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CHIEF MINISTER'S NEW YEAR MESSAGE

Good evening

I hope you have had an enjoyable Christmas and New Year period with your families.

Whatever your personal beliefs it is family that makes the festive season so special.

For Justine and me it has been great to watch Sebastian enjoy opening presents and saying his first words.

Indeed, 2013 has been in great measure an excellent year for Gibraltar.

Despite the huge debt burden and the £100m hole we found that the GSD had left in the Government companies, you have seen your Government deliver outstanding economic performance, including our brilliant GDP growth of almost 8%, our record high surplus and our shrinking gross and net debt.

Our useable cash reserves increased dramatically from approximately £2m at the end of the GSD's last financial year in office to £85m whilst at the same time there have been tax cuts and increased allowances.

In sport, our footballers have finally been recognised as part of the European football family, something which has made all of us very proud indeed.

We enjoyed an excellent National Day that many described as "the best ever" with Prime Minister David Cameron going further than any UK government minister has before when he said that we should keep Gibraltar British.

Music to the ears of all Gibraltarians!

What a great day that was.

A huge amount of work has also already been done in respect of our existing housing estates.

The previously forgotten estates of Moorish Castle, Laguna and Glacis are already seeing their exciting and modernising refurbishments underway.

Work will also soon commence at Anderson House and sheds and other works around Marfarlane House and Tankerville is almost complete.

I am delighted at the progress of this work and how fantastic it will be in changing the environment for those who live in these areas.

Similarly, work has already begun on the new affordable housing estates.

At the Aerial Farm on the Eastside foundations have already been laid and the structure can be seen rising.

At the Coach Park, bore holes have already been made and the erection of the hoarding heralds the imminent start of works.

And the new rental housing for the elderly on Europort Avenue, to be named Charles Bruzon House, is also already starting.

In total 1,049 flats are under construction already.

The marketing of these quality affordable homes that will provide excellent value for money will start in the first quarter of this year, with priority being given to those on the housing waiting lists.

The very exciting Commonwealth Park is now also becoming a reality; a beautiful green area in the centre of our urban environment.

Trees were planted on schedule and works should be completed in the first half of the year.

The area will, no doubt, become a new iconic part of our cityscape benefitting of all us, but in particular those who live in that area.

We have also started the process of bringing bunker storage onshore and we have enjoyed our growing music festival, a great jazz festival and a literary festival that have all added hugely positively to the cultural fabric of our nation.

You will be pleased to hear that these events will grow and improve this year again.

Regulation of the marine environment including licenced diving and fishing will also become a reality early this year as we fulfil our commitment in this respect also.

Works at the new KGV and the substantially redesigned Alzheimers and Dementia facilities are now almost complete, as well as new Care Agency facilities for the elderly at the old St Bernards Hospital.

The new KGV will at last deal with the serial under-investment in the care of those with mental health issues.

Work has also begun on two new schools in the Upper Town so that these will be completed in time for the start of the new school year in September 2015.

The tender for the new power station will also be awarded in the early part of this year.

This will be a hugely important investment for our future; and one that we can make with the peace of mind that the temporary turbines we imported mean that we have no lack of generating capacity to worry about now as we did before we were elected.

The works on the electrical distribution network are urgent though, and that is work which we have already commenced and will be continuing.

Most importantly, the new power station that we deliver will not require a 100% increase in the cost of electricity to you over 20 years, as had been planned by the previous administration.

And in financial services and regulation we have completed the work to transpose all EU directives ahead of schedule - having inherited almost 60 from the previous administration that were past due transposition.

As a result for the first time ever since we joined the European Union – Gibraltar is in full compliance with adoption of EU rules.

That is the culture of compliance we are promoting across the board in everything this Government does.

In gaming, we have engaged in a positive dialogue with the United Kingdom Treasury and Department of Culture Media and Sport on the regulation of that industry in the future which I believe will hugely benefit the reputable operators in that industry that have their bases established in Gibraltar.

And at the end of the year the Cabinet agreed to the start of the process of application for a licence for a new bank, Gibraltar International Bank.

This Bank will work together with the Savings Bank to help fill the void of the reduction in service by Barclays Bank, creating jobs and maintaining the retail banking options Gibraltar needs.

The Savings Bank itself is expanding and now has larger reserves than it has had for years.

All of this is exciting and demanding work in progress that continues into 2014 and demonstrates that your Government is delivering exactly as we said we would; complying with our commitments to you exactly we said we would.

The work we started even before we were elected, with Unite and the GGCA, on new hours for the Civil Service will also soon start to become a reality early in this New Year.

For businesses and the public this will mean longer counter hours and therefore a better opportunity to interact with government.

The roll-out of e-government services will also begin in earnest this year and will further transform how you can interact with the government “online”.

All very exciting changes that will make Gibraltar more modern and push us to the forefront of developments in e-government.

I also want to tell you tonight that after extensive consultation with the Government, the Collector of Customs has exercised his discretion to stop the retailing of tobacco in Laguna and Glacis estates as from the 31st March of this year.

As from that date tobacco will only be available in the estates for sale in cigarette vending machines, one packet at a time.

This is designed to put an end to the anti-social behaviour of tobacco purchasers which has become prevalent in these estates in the years before our election.

I told you that my Government would not tolerate the anti-social consequences of this activity and - working with Customs - action has now been taken to ensure the problems are eradicated by the end of the first quarter of this year.

We will also not tolerate unsightly illicit tobacco activity on our beaches or near the frontier.

I have already given additional powers to Customs and RGP officers to move people on from these areas.

More is now being done which will include changes to our Tobacco Act and the setting up of new areas to search people and vehicles trying to exit Gibraltar.

Because the Gibraltarians are known to be a law-abiding people and we will not allow anyone to come from outside to tarnish our image internationally, however desperate their circumstances.

There is also no doubt that 2013 has been a year of huge challenges for us as a Community.

We have had to face rhetoric and action from the present Spanish government of the type that many of us had hoped would be a thing of the past.

That has included Spanish state vessels making repeated incursions into British Gibraltar Territorial Waters and on one occasion in June even shooting rubber bullets at a Gibraltarian jet-skier.

The Spanish Government and their supporters did not like it when I reported these matters to the United Nations in October, as is my obligation as Chief Minister.

All of those Spanish incursions into our waters since 2009 are meant to somehow pretend to assert that they are under Spanish sovereignty, contrary to the explicit position set out in the United Nations Convention on the Law of the Sea.

Ironically, after two years of heightened tension and belligerence, Snr Margallo has himself finally recently accepted that Spain might not succeed in a claim on our waters in the international courts.

It is therefore now time for Spain to stop incursions at sea that have no place in the 21st century and that risk the lives of law enforcement officials on all sides.

Let's face it, they do their best work when they are co-operating in the battle to stop drug smuggling and people trafficking and not when they are being used as part of a wider sovereignty agenda.

We have also seen on land illegal and disproportionate queues at the frontier which are clearly politically motivated and which even the European Commission has described as "unjustified" in its letter to Spain.

I particularly regret the cruel pedestrian queues that have recently been sporadically implemented and which indiscriminately affect people of all ages in all weather conditions.

We do not reciprocate by using the legal rights we undoubtedly have that would inevitably create lengthy queues of workers trying to access Gibraltar in the mornings.

That would achieve nothing and would hurt only those people, most of them Spanish, who live in Spain but rely on Gibraltar for work.

I do not believe that this hostile approach from Spain's government is representative of modern Spain and its good people.

But we can see daily on our television screens that Spain is in the grip social, political and financial turmoil.

As a nation we must wish our Spanish neighbours well, for the sooner they emerge from this economically induced crisis the sooner we can stop being a scapegoat for all their ills.

Although we will all recall that we have lived with frontier queues for years, in particular on the previous occasion that Spain had a Partido Popular government.

Indeed, it is now abundantly clear that some parts of the present administration in Spain have no desire to work to progress good neighbourly relations with Gibraltar "unless there is also progress on sovereignty".

That was the position explicitly set out by Snr Margallo in January 2012, exactly two years ago.

We should therefore not be surprised that it has not yet been possible to agree a framework for talks on non-sovereignty related matters.

The Gibraltar Government, however, remains ready attend talks under the Trilateral Forum for Dialogue - which the United Kingdom Government and the Spanish Opposition also remain strongly committed to.

We will also agree to take part in ad-hoc talks as proposed by Foreign Secretary William Hague - subject to the common red lines of the United Kingdom and Gibraltar Governments being preserved.

Because dialogue is the only answer; but it cannot be a dialogue exclusively on Spain's terms.

Late last year we said farewell to Sir Adrian and Suzie Johns, who have lived through many of these issues with us, and we have welcomed Sir Jim and Liz Dutton.

If we have said "goodbye" to a strong friend in Sir Adrian, I am confident we have said "hello" to an equally strong friend in Sir Jim, a retired Royal Marine, and I am looking forward to the first full year of working with him.

The Royal Gibraltar Regiment have, as usual, done us proud in 2013.

Ten of their brave members have been away from their loved ones last year on deployment to Afghanistan.

To them, and to all members of our essential services, the RGP, City Fire Brigade, GHA, Gibraltar Squadron, GDP, Customs – and all the others who keep us safe with their

sterling work, thank you, on behalf of all the Community for your work in 2013 and thank you also in anticipation for all you will be called upon to do for us in 2014.

Now, as we begin 2014 you can rest assured that we will have many reasons to celebrate this three hundred and tenth year of a British Gibraltar.

Not least will be a strong economic performance in the financial year that ends in April and strong predicted growth for the rest of the calendar year.

New private sector developments are poised to break ground and deliver important inward investment alongside the Government's own public sector projects.

We will also shortly start to unveil new initiatives in partnership with foreign investors and will continue our work to attract even more new inward investment from around the world.

This is therefore going to be an exciting and great year for Gibraltar.

Sticking together as a community we will reap the rewards of our continued hard work and face off any challenges thrown at us.

So, on behalf of my wife and our family, I take this opportunity to wish you all much health, happiness and prosperity for a great 2014.

Thank you for taking the time to listen.

Goodnight.