

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P.SOUTHERN OF ST HELIER
ANSWER TO BE TABLED ON TUESDAY 9th SEPTEMBER 2014**

Question

What assurances, if any, can the Minister give that measure taken to postpone spending on measures previously agreed by the States on Freedom of Information, early repayment of PECRS debt and the Long Term Care Fund will not be repeated in the 2016 budget?

What confidence does the Minister have that the estimates for tax revenues for 2016 can be relied on and what measures has he put in place to ensure that the emergency measures to balance the budget this year do not need to be repeated in coming years?

Answer

The preparation of the next Strategic Plan and MTFP 2016-2019 will be the responsibility of the new Council of Ministers, following the elections in October 2014.

The work by officers on Long Term Revenue Planning is considering all aspects of existing expenditure budgets and the requests for additional funding from departments for the next MTFP period 2016-2019, alongside the projections for States revenues. The work of the new Council of Ministers will be to consider which expenditure areas and services align with its strategic priorities and propose the allocation of available resources accordingly.

The tax revenue forecasts for 2016 will be reviewed again in 2015, in advance of the next MTFP and 2016 Budget and with the benefit of the 2014 outturn. The economic assumptions will also be updated so undoubtedly these forecasts will change. However, the Minister is confident that the current forecasts are based on the latest and most up to date information and economic assumptions.

There are no “emergency measures”. The use of the word “emergency” gives an inappropriate label to properly thought out measures to assist the economy. The proposed measures in the draft Budget 2015 are identified to allow existing public service provision and capital investment in the economy to continue in 2014 and 2015 and utilise available balances and efficiencies as recommended by the Fiscal Policy Panel.

The work described above on Long Term Revenue Planning will identify options for the new Council of Ministers to propose appropriate tax and spending measures to deliver a sustainable MTFP for 2016-2019.