



24th September 2024

Deputy Montford Tadier
Chair of the Economic and International Affairs Scrutiny Panel
States Greffe
Morier House
St Helier
JE1 1DD

Dear Deputy Tadier

Thank you for your letter of 18th September 2024. We wish to comment on the two topics affecting our industry as follows:

Agricultural Loans

We very much welcome all the transfers to the Agricultural Loans fund ensuring that £10 million in total is transferred across 2024 and 2025. The reinstatement of the agricultural loans scheme has been long overdue, and the Government is to be commended for ensuring it's return.

Living Wage

The decision to bring the minimum wage to two-thirds of the median wage by the end of this term of office will have a profound impact on our industry.

The funding of up to £10 million to be provided in 2025 and in 2026 to support industries adversely affected while the living wage is implemented, is an absolute must without which our industry would seriously diminish. We estimate that the 11.7% increase in the Minimum Wage for 2025 will cost the agriculture industry in the region of £1.4 million. We have yet to find out how the support funding will be distributed and would hope that it goes directly to help cover the extra cost of wages that the agriculture industry will have to bear.

The Budget states that "*The primary objectives of the support will be to improve productivity and maintain competitiveness*". I certainly hope it does. We would like to point out that in our industry nearly all the productivity gains have already been made in order to remain in business this far on the inflationary journey towards the Living Wage. Therefore, I suspect ongoing support for the agriculture industry will most likely be needed in 2027 and beyond.

I and my fellow officers would be happy to discuss any of the above with you at any time should you wish.

Yours sincerely

A handwritten signature in black ink, appearing to be "D A Richardson".

D A Richardson
President