

STATES OF JERSEY



BUDGET 2006: FOURTH AMENDMENT (P.272/2005) – COMMENTS

**Presented to the States on 29th November 2005
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

The Finance and Economics Committee is not opposed in principle to the free provision of TV licences to those aged 75 and over but is of the view that this benefit should be properly allocated to address issues of hardship. The Committee is strongly opposed to increasing the budget deficit by £700,000 for each and every year, which will require taxation to be further increased or further cuts in other services to be achieved. The Committee is particularly disappointed that this amendment is brought without compensating savings or increased taxation measures so as not to further increase the budget deficit.

The States have already agreed the cash limits of the Committees in approving the States Business Plan 2006-2010 and bringing forward a proposal in this fashion does not allow the States the opportunity to prioritise such a benefit against other States benefits and services. The Finance and Economics Committee strongly believes that Members should consider expenditure priorities against each other in a properly researched and planned prioritisation, and that they should be provided from within the financial resources available and also agreed by the States in the Business Plan.

The Committee strongly opposes the amendment of Deputy Le Main as the proposed benefit is not targeted, it will increase the budget deficit by £700,000 plus administration costs and also increase expenditure growth against a clear message from the public to control expenditure. Furthermore it is estimated that the amendment would have manpower implications.