

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

15th November, 2016

Proposition No. P.2016/48

AMENDMENT

Proposed by: Deputy M J Fallaize
Seconded by: Deputy C J Green

Policy & Resources Committee

The Policy & Resource Plan – Phase One

To insert at the end of the words in Proposition 3:

“, but subject to;

1. the insertion in the section of Appendix 1 entitled “OUR ECONOMY :
(a) under the sub-heading “Strong, sustainable and growing economy” at page 7 of Appendix 1, in between sentences three and four, of the following:

“A strong economy is essential to maintain high rates of employment, low rates of unemployment and a diverse range of well-remunerated jobs. Without a strong economy the States will not have the revenue necessary to pursue social welfare programmes or invest in vital public services and infrastructure.”, and

- (b) under the sub-heading “Sustainable public finances ” at page 8 of Appendix 1, in between sentences two and three of the first paragraph, of the following:

“Indeed in recent years States’ expenditure has fallen significantly in relation to the size of the Island’s economy. There is some scope for further efficiency savings, but it must be recognised that Guernsey already spends less per capita on public services and infrastructure than many comparable jurisdictions.”, and

2. the deletion in the section of Appendix 1 entitled “OUR ECONOMY”, under the sub-heading “Sustainable public finances” at page 8 of Appendix 1, of the second paragraph and substitution therefor:

"As a matter of priority the budget of the States must be balanced and surpluses generated. The deficit cannot reasonably be eliminated nor reserves rebuilt by spending cuts alone or tax increases alone. The former would imperil vital public services and investment in essential infrastructure; the latter would be unfair and imprudent and may depress economic activity. Ideally, in the years ahead, economic growth will make at least some contribution to improving public finances, but it would be unwise to rely on ambitious levels of economic growth. As such the States will pursue a moderate, balanced, responsible approach which recognises the need to restrain public expenditure and raise additional revenue. Additional revenue will be raised as far as possible from individuals and entities most able to bear the burden. Restraining public expenditure will require the prudent management of financial resources, people and physical infrastructure. The States also need to rethink the provision of some public services to ensure they can be delivered efficiently to a high standard but in ways which are financially sustainable as well."".