



PRESS RELEASE

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Roy Clinton's Insults Show His Duplicity: Social Insurance Increases exactly reflect Chief Minister's Commitment in Budget Debate

The Government's increase in Social Security is the first increase in seven years. It is necessary in order to move towards balancing the Social Assistance Fund.

Roy Clinton's negative and aggressive statement against Mr Picardo ignores that the GSD itself put up the maximum rates by 53.5% for employers and by 40.8% for employees in their time in office. Last time the GSD put the rates up, in 2010, the increase was also 10% as it is now and the GSD then argued that the increase was necessary and proportional in order to move towards balancing the Social Insurance Fund.

The Government has consulted widely on this increase and worked with the Chamber of Commerce and the Federation of Small Businesses to hold off the increases in the last financial year, as the Chief Minister said in his Budget Statement would be the case.

The increases are with effect from the start of the next financial year, although notice has been given now to ensure that employers are ready to make the correct deductions by the 1st of April.

The Chief Minister, the Hon Fabian Picardo QC MP, the Minister for Public Finance, said: "I have kept my word to the business community and I have NOT increased Social Insurance contributions in the financial year 2016/2017, EXACTLY as I said in Budget Speech. The increases are from the start of the financial year 2017/2018. Social Insurance payments in Gibraltar are in any event, amongst the lowest in Europe. The businesses represented by the GFSB and the Chamber have appreciated that we have not been increasing this cost for some time and that we waited for the dust to settle after the Brexit referendum before we have brought the increase, which I said I was considering, into effect. The employer representative organisations have been consulted and we informed the unions of the increases being brought about. For employees the maximum increases are £2.34 a week. Compared to GSD increases of £598 per year for employers and £379 per year for employees at the maximum rate, our increases are modest.

What is frankly astonishing is that within a couple of weeks Roy Clinton has thought it right to call me a coward and a cheat. Roy is clearly one of those people who wants to be treated with respect and dignity but who thinks he can insult and demean others. I won't lose sleep over his insults, but the people of Gibraltar will see through Roy's duplicity and his pretence at decorum. Clearly the GSD need to tone down their criticism or the public might think that they are palpably angry at being held to account for the things they did whilst they were in office.

The fact is we have made this announcement in time for businesses to plan for the new financial year which starts 1st April and after careful consultation with the GFSB and the Chamber.



The GSD say they are against the culture of entitlement, and yet they complain when we make people pay their way. They say they want robust public finances, but they complain when we raise any government cost (even if it is by one or two pounds a week and exactly the same percentage increase the provided for). The GSD say they are against more jobs in the public sector and then go around promising jobs to those whose votes they want to buy. People see through these huge and glaring contradictions and understand that GSP-LIBERAL Government is acting in the best interests of Gibraltar. Today, the GSD say that the Government adopts an angry tone in its press releases, and yet they freely call me a cheat and a coward. They really show that they say one thing and do another. As to the answer to my rhetorical question in the 2010 budget, I refer Mr Clinton to the answer then provided by Sir Peter Caruana QC for the GSD of which Mr Clinton was an executive member at the time. I will look forward to debating this matter with Mr Clinton during the Budget Debate this year".