

STATES OF JERSEY



ECONOMIC GROWTH PLAN (P.38/2005): COMMENTS

**Presented to the States on 19th April 2005
by the Policy and Resources Committee**

STATES GREFFE

COMMENTS

The Policy and Resources Committee fully supports the proposals set out in the 'Economic Growth Plan' (P.38/2005), as it considers that they will put in place the right framework to generate the economic growth that is vital to both the success of the States' Strategic Plan and the Fiscal Strategy.

In particular, economic growth will help to –

- create employment opportunities for local people;
- raise the standard of living for all Islanders;
- keep personal and corporate taxation low.

At the same time the emphasis placed by the Economic Development Committee on creating sustainable economic growth through productivity improvements will help to control inflation, maintain the natural environment of the Island, and allow only minimal inward migration that will facilitate economic growth.

In the Committee's view, the overall approach of the Plan achieves the correct balance between encouraging growth in the Financial Services sector to help generate additional tax revenue, and growth in the rest of the economy to create the required employment opportunities for local people. The Policy and Resources Committee's proposition on 'Migration: Monitoring and Regulation' (P.25/2005) offers the States a mechanism to ensure that migration is managed in accordance with the Strategic plan and the Economic Growth plan.

By improving the skills base in the Island, creating a better environment for enterprise, allowing competition to drive efficiency improvements, and at the same time reducing inflation, the Plan will create the conditions necessary for all sectors of the Jersey economy to flourish, including tourism and agriculture. The planned follow-up work by the Economic Development Committee in all these areas, and the more detailed studies of some of the key sectors in the Jersey economy, should also be supported to ensure that the Plan continues to evolve as the Committee intends.

In conclusion, therefore, the Committee believes that the Economic Growth Plan will help to secure Jersey's economic future to the benefit of the Island as a whole.