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| <b>PRESS RELEASE</b> |
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**GSD LIES WON'T WASH**

The Opposition do themselves no favours by jumping in at the deep end on a whole range of issues when it would have been eminently more sensible to maintain a prudent silence. Their latest response on the remedial works to private housing estates is a case in point.

Once again they show that they have no grasp of the facts. The Opposition claim that it cost the GSD Government over £ 20 million to put right the problems experienced in Harbour Views, Montagu Gardens and Brympton. This is totally incorrect. The repairs to Harbour Views did not cost the Government millions and millions of pounds. In this case, the contractor was taken to court, lost the case and it was the contractor, not the government, who had to pay for the repairs.

Moreover, what the Opposition may not know is that the present Government has had to spend even more money at Harbour Views repairing the repairs that were supposed to have been completed during the watch of the previous administration.

The only ones who were "not entirely honest" in matters of public finances were the GSD themselves. They allowed tens of millions of pounds of losses to accumulate in Government companies and failed to show this in the public accounts of Gibraltar. When the GSLP/Liberals took office we were faced with a £ 100 million black hole which we started to close immediately. In addition to this, there was only £ 20 million of useable cash available to the incoming administration and the GSD had already set the process in motion to increase their borrowing requirements through a private placement without saying anything during the general election campaign.

The GSD Government also had plans to increase the cost of electricity by over 100% over 20 years and again they failed to inform voters.

It is clear that Mr Feetham and the GSD are not in a position to preach about honesty in public finances to anyone given their poor track record in Government. They left Gibraltar with a legacy of problems in private housing estates not to mention the severe lack of maintenance in Government-owned estates as well. This Government is now setting about to correct the mess that the GSD left behind by refurbishing estates and carrying out repairs.

The Opposition are also in no position to criticise what they call “vanity projects”. The best examples of “vanity projects” in the history of Gibraltar are the new air terminal which cost over £ 80 million (from an initial costing of £24 million) and the Theatre Royal project which was described by the then Chief Minister as “a vision thing”. The vision turned into a nightmare costing the taxpayer millions and millions of pounds.

While the Opposition are clearly free to comment on whatever issue they like, they should learn that silence is sometimes the most prudent course of action.