

# STATES OF JERSEY



## CONTINUATION OF RURAL AND MARINE SUPPORT (P.54/2026): AMENDMENT

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Lodged au Greffe on 17th March 2026  
by the Minister for Treasury and Resources  
Earliest date for debate: 24th March 2026

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STATES GREFFE

CONTINUATION OF RURAL AND MARINE SUPPORT (P.54/2026):  
AMENDMENT

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**1 PAGE 2 –**

Substitute the words “including both the Agricultural Loans Scheme and Better Business Support funding” with “excluding the Better Business Support funding”.

After the words “rescinded by the States Assembly.” insert the words “; and that the Agricultural Loans Scheme should continue, with the determination of further capitalisation based on the demand for loans and the availability of funds.”.

MINISTER FOR TREASURY AND RESOURCES

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

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

to refer to their Act dated 7th November 2023, in which they approved the proposition entitled ‘Increase in revenue expenditure for agriculture and fisheries’ (P.74/2023), as amended, and to agree that the Council of Ministers should ensure the current level of financial support for Rural and Marine sectors in 2026, **excluding the Better Business Support funding** allocated directly to Rural and Marine, continues in perpetuity and increases in line with Retail Prices Index (RPI) (X) each year until this proposition is rescinded by the States Assembly; **and that the Agricultural Loans Scheme should continue, with the determination of further capitalisation based on the demand for loans and the availability of funds.**

## REPORT

The Minister for Treasury and Resources recognises the strategic value of the Jersey's rural and marine sectors to the Island's resilience, economy, culture, and food security. As the proposition itself highlights, both agriculture and fisheries face sustained structural pressures, including a long-term decline in sector participation, rising input costs, and the additional pressures created by the transition toward a living wage.

The Government remains committed to supporting these sectors, and this commitment is reflected in Budget 2026 – 2029, which continues an inflationary uplift to the rural and marine support scheme through to 2029, provides a further £5 million transfer to the Agriculture Loans Fund (capitalised with £10 million in total), continues the temporary support for the transition to a living wage into 2026, and excludes agricultural tractors from the higher rates of Vehicle Emissions Duty.

The proposition seeks to require the Council of Ministers to ensure that elements of the current level of financial support for the Rural and Marine sectors continues in perpetuity and increases annually in line with RPI(X), until the States Assembly explicitly rescinds the measure.

The Minister for Treasury and Resources remains committed to supporting these sectors through an annual uplift in line with RPI(X) which has already been built into the Budget until 2029. However, the extension of support through the Better Business Support package and any further capitalisation of the Agricultural Loans scheme clearly have financial consequences for the next budget and should properly be considered by the next Assembly as part of that budget. It is not good practice to make financial decisions of this nature in isolation.

### **1. The proposition seeks to convert temporary transition support into permanent baseline expenditure**

The Minister for Treasury and Resources acknowledges the acute pressures created by the transition to a living wage, which is why Government provided a £20 million temporary support package in 2025 and 2026, part of which was used to mitigate wage impacts in agriculture and fisheries.

However, these funds were deliberately designed as temporary measures to assist sectors through the transition, providing short-term stability while businesses adapt, and improve their productivity. It was never intended for this to be a direct subsidy for the industry.

The current source of funding for the temporary support scheme is through a temporary reduction in the States Grant to the Social Security Fund. The proposition would transform this temporary wage-transition support into permanent, annually inflating expenditure, without however identifying a recurring funding source.

Continuation of the £1.1m Better Business Support funding would either require a permanent reduction to the States Grant (a matter that is always controversial), or an increase in savings targets on top of the £29 million to be delivered in 2027.

## **2. Funding decisions must be made through the Budgetary process; indefinite funding is fiscally inappropriate**

Long-term funding commitments must be made through the established Government Plan and Budget processes, which allow Ministers and the Assembly to:

- balance competing strategic priorities across public services;
- evaluate fiscal pressures holistically;
- allocate resources in a transparent and accountable manner; and
- ensure medium- and long-term financial sustainability of public finances.

The proposition bypasses this process by committing future Council of Ministers and Assemblies to an increase in expenditure outside the normal budgeting cycle. This would place an obligation on Government spending without identifying recurrent funding sources.

The proposition notes no alternative source of funding, leaving a financial pressure for future Governments to resolve.

No sector of the economy, however vital, should be guaranteed perpetual public funding outside the democratic oversight of each annual Budget debate. Continuation of expenditure on an indefinite basis in such manner

- hardwires cost increases without periodic review;
- bypasses consideration of alternative, more targeted policy tools;
- reduces flexibility to respond to changing economic, environmental, or technological conditions; and
- risks creating long-term budgetary distortions that crowd out other necessary investments.

The Treasury Minister believes strongly that funding strategies for key sectors must remain responsive, evidence-based, and periodically reviewed, not locked in “until rescinded”.

## **3. The Government is already delivering meaningful and increased support to the sectors**

The Council of Ministers has already made significant progress since P.74/2023 was adopted, including the reintroduction of the Agricultural Loans Scheme and substantial increases in direct financial support and expanded take-up of Rural and Marine grants. In 2024 total support through the Rural Initiative Scheme, Rural Support Scheme and Marine Support Scheme was £5.9 million.

This demonstrates that the Rural and Marine sectors are already being supported through planned and structured measures, and that Government remains committed to promoting their long-term viability.

## **Conclusion**

Whilst the Minister for Treasury and Resources remains firmly committed to supporting agriculture and fisheries as vital components of Jersey's economy, culture, and food security, this is not the right way to make this kind of financial decision.

The Minister for Treasury and Resources therefore recommends that funding for the Rural and Marine sectors continues to be appropriately prioritised and assessed within the Budget, where it can be weighed transparently alongside competing priorities and allocated according to strategic need and affordability.

### **Financial and staffing implications**

There will be no financial impact over and above the Budget allocated already within Budget 2026-2029.

### **Children's Rights Impact Assessment**

The amendment has no direct or indirect impact on children. Accordingly, a Children's Rights Impact Assessment is not required under the Children (Conventions Rights) (Jersey) Law 2022.