

STATES OF JERSEY



SCHOOL MILK: PROVISION FOR THE YEARS 2003, 2004 AND 2005 (P.7/2003) - COMMENTS

**Presented to the States on 25th February 2003
by the Finance and Economics Committee**

STATES GREFFE

COMMENTS

The Finance and Economics Committee does not support the Proposition as to do so would be contrary to the significant efforts being made by all Committees to prioritise their services and contain States expenditure in order to tackle the significant deficits forecast for the States.

The States will be aware of the rigorous cross-Committee prioritisation of services being undertaken by the major spending Committee Presidents in the Fundamental Spending Review. In prioritising their services, both the Health and Social Services and Economic Development Committees have indicated that they do not regard the provision of free school milk as a priority and accordingly have not allocated funds within their cash limits to fund this service.

If the decisions of Committees are reversed in this way and the States choose to effectively continue to grow expenditure unsustainably, then this will result in a greater taxation burden on the people of the Island beyond that already required to fund the existing deficits.

In light of the recently published Strategic Review of the Dairy Industry (the McQueen Report), the Finance and Economics Committee is prepared to support the provision of school milk from the General Reserve for the remaining 9 months of 2003. During this time the Finance and Economics Committee expects the Economic Development Committee to come forward with a strategy and plan for the dairy industry, including consideration of the continuation of the provision of school milk.