

Mr President

It is indeed an honour to be able to present to this Honourable Court the Budget today. I would like to thank all the Treasury staff who have committed themselves since last summer to deliver this crucial piece of work and all those Tynwald Members, as well as members of our community and business sectors who have provided input for this ambitious programme to create financial certainty, consistency and stability.

Since I stood here a year ago global political, climatic, military and economic turmoil has continued to provide challenges and uncertainty for all societies and economies, ours being no exception.

The persistent high levels of inflation has caused the UK to increase interest rates above 5% resulting in significantly higher borrowing costs. This in turn presents a challenge to the wider economy with homeowners experiencing much higher mortgage repayments and a slowdown in the housing market.

The recent months have seen inflation gradually reducing, and more optimism that interest rates will start to come down but they are unlikely to reduce to the level we have been used to recently.

However, the Island has continued to perform strongly and this is testament to the resilience and inherent strength of our community and diverse business sectors.

We continue to monitor the impact that the fiscal and economic pressures are having on our businesses, labour market, and benefit systems. The Economic Dashboard presents this information in a variety of real time charts and this is published on a monthly basis.

This Island's ongoing ability to thrive in a tough economic climate and to have sufficient strength to respond to shocks is of vital long-term importance and why, Mr President, now perhaps more than ever, it is essential that we have a financially sustainable budget for our future.

As I will explain in more detail later, this budget provides continuing increased investment in our core services including; Health and Social Care, Education, Infrastructure, our Police, Fire and Rescue and Civil Defence for the long term. These are vital for ensuring we remain an attractive place to live and work - a key element of Our Island Plan and Economic Strategy.

For long term financial sustainability, it is vital that this expenditure is balanced against the need to ensure that we have sufficient revenue raising capability to invest in our economy and maintain our key public services, but that we can at the same time maintain and grow the reserves.

We face many challenges over the next few years, not least ensuring rigorous financial management and discipline. We must continue to make certain that the public sector builds on the incredible hard work of its people in ensuring that we operate as efficiently as possible and that we harness new technology to allow us to do so.

But, it is essential that the people of this Island see the benefits of our Island Plan; real outcomes which will improve their lives and the lives of their families. This is the challenge for all of us working in a Government committed to progressive improvement and change. A challenge I urge this Honourable Court to embrace.

Departments have worked hard during this year to maintain our essential public services, but the cost of delivering them has significantly increased. High inflation has increased the costs of goods and supplies, the cost of maintaining our infrastructure assets and delivering on the capital programme.

The increases to interest rates last year have created further pressures, impacting the wider public sector including local authorities and central Government departments.

Energy costs, whilst having reduced in recent months compared to the same period last year, are still a major cause of cost pressure across many departments.

Throughout the year departments have been carefully monitoring any increased costs and mitigated these whenever they can. However, this has not been possible for some departments who due to their very nature employ a large number of staff or where the majority of their costs are index linked.

This has resulted in some departments requesting a supplementary vote to balance their budget. As will be considered by Tynwald later today.

On a more positive note, the impact of rising wages in the private and public sector has increased our Income Tax receipts and these are expected to be around £48 million higher than budget by the end of the year. These additional receipts combined with a significant reduction on internal fund expenditure

mean that despite the increased costs incurred by departments, we are able to reduce the planned drawdown from our reserves for this year from £156.7 million to £126.5 million.

The likelihood is that many of these cost pressures will remain, impacting expenditure next year and future years. Any budget is based on key assumptions and cost pressures, together with the need to boost investment. Health and education have been the main considerations in the development of the proposals I bring before you today.

The Budget last year recognised that we will need to use our reserves over the medium term to protect our essential public services, but that this need will reduce to a much lower level in future years. My commitment to this is unchanged and the focus for this Budget is to ensure we keep to the Medium Term Financial Plan I presented last year to this honourable Court.

Our invaluable reserves, which have provided our nation with a cushion and the stability to withstand the global events of the last three years, have also suffered the effects of market volatility. The last few months have seen a marked improvement to the reserve position and it is pleasing to see that they have now returned to a market value over of £1.76 billion. The implementation of the new investment strategy in 2024/25 will support optimising our reserves to increase investment income whilst strengthening our ESG commitments and balancing investment risk.

I recognise that as a Government we need to drive efficiency and add value in the services we deliver, and this will be an essential area of focus over the next few years. Revised efficiency and cost improvement programmes are being developed for 2024/25 and will be used to mitigate budgetary pressures as well as creating the capacity to deliver positive outcomes and real improved services for the people of our island.

Manx Care have in place a separate cost and efficiency programme with aims to reduce the financial pressures of the high cost of providing services on the Isle of Man. Given that Manx Care represents a significant proportion of our overall expenditure, ensuring that the services provided efficiently is of utmost importance.

The latest Moody's credit rating opinion was published in November 2023 and this showed an improved rating from AA3 Negative to AA3 Stable. Whilst our rating is heavily influenced by the UK's economic health, the report highlights

our strong reserve position and diversified sectors which have provided us with the resilience to protect our island in the face of adverse economic events.

The Department for Enterprise has continued supporting our businesses and people through the promotion of schemes such as the Micro Business Scheme, Green Living Grant, Energy Efficiency Scheme, and Financial Assistance Scheme.

The Economic Strategy Fund has provided the ability to invest in our long-term future with allocated grant funding for the private sector to develop difficult brownfield sites, often vacant for decades, into much needed residential housing and accommodation for our visitors.

Honourable Members, this budget aims to deliver a financially responsible and sustainable future. To protect our essential public services we will need to raise sufficient income to meet the increased costs of delivering them, we need to maintain the assets we already have and to continue investing in our economy to support future growth.

To safeguard our key public services, departmental revenue budgets have increased by a total of £81 million in the coming financial year, with £59 million of this being allocated to our education and health services.

The Department of Education, Sport and Culture has been provided with an additional budget of £18.3 million; this includes £3 million to support the aims and objectives of the Childcare Strategy with funding continuing throughout the medium term plan to a total of £35 million. We are currently working with the Childcare sector to see how a phased approach can be used to extend the existing pre-school credit scheme to 3 to 4 year olds to support the sector to develop and provide more accessibility.

The Department of Education, Sport and Culture budget also includes a contingency of £350,000 to support the Regional Swimming Pools in the next financial year. I am sure that members will welcome this allocation, which will help to protect these community assets whilst the longer-term strategies and structures are considered.

This Budget also supports the agricultural sector and our farmers who are the custodians of the countryside. This year will see further real progress on delivering the Climate Change Plan and strengthening an evolving Green economy. An extra £2 million will be transferred to the Agriculture and Forestry Fund.

This budget increases the Manx Care base mandate by £43.8 million for our Health and Care services. This significant increase is representative of the inflationary pressures, which rise at a higher rate than general inflation. The level of enhancement aligns with the conclusions of Sir Jonathan Michael's report and moves toward setting out a long term funding strategy for our NHS to allow it to plan for the future and to continue to improve the services for our community.

This Budget demonstrates Mr President, that this Government recognises its responsibilities for investing in these vital services that are essential for the Island and its residents even in these times of financial stress.

An additional £29.3 million budget has been allocated for the uprating of state pensions and other Social Security benefits from April, supporting the elderly, families and those who are in times of need.

Our economic strategy focuses on the need to balance our population and increase our economically active population. I am grateful for those Members who sat on the Tynwald Select Committee on Population Rebalancing. This Budget shows a commitment to begin the implementation of your recommendations and start addressing major changes to the structure of our society.

The Budget proposals support families by increasing the maternity, paternity and adoption allowances by 15%, this builds on the 16.8% increase provided last year and results in the maximum rates for employees rising from £210 to £241.50 a week.

The standard rate of maternity allowance for the self-employed will also increase by 15%, from £182.90 to £210.35 a week.

It also introduces a change to Child Benefit, which will align the amount of money paid for the second and subsequent children in a family with the amount paid for the first child in the family. For a family with 2 children this will mean up to an extra £12.05 per week or £626.60 per year and for a family with 3 children – up to an extra £22.60 per week or £1,175.20 per year. Around 3,000 families who have more than one dependent child will see their Child Benefit significantly increased.

The Budget increases the rates of basic State Retirement Pension and the Manx State Pension up to the full amount, which is an increase of 8.5% in line with the

United Kingdom Triple Lock. Those in receipt of the full Manx State Pension will receive an extra £18.83 per week, and £979.16 more over the next year.

Other benefits have been increased in line with inflation, with a focus on how we can encourage more people back into the workplace.

Mr President, it is important that this Budget also includes investment into areas that drive continuous improvement and efficient and effective public services.

The public services rely on its people and it is essential that we have the right strategies and support in place. The Budget includes a strategic investment for the transformation of the Office of Human Resources implementing recommendations from a recent external review. These will enhance efficiency and effectiveness and will contribute to the long-term success and resilience of our public service and enable a more collaborative and positive culture to thrive.

It is vital that we protect our nation's international reputation. The Budget allocates an additional budget to ensure that we adequately prepare for the next round of Moneyval assessments and other tests of our commitment to being a well-regulated international financial centre. Mr President we are serious about tackling financial crime, money laundering and the financing of terrorism.

Around the world, we have seen how conflict and hardship affects millions of people. Our place as part of the international community remains strong and we will continue to provide aid to various regions through the Isle of Man International Development fund. In such desperate times for so many, I regret that we have been unable to increase our foreign aid budget this year, but will be looking to review this position.

Turning to capital expenditure, in the last budget we introduced an improved capital expenditure process where new initiatives are supported with Project Development funding to complete full design and costing before being brought to this Honourable Court for approval.

This year has seen just two projects being brought to Tynwald, however a considerable number of projects are being developed and have received Project Development funding. These will subsequently be brought to Tynwald for approval when fully developed and costed.

I am sure that members in the southern constituencies will be pleased to hear that the largest of these schemes is the Castle Rushen High School project, with a sports complex and new swimming pool. We are accelerating the design stages

and have appointed additional specialist advisers to lead on this major investment. Clear communication and engagement with the communities in the south will be key to this project and it is planned to present further details to them in the coming months.

We have allocated an additional £5 million to the Project Development Fund to support future initiatives. The Budget allocations also recognise the economic pressures faced on our capital programme and allocates an additional £5m to contingency and £5 million for inflation.

The full capital programme reflects all projects that have had budget approval and are progressing. We estimate that the capital expenditure incurred will be in the region of £70 million for 2023/24 and that £350 million is estimated to be spent over the Medium Term Financial Plan. Our capital programme has £244 million allocated against discrete projects, which leaves £106 million available for new initiatives.

Additional and alternative funding streams and approaches are currently under consideration for larger projects, which are needed to support future investment into our island and the economy.

As I previously mentioned, to enable this we need to ensure that the assets used to deliver our essential public services are properly maintained. To ensure this additional funding is allocated to many of the existing rolling maintenance schemes especially to our schools in the East and to new maintenance budgets.

A total of £42.4 million has been allocated to rolling maintenance schemes. This includes £6.1 million to the Strategic Highway Refurbishment scheme, supporting the maintenance of our key roads. £2.3 million is allocated for the Heritage Railways. A new £1.5 million rolling maintenance scheme has been introduced specifically for maintenance works to the Airport. We continue to allocate funding for the climate change capital schemes which sees £5 million being ring-fenced for Climate Change Adaption, and £5 million ring-fenced for Climate Change Mitigation Initiatives.

From April 2024, the Major Projects Board will be in place to provide a higher degree of oversight and governance on the larger capital projects undertaken across Government. I am delighted to confirm that we have appointed Mr Barry O'Driscoll as the Chair for the Major Projects Board, who has a significant amount of experience in delivering large capital projects across the private and public sector.

To improve transparency over our capital activities I intend to provide quarterly updates on the progress of our capital programme to Honourable Members throughout the year.

We will continue to update the Strategic Infrastructure Needs Assessment and commission condition surveys to ensure we invest appropriately into our schools, hospitals and other buildings, but also to identify the assets that are no longer required. This will ensure we focus our investment into the right assets for their future.

I am sure that Honourable members would agree that the budgetary allocations I have just laid out, reflect our priorities and responsibilities and represent a significant investment in the Island, its infrastructure and assets, its people and our service. However, of course this level of investment needs to be balanced by the raising of sufficient levels of income. This is a responsible Budget Mr President and with that I turn to the measures by which we will raise this additional income.

We have recently announced the joining of forces between the Customs and Excise and Immigration services. This will strengthen our national security and address strategic risks within the Common Travel Area. Indirect taxation such as fuel, tobacco and alcohol duties as well as VAT remain an important component of our total income.

The allocation in the Budget for our shared VAT income is based on the Final Expenditure Revenue Sharing Agreement with the United Kingdom. The level of income we will receive is determined through complex calculations, which estimate the amount of VAT arising on the island. Vital to these calculations are the regular Household Income and Expenditure and Business surveys.

I urge that when invited, members of the public continue to participate in the important survey, which acts as evidence for the generation of a significant proportion of our government income.

As with last year's Budget, we will be receiving a dividend from the Isle of Man Post Office and Steam Packet Company. Both are undergoing major changes in the way they provide vital lifeline services for our community and I look forward to their annual reports and the work of the Tynwald Select Committee as it examines the review of the existing Sea Services Agreement.

Over the past few years Department fees and charges have not kept pace with inflation. Department income was heavily impacted during the pandemic and the high inflation caused by the subsequent global events has produced significant pressure to Department finances. The cost of providing our crucial public services is now significantly higher than the income received to pay for them with costs increasing at a much faster pace. It is important to recognise that departments need to charge sufficient fees to protect the continued delivery of our important public services and whilst some fees have increased over the past year, further increases will be required this year and departments have been instructed to lift them in line with inflation.

Treasury have already started reviewing the procurement of Government services to ensure they both satisfy the requirements of international Free Trade Agreements we have signed up to, but also maximise the benefit to our local economy. There will be a series of reforms to our Financial Regulations to assist local companies when bidding for government contracts, helping to support local jobs and our local economy.

Mr President, I will now turn to changes in direct taxation.

Although our Income Tax receipts have been strong and are currently forecast to be in excess of £320 Million, there still remains a gap in healthcare funding which must be addressed now and for the future.

As I have already stated, we must protect our vital services, however, in doing so we can no longer simply rely on reserves.

We are in very difficult circumstances and the changes that I announce today should be seen as the start of a process of moving toward a different approach to taxation.

The personal allowance will remain at £14,500 for an individual and £29,000 for a jointly assessed couple. The measure, put in place at last year's budget, whereby higher earners have their personal allowance reduced by £1 for every £2 of total income over £100,000, will remain unchanged.

I am also holding the lower rate of income tax at 10% and the threshold of income taxable at £6,500 for a single person and £13,000 for a jointly assessed couple.

Reluctantly, however, after exploring my options for a balanced budget, I have made the difficult decision to increase the higher rate of income tax from 20% to 22%, ring fencing this extra income to support our NHS.

Today we have laid before this Honourable Court our new Tax Strategy. I intend to lead a debate on this next month and work with Members to investigate bringing forward a new “NHS Levy” which could then replace this increase in the upper rate of Income Tax and lead to a fairer way that all those in our community could help fund the healthcare system they rely on.

The increase from 20% to 22% will take effect from 6th April this year and will affect both resident and non-resident taxpayers. The impact of this change on individuals will ultimately depend on the level of their taxable income. To put the increase into context:

- an individually assessed person, earning the 2023 national minimum wage of £10.75 per hour and working 37 hours each week will not be impacted by the increase;
- an individually assessed person, earning the median wage of £673 per week will pay an additional £5.38 per week; and
- an individually assessed person, earning £130,000 per annum will pay an additional £2,470 per year.

At this point, I would like to stress that I fully understand the consequences this increase may have on some taxpayers and reiterate how mindful I am of the cost of living pressures experienced by everyone. Those sometimes referred to as the “squeezed middle” have had to adjust and adapt to higher prices, increased interest rates and a difficult economic climate for the last three years. This is why I am committing to review the Income Tax thresholds and Child Benefit thresholds in next year’s Budget.

It is my ambition that this increase to the higher rate of income tax will only be in place until we have investigated and introduced the NHS levy.

The levy, which will encompass all tax resident individuals, will create a fair and equitable mechanism to ensure adequate funding for healthcare without reliance on reserves. As the levy is a new revenue source and a new concept for our Island, the integral features will require extensive work before all details can be finalised.

It is my ambition to introduce the levy from the 2025/26 Income Tax year and therefore the necessary legislation will need to be brought forward prior to this.

Today, I also intend to bring forward changes in respect of how cars and fuel are treated for the purposes of Income Tax when provided by an employer.

In line with our Climate Change Plan 2022 to 2027, we as an Island aim to significantly reduce our emissions. As part of this, and to encourage employers to consider lower emission vehicles, benefit in kind car charges from 6th April will primarily be based on CO₂ emissions and the list price of the car. The benefit in kind calculation in respect of fuel will also be aligned with the car's CO₂ emissions.

Furthermore, I am today announcing two key measures in relation to corporate tax.

Firstly, members will recall the statement issued in May 2023, which was made jointly with the governments of Jersey and Guernsey, regarding the response of the Crown Dependencies to the OECD's Pillar Two framework – often referred to as the OECD's Global Minimum Tax initiative. That statement indicated our intent to implement a domestic minimum Tax that will provide for a 15% effective Tax rate for large in-scope multinational enterprises with a global turnover of over 750 million Euros from 2025.

The Island already taxes banks and large retailers at a 10% rate. Many 10% taxable businesses are part of large groups that will be in scope of Pillar Two, and indeed many of those are part of groups whose parent entity is located in a jurisdiction that has implemented Pillar 2 measures from 1 January 2024, being one year earlier than the Island's anticipated implementation.

As part of our transition to Pillar 2 implementation in the Island, I am therefore increasing from 10% to 15% the rate of tax that applies for corporate taxpayers with income from banking and large retailing activity. This increase will be for the 2024/25 year of assessment only, and furthermore it will only apply to those banks and retailers whose profits would otherwise be subject to a top-up tax outside the Island under a Pillar 2 income inclusion rule in 2024.

This change has no impact on banks or large retailers that are not part of groups that are in scope of Pillar 2 from 2024, or indeed other businesses that are taxable at the standard 0% rate, regardless of whether they will be in scope of Pillar 2.

My second corporate measure relates to the taxation of petroleum extraction. Members will be aware that the Island already has a regime in place that imposes a royalty on income from petroleum extraction in the form of the Petroleum (Royalties) Regulations 2018, which were introduced by the Department for Infrastructure. I am today announcing an increase in the tax rate from 0% to 20% for income received by corporate taxpayers from petroleum extraction, which will include the extraction of natural gas from our seabed. This brings the tax rate in line with the existing tax rate for income from land and property in the Island.

One of the key tenets of our Economic Strategy was to broaden the tax base and increase Government income, which could be used to invest in our people and economy. The tax proposals today are part of a progressive strategy to decrease the reliance on personal taxation but retain the ability to guarantee finances for public services and infrastructure investment sustaining a more secure, vibrant and sustainable Island.

Turning now to National Insurance.

Last year Treasury published the report by the UK Government Actuary into the operation of the Manx National Insurance Fund, it showed that if no action was taken the Fund would be exhausted by 2047/48. I have therefore initiated a review into the operation of the Fund so that we can ensure that it remains fit for purpose. This review will consider the size of the Fund, how it should be invested and what part it should play in supporting the costs of our Health Service. The review will also look at the expenditure from the Fund of which the most significant is the State Retirement Pension.

The triple lock has meant that pensions have increased significantly over the last few years and while those in receipt of a pension have welcomed this, it has increased expenditure from the fund significantly. In my view this is not sustainable in the long-term without putting increased pressure on those who pay National Insurance and I don't think that this is fair.

I will be coming back to this Honourable Court for a full debate on our review of the National Insurance Fund, and how we protect it and the livelihoods of those depending on it whilst ensuring we promote intergenerational fairness and stimulate economic development.

Because of the terms of the reciprocal agreement we have with the UK we are required to increase pensions awarded before the 6th April 2016 by the same

amount as the UK. I do not propose to change this going forward, and although the Isle of Man had separate arrangements on pension from 6th April 2016 it was not until 6th April 2019 that the Manx State Pension was introduced.

Therefore the pension increases announced this year will be the last time that the increases announced in the UK will apply to all pensioners that are paid a pension from the IOM. Those who have reached State Pension age before the 6th April 2019 will have the annual increases announced in the UK applied to their pension whereas those who are in receipt of a Manx State Pension from 6th April 2019 will have a different increase applied.

Over the coming months Treasury will work with the UK Government Actuary's Department to finalise an uprating formula that ensures pensions are increased by a sustainable amount without putting increased pressure on those who are currently paying National Insurance contributions. This will ensure fairness across generations while helping to protect the longer-term sustainability of the Fund.

Mr President given that I have asked Treasury to review the Fund and its operation I do not feel that it is appropriate to make any significant changes to the National Insurance Scheme at present and therefore the changes proposed in this budget only apply the normal annual increases to thresholds and limits.

Therefore, it is proposed that the primary and secondary thresholds for Class 1 National Insurance will increase to £160 per week, saving someone on the national minimum wage £85.80 a year.

The upper earnings limit will increase to £938 per week meaning anyone who earns over £45,786 a year will pay more National Insurance up to a maximum of £299.

The Lower Earnings Limit, the point at which an employed person starts to accrue rights to benefits, will remain at £123, in line with the UK figure.

The rates of employee and employer National Insurance will remain unchanged.

The annual Class 4 limits are increased to match the primary and upper earnings limits for the employed and the Class 2 rate is increased to £6.20 per week for the self-employed and £7.60 per week for share-fishermen.

As I announced in December in this Honourable Court, Treasury are not following the UK by abolishing Class 2 contributions from this April, and a

decision will be made on the future of this once details of the change become clearer in the UK.

The Class 3 voluntary contribution paid by individuals to increase their entitlement to the State Pension is increased to £18.95 per week.

Finally, I can confirm that the National Insurance Holiday Scheme will continue for the 24/25 tax year and a review will be carried out to assess how effective it has been and whether it should remain in place in future years.

Mr President, the National Insurance scheme has provided a safety net for those who find themselves unable to work and it has provided an income for those who have reached the State Pension age, but it needs reform to ensure that the scheme is sustainable.

I therefore look forward to engaging with members and our community over the coming year as we bring forward plans to ensure that it continues to work for future generations.

The new Tax Strategy published today sets out the objectives and policies Treasury intends to consider for the remainder of this Administration. It is the first review of the Island's strategy in relation to taxation since 2016 and seeks to contribute to balancing public sector income and expenditure over the period of the Medium Term Financial Plan and also meet the aspirations set out in the Island Plan and the Economic Strategy. This is a challenging task given current fiscal conditions.

The strategy identifies seven priority actions:

Firstly, to raise sufficient taxes to meet the Island's needs through a sustainable and diversified tax system we will be continuing with our plans, announced in May last year, to implement minimum effective tax rate of 15% for multinational enterprises. This will in due course broaden the Island's tax base and generate additional tax revenues. However there remains much uncertainty about the level of such revenues and they will not be due for payment until the 2027/28 financial year. As previously emphasised, this change will only affect the largest multinationals and most Isle of Man companies will remain within the existing 0/10% system.

With respect to 0/10%, as I have said before it is Treasury's clear intention to retain this system, however, we will be continuing the work started in 2023 to review the scope of the businesses in the Isle of Man that are subject to positive

rates of Corporate Income Tax. As it is Treasury's clear intention to retain the 0/10% system a key factor in this work will be to avoid significantly impairing the Island's competitive position.

Thirdly, as I mentioned earlier, Treasury will be investigating the introduction of a new levy on resident individual's income that would be ring-fenced to assist in meeting the costs of current health and care provision.

The fourth priority action is aimed at endeavouring to ensure that the tax system is fair and equitable by addressing the issues identified by PwC in their review of the National Insurance system in relation to Owner Managed Businesses. This is an action that is already underway and that was the subject of a public consultation in 2022.

The fifth priority action is to investigate affordable tax policies to promote productivity and increase the economically active population.

The sixth and seventh priority actions are both designed to meet the long-standing Island policy of complying with international tax standards. Action 6 is to continue monitoring potential developments in international tax standards to ensure the Island maintains a constructive and open relationship with international standard setters and is well prepared for any future developments. Action 7 is to implement the 2023 changes to the International Standards for Automatic Exchange of Information in Tax Matters.

More generally, but equally important, the Tax Strategy provides certainty by committing to retaining key features of the Island's existing tax system and to not introducing new taxes on capital or wealth.

The Tax Strategy has today been placed on the register of business for a debate at the next sitting of Tynwald in March.

Mr President, I'm sure Honourable members will recognise the development in the way the Budget is developed and discussed over the past few years. I am committed to continuing this progress and I can report today that the Treasury will continue to reform the whole Budget process,

- to provide real time economic data for our community on the economic dashboard,
- to publish quarterly management accounts to enhance the scrutiny role of the Public Accounts Committee,

- to work alongside the Tynwald Auditor General and accelerate the publication of the audited Government accounts.
- We will continue to present information in a more transparent nature to Tynwald Members with earlier access to the Pink Book,
- And provide regular statements on the progress of the capital programme and updates on large infrastructure projects with clear prioritisation of funding for our Island Plan.

I am aware that some Members would prefer a different Budget process and more revolutionary changes, but as Minister I am committed to deliver the right outcomes for our society, and evolutionary change in the way we achieve this, bringing along all members of our community.

Mr President, I today bring forward to this Honourable Court a financially responsible budget with the long-term financial health of the Island and its economy as a central focus.

In order to take advantage of opportunities in the future we will need to enhance our financial control, ensuring that departments remain within the finances allocated, this is a key focus for this Budget.

The introduction of enhanced budgetary monitoring, reporting and scrutiny reviews alongside initiatives such as focussed procurement, contract management and developed efficiency and cost improvement plans will provide the valuable tools to ensure we achieve this plan.

Mr President, Honourable Members, I beg to move this year's Budget.