

STATEMENT BY THE GSLP/LIBERAL OPPOSITION

49/2010

The Opposition understands that Natwest bank intends to make 24 of its staff redundant at its former Royal Bank of Scotland branch in Corral Road. This shows that the extension of the Natwest franchise to this branch has not been in the public interest despite the fanfare of publicity that greeted the move at the time.

In July of last year, Royal Bank of Scotland International announced its plans to expand the Natwest franchise in Gibraltar by changing the name of its branch in Corral Road. The bank said at the time that the decision demonstrated RBS International's continued commitment to Gibraltar and that the move gave them the unique status of being the only bank with two full service branches. It was also said at the time that the project would provide benefits for all customers and would focus its customer proposition and local growth plans around the Natwest brand. Most importantly the public was told that the "project will not result in any job losses."

It is absolutely disgraceful that after Gibraltar was told nine months ago that there would be no job losses, the news reaching the Opposition now is that 24 of the 37 staff are to be made redundant. Given that the bank has declared a state of collective redundancy, they now have a duty to try and investigate how they can ameliorate or avoid the job losses. The RBS group has been the beneficiary of a considerable amount of business from the GSD Government and as such they should not be allowed to behave in a way which is detrimental to the taxpayer and which will reduce the bank's contribution to the economy of Gibraltar.

It will be recalled that the Chief Minister introduced a Private Member's Bill into Parliament at the end of November entitled "The Royal Bank of Scotland (Gibraltar) (Transfer of Undertaking) Act 2009". Using the mechanism of a Private Member's Bill has saved the bank a lot of money in what would otherwise have been a lengthy procedure of closing down and transferring assets. In seeking leave

to introduce the Bill, the previous month, the Chief Minister explained that this was being done to facilitate its corporate rebranding and restructure in implementing the changes by Act of Parliament. Mr Caruana said at the time that he was “assured that there are absolutely no job losses arising from this rebranding” and described the bank as “significant and good employers in Gibraltar”. It is clear now that even though Parliament has assisted the bank, the bank has not reciprocated that gesture by assisting Gibraltar in turn. Moreover, the Opposition would never have supported the legislation had it not been made clear that there would be no job losses, on which point Mr Caruana reassured Parliament.

The Opposition wants to send a very clear message to the staff of Natwest that their offices are open and available for any advice, assistance or support that they might need in this matter.