

2.8 Deputy G.P. Southern of the Minister for Treasury and Resources regarding increases in revenues over forecast in the 2010 Accounts:

Given that there is an increase in revenues of around £14 million over forecast in the 2010 Accounts, what does the Minister propose to do with this additional sum?

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

The additional revenues, like all States income, have been paid into the Consolidation Fund. In accordance with the Public Finances Law there can only be a spend with the States approval, either in the Business Plan or by separate reported proposition to the States.

2.8.1 Deputy G.P. Southern:

Does the Assistant Minister accept that this additional £14 million comes as a windfall and is a one-off and should not be dictating future policy?

Deputy E.J. Noel:

We do not know at this moment whether or not this £14 million is a one-off or if part of it or all of it will become recurring.

2.8.2 Deputy G.P. Southern:

It is the difference between an estimate of 2010 income and the actual income produced largely from income tax returns. Can the Minister inform Members from which section of society this additional money was found?

Deputy E.J. Noel:

I can confirm that the £14 million was made up as follows: it was an increase in net income tax receipts of £15.3 million, there was a decrease in G.S.T. receipts of £2.8 million, there was a decrease in impôts duties of £600,000, there was an increase in stamp duty of £140,000, there was a decrease in the Island rate of £490,000 and other income an increase of £2.7 million, coming to a total of £14.25 million.

2.8.3 Deputy M.R. Higgins:

Can I ask the Assistant Minister how accurate the 2010 Accounts are, when I have already discovered one error or one omission of £147,000, which relates to the grant to the Battle of Flowers, which is not recorded in the Accounts?

Deputy E.J. Noel:

I can categorically confirm that the Accounts are materially correct and have been audited to that effect.

Deputy M.R. Higgins:

The booklet contains an omission because it has no reference of that grant whatsoever.

2.8.4 Deputy M. Tadier of St. Brelade:

I am always sceptical when I hear categorical assurances being given from the Treasury Department. Will the department be mindful to make funds available either to the Chief Minister's Department or to the Home Affairs Department for the long overdue discrimination law to be brought in?

Deputy E.J. Noel:

That is not in my gift. The money can only be spent through the Business Plan process and the ultimate decision on such is this Assembly.

2.8.5 Deputy M. Tadier:

A supplementary? Will the Assistant Minister speak to the Minister for Treasury and Resources, who I believe is generally supportive of a discrimination law, to make an amendment in the Business Plan for funds to be allocated from this £14 million to pay for a discrimination law?

Deputy E.J. Noel:

I am happy to do so and I invite Deputy Tadier to do likewise.

2.8.6 Deputy T.A. Vallois of St. Saviour:

Could the Assistant Minister advise exactly what the forecast was by the Treasury Department for the 2010 income?

Deputy E.J. Noel:

There was a difference between the forecast and the actual of some £20 million; £14 million has already been explained and the balance was differences on the Consolidated Fund, due to accounting treatment and I believe in our shift to G.A.P.P. accounting.

2.8.7 Deputy G.P. Southern:

Will the Assistant Minister investigate the possibility of using this £14 million windfall bonus to eliminate the threat of a 2-year pay freeze on all public sector workers?

Deputy E.J. Noel:

Simple answer, no. We are in the process of matching our expenditure to our income. Until we get back to a position where we have a balanced budget such generosity is not called for.