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No moor in the Bay of Pollensa, says council: See Page Three



Tom Hughes: tipped as the new Bond plays Robert Graves.

Robert Graves film to premiere in Palma next month

● The film stars Tom Hughes who has been tipped as the new James Bond to replace Daniel Craig. See Inside.

THE FORTY BILLION BIG SPEND



Ties and high heels out as hybrid office return sparks casual comfy boom: Inside

Spain plans to spend a record 40 billion euros (\$46 billion) of state funds on investments next year, the government said yesterday, as EU payments to support the economy’s robust post-pandemic recovery kick in.

Spain also aims to cut the budget deficit in 2022 and again the following year, but Budget Minister Maria Jesus Montero said fiscal plans remained growth-oriented.

“There is a strong consensus that we must maintain stimulus policies to avoid damaging growth,” she told reporters while presenting next year’s budget draft. “These accounts have the role of an engine to stimulate activity and transformation.”

The government expects economic growth to accelerate to 7% in 2022 against this year’s projected 6.5% rebound from a COVID-induced slump, although weak recent data have cast doubt on the 2021 forecast.

Montero said that, including 27.6 billion euros from the EU funds, central government spending was set to rise 2.3% to around 242 billion euros. Total spending, including regional budgets and pensions, is seen up 0.6% from 2021’s budget draft to 459 billion euros. Tax receipts are set to rebound 8.5% this year and grow a further 8.1% in 2022, Montero added. A source in her ministry called the tax collection forecast relatively modest.

The expected introduction of a flat-rate 15% tax on large corporations should bring in around 400 million euros, the government said.

Montero stuck by a pledge to cut the deficit to 5% of GDP in 2022 from this year’s projected 8.4%, and to 4% in 2023.

“The (EU) fiscal rules (setting a 3% threshold) were suspended, but not fiscal responsibility. We are still committed to deficit reduction,” she said.