

STATES OF JERSEY



INCREASE IN REVENUE EXPENDITURE FOR AGRICULTURE AND FISHERIES (P.74/2023): SECOND AMENDMENT

Lodged au Greffe on 31st October 2023
by Deputy S.G. Luce of Grouville and St. Martin
Earliest date for debate: 7th November 2023

STATES GREFFE

INCREASE IN REVENUE EXPENDITURE FOR AGRICULTURE AND
FISHERIES (P.74/2023): SECOND AMENDMENT

1 PAGE 2 –

Designate the existing paragraph as paragraph (a) and, for the words “to increase States’ revenue expenditure on agriculture and fisheries to a total of 1% of all revenue expenditure and to lodge an amendment to the Government Plan 2024-2027 to achieve the realisation of this target”, substitute “to ensure States’ revenue expenditure directly on agriculture and fisheries support schemes rises to at least £6.7 million in 2024 and thereafter increases annually in line with the larger of either RPI(X) or the percentage increase in the minimum wage.”

2 PAGE 2 –

After the existing paragraph, insert the following –

“(b) to request the Minister for Treasury and Resources to bring forward proposals to provide for the recapitalisation of the Agriculture Loans Fund in 2024 to a level not less than £10 million.

DEPUTY S.G. LUCE OF GROUVILLE AND ST. MARTIN

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

- (a) to request the Council of Ministers to take the necessary steps to ensure States’ revenue expenditure directly on agriculture and fisheries support schemes rises to at least £6.7 million in 2024 and thereafter increases annually in line with the larger of either RPI(X) or the percentage increase in the minimum wage.
- (b) to request the Minister for Treasury and Resources to bring forward proposals to provide for the recapitalisation of the Agriculture Loans Fund in 2024 to a level not less than £10 million.

REPORT

When the Council of Ministers issued their comments paper for P.74 some weeks ago now it became clear that they would not support the original proposition. Given the seriousness of the current situation in Agriculture and Fisheries, it became obvious that a compromise needed to be reached.

Not finding a compromise is not an option. Support to these two industries needs to increase...and increase substantially...otherwise there will be further contraction in the numbers of farmers and fishers during 2024 resulting loss of the “critical mass” required for both to function in the commercial marketplace.

Delaying the debate of P.74 was the sensible thing to do, and the additional time has allowed for working together to secure some financial limits that both sides can work with. 10 days ago a meeting was held that included farmers, dairy farmers and fishing industry representatives. Also present were the Minister for Economic Development and the Infrastructure Minister.

It was explained at that meeting that the original proposal of a fixed link to “total States net revenue expenditure” was not acceptable to the Council of Ministers. It was also further explained that the “1% link” was also too much, and couldn’t be found. These explanations were accepted by all sides.

In order to further the discussions, the compromise position of “at least £6.7m in 2024 and thereafter increases annually, in line with the larger of: RPIx or the percentage increase in the minimum wage” was discussed at length. It was proposed (by Ministers).....and accepted by all present.

It was also agreed that, as part of the “package” that was being negotiated, the agricultural loans scheme needed to be recapitalised. The industry felt it was essential to allow for investment, and for businesses (whether farming or fishing) to look to the future with some certainty. The Ministers present also agreed that the recapitalisation of the scheme was absolutely necessary.

While the industry was disappointed that the compromise was some distance away financially from the original proposition but it was never the less agreed. However, it was made very clear that this was the absolute minimum that was necessary and that further downward amendments could not be accepted or supported.

For all the many and various reasons given in the original proposition this level of funding is vital if we are to maintain our countryside in the manner we have become used to. If we want our farmers and fishers to continue to “put food on our tables” then we need to accept that they need more support.

This is the “last chance saloon” for two of our oldest traditional industries. We can afford this level of support. This compromise was agreed by both sides in good faith and States Members are asked to give it their full support.

Financial and staffing implications

This amendment requires funding of £6.7m and the recapitalisation of the Agricultural Loans scheme to £10m.

There are little or no staffing implications as the method of support to the rural economy, and the loans scheme, both currently exist.