

STATEMENT BY THE GSLP/LIBERAL OPPOSITION 119/2005
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Shadow Minister for Government Services Lucio Randall

The Opposition welcomes the statement from Gibtelecom that they are not downsizing the company and that there will be no reduction in the number of jobs. This followed the news that letters had been sent out to employees aged over 45 offering a financial package to those interested in taking voluntary redundancy.

Therefore this can only mean that the offers of voluntary redundancy made to staff over the age of 45 must be on the basis of replacement jobs being created in the company, although not necessarily in the same field of expertise.

The Opposition believe that the partnership between Gibtelecom and its American investors has worked well and has proved to be mutually beneficial. It remains to be seen whether Verizon sells its shareholding.

The Opposition do not support the Government view that they are prepared to consider selling the public shareholding in the company if they receive an offer from the same entity that decides to buy out Verizon's share.

Commenting on the matter, Shadow Minister for Government Services Lucio Randall said:

“While the Opposition note that the Government is not exactly advertising an interest to sell its own shareholding, it is important to note that they have not ruled this out, particularly in circumstances where they may need the money.”

“Moreover, when part of Gibtelecom was originally set up as Gibraltar Nynex, they were created from what used to be the old municipal telephone department which was part of the public service. Workers who moved from the telephone department to the company at the time did so on the basis that the Government owned half of it. This gave them a greater sense of security which employees would normally not have in any other private sector operation,” explained Mr Randall.

The Opposition considers that the interests of the employees in remaining linked to the Government through the existing ownership structure cannot be ignored. We trust that the Government will take all this into consideration if it decides to sell its share of the company.

ENDS