



# HM Government of Gibraltar

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Deputy Chief Minister

## PRESS RELEASE

No. 434/2015

Date: 22nd June 2015

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**THE HON. DR JOSEPH GARCIA MP**  
**DEPUTY CHIEF MINISTER**  
**BUDGET ADDRESS 2015 – 22 JUNE 2015**

Mr Speaker,

This is my seventeenth contribution to a budget debate in this House, my fourth as a member of the Government. It is also the last budget before a general election takes place later this year.

**PARLIAMENT**

Mr Speaker,

I have been collating data for these debates for the past seventeen years.

It is important to make the point once again that there is a vast improvement in the volume of information that is available and in the accessibility to such information compared to what was the case when I first started.

This improvement benefits both sides of the House but it particularly benefits the Opposition.

Indeed,

as I have remarked before,

sixteen years ago Hansard was not available until nearly a year after the event. This severely curtailed the ability of the then Opposition to do its work.

How things have changed Mr Speaker!

The existence of something as simple as a Parliament website means that a considerable amount of information is now placed in the public domain automatically.

These changes reflect the Government's commitment to the democratic agenda.

That democratic agenda listed 28 points. Twenty of these have been finalised and the remainder are in progress.

Hansard is now produced far quicker than before and it is placed on-line.

The proceedings of this House are now televised.

We have delivered on a more inclusive form of politics.

Collective decision-making through the Cabinet is now the norm.

A Command Paper on Freedom of Information legislation has been published.

The Chief Minister has answered questions from the electorate once a quarter.

A 20 year rule for the release of documents is in place.

A Public Interest Disclosure Act has been adopted.

A Ministerial and Parliamentary Code are nearly finalised.

There have been more meetings of Parliament than ever before with no limit on the number of Opposition questions.

More economic and financial data is published by the Government automatically on-line.

These are not cosmetic changes, Mr Speaker. The way in which Gibraltar works has been transformed.

The Opposition should not belittle what has already been achieved.

We have gone as far as the pledges in our manifesto. This is, after all, what we were elected to do. In some areas we have gone further than the manifesto itself.

The reforms which have been introduced go to the very heart of the way in which Parliament places information, including its proceedings, before the press and before the people.

It is a fact that the system in place now is therefore far superior to what was there before.

The GSD, Mr Speaker, had plenty of time to reform the system over a period of fifteen years and they did not.

The plain fact is that in a quarter of the time we have already gone much further than they ever did.

### **75<sup>th</sup> ANNIVERSARY OF THE EVACUATION**

Mr Speaker,

the House knows that this year is the 75<sup>th</sup> anniversary of the Wartime Evacuation of the majority of the civilian population of Gibraltar. The Government has set out to honour that generation of Gibraltarians.

A series of activities to commemorate this landmark in the political development of Gibraltar and its people have already taken place and more will follow.

A set of stamps was issued last year.

A dedicated website on the Evacuation has been set up by the National Archives in Gibraltar.

The Archives have used the website as a focal point for the creation of a register of former evacuees. The number of persons who have registered on-line and in person has exceeded all expectations. This result of the success of the project was that a memorial event had to be moved from the Evacuation roundabout to Casemates Square quite simply because there was not enough room at the former location to accommodate everyone.

There are now over 700 people in the register of evacuees and they will be invited to the events that are being planned for later in the year.

Mr Speaker,

the House will know that a very successful exhibition on the subject of the Evacuation took place at the John Mackintosh Hall last month. This included photographs and memorabilia showing evacuee life in Madeira, Jamaica, Northern Ireland and London.

The exhibition generated considerable interest.

There were always groups of people browsing over the photographs and over the other exhibits.

I also had the pleasure to see groups of young school-children being taken around the different exhibition rooms.

The Government would like to thank Mr Joe Gingell who very kindly donated the majority of the material to the Archives for this purpose.

Mr Speaker,

given the success of the exhibition, I am happy to report that the exhibits have been converted into digital format and that the Government intends to place everything on-line. Therefore the whole collection will be available electronically all day every day to anyone in Gibraltar or indeed in the whole world.

The highlight of the Evacuation commemoration so far, Mr Speaker, was the memorial event which took place on Friday 22 May.

This was the anniversary of the exact day when the first evacuees sailed for French Morocco on the Government scheme 75 years ago.

It was a pleasure for the Government to have marked the occasion in a way which clearly touched those people who were forced to leave our shores under threat of War so many years ago.

The memorial event and the reception which followed were both very well attended, as was the earlier talk by Dr Suzanne Francis-Brown from the University of the West Indies.

The Chief Minister has already announced that Monday 7 September this year will be a Public Holiday known as Evacuation Commemoration Day.

This is a fitting tribute to the sacrifice made by many thousands.

The day will serve to remember further those evacuees who are no longer with us and at the same time to again honour those who still remain.

The details of forthcoming events will be announced nearer the time.

Mr Speaker,

it is important to commemorate the Evacuation at this juncture for a number of reasons.

Firstly

because the sad reality is that the number of evacuees will have regrettably diminished by the time the 100<sup>th</sup> anniversary comes round.

Secondly

because younger generations of Gibraltarians should learn about this watershed in the political development of Gibraltar.

The Government considers that it is essential that young people come to understand and to appreciate the sacrifices made by their forefathers, without which Gibraltar as we know it would not exist today.

Indeed, it is the understanding and appreciation of our history and of the struggles of the past that prepares us best for the challenges of the future.

Mr Speaker, I would like to take this opportunity to thank everyone who was involved with the exemplary organisation to date of the Evacuation events. This includes the Archivist and his staff, the Ministry for Culture, the Protocol Section and finally my own personal staff in No 6.

### **SELF-DETERMINATION**

In the same vein, Mr Speaker, last year a very successful seminar on “self-determination” was held at the Garrison Library. A number of high-profile international and local academics looked at the concept from different angles.

There was considerable debate and discussion.

The right to self-determination of the people of Gibraltar featured specifically in the presentations that were delivered and in the questions afterwards.

There was also discussion on the subject of devolution and regional identity with an examination of the case studies of Scotland, the Basque Country and Catalunya.

The imposition of direct rule on the Turks and Caicos  
And  
self-determination in relation to the Falkland Islands were also raised.

I know that my friend and colleague Joe Bossano contributed to these debates.

Mr Speaker,

this year,

a follow-up seminar will take place from 22<sup>nd</sup> – 24<sup>th</sup> October at the Garrison Library.

The subject matter will cover the Second World War  
and the subsequent progress towards decolonisation

through the principle of self-determination.

In this way, the World War Two theme will tie in very well with the parallel commemoration of the wartime Evacuation of Gibraltarians.

I would like to thank the Director and staff of the Garrison Library for their continued assistance with this project.

### **EUROPEAN AFFAIRS - Border**

I move on now to Europe.

Mr Speaker,

in December I was formally allocated the portfolio of European Affairs and political lobbying. This formalised the work which my office had already been doing for some time.

Indeed, it was already taking up an ever increasing amount of that time.

It will be recalled that in August 2013 the Prime Minister David Cameron formally requested the involvement of the European Commission after the unacceptable and deliberate delays generated by Spain at the border.

The Government continues to actively bring the situation at the border to the attention of the European Commission.

Reports are compiled in my office every month and sent to the Commissioner responsible in Brussels.

The Chief Minister and I held several meetings with Commissioner Malmstrom, who handled the Home Affairs brief in the Barroso Commission and more recently I have met with Commissioner Avramopolous in the Junker Commission who is responsible for Migration and Border Management.

There have been two inspection visits to the frontier.

The first took place in September 2013 and the second in July 2014.

The House knows that the Commission made a number of recommendations following on from those visits.

The Commission saw in July 2014 that Gibraltar had complied with the recommendations that had been made to us.

They also saw,

as was clear to the Government and to any impartial observer,

that Spain had not complied by the due date.

This was reflected in the tone of the Commission's subsequent letter to Spain of 30 July 2014.

The Commission took up a number of issues with Spain.

This included the exit checks that Spain was then conducting on persons and vehicles leaving that country. The Commission called for the intensity of these to be reduced or eliminated completely.

The waiting times,

then up to five hours to enter Spain,

the Commission described in that letter as "disproportionate".

The Commission also told Spain that the period of time during which 100% of vehicles are checked were not compatible with a sound risk-based approach and that such checks should be eliminated.

Spain was also asked to increase the planned number of lanes going into the country from two (one red and one green) to three (one red and two green).

The Commission expressed concern that Spain had not discussed the programmed temporary works with Gibraltar, and although a note verbale had been sent to the United Kingdom late in the day, they urged that there should also be direct engagement with Gibraltar as well.

There has also been no formal direct engagement with Gibraltar and our information is that the note verbale never arrived.

Mr Speaker, it has probably not escaped this House that the works on the Spanish side of the border appear to have been designed to cause the maximum disruption at different points in time.

There is no doubt that with better planning, organisation and coordination it would have been possible to carry out these works with a minimum of inconvenience to those crossing the border in either direction.

Sadly this has not happened.

On 2 February 2015 the European Commission met Spain in order to discuss the implementation of their technical recommendations.

This meeting confirmed that the works relevant to frontier flow will be ready by the end of June 2015 and that the works that remain would take until the end of the year.

The House knows that this information was released by the European Commission in response to probing from the Petition's Committee of the European Parliament.

It is significant to note that the Commission,

from studying the data supplied by Spain itself,

has concluded that although the number of checks on persons have decreased, "it is still high".

The Government takes note that the Commission has acknowledged that Gibraltar has "progressed in adopting the relevant measures to address the recommendations" that they made.

In the case of Spain,

however,

they make clear

that “further efforts are needed in order to balance the intensity and the frequency of checks with the objectives pursued.”

Mr Speaker,

it is a just recognition of the efforts made by Gibraltar that the European Commission has now acknowledged just how seriously we take these matters.

Whether the infrastructural changes on the Spanish side will be completed in the given timescale remains to be seen. These changes must be accompanied by different procedures in order for there to be any real and sustained improvement in the flow rate of traffic across the border.

Mr Speaker, we will wait and see.

### **EUROPEAN AFFAIRS - Complaints**

Mr Speaker

It is certainly very useful for the Government to be able to engage directly with the European Commission and with the other institutions in Brussels.

The House will recall that thanks to the hard work of the EUID and the Ministry of the Environment,

the Spanish complaints against the artificial reef,

the bunkering of vessels

and the land reclamation on the Eastside were all dismissed.

That is to say

the Commission found

that

on examining these cases,

there had been no breach of EU law on the part of Gibraltar.

It is also significant

that a complaint about pollution in Western beach  
caused by illegal sewage connections to a storm drain in Spain  
has finally been addressed.

This complaint was first made many years ago by the Environmental Safety Group and Sir Graham Watson.

It moved at snail's pace for many years until we raised the issue during a meeting in Brussels with the relevant Directorate.

Finally,

Spain has accepted liability for the problem

and we now await a programme of works to see when they intend to rectify it.

Mr Speaker,

it is important to stress that results will not always go our way  
nor will they always be to our liking  
but  
at least this is a positive start.

In the area of taxation, for example, the Government continues to be concerned at the way in which Spain is manipulating the European institutions with a totally political agenda.

This is one of the reasons why my friend and colleague the Chief Minister addressed the TAXE Committee of the European Parliament during our visit there in May. The fact that Gibraltar chose to appear before the Committee at our own request was not lost on the Chairman.

In this context, it is important to note that Gibraltar was not included in the list of 30 tax havens published by the European Commission last week.

However, Mr Speaker,

we have seen Spanish Commissioners,

Spanish Members of the European Parliament

and even Spanish judges adopt questionable positions on Gibraltar in the past.

Spain continues to push and we must push back.

### **EUROPEAN AFFAIRS - Lobbying**

Mr Speaker

Therefore the Government continues to raise Gibraltar's profile in Brussels in different ways.

This year I have visited the EU institutions three times, on one of those occasions with the Chief Minister.

In each visit we have chosen to concentrate on specific issues like the border, taxation or aviation.

In January a very successful exhibition was held at the European Parliament. The location of the stand on the main third floor concourse worked very well and any MEPs and officials approached it in order to learn more about Gibraltar.

Indeed,

it also led to the ire of a senior Partido Popular MEP who brought television cameras to the stand and denounced it as a provocation to Spain.

The result, Mr Speaker,

was an increase in the number of visitors as a consequence of the additional publicity!

I also took the opportunity to meet with two Commissioners, Violeta Bulc who is responsible for Transport (including aviation) and the Regional Development Commissioner Corina Cretu.

At the end of May, Gibraltar House in Brussels was officially opened by the Chief Minister.

The building will serve as the nerve-centre for the Government's enhanced operations in Brussels. Indeed, it had been used as a base even before it was officially opened by both the Financial Services Commission and the Citizen's Advice Bureau.

The Government was delighted with the interest in Gibraltar shown during the opening

by Ambassadors,

Members of the European Parliament,

Brussels-based think tanks,  
and the media.

The Government's activities in Brussels are guided and directed by Sir Graham Watson whose commitment, energy and network of connections have already proved to be extremely useful.

A lawyer from the EUID Daniel D'Amato has been seconded there.

There are two interns recruited locally in the normal way as happens in the EU and one original staff member who has served Gibraltar for more than ten years continues to do so.

Mr Speaker, the Government is confident that this team, supported from a legal perspective by the Attorney General Michael Llamas and politically by myself will assist in putting across the Gibraltar message in Brussels.

I must also at this stage express the gratitude of the Government to the United Kingdom Representation UKREP who have been very helpful during the period of the establishment of the office and with whom we continue to work closely.

Mr Speaker,

the Government welcomes the position taken by the United Kingdom Government in relation to the inclusion of Gibraltar Airport in EU civil aviation measures.

The Government has been assured that this remains a red-line issue for the United Kingdom.

In a written statement to Parliament earlier this month,

the Parliamentary Under-Secretary at the UK Department of Transport Robert Goodwill said

that the UK will continue to press for the extension of air passenger rights legislation to Gibraltar Airport in line with the EU Treaties.

The House can rest assured that this Government will continue to lobby at every opportunity,

particularly in Brussels,

to ensure that our position is fully understood.

We cannot do more than is being done at present.

In January, as part of this strategy, I addressed the European Policy Centre, which is one of the main think tanks in Brussels, precisely on the subject of aviation coupled with an explanation of our position as part of the European Union.

The hall was packed with diplomats, officials, MEPs and journalists.

This helped to get across the Gibraltar point of view.

In March this year I was able to meet with a number of Vice Presidents on the Transport Committee of the European Parliament and with the spokespersons of different political groups.

It is important that Gibraltar's message should continue to be heard face to face.

For the first time,

I also met with the coordinator of the European People's Party EPP (which contains Spain's Partido Popular).

The House will recall that the EPP voted against Gibraltar's inclusion in EU civil aviation legislation as a block.

It was a lively meeting but a useful one nonetheless.

Mr Speaker, the position of the Government is that Gibraltar is entitled to inclusion in EU civil aviation legislation as of right.

The UK Act of Accession lists the areas of Community policy which do not apply to Gibraltar.

Aviation is not listed among them.

Therefore

the exclusion or suspension of Gibraltar Airport from such measures

would run against the Treaty

and would be illegal.

The Government continues to argue that there was already a wording agreed at Cordoba between Gibraltar, the United Kingdom and Spain for the application here of EU law on civil aviation.

This was a clause which stated that such legislation would apply without prejudice to the positions of the United Kingdom and Spain as to the sovereignty of the land on which the airport is situated.

The acceptance by Spain of this language between 2006 and 2011 meant that EU civil aviation law was extended to Gibraltar during that time.

However,

it is important to point out that this principle was applied going forwards and in relation to new and amending legislation but it was not applied going backwards.

In other words,

Cordoba required the UK and Spain to seek the inclusion of Gibraltar in pre-2006 measures as well.

This did not materialise and has further complicated the situation.

Mr Speaker,

the House knows that at the end of 2011, a new Spanish Government chose to dishonour what their predecessors had agreed and we are where we are today as a result of that.

In other words,

progress on EU aviation dossiers is not being held up by Gibraltar and is not being held up by the United Kingdom.

It is important that the blame for this impasse is placed roundly and squarely upon Spain.

### **EUROPEAN AFFAIRS – Referendum**

Mr Speaker,

the House will know that Gibraltar will be included in the Referendum to determine whether the United Kingdom should leave the European Union or remain within it.

The United Kingdom and Gibraltar Governments are now engaged in discussing the detail of the legislation that will be required to make this happen as well as the timing.

The Chief Minister has asked the Attorney General Michael Llamas and I to represent Gibraltar in the working group that has been created between the two Governments.

Good progress is being made.

Mr Speaker,

the Government welcomes the political decision to include Gibraltar in the UK Referendum because we are part of the European Union and clearly have something to say on the subject.

It is no secret that the view of the Government is that both Gibraltar and the UK should remain in the EU.

This is the case for both political and for economic reasons.

We all know that our experience with the European Union over the years has been far from perfect.

For years many of us have urged the EU to be more robust when it comes to calling Spain to account over its behaviour towards Gibraltar.

Very often we play by the rules of the club and do not enjoy the benefits of the club.

I have told them this in Brussels myself to their faces.

However,

the harsh reality is that without the framework of rules provided by the European Union, Spain could

and would

do much worse.

Who can forget the reports that early on the Partido Popular Government had commissioned a study to see whether they could close the frontier?

Who can forget Mr Margallo's plan for a frontier toll which was scuppered by the European Commission?

Things are not perfect in the EU, Mr Speaker, but we can work together to make things better.

Before I close on the subject of Europe, I would like to welcome the recent visit to Gibraltar by Cecilia Wikstrom MEP, who is the Chair of the Petition's Committee of the European Parliament.

The Government is convinced that there is no better advertisement for Gibraltar, no better advocate for Gibraltar than Gibraltar itself.

We have nothing to hide.

It was a very useful visit.

This week a group of Parliamentary Assistants to MEPs arrive in Gibraltar on a fact-finding visit.

They come from Estonia, Hungary, the United Kingdom and Poland.

It is important to make sure that the Assistants are well-briefed of the reality of Gibraltar because very often MEPs depend on them for advice.

The Government intends to continue visits to Gibraltar by relevant MEPs and also by Parliamentary Assistants.

I would like to take this opportunity to thank Michael Llamas and the EUID for their assistance and support to this new Ministry.

I would also like to thank Sir Graham Watson and the staff of Gibraltar House in Brussels.

### **CIVIL AVIATION – Aviation Security**

Mr Speaker,

I now move on to my responsibility for Civil Aviation.

Within the UK, responsibility for the conduct of aviation security inspections in all UK Airports,

including those of the Crown Dependencies and Gibraltar,  
has passed  
from the Department for Transport  
to the Civil Aviation Authority.

In common with other European airports and in response to European legislation that will come into effect on 1 September 2015, the Airport is preparing for the increased use of Explosive Trace Detection equipment in the screening process.

Although already used in the screening of hand luggage,  
the legislation will,  
for the first time,  
allow the use of the Explosive Trace detection equipment in certain circumstances for the screening of passengers in lieu of the standard hand search.

The use of this equipment will be less intrusive for passengers and should help to speed up the screening process. To meet the requirement the Airport is in the process of procuring one additional Explosive Trace Detection equipment.

Mr Speaker, during the course of the last financial year, as a part of the ongoing work in preparation for the Tunnel project, the Government has significantly upgraded the security fencing along almost the entire length of the airfield's northern boundary.

The only remaining area of the northern boundary without fencing is the part at the very eastern end of the airport, which cannot be completed until after the tunnel works there have been finished.

### **CIVIL AVIATION – Aviation safety**

Mr Speaker,

on Aviation safety,

the Gibraltar Airport Emergency Orders have been completely rewritten during the last year.

The air terminal was fully exercised as part of these new Orders, which incorporated new roles that had not been previously practised before.

There was very positive feedback from the staff that participated.

Indeed,  
two full-scale exercises have taken place at the Airport to test the integrated response from both the Airport and Gibraltar Emergency Services.

The second exercise was observed by a specialist inspector from the United Kingdom Civil Aviation Authority and received very favourable comment.

The continuing efforts made by all Departments participating in the plan to take ownership of their respective areas and to suggest improvements deserves recognition and I would like to record my thanks for all their efforts.

#### **CIVIL AVIATION – Other issues**

Mr Speaker,

my colleague the Minister with responsibility for Tourism Samantha Sacramento will deal with airport issues in more detail.

I simply want to congratulate her and her predecessor Neil Costa for the growth of 8.1% in the number of passengers handled through the air terminal. There has also been a growth of 4.7% in Aircraft Movements.

The two new services provided by Royal Air Maroc to Tangiers and Easyjet to Bristol have no doubt contributed to this growth.

I continue to take a close interest in these matters having shadowed tourism in Opposition for more than ten years.

Mr Speaker, I welcome the fact that work has continued to improve the passenger experience at the air terminal with all staff now receiving Disability Awareness Training specific to the Aviation industry and again I congratulate my colleague for that.

I take this opportunity to thank the Director of Civil Aviation, the Air Terminal Director and the management and staff of the Borders and Coastguards Agency.

### **TOWN PLANNING AND BUILDING CONTROL**

Mr Speaker,

I now move on to my responsibility for Town Planning.

The Government is satisfied that the commitments it made in relation to Town Planning are either in place or in progress.

- The Town Planner is the Chairman of the Development and Planning Commission.
- The meetings of the Commission now take place in public.
- Objectors and applicants are heard at DPC meetings as a matter of right.
- A sub-committee of the DPC has been set up in order to expedite minor works.
- The Environmental Safety Group is now a valued voting member of the DPC.
- The minutes, decisions and agenda of DPC meetings are published on- line.
- A new Town Planning Act is about to be published as a Command Paper.
- A part of the planning process is now available on-line. The rest is to follow.
- Government projects are subject to the planning process using a mechanism which has worked very well.

- The details of all Government applications are available on-line.

There can be little doubt, Mr Speaker, that by any objective analysis, the planning process is now light years ahead from where we found it.

No system is perfect, but what we have today is certainly a huge improvement compared to the system that we inherited.

The level of public participation and the level of public debate and interest in the planning process has exceeded all expectations.

This is a good thing.

It is often standing room only for the public and the media in the DPC.

The Opposition continue to be obsessed with turning the clock back to the system that they used to preside over.

We have replaced that secrecy with transparency.

We have replaced a closed system with an open one.

We have let the public into the planning process when they shut them out.

Mr Speaker,

there were 1645 planning applications made from January 2012 until the end of May 2015.

250 of those applications related to Government Projects.

The policy of the Government continues to be that under the new legislation the views of the DPC must be taken into account by all applicants including by the Government itself.

Mr Speaker,

it is important to highlight the fact that there is already more information available on-line automatically about planning applications than ever before.

As I have indicated,

the ultimate objective of the Government remains to make the whole planning process of any application available on-line. I am pleased to tell the House that the development of this policy is now in its final stages.

Mr Speaker, e-planning will make the planning process even more accessible and interactive with the public.

This is in line with the overall policy of the Government to increase contact with the public electronically.

It is important to stress once again that at the same time as the improvement in electronic interaction between the department and the public, there has also been a reinforcement of staff on the ground.

The system that we inherited was unsustainable, Mr Speaker. There was no proper structure which allowed for succession planning and for smooth internal operation.

There are now two young Assistant Town Planners who were locally recruited in place.

There are Town Planning Technicians with proper job descriptions that they lacked when we came into office.

This has resulted in improvements for the staff and in improvements for the public.

There are also more administrative grades in place.

Mr Speaker, at a meeting of the Urban Renewal Committee earlier this year, it was decided to commence the review of the Gibraltar Development Plan.

This will be a work in progress and it will take time.

The last plan dates back to 2009. The traditional practice was for these plans to be renewed every ten years which means that the 1991 plan should have been reviewed by the then GSD Government on or around 2001. It took eight more years for this to happen until 2009 when the new plan was finally formally put in place.

Mr Speaker,

the number of Building Control applications received continues to increase with an all-time record of over 500 applications processed in 2014.

There has also been a record number of Approval Notices issued which now stand at over 400.

This was reflected in another all-time record with respect to the revenue generated by the department of £289,225.

The Government has recently advertised for the post of TG1 in the Building Control department where the intention is to also provide, over a period of time, a similar succession chain as in Town Planning.

I would like to take this opportunity to thank the management and staff of the Town Planning and Building Control Department for their continued positive and professional approach.

It is public servants like them who are instrumental in the successful delivery of the policies of the Government.

Mr Speaker, the Town Planning and Building Control Department is at Head 12 and the total amount of estimated expenditure for this financial year 2015/2016 is £1,127,000.

### **LAND AND URBAN RENEWAL**

Mr Speaker, I will say something briefly now on Urban Renewal and Land.

A new Urban Renewal Officer is now in place at the Town Planning Department.

There are a number of useful projects that the department has now embarked upon as a result.

This includes the compilation of a database which will show all vacant properties in Gibraltar particularly in the Upper Town area.

This work will culminate in the long term in the creation of an action plan for the areas of the Upper Town that most need work and where action is most critical.

It is important to make the point that in many cases buildings are not owned by the Government.

This means that there will be a need to work closely with private sector landlords when the time comes.

It is also relevant to point out that Land Property Services Ltd and the Ministry for Housing are now engaged in the identification of those Government-owned properties that can be put out to tender in the Upper Town.

This has already happened both with individual dwellings and with building clusters.

It is clear to the Government that there is a demand for these properties and the policy will remain to regenerate the Upper Town and bring it back to life in this way.

Mr Speaker, during the financial year 2014/15, 19 residential properties were advertised and sold by tender. In addition to this, seven commercial premises have been advertised for tender during the financial year 2014/15.

A number of sites have been advertised for expressions of interest.

These include the old air terminal, The Mount, Lathbury Barracks Parade Ground, the KGV Site, part of the Victualling Yard and Central Police Station. A number of these are still open for applications or are pending assignment, further discussion, or completion.

I would like to take this opportunity to thank the management and staff of Land Property Services Ltd and at the Lands Office in Convent Place for their assistance and support throughout the year.

## **LANDS – Development of land**

Mr Speaker, the House will recall our commitment in Opposition to ensure that prime plots of land were not permitted to continue to lie idle.

We wanted to ensure that developers developed.

This is a policy that we have pursued in Government.

It has turned out to be very successful.

We had been critical of the terms that the previous Government had negotiated with the Ocean Village group when we were in Opposition and we vowed to change these.

Those changes were made.

The result is that the World Trade Centre project has finally got off the ground.

This is an example of a project that had been stalled for a number of years and that is now finally moving.

There will be others Mr Speaker.

The Government also came to an agreement with the developers of the Mid Town site whereby part of the plot was handed back to us.

The remainder of that plot, as the Chief Minister said earlier, is now finally being developed.

The announcement made last week in relation to the Eastside also falls into this category. The Government negotiated and agreed to buy back the plot of land from its original owners for £28 million after the plot had been allowed to lie idle for many years.

It will be sold for £83 million by way of cash premium and will lead to the development of the Blue Water resort.

There are plenty of public gains from this project.

This includes over 1000 affordable homes, a car park, a public pool on the Eastside and a law enforcement marine base.

Mr Speaker, the total development value of the project will be an investment in Gibraltar in the region of £1.1 billion. This will deliver considerable economic growth and opportunities for employment.

The Government looks forward to the progress of these and other developments.

It is relevant to point out that the estimate from the Building Control Department is that private sector capital investment in Gibraltar has grown to £106.8 million in 2014.

### **CONCLUSION**

Mr Speaker, I would also like to say a few words on the delivery of the GSLP/Liberal manifesto which has been our programme of Government over the last three and half years.

Time has gone by quickly.

We have taken our commitment with the electorate extremely seriously. In the recent past, other Governments have regarded their manifestos as little more than a “wish list”.

We took the view in Opposition that this was not good enough.

A manifesto is much more than a vague idea or a rough indication of the way in which a Government intends to proceed.

A manifesto is a commitment with the electorate.

It is a commitment that this Government takes seriously.

It is true that sometimes the best Government plans can be thrown off course by unforeseen circumstances. This has happened to all Governments and it will happen to us also.

There are areas where we have had to accommodate the commitment at a different location in Gibraltar due to technical or other considerations.

Therefore the car park in the centre of town was moved the short distance from beneath Commonwealth Park to above Reclamation Road. The bathing area at Mid-Harbours has now been provided in the GASA area and so on.

However,

the number and proportion of manifesto commitments which are complete, in progress or on-going is without precedent in Gibraltar and the Government takes considerable pride in this achievement.

From Commonwealth Park,

to affordable housing,

to the small boats marina,

to the University and the new schools,

to improvements in health and elderly care,

this is tangible and there for all to see.

Mr Speaker, there are those who will nonetheless still choose to nit-pick no matter what the Government does.

In many ways the arguments that those people parade are often inconsistent or contradictory.

For example,

those who held two or three meetings of Parliament a year now call for greater democracy.

Those who practiced a closed system of town planning call for greater transparency.

Those who used to carry out capital works using Government companies, complain when others continue the same practice.

Those who presided over 16 years of traffic chaos mock the positive solutions that we have started to roll out.

Their approach is one of “do as I say and not as I did”.

Mr Speaker, this is not a credible way for an Opposition to conduct their business.

Having said that, this is also clearly a matter for them.

However, the electorate will see through this.

They will also see through the second pillar of their strategy which is the well-worn tactic of scaremongering.

This is sadly the approach they have chosen to adopt on matters like the LNG power station or on public finances.

The reality is that by any objective analysis this Government has improved Gibraltar for the better.

We have progressed forward with the physical fabric of Gibraltar, with improvements to administrative practice and with important additions to our legislative framework as well.

Mr Speaker, the Government knows that everything is not perfect and that there is still plenty of work to be done.

No Government can be perfect.

However,

it is clear nonetheless as we approach an election that we have taken Gibraltar huge strides forward in a positive direction.

Mr Speaker, I conclude by thanking you, the clerk and the staff of the House for your support throughout the year.

I also want to publicly thank my personal staff in my office at No 6 Convent Place.

Thank you.

ENDS