

STATEMENT BY THE GSLP/LIBERAL OPPOSITION

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The Government is once again trying to cloud the issue and mislead the public over the reasons why it took a policy decision to deny information to Parliament about the payments outstanding from Andalus airlines. The central point is that the Government has readily supplied this information in the past that it is only now that it is refusing to do so.

The Opposition has no interest in the tax affairs of thousands of ordinary citizens or of hundreds of companies where there is no public interest issue at stake. The difference between these ordinary cases and Andalus airlines is that there is a clear public interest in monitoring the payments due because there is public money involved in the operation. In terms of revenue, there is the landing charges and the passenger tax that has to be paid and in terms of expenditure there is the £50,000 marketing subsidy which the airline was supposed to match, the free overnight parking that it has received and the cost of the airport bus service to ferry passengers to and from La Linea.

It is the duty of the Opposition to monitor the extent to which public money and the non-payment of dues on time is keeping this venture afloat because this could amount to an indirect, hidden subsidy of the operation.

The Government told Parliament in October in answer to questions from Shadow Minister for Civil Aviation Dr Joseph Garcia that the airline had not paid any landing charges at all since they started flying to Madrid in April 2009, but that since the answer to the question had been drafted they had paid April and May. They also informed Parliament that an agreement had been entered into to repay the arrears. It is logical, given that this information was supplied in October, that at the next question-time four months later Dr Garcia should seek to establish the position at this time.

That the Government should say that good Governments simply do not act in this way is nothing more than a transparent and self-serving excuse to deny the information requested. Indeed, if it is not good Government to behave in that way then it begs the question as to why the present GSD Government have supplied such information in the past and not only about airlines.

Moreover, it is totally absurd for the Government to claim that they have no policy interest to protect in the case of Andalus airlines. They have a £50 million new air terminal building which they expect to open this year and which they hoped would eventually pay for itself through increased use by airlines. This decision to relocate the air terminal and construct a new one on the basis of

increased use is a glaringly obvious policy interest that they will want to protect particularly in the run-up to a general election. It will be recalled that Easyjet has already announced that its summer schedule will be cut by about 50% from what it was last year. In this context, the last thing the Government will want is for the Andalus operation to collapse or to be reduced as well.

Commenting on the matter, Shadow Minister with responsibility for Civil Aviation Dr Joseph Garcia said:

“It is therefore in the political interests of the Government that Andalus should continue to fly to Gibraltar, even with low load factors, in view of the hugely expensive new air terminal building. In the absence of any other information, it can only be assumed that this the real reason why they have been allowed to accumulate arrears of passenger tax and landing charges and why the Government has this time refused to supply detailed information about the amounts due to the Parliament and the people of Gibraltar.”

ENDS