

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
QUESTION SUBMITTED ON MONDAY 19th APRIL 2021
ANSWER TO BE TABLED ON MONDAY 26th APRIL 2021**

Question

With reference to the recent analysis from the Resolution Foundation of the impact of Covid-19 on U.K. levels of income inequality and job security, will the Chief Minister state what measures he will be introducing to address similar issues in Jersey; and if he does not intend to introduce any further measures, will he explain why not?

Answer

The Resolution Foundation published a report "[After shocks Financial resilience before and during the Covid-19 crisis](#)" last week. The report considers income and savings across British, French and German households and examines the impact of Covid on household finances. Strengths and weaknesses are identified across all 3 countries.

All countries have taken significant steps to protect households from the economic impact of covid. In Jersey, the Government has provided the following support during 2020:

- £97.9m on the Co-Funded Payroll scheme. At its peak the scheme supported 17,000 jobs, or one-in three private sector workers, and support was provided to nearly 3,500 businesses
- £11.6 million on the Spend Local Card scheme and increased Income Support payments.
- £6.5million on additional benefits costs, including £6m on Income Support, which supported an additional 1,000 households.
- £540,500 provided via the COVID-19 Related Emergency Support Scheme (CRESS) which assisted those who have been working in Jersey for less than 5 years and who lost their job due to the outbreak of COVID-19 and were not eligible for Income Support and - because of the restrictions on travel - were not able to return to their home countries.
- £1.9 million to open schools for children of critical workers and for vulnerable children, supporting nurseries, and developing IT systems to support learning at home.
- An additional £380,000 (recently announced) secured to provide school students with additional online learning devices, following a major community and Government partnership project.
- A reduction of employee social security contributions from 6% to 4% between October 2020 and June 2021.

It has previously been stated that a family of four on median earnings would benefit from a £1,350 increase to their disposable income as a result of the measures taken.

Much of this support continues in 2021 while households and businesses continue to be affected by the ongoing impact of the pandemic.

The government has recently announced the first tranche of its fiscal stimulus programme. This programme seeks to stimulate the economy through supporting projects which provide:

- employment support
- business support
- skills training
- infrastructure and property improvements
- maintenance and investment in productivity improvements, for example through technology

Each successful project is designed to:

- assist in reducing the fall in output and employment in the short-term
- provide opportunities to assist in reducing the damage to the economy in the medium to long-term

nearly £23 Million of stimulus funding has been confirmed in the first phase of this programme with up to £50 Million available in total.