

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY J.A.N. LE FONDRÉ OF ST. LAWRENCE
ANSWER TO BE TABLED ON TUESDAY 28TH JUNE 2016**

Question

- i) For questions 9501, 9502, 9503 and 9504, please update all calculations for the year 2019, and identify separately for each household scenario therein the amounts for the healthcare charge, the waste disposal charge and the community infrastructure levy (all as proposed in the MTFP Addition) and as applicable to the household scenarios in the questions identified.
- ii) In respect of questions 9501 to 9504 and this question, please complete the table below, showing under each year the total of (f) from 9501 added to the calculations from 9502, and perform the same for the scenarios identified in questions 9503 and 9504:

Household Scenario	Household Income	2005	2010	2012	2015	2019

- iii) In respect of part (ii) above please produce the same table but showing as a percentage, the result of the total for each year divided by the relevant household income.

Answer

The level of detail being requested in this question (and in questions 9501, 9502, 9503, 9504, 9511) requires significant research and evaluation covering the years 2005 – 2019, and 200 different household types. It also covers all individual benefits, charges and tax changes - some of which have altered significantly (for example Income Support was not in place in 2005) and some of which remain under development (such as the Community Infrastructure Levy). There is also an element of subjectivity where assumptions would need to be made, for example:

- In the estimation of GST costs for household types
- Whether there is additional support, financial or otherwise, available privately (for example from extended families) for education costs
- Property tenure and rental levels to determine Income Support eligibility.

As such, this is a significant and intensive piece of work, toward which resources will be directed over the summer period, with the aim of providing a practical, informative and representative response to Members at the beginning of September 2016, and prior to the MTFP Addition debate.

At the same time, we should not focus solely on how income is raised and benefits are applied. Equally important is how the wide range of government expenditure is prioritised and allocated, who it helps, and the impact of these decisions on the wider economy, our cost of living, and our standards of living.

This is why the MTFP Addition is supported by the distributional assessment considering how income and expenditure measures affect different income groups, and the findings of the Fiscal Policy Panel on the economic impact of the MTFP Addition.

All this means that very extensive work is being undertaken as part of the planning of our public finances, making sure they deliver the best possible outcome for Islanders.