

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY J.H. PERCHARD OF ST. SAVIOUR
ANSWER TO BE TABLED ON TUESDAY 21st APRIL 2020**

Question

Which strategist, or strategic group, if any, is responsible for looking at the long-term impact of the every-day Government decisions being made in response to the outbreak of COVID-19?

Answer

It is clear that the pandemic will have a profound long-term impact, but the exact nature and scale of that impact is however not yet clear. Officers in both our strategic policy and economic development teams, as well as the Chief Economist's analysts, are responsible for reviewing the positive and negative impacts of both the public health measures and legislation in place, and future options. These officers will report to the Competent Authorities Ministers regularly.

In addition, Government wrote to the Fiscal Policy Panel (FPP) on 18 March, requesting advice on their economic assumptions and policy for economic planning through the crisis. The FPP advice, including their updated economic assumptions and long-term forecasts, was [published](#) on 23 March, and is outlined below:

“The Panel noted the measures announced by the Government of Jersey to date to combat Covid-19 and mitigate its impact, including support to GPs, deferral of GST and Social Security contributions and a number of new funding mechanisms to support businesses. It is important that government spending can respond quickly to the changing situation and therefore fiscal policy decisions to respond should not be limited by the usual fiscal guidelines. Nevertheless, long-term fiscal sustainability remains paramount, and the focus of fiscal support should be on mitigating structural damage to the economy and alleviating hardship among the Jersey population. A short-term cyclical downturn cannot be averted.”

“The impact of the reduction in tax revenues and additional expenditures to support the economy should be drawn from the Stabilisation Fund in the first instance. Given the risk that a short-term demand shock could lead to longer-term structural weaknesses, the Panel advises that these are the exceptional circumstances in which drawing on the Strategic Reserve is also appropriate.”