

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES BY DEPUTY G.P.  
SOUTHERN OF ST. HELIER**

**ANSWER TO BE TABLED ON TUESDAY 11th MARCH 2008**

**Question**

- “(i) Following his reply to a written question on 26th February 2008 (3737) that “RPI(Y) should be the basis for pay awards in 2009 and thereafter” will the minister inform members what his estimates are for RPI, RPI (X) and RPI (Y) for the first quarter 2009, on which public sector pay awards will be negotiated?”

**Answer**

- (i) The Minister for Treasury and Resources does not undertake forecasts for the various measures of inflation outlined in the question. To do so would be a massive task that would involve forecasting trends in all the various components of the indices from food and clothing prices to those for household and electronic goods as well as changes in indirect taxes and mortgage interest payments. The department does not have the resources to undertake such a task and, even if it did, forecasting such trends a year in advance would be subject to significant margins of error.

**Question**

- (ii) Will he further illustrate what the impact would be on weekly take-home pay of awards negotiated at the estimated RPI(Y) rate above for the ten groups used by the Statistics department to discuss average earnings by sector in the Jersey Economic Digest 2007 (p.24) and compare it with the full impact of RPI on the cost of living in each of the quintiles given in the Jersey Household Expenditure Survey 2004/5 updated to June 2007?”

**Answer**

- (ii) Given the answer to question 1 above it is not possible to undertake the calculations requested in this question. As Minister, I would also point out that it is not my normal role or that of my department to undertake calculations at the request of States members on data published by the Statistics Unit.