

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**15<sup>th</sup> November, 2016**

**Proposition No. P.2016/48**

**AMENDMENT**

Proposed by: Deputy G A St Pier

Seconded by: Deputy L S Trott

**Policy & Resources Committee**

**The Policy & Resource Plan – Phase One**

To insert at the end of the words in Proposition 1:

“, but subject to pages 5 and 9 of Appendix 2 being modified as follows:

- (a) by inserting the words *“through an appropriate combination of reductions in expenditure and revenue-raising measures”* immediately after the italicised words *“Identified deficits will be addressed within five years of their appearance”* in
  - (i) the second line of the part entitled ‘4. Clear limitations on acceptable temporary deficits’ on page 5, and
  - (ii) in the third bullet point of paragraph 8.2 on page 9;
- (b) by inserting the words *“unless an appropriate combination of measures to remedy the deficit has been agreed and is being implemented”* immediately after the italicised words *“so as not to grow in real terms at the aggregate level”* in
  - (i) the sixth line of the part entitled ‘4. Clear limitations on acceptable temporary deficits’ on page 5, and
  - (ii) in the fifth bullet point of paragraph 8.2 on page 9; ”.

**Explanatory Note**

This amendment revises the Fiscal Framework rules in respect of government deficits to be read as follows:

“Identified deficits will be addressed within five years of their appearance **through an appropriate combination of reductions in expenditure and revenue-raising measures**”

“During any period of deficit, expenditure on public services must be limited so as not to grow in real terms at the aggregate level **unless an appropriate combination of measures to remedy the deficit has been agreed and is being implemented**”