



## PRESS RELEASE

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### **GSD's CLINTON UNCONVINCINGLY TRIES TO TURN POSITIVES INTO NEGATIVES**

The latest statement from the GSD Opposition on the £300m financing package is an excellent illustration of how little they seem to know about Public Finance generally.

First of all, the financing package was hailed as an excellent one by all professionals who understand the release of equity in otherwise dead government assets.

Secondly, the financing was made available at record low interest rates.

Thirdly, the sum of the financing package is not a debt of Gibraltar. It is a structured liability of the company that acquired the financing.

All of this, nonetheless, arises as a result of the filing of the accounts of the company, Gibraltar Capital Assets Ltd. The accounts reflect that GCA is acting properly and complying with legal rules.

None of what Mr Clinton is saying, however, is true in relation to housing rent increases.

The Chief Minister, the Hon Fabian Picardo QC MP, said: "Mr Clinton is unconvincingly and duplicitously seeking to turn something positive into a negative and he knows it. He is pretending that the minor increases in housing rents are somehow inextricably linked to the financing package. They are not. They are part of the modelling only to show what effect they have in respect of the equity release. Nothing more and nothing less. Another example of the GSD saying something out of sheer political expediency, with no regard for truth.

Additionally, the GSD not only supported the minor increase in housing rents, they actually said that they were small and minor. The Leader of the Opposition said as much himself, directly contradicting Mr Clinton's suggestions now that housing rent increases are necessary to pay for the financing costs of the equity release. It's not. And he knows it. At least this represents another example of the inherent contradictions within the GSD itself: it's Phillips v Clinton on this front. In fact, the increases represent no more than about £80 to 90 thousand pounds a year, making any suggestion that those amounts are 'necessary' in respect of the financing package rather ridiculous. Mr Clinton should have worked it out for himself, given that he was an accountant before he retired.



What is clear is that Mr Clinton will never be satisfied with the information being provided as required by law. Indeed, Mr Clinton admitted in an interview on GBC that the accounts complied with the law and provided 'all the technicolour details'. That shows how transparent the Government actually is and denies the rest of his statement of any logic or legitimacy. MR Clinton will always say more is required, just because he says so. He ignores, of course, that the GSD borrowed using government companies and NEVER even published the accounts of those companies as required by law, let alone provide additional information. His is therefore an entirely hypocritical and entirely erroneous argument that people see through."