

2.1 Deputy R.J. Rondel of St. Helier of the Minister for Treasury and Resources regarding the amount received by the Treasury from G.S.T. placed on food items for the years 2010 and 2011:

Would the Minister inform the Assembly of the amount received by the Treasury from G.S.T. (Goods and Services Tax) placed on food for the years 2010 and 2011? If he is unable to give a precise figure would he give Members an estimate of the amount received?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I am sure the Deputy will understand, as a retailer, that it is not possible to identify the exact amount received from G.S.T. placed on food as G.S.T. returns are received from businesses and include all their trading activities which, for many businesses, include the sale of food along with other non-food and other sales of goods and services. However, an estimate of the G.S.T. raised on the consumption of all food is made using the Household Spending Survey. For the 2010 estimate it was £4.5 million on food and non-alcoholic drink. For 2011 the Statistics Unit has not yet been able to produce a comparable figure but as a rough guide this is likely to be in the region of £6.4 million taking into account food inflation of 7 per cent for 2011. In a full year then the estimate for 2011 is likely to be in the region of £8 million.

2.1.1 Deputy T.M. Pitman of St. Helier:

I hope, Sir, you are feeling generous and it is not too wide of the mark. Could the Minister give any advice or encouragement on how things are progressing with this list of food to be exempted from G.S.T. which was promised?

[09:45]

Senator P.F.C. Ozouf:

I have to say I do not believe that that is within my bailiwick. It is within the Health Department in terms of healthy foods but what I would say is that I remain sceptical, following the similar investigation of the New Zealand select committee, as to whether or not we are going to be able to settle on a healthy list of foods and therefore find an easy solution to this vexed question of G.S.T. on food or not.