

## **STATEMENT BY THE GSLP/LIBERAL OPPOSITION**

**26 January 2010**

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The main victims of the continuing row between the Government and Bruesa are undoubtedly those prospective home-owners whose patience has now been more than exhausted in the long delays that the project has suffered and in the many completion dates that have not been delivered. The developer is 100% Government-owned and therefore there is no way that the Government can escape having 100% of the responsibility for delivering as promised to the purchasers.

The Opposition is certainly not in the business of participating in any orchestrated campaign to get the Government to use taxpayer's money to pay Spanish and other contractors. Indeed, if anything, what the Opposition has been critical of consistently has been the vast sums of money that the Government has been happy and willing to pay to Spanish and other contractors without them being subject to any pressure or orchestrated campaign. In many of these cases the final cost of the project has been vastly more than the original budgeted amount.

If the Government, at this late stage, is suddenly going to question the reliability of the Spanish contractors, or the problems resulting from frontier workers who claim that they have not been paid the wages due to them, they have only themselves to blame. The Government have consistently defended the use of this contractor and of course frontier labour and refused to accept any responsibility over the many months that people have been holding demonstrations on this site claiming that the wages due to them have not been paid.

In June of last year there was a stoppage of workers at the site who claimed that a sub-contractor had not paid them for five months. The sub-contractor declared at the time that they had not in turn been paid by Bruesa, the main contractor. The Opposition raised this issue in Parliament over a year ago and pressed the Government, over and above the normal machinery for administering the law on employment registration, tax and social insurance, to ensure, given that public funds were being spent, that all workers on the site were legally employed and paying their taxes, which of course could only happen if they were receiving their wages in the first place.

In March 2009, in answer to a follow-up question, the Government stated that steps had been taken to ensure compliance with all requirements, that surveillance had been carried out on numerous occasions, that employment records of contractors and sub-contractors were checked and that all the sub-contractors were effecting payment of their PAYE and Social Insurance liabilities. Clearly, if the steps taken in March as a result of the questions put the previous

December had been continued on a regular basis, the protests of the workers would not have materialised since it is not possible for people to say they are not being paid while their employer is providing the Government with the deductions from those same wages.

The protests by workers claiming that they have not been paid and the delays to the project have been on-going for many months. Waterport Terraces should have been finished by July 2007. It is quite incredible, given this experience, that the Government has not acted sooner.

The plain fact is that the Government must take the political responsibility for the delay in the completion of Waterport Terraces, for the broken promises made to the purchasers, and for their repeated errors of judgment in relation to this project. The Government have now indicated that they intend to remove Bruesa from a second housing project, that at Rooke. The fact is that Bruesa has apparently already walked out and removed themselves from the project. The Opposition stated earlier this month that this was likely to happen sooner rather than later. What is clear is that the Government was wrong to award the contract to Bruesa in the first place.

ENDS