

3.10 Deputy M.B. Andrews of St. Helier North of the Minister for Treasury and Resources regarding the Stabilisation Fund (OQ.80/2026).

Will the Minister advise what steps, if any, he has taken to reinstate the Stabilisation Fund to pre-2020 levels?

Senator A.J.H.M. Maclean (The Minister for Treasury and Resources):

Rebuilding the Stabilisation Fund is a priority. The fund exists to protect Islanders, public services, and the economy during periods of economic difficulty, and it performed exactly that role during the pandemic. The independent Fiscal Policy Panel has been clear that Jersey now needs to rebuild its reserves and save more during periods of stronger revenues, rather than committing all additional income to ongoing expenditure. I agree with that advice. Budget 2027 starts that process by bringing greater restraint to expenditure and reducing the impact of financing the new hospital on the Strategic Reserve. As part of plans for a 3-year budgetary period for 2028 to 2030 I want to bring forward plans to replenish the Stabilisation Fund, but it will require difficult situations, tightly controlling public expenditure, and delivering economic growth to create the surpluses that can be used for that particular purpose. We need to rebuild financial resilience now so that Jersey is properly prepared for the next economic downturn.

3.10.1 Deputy M.B. Andrews:

To grow the Stabilisation Fund to pre-2020 levels, will it be necessary to introduce taxes or to increase existing taxes so we can get there?

Senator A.J.H.M. Maclean:

No, taxes are certainly not on the agenda as far as I am concerned. We do need to consider greater efficiencies, some savings, reprioritisation, but taxes are not on the agenda at all. Let me be absolutely clear about that. I would also say that pre-2020 totals in the Stabilisation Fund had fallen. They were sitting around about £50 million just before the pandemic, which of course was helpful. It was nowhere near the levels when the fund was originally set up, and we should be targeting closer to £150 million for a fund of that nature, which is a significant amount.

The Bailiff:

Thank you, Minister. We now move on to questions to Ministers without notice. The first period of questions are questions for the Minister for Infrastructure and the first questions are from Deputy Coles, Jeune, Wilson, then Gleave.