



PRESS RELEASE

No. 159/2015

Date: 12th March 2015

Opposition know very little about public finances

The Leader of the Opposition has issued a press release in which he has repeated statements that he has made when he has asked questions in Parliament to which he has already received answers. This is done presumably on the premise that if you repeat an incorrect statement often enough, people will end up believing it.

Mr Feetham has chosen to invent a new definition of public debt which includes the investments made by the Gibraltar Savings Bank, an interpretation which is totally rejected by the Government.

It is correct that he has been told in answers to the questions that he asks every month that the figure for net debt was nearly £ 400 million. The Government has a commitment that it will reduce the gross debt and the target remains to bring this down to £ 260 million, which is half the £520 million figure that it was in December 2011.

Even somebody who understands as little as Mr Feetham does about public finances should have been able to work out that it is impossible for the net debt to remain higher than the gross debt, which means that the net debt will be at least £ 260 million, even though there is no manifesto commitment specifically on the size of the net debt.

The fact that the net debt will therefore be coming down has already been explained to the Opposition in Parliament.

The economic policy of this Government is to set targets over the lifetime of a Parliament, which is a four year term of office. It is not for the Opposition to dictate to the Government what the level of debt should be at any given time in those four years, particularly when they never set targets by which they could be held to account during the 15 years that they were in office.

The Government has not resorted to hiding any part of the public debt by borrowing from the Gibraltar Savings Bank. What the Government has done is to regularly publish details of the level of investments made by the Savings Bank as opposed to once a year which is the norm. The Government has refused to publish more and more detailed breakdowns as requested by the Opposition since this is nothing more than another avenue for Mr Feetham to continue to misrepresent the facts in his frantic and failed attempts to undermine the popularity and success of the Gibraltar Savings Bank.

The Government notes Mr Feetham's continued hostility to the commutation of pensions for civil servants, something that in the past the GSD said they too would be willing to do but considered impossible because



they had not found a way of doing it. It says much about their style of politics that now that a way has been found in which civil servants can commute the whole of their pension if they so wish, all that the Opposition can do is extend their nit-picking criticism to this positive policy as well.