

The Treasury

Yn Tashtey

PRESS RELEASE

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Budget strikes balance in challenging times

A BALANCED Budget package offering support for the economy while avoiding tax increases or public service cuts has been produced in Tynwald today (Tuesday, February 17, 2009) by Treasury Minister Allan Bell MHK.

Mr Bell's eighth Manx Budget includes a £127 million capital investment programme, to help maintain activity and jobs in construction, and a further boost for international marketing.

At the same time he announced further assistance for those on low incomes, including the unemployed, and a prioritisation of spending on health and social care.

Mr Bell said this was the most difficult Budget he had ever had to prepare. But, he reminded Tynwald, the Island's economy was stronger and more diverse than in any previous slow-down. It was not in recession and there were still good news stories amongst local companies.

The Minister declared: 'To the outside world my message is plain. Look at our 25 year record of unbroken growth. Look at our success and be part of it, because when the world starts to recover it will find the Isle of Man ready and able to be part of that recovery.'

'To our Island I say that even though there may be difficult times ahead, I strongly believe that if both Tynwald and our community work together in common cause, putting aside our differences, we can come through this period stronger than most.'

Key features of the 2009 Isle of Man Budget include:

- £127 million capital spending programme plus £22 million for the local authorities housing programme
- £5 million more for the Marketing Initiatives Fund to promote the Island internationally
- Overall Government net spending to rise by one per cent
- Net spending on health and social care (DHSS) to increase by 5.7 per cent or £13.3 million
- Jobseekers Allowance to be made tax-free
- Personal Allowance Credit for people on low incomes to increase ten per cent from £500 to £550 per person or £1,100 per couple
- Basic pension and pension supplement to increase by five per cent
- No change in income tax rates, allowances, reliefs and thresholds
- £2.4 million Overseas Aid Budget
- £15 million transfer to Public Sector Employees Pension Reserve

Ends

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