WRITTEN QUESTION TO THE MINISTER FOR INFRASTRUCTURE BY DEPUTY R.S. KOVACS OF ST. SAVIOUR QUESTION SUBMITTED ON MONDAY 25th SEPTEMBER 2023 ANSWER TO BE TABLED ON MONDAY 2nd OCTOBER 2023

Question

"Regarding the new taxes outlined in page 44 and 46 of the <u>Proposed Government Plan 2024-2027</u>, will the Minister –

- (a) explain the intended process and charges for
 - a. domestic liquid waste;
 - b. domestic household waste; and
 - c. revenue to replace Road Fuel Duty with a Vehicle Tax;
- (b) explain how, if at all, the above is consistent with minimising the effect of the Cost of Living crisis on residents, and how he would address the effect of extra taxes, especially on low fixed income households; and
- (c) confirm which department will oversee the revenue from these new taxes, and where the income is intended to be used?"

Answer

(a) Development of these proposed policies has not yet commenced. As of the debate on the Proposed Government Plan 2024–2027, the Assembly will be asked to approve the application of existing resources to work on the development of user-pays charges in relation to all aspects of waste disposal. This project is at an early stage and specific details have yet to be decided. Any proposed charges will be included in subsequent Government Plans.

Work on replacing fuel duty is at a very early stage and sits with the Environment Minister.

(b) The need to invest in the Island's liquid waste infrastructure has been clearly articulated in the bridging Liquid Waste Strategy and is long overdue. It is necessary to ensure the sewage network continues to function and can accommodate new buildings and homes in future. The scale of investment needed for this essential work requires a suitable funding mechanism. Ministers will, of course, keep in mind the prevailing cost of living and impact before bringing proposals to the States Assembly.

The unpopular nature of these charges has caused a delay of more than a decade in bringing them forward. The intention is to introduce charges that only reflect the amount of money required for the additional work to bring the drainage network up to standard. The Government will be mindful of the impact on families and the hospitality industry. It is important that charging mechanisms remain simple and consistent, but support is in place if necessary. This is why Government maintains various targeted schemes that are designed to help those on lower incomes to deal with financial pressures.

(c) Under current arrangements, any new revenue is administered by Revenue Jersey, within the Treasury and Exchequer department with income from general taxation paid into the general revenues to help pay for all public services. As stated in my response to part (a), this project is in its infancy and decisions about how charges will be implemented has not yet been decided. For clarity, whatever mechanism that is introduced to bring these charges will be used to support the maintenance of drains.