

STATES OF JERSEY



DRAFT STRATEGIC PLAN 2015 – 2018 (P.27/2015): SECOND AMENDMENT (P.27/2015 Amd.(2)) – COMMENTS

**Presented to the States on 27th April 2015
by the Council of Ministers**

STATES GREFFE

COMMENTS

The Council of Ministers strongly recommends that this amendment be rejected.

Deputy G.P. Southern of St. Helier's agenda of high taxes and high spending is not supported by the Council of Ministers. Neither is the emphasis on much higher levels of regulation for businesses.

Instead, the Council of Ministers believes in proportionate regulation, that taxes should be low, broad, simple and fair, and that we need an efficient government focused on essential services. This is the best way to deliver economic growth and quality of life to Islanders.

While there are difficulties with delivering economic growth in an increasingly competitive and often uncertain international climate, the recent economic statistics which show growing employment, reducing unemployment, rising earnings and low inflation should be welcomed.

The challenge is to ensure we deliver productivity gains as part of this, while also having a reasonable handle on migration. All governments try and do this, and all governments recognise how difficult this is, but few resort to greater regulation and taxes as their solution.

This is not to say that the Council of Ministers dismisses all the components of the Deputy's alternative economic plan – for example, reform of primary care, better educational outcomes, managing immigration, investigating the living wage, reviewing the sustainability of the social security funds – are all included either in the Council of Ministers' proposed Strategic Plan or within ongoing work.

However, in its entirety, the plan proposed in this amendment is detrimental to our interests by focusing too much on regulation, price control and wage control, and higher taxes. It also removes many important elements of the Council of Ministers' plan: for example, securing financial services, improving retail, tourism and our rural economy, developing skills and promoting competition.

Accordingly, the Council of Ministers asks that this amendment be rejected.