

STATES OF JERSEY



DRAFT RATES (JERSEY) LAW 200- (P.170/2005): COMMENTS

**Presented to the States on 13th September 2005
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

The Committee notes that the financial implications of this Law are the same as those adopted in P.66/2005.

The financial implications of this Law are significant in that the overall cost of native welfare (approximately £10 million) is increasing at approximately 15% per annum whilst the contribution that will be received from the Parishes will only increase at RPI.

Provision has been made for this cost until 2008, thereafter the States will have to allocate additional growth funding of more than £1.5 million every year.

After 10 years the difference in the contribution received from the Parishes by way of the Island-Wide Rate and the expenditure on native welfare is estimated to be £20 million based on current trends in welfare expenditure and RPI increases.