**Clerk:** The long title.

2225 **Mr Chairman:** The long title stands part of the Bill.

**Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend retained EU law relating to compulsory insurance for the use of motor vehicles; and for connected purposes.

Clauses 1 to 3.

2230 **Mr Chairman:** Clauses 1 to 3 stand part of the Bill.

**Clerk:** The long title.

2235 **Mr Chairman:** The long title stands part of the Bill.

**Insurance Schemes of Arrangement (Recognition) Bill 2023 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to provide for the recognition of judgments or orders made by the Courts of EEA States sanctioning Schemes of Arrangement relating to reinsurance business transfers, and for connected purposes.

Clauses 1 to 17.

2240

**Mr Chairman:** Clauses 1 to 17 stand part of the Bill.

**Clerk:** The Schedule.

2245

**Mr Chairman:** The Schedule stands part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Road Traffic (Windscreen Transparency) (Amendment) Bill 2023 –  
Clauses considered and approved**

2250

**Clerk:** A Bill for an Act to amend the Road Traffic (Windscreen Transparency) Act 1998. Clauses 1 to 3.

**Mr Chairman:** Clauses 1 to 3 stand part of the Bill.

2255

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Fair Trading Bill 2020 –  
Clauses considered and approved with amendments**

2260

**Clerk:** A Bill for an Act to repeal and re-enact with amendments and modifications the Fair Trading Act 2015; to continue the establishment of the Office of Fair Trading and to make provision for its composition and functions; to make provisions for the protection of consumer interests and for the making and investigation of complaints; to encourage good business practices towards consumers; to make provision for the licensing of businesses; to make provision for information gathering, investigatory and enforcement powers of the Office of Fair Trading; to make provision for the imposition of sanctions and for purposes connected therewith.

2265

**Mr Chairman:** Before we go through all the clauses, can I take it that the amendments covered in the memorandum from the Minister dated 19th July are acceptable and Members of the Opposition are content? Yes?

2270

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** They spell out the amendments that I mentioned earlier.

**Hon. R M Clinton:** Mr Speaker, I am just reading it and I would just ask the Minister to be careful that he does not prevent his general export restrictions of cultural items.

2275

**Mr Chairman:** We are talking about the Fair Trading Bill.

**Hon. R M Clinton:** Ah, sorry. *(Interjection)*

2280

**Mr Chairman:** So we are content with the amendments to the Fair Trading Bill, yes?

**Mr Chairman:** Mr Clerk, please continue.

**Clerk:** Clauses 1 to 118 as amended.

2285

**Mr Chairman:** Clauses 1 to 118, as amended, stand part of the Bill.

**Clerk:** Schedules 1 and 2.

2290

**Mr Chairman:** Schedules 1 and 2 stand part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Licensing and Fees (Amendment) Bill 2020 –  
Clauses considered and approved**

2295

**Clerk:** A Bill for an Act to amend the Licensing and Fees Act.  
Clauses 1 to 5.

**Mr Chairman:** Clauses 1 to 5 stand part of the Bill.

2300

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Proceeds of Crime (Miscellaneous Amendments) Bill 2023 –  
Clauses considered and approved**

**Clerk:** A Bill for an Act to amend the Proceeds of Crime Act 2015, to amend the Friendly Societies Act and to amend the Charities Act.

2305

Clauses 1 and 2.

**Mr Chairman:** Clauses 1 and 2 stand part of the Bill.

**Clerk:** Part 1, clauses 3 to 6.

2310

**Mr Chairman:** Part 1, clauses 3 to 6 stand part of the Bill.

**Clerk:** Part 2, clauses 7 and 8.

2315 **Mr Chairman:** Part 2, clauses 7 and 8 stand part of the Bill.

**Clerk:** Part 3, clauses 9 and 10.

2320 **Mr Chairman:** Part 3, clauses 9 and 10 stand part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Crimes and Communications (Online Safety) Bill 2023 –  
Clauses considered and approved**

2325 **Clerk:** A Bill for an Act to amend the Crimes Act 2011 and the Communications Act 2006.  
Clauses 1 to 6.

**Mr Chairman:** Clauses 1 to 6 stand part of the Bill.

**Clerk:** The long title.

2330 **Mr Chairman:** The long title stands part of the Bill.

**Transnational Organised Crime (Amendment) Bill 2023 –  
Clauses considered and approved**

2335 **Clerk:** A Bill for an Act to amend the Transnational Organised Crime Act 2006 to make further  
provision under the United Nations Convention against Transnational Organised Crime.  
Clauses 1 to 3.

**Mr Chairman:** Clauses 1 to 3 stand part of the Bill.

**Clerk:** The long title.

2340 **Mr Chairman:** The long title stands part of the Bill.

**Mutual Legal Assistance (Merida Convention) Bill 2023 –  
Clauses considered and approved with amendments**

2345 **Clerk:** A Bill for an Act to implement, in part, the obligations in the United Nations Convention  
against Corruption made in Merida and New York on 9th December 2003 relating to mutual legal  
assistance; to make further provision for mutual legal assistance between Gibraltar and  
contracting states; to enable further provision to be made by regulations; and for connected  
purposes.  
Part 1, clauses 1 and 2.

**Mr Chairman:** There are two amendments. Has the Hon. Leader of the Opposition had a chance to see them? They are dated 19th July. Are you content?  
Please continue.

2350

**Clerk:** Clauses 1 and 2.

**Mr Chairman:** Clauses 1 and 2 stand part of the Bill.

2355

**Clerk:** Clause 3.

**Mr Chairman:** Can I speak to you, Mr Clerk? Mutual Legal Assistance.  
Clause 3 stands part of the Bill.

2360

**Clerk:** Clause 4 as amended.

**Mr Chairman:** Clause 4, as amended, stands part of the Bill.

**Clerk:** Clauses 5 and 6.

2365

**Mr Chairman:** Clauses 5 and 6 stand part of the Bill.

**Clerk:** Part 3, clauses 7 and 8.

2370

**Mr Chairman:** Part 3, clauses 7 and 8, stands part of the Bill.

**Clerk:** Part four, clauses 9 to 13.

**Mr Chairman:** Part 4, clauses 9 to 13, stands of the Bill.

2375

**Clerk:** Part 5, clauses 14 to 16.

**Mr Chairman:** Part 5, clauses 14 to 16, stands part of the Bill.

2380

**Clerk:** Part 6, clauses 17 and 18.

**Mr Chairman:** Part 6, clauses 17 and 18, stands part of the Bill.

**Clerk:** Part 7, clauses 19 to 23.

2385

**Mr Chairman:** Part 7, clauses 19 to 23, stands part of the Bill.

**Clerk:** Part 8, clauses 24 to 25.

2390

**Mr Chairman:** Part 8, clauses 24 and 25, stands part of the Bill.

**Clerk:** Part 9, clauses 26 and 27.

**Mr Chairman:** Part 9, clauses 26 and 27, stands part of the Bill.

2395

**Clerk:** Part 10, clauses 28 and 29.

**Mr Chairman:** Part 10, clauses 28 and 29, stands part of the Bill.

**Clerk:** Clause 30 as amended.

2400

**Mr Chairman:** Clause 30, as amended, stands part of the Bill.

**Clerk:** The Schedule.

2405

**Mr Chairman:** The Schedule stands part of the Bill.

**Clerk:** The long title.

2410

**Mr Chairman:** The long title stands part of the Bill.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, may I propose a 15-minute recess?

**Mr Chairman:** The House will recess until five minutes to seven.

*The House recessed at 6.40 p.m. and resumed at 6.56 p.m.*

**Land Registry Portal and Electronic Stamping Bill –  
Clauses considered and approved with amendments**

2415 **Clerk:** A Bill for an Act to amend the Gibraltar Land Titles Act 2011 to make provision for the electronic registration of deeds and wills, to amend the Stamp Duties Act 2005 to permit the electronic stamping of documents and to make provision for a budget measure, and for related purposes.

Clause 1.

2420

**Mr Chairman:** Clause 1 stands part of the Bill.

**Clerk:** Clause 2, as amended.

2425 **Chief Minister (Hon. F R Picardo):** Yes, I was going to say, Mr Chairman, I have circulated a notice of amendment to this Bill and I would propose that clause 2 be amended as set out in writing in that proposed amendment.

**Clerk:** Clause 2 as amended.

2430

**Mr Chairman:** Are Members content with the amendment?  
Clause 2, as amended, stands part of the Bill.

**Clerk:** Clause 3.

2435

**Mr Chairman:** Clause 3 stands part of the Bill.

**Clerk:** Clause 4.

2440 **Hon. Chief Minister:** There is an amendment proposed to clause 4, Mr Chairman, of which I have given notice also.

**Clerk:** Clause 4 as amended.

**Mr Chairman:** Clause 4, as amended, stands part of the Bill.

2445 **Clerk:** Clauses 5 and 6.

**Mr Chairman:** Clauses 5 and 6 stand part of the Bill.

2450 **Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Parliament (Amendment) Bill 2023 –  
Clauses considered and approved with amendments**

**Clerk:** A Bill for an Act to amend the Parliament Act.  
Clause 1.

2455 **Mr Chairman:** Clause 1 stands part of the Bill.

**Clerk:** Clause 2.

**Mr Chairman:** Clause 2 stands part of the Bill.

2460

**Clerk:** Clause 3.

2465 **Chief Minister (Hon. F R Picardo):** Mr Chairman, I have circulated a notice of amendment in respect of clause 3 after the discussion that the Leader of the Opposition and I had. I am, therefore, proposing to amend clause 3(3) in the way that I have set out there in writing, and set out a new clause 3(4) that deals both with the issue of consultation with the Leader of the Opposition – but not agreement with him – by the Minister. The period of time that I propose that the notice should provide for, which I am proposing should be seven days with a maximum of 21 days, and thereafter a new clause 3(4), making provision for extension beyond those 21 days to be only with the written agreement of the Governor. I understand that the Hon. the Leader of the  
2470 Opposition will accept those amendments.

2475 **Hon. K Azopardi:** Yes, Mr Chairman, we have spoken and I will, indeed, accept those amendments. The words that I had also spoken about in my original contribution on subject to terms of the Constitution are not there, but we accept the point made that of course this Parliament can only legislate subject to the Constitution anyway, so the amendments themselves are acceptable to us.

2480 **Clerk:** Clause 3 as amended.

**Mr Chairman:** Clause 3, as amended, stands as part of the Bill.

**Clerk:** The long title.

2485 **Mr Chairman:** The long title stands part of the Bill.



**Land Registry Portal and Electronic Stamping Bill 2023; Parliament (Amendment) Bill 2023;  
Education and Training (Amendment) Bill 2022;  
Heritage and Antiquities (Amendment) Bill 2023; Environmental Governance Bill 2023;  
Contaminated Land Bill 2023; Fireworks (Control) Bill 2023;  
Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023;  
Insurance Schemes of Arrangement (Recognition) Bill 2023;  
Road Traffic (Windscreen Transparency) (Amendment) Bill 2023;  
Fair Trading Bill 2020; Licensing and Fees (Amendment) Bill 2020;  
Proceeds of Crime (Miscellaneous Amendments) Bill 2023;  
Crimes and Communications (Online Safety) Bill 2023;  
Transnational Organised Crime (Amendment) Bill 2023;  
Mutual Legal Assistance (Merida Convention) Bill 2023 –  
Third Reading approved: Bills passed**

**Clerk:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Land Registry Portal and Electronic Stamping Bill 2023, the Parliament (Amendment) Bill 2023, the Education and Training (Amendment) Bill 2022, the Heritage and Antiquities (Amendment) Bill 2023, the Environmental Governance Bill 2023, the Contaminated Land Bill 2023, the Fireworks (Control) Bill 2023, the Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023, the Insurance Schemes of Arrangement (Recognition) Bill 2023, the Road Traffic (Windscreen Transparency) (Amendment) Bill 2023, the Fair Trading Bill 2020, the Licensing and Fees (Amendment) Bill 2020, the Proceeds of Crime (Miscellaneous Amendments) Bill 2023, the Crimes and Communications (Online Safety) Bill 2023, the Transnational Organised Crime (Amendment) Bill 2023 and the Mutual Legal Assistance (Merida Convention) Bill 2023 have been considered in Committee and agreed to with some amendments, and I now move that they be read a third time and passed.

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2500

**Mr Speaker:** I now put the question, which is that the Land Registry Portal and Electronic Stamping Bill 2023, the Parliament (Amendment) Bill 2023, the Education and Training (Amendment) Bill 2022, the Heritage and Antiquities (Amendment) Bill 2023, the Environmental Governance Bill 2023, the Contaminated Land Bill 2023, the Fireworks (Control) Bill 2023, the Insurance (Motor Vehicles) (Third Party Risks) (Amendment) Bill 2023, the Insurance Schemes of Arrangement (Recognition) Bill 2023, the Road Traffic (Windscreen Transparency) (Amendment) Bill 2023, the Fair Trading Bill 2020, the Licensing and Fees (Amendment) Bill 2020, the Proceeds of Crime (Miscellaneous Amendments) Bill 2023, the Crimes and Communications (Online Safety) Bill 2023, the Transnational Organised Crime (Amendment) Bill 2023 and the Mutual Legal Assistance (Merida Convention) Bill 2023 be read a third time and passed.

2505

2510

Those in favour of the Land Registry Portal and Electronic Stamping Bill 2023? (**Members:** Aye.) Those against? Carried.

Those in favour of the Parliament (Amendment) Bill 2023? (**Members:** Aye.) Those against? Carried.

2515

Those in favour of the Education and Training (Amendment) Bill 2022? (**Members:** Aye.) Those against? Carried.

Those in favour of the Heritage and Antiquities (Amendment) Bill 2023? (**Members:** Aye.) Those against? Carried.

2520

Those in favour of the Environmental Governance Bill 2023? (**Members:** Aye.) Those against? Carried.

Those in favour of the Contaminated Land Bill 2023? (**Members:** Aye.) Those against? Carried.

Those in favour of the Fireworks (Control) Bill 2023? (**Members:** Aye.) Those against? Carried.

- Those in favour of the Insurance (Motor Vehicles) (Third Party Risk) (Amendment) Bill 2023? **(Members: Aye.)** Those against? Carried.
- 2525 Those in favour of the Insurance Schemes of Arrangement (Recognition) Bill 2023? **(Members: Aye.)** Those against? Carried.
- Those in favour of the Road Traffic (Windscreen Transparency) (Amendment) Bill 2023? **(Members: Aye.)** Those against? Carried.
- Those in favour of the Fair Trading Bill 2020? **(Members: Aye.)** Those against? Carried.
- 2530 Those in favour of the Licensing and Fees (Amendment) Bill 2020? **(Members: Aye.)** Those against? Carried.
- Those in favour of the Proceeds of Crime (Miscellaneous Amendments) Bill 2023? **(Members: Aye.)** Those against? Carried.
- 2535 Those in favour of the Crimes and Communications (Online Safety) Bill 2023? **(Members: Aye.)** Those against? Carried.
- Those in favour of the Transnational Organised Crime (Amendment) Bill 2023? **(Members: Aye.)** Those against? Carried.
- Those in favour of the Mutual Legal Assistance (Merida Convention) Bill 2023? **(Members: Aye.)** Those against? Carried.

**Standing Order 7(1) suspended to proceed with a Government motion**

2540 **Clerk:** Suspension of Standing Orders. The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) to proceed with a Government motion.

2545 **Mr Speaker:** Those in favour? **(Members: Aye.)** Those against? Carried.

**GOVERNMENT MOTION**

**Ivory Act (Amendment) Regulations 2023 –  
Approved**

**Clerk:** Government motion. The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

2550 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I stand to propose a motion that this House approve, pursuant to section 40(3) of the Ivory Act 2019, the making of the Ivory Act (Amendment) Regulations 2023, as set out in the draft that has been circulated:

*That this House approve, pursuant to section 40(3) of the Ivory Act 2019, the making of the Ivory Act (Amendment) Regulations 2023, as set out in the enclosed draft*

2555 Section 40 of the Ivory Act provides a power to amend the scope of the Act by regulations to include ivory from another animal or species after approval from this House. It has not been necessary to pass an amending Bill to amend the definition of 'ivory' in the Act, as secondary legislation can implement the change with the approval of this House, hence the motion.

2560 In 2019 the Ivory Act was passed, aimed at reducing the demand for ivory overseas by restricting the market for ivory items in or passing through Gibraltar. The Act focused on reducing the poaching of elephants, but a recent consultation paper in the UK revealed the extent of ivory derived from other species that is in circulation in ivory markets in Europe and elsewhere. These regulations will extend the ban on dealing in ivory to the five ivory-bearing species listed in the Convention on International Trade in Endangered Species, being the hippopotamus, narwhal, walrus, sperm whale and killer whale. The extension of the definition of ivory can also reduce opportunities for the laundering of elephant ivory by passing it off as being from other ivory-bearing species and reduce the allure of ivory as a commodity, collectable or status symbol.

2565 I move that the House now pass this motion.

**Mr Speaker:** I now propose a question in the terms of the motion moved by the Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

2570 The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, in the absence of my colleague Daniel Feetham, who was going to speak on this Bill because I know he has a particular interest in this area, I rise simply to confirm our support for the motion.

2575 The hon. Member rattled off the five ivory-bearing species. I am not sure if I caught that the rhino was there, but perhaps that is not an ivory ...

**Mr Speaker:** If no other Hon. Member wishes to speak, I will call on the mover of the motion to reply.

2580

**Hon. Prof. J E Cortes:** Mr Speaker, the species of rhinoceros are not there because their horn is made out of keratin, which is the same substance that nails, hooves and hair are made of, and not out of ivory. Therefore, you could not carve a rhinoceros horn. Rhinoceros horns are generally ground up and used for medicinal purposes – false medicinal purposes – in the oriental world. But that is a reason for not including rhinoceros. Instead of rattling them off, I can say more gently the hippopotamus, the narwhal, the walrus, the sperm whale and the killer whale.

2585

I propose that the motion now be passed.

**Mr Speaker:** I now put the question in the terms of the motion proposed by the Hon. the Minister for the Environment, Sustainability, Climate Change and Education. Those in favour? **(Members: Aye.)** Those against? Carried.

2590

### Adjournment

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I now move that the House should adjourn to Thursday, 21st September at three in the afternoon.

2595 **Hon. K Azopardi:** Before he moves the adjournment, if we are going that long, he will remember the exchange I had with him yesterday. *(Interjection)* I appreciate that. We may, in any event, seek to convert our questions into writing in the interregnum, by notice to the Clerk of the House, if we may.

2600 **Hon. Chief Minister:** Mr Speaker, there will be absolutely no objection from the Government if hon. Members want to convert their questions to writing.

If I may say to all hon. Members on both sides of the House that I hope they have a good ... It used to be called 'long vacation', but I hope that they have a good summer. I know that we will all

2605 probably be at work most of the summer rather than away, but I do hope everybody gets away a little bit, at least, and I look forward to seeing all hon. Members in Parliament at three o'clock in the afternoon on the first day of the autumn.

**Mr Speaker:** I now propose a question, which is that this House do now adjourn to Thursday, 21st September at 3 p.m.

2610 I now put the question, which is that this House do now adjourn to Thursday, 21st September at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Thursday, 21st September at 3 p.m.

*The House adjourned at 7.11 p.m.*