



GOVERNMENT OF GIBRALTAR
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Previous Government got its priorities wrong over tunnel and air terminal

It is obvious that the Government and the Opposition are not going to agree on the need for the new air terminal building and the value of the tunnel project. This is because we have different policies on the issue which means that we will continue to regard the projects from a different perspective.

The bottom line is that it is not only a question of policy; it is also a question of priority. The new Government does not consider that the priority given by the previous Government to the air terminal and to the tunnel was appropriate. There are plenty more projects like the new KGV hospital and the alzheimers and dementia home which are of more urgent social need to the community and which should have been come first. Instead the previous Government chose to pump millions and millions of pounds into the tunnel and the air terminal. The fact that labour was withdrawn from other sites in order to open the air terminal for public viewing before the general election is proof enough that the priorities of the previous administration were of an electoral nature.

It is well known that the new Government would have preferred to expand, refurbish and modernize the existing air terminal instead of constructing a new one on a different site next to the frontier fence. This would have cost considerably less than 75 million euros. The relocation had nothing to do with "courage" or "foresight" it was simply the result of a political agreement with the Spanish Government that bound the GSD administration to move the building next to the frontier. Having said all this, the argument about the air terminal is academic at this stage because it is already there and we have to try and make it work, even though we would clearly not have gone down that road. While political debate is healthy, we should not lose sight of the fact that on most days there are only three flights which have come and gone by around 3pm!

It is wrong to suggest that the Government is dragging its feet on the completion of the new air terminal. The new Government actually accorded the project a considerable degree of importance once we were elected because of the financial liability that the previous Government had left behind. This was reflected in the visit by the Chief Minister soon after the election and the two visits by the Deputy Chief Minister, one of which was with the Minister for Tourism. The problem is that from the very start of our term of office the completion dates that have been supplied to the new Government are not the same as the completion dates that the old Government say were given to them. The only logical conclusion is that the viewing and partial opening was accelerated for electoral reasons.

The fact is that the cost of the terminal has escalated from the moment the project was first announced and before the tender had been even awarded. These costs have continued to spiral without an explanation or a reason why. It is significant to note that the 75 million euros does not include the cost of relocating the MOD and Gibraltar Government facilities that have had to be moved as a result of the air terminal and associated works. This run into well over £10 million at the last count.

The situation with regard to the tunnel is even worse. The GSD is taking a position on this which is similar to that which they adopted on the Theatre Royal project which is that it had to be completed no matter the cost. This position was only abandoned very late in the day and many millions of pounds later. The Opposition now accept that completion would cost in excess of £50 million, in addition to what has been spent already, but they inexplicably add that this represents a “good, worthwhile and necessary investment”. This does not make any sense. How can it be a “good, worthwhile and necessary investment” when the estimated cost of completion and the money paid out together represents more than double the original tender price?

Commenting on the matter, the Deputy Chief Minister Dr Joseph Garcia said: “In a democratic society Government and Opposition normally have diverging views on a wide range of issues and this is perfectly acceptable and something that we respect. However, the new Government has an obligation to hold the Opposition to account for what they have done during their time in Government. This we intend to do.”