

## **Statement by Lewis Clifton**

I am a born-and-raised Falkland Islander with family roots originating from London, Somerset, Norfolk and Norway. Married to my Chilean-born wife Barbara, and the proud father of two bilingual children who attend FICS. My life has been shaped by decades of voluntary and public service, retiring as London Representative, and including roles as MLA and Speaker of the Assembly.

Marine and environmental regime postgraduate studies triggered employment in the private sector under Byron Marine for the last 35 years, which enables me to gift free time to multiple charitable Trusts and Organisations.

Today, I stand for election once again because our country is at a financial crossroads.

### **A Nation under Strain**

After two consecutive Assemblies and eight years of misdirected public spending, the Falkland Islands is in a state of unprecedented financial tension. Recurrent expenditure has spiralled over 86% to the point where reserves—meant to safeguard our future—are falling below even the government's own minimum policy level.

The last two budget presentations made this painfully clear, and the Penguin News—thankfully—has highlighted the increasingly fragile state of our finances.

We face a stark choice:

- Continue blindly forward, ignoring the warning signs of a steep financial cliff ahead
- Fumble along, dismissing the deep potholes left by mismanagement
- Or choose the firm, responsible path—the one built on sound judgment, fiscal discipline, and common sense.

National spending is tied to recurrent, unsustainable costs, without the productivity, efficiency, or contract management to support it. This is not responsible governance. This is not the Falkland Islands we worked so hard to build.

### **Let us regain what has been dashed**

I first entered politics at a time when the Falklands struggled under colonial constraints, absentee land ownership, and fragile livelihoods. We pushed for a

fishing regime that once seemed impossibly distant. We worked for land reform to secure a future for Falkland Islanders. We built the foundations of a thriving, self-sustaining modern economy.

But 30 years on, the hard-won financial reserves of previous generations are slipping away.

- Our fisheries - long a pillar of the economy - faces climate-driven and resources uncertainty, and unpredictable returns
- Our rural sector is in economic crisis
- And, our government has budgeted with an optimism it cannot afford.

Arresting this decline demands bold, decisive action - not complacency and not excuses.

### **My Position**

If you believe our financial problems are a temporary fluctuation, then I am not your candidate.

But, if you see, as I do, that we urgently need to return to fiscal responsibility and good Falklands common sense, then I ask you to stand with me. We owe it to the generations who built this homeland, the pensioners who rely on it today, and the educated young people who deserve a secure future.

A healthy Falklands rests on three pillars:

- robust medical services,
- excellent education, and
- sufficient cash reserves to support a prosperous, stable society.

MLAs should regain firm hands on the helm of financial control. It is time to wrestle that helm firmly back toward a “back to basics” philosophy - responsible spending, scrutiny of budgets, and protection of reserves. There is no new revenue source coming soon; oil royalties, if realised, are at least five years away. We cannot spend money we do not have.

Essential services protection must have priority over optional spending.

### **Service and Experience**

Politics is in my soul. Age may temper speed, but it strengthens judgment. I have lived both the highs and lows of public office - and I understand the pressures and sacrifices it requires.

My private-sector experience has taught me equally valuable lessons. It is clear that the public service must shift from obstruction and delay toward collaboration and delivery. It is equally clear that too often, local expertise is over looked in favour of non-resident contractors and consultants. This undermines our economy, our valuable skills base, and our confidence in the future.

The catastrophic losses on capital projects - £20 million on a paper port concept alone - should never have happened. We must once again trust the knowledge and advice of Falkland Islanders.

We are all embarked on the good ship Falklands. And that ship needs new hands at the helm.

### **The Way Ahead**

Rather than campaigning on a long shopping list of promises, I propose a Strategic Plan—a clear, honest roadmap for the next decade.

The new Assembly's first duty must be to pause, to examine thoroughly the commitments of the outgoing Assembly, and to understand the true state of our finances before allocating portfolios or approving any new spending. Checks and balances are too weak. Oversight is overdue.

We cannot plan the Islands' future until we fully understand the present.

### **Environment**

Our natural environment is for the benefit of future generations. "Where nature is in charge" - once the FIDC's tourism motto - remains as true today as ever. Climate change is altering our landscapes and our fisheries; we cannot reverse this, but we can adapt. Land recovery efforts are underway and must continue. Carbon credit earning opportunities require urgent attention.

### **Future-Proofing Our Finances**

I will propose legislation to:

1. Restore reserves dedicated to recurrent expenditure back to 2.5 times annual spend, protected by law from being raided without a legislative vote.
2. Establish a Sovereign Wealth Fund for future oil and gas royalties -ring-fenced, responsibly managed, and modelled on the best global example: Norway.

These steps are essential to safeguard the financial future of the Falklands.

### **Capital Expenditure**

The new port, the new energy system and the new waste system are without full cost evaluation that will further erode funds. The contracted trains have departed the station, and we will have no option than to meet end costs but only under fullest scrutiny.

These projects appear without assessments of recurrent or operational cost indicators, and in turn, will influence recurrent expenditure budgeting. Committed obligations will likely trigger tight funding options for new projects. The exception being to support the completion, to functional utilisation, of the National Sports Centre.

### **Supporting Our Young People**

On the strength of fisheries revenues in 1987, we upgraded offering two higher-education annual scholarships to universal sixth-form access - a visionary step that transformed opportunity. But, we have failed to follow through. Too many educated young people return with no assurance of employment, no access to land, and no pathway to home ownership.

An annually delivered building-plot scheme is essential if we want our young adults to build their futures here.

### **Private Sector**

The pillars of our economy and employment opportunities, are delivered from the endeavours of the private sector, fishing, farming, tourism, construction, retail and others, and the paying of taxes and fees to Government, which in turn contribute to building reserves from which interest is earned.

The Falklands private sector needs encouragement and support to develop. The public sector interface with the private sector is long overdue for overhaul. Private sector growth and development, is key to a vibrant, flourishing,

economy, stimulating new income streams, for widest national benefit. As a founding member of the Chamber of Commerce, I shall champion the need for change.

### **Security**

The UK provides our daily security. We rely on the UK defence commitment of our homeland, to help reinforce the principle of self-determination, which we all cherish, and the Britishness we hold dear. Security provisioning incurs costs for the UK taxpayer, and especially at this time of UK financial constraint, we should be increasingly cognizant of that. As oil development advances, discussions will inevitably return to the Falkland Islands contributing to the costs of our defence, and assets deployed. Those discussions will require steady leadership and strategic thinking.

### **A Call for Change**

The Falklands stand at a critical moment. Our finances, our rural economy, our environment, and our future prospects are at some risk. However, with decisive action, honest and transparent leadership, and a return to proper fiscal discipline, we can restore stability and renew confidence in our future.

I ask for your support to help steer our nation back onto firm ground - guided by experience, common sense, and a deep, lifelong commitment to the Falkland Islands.

### **The Future**

If we work collectively and constructively to place our house in good order, a great future potentially lies over the horizon, should oil development proceed, offering new business opportunities and new employment, enhanced and new learning skills, better education opportunities, while providing a better and secure place for families to live and prosper.

Weathering the next four years will not be easy, and if those years are used wisely and productively, we can construct, and lay down, the strategic building blocks necessary to harness a bright future for our Islands.

Please use your vote wisely. Please do not waste it.

