

2015.05.12

### **3.1 Deputy S.Y. Mézec of St. Helier of the Chief Minister regarding user pays charges:**

Following the Government's announcement that it will seek to introduce a health charge and some "user-pays" charges to help address the forecast financial shortfall, what discussions, if any, have been held to investigate ways to ensure that the impact of these policies will not be felt by the poorest in Jersey?

#### **Senator I.J. Gorst (The Chief Minister):**

As we plan for our second Medium Term Financial Plan it is clear that the work agreed following the Health and Social Services White Paper requires additional funding if we are to continue the transformation of health and social care. The development of a funding mechanism is still at an early stage identifying previous reviews and a number of possible options. It will follow a proper process, including a thorough assessment of the impact of any charges on all Island groups.

#### **3.1.1 Deputy S.W. Mézec:**

Can I take it from the Chief Minister's answer that when we look at the fine details of what form this health charge will take that he will consider it a priority that those of the least means among us in this Island will be exempt from as many, if not all, charges, if possible?

#### **Senator I.J. Gorst:**

As I said, we will consider the implications, distribution analysis of individual charges, and potentially any charges brought together. It is too early to say where any exemptions might sit. It will depend on the model chosen but let us not forget if we do not invest this extra money in Health it is the very groups of our community that the Deputy is rightly concerned about that will be affected the most.

#### **3.1.2 Deputy M. Tadier of St. Brelade:**

How does one on the one hand say that we are going to safeguard the funding for Health so it will be protected from the cuts and, on the other hand, in the same breath almost, say that we are going to introduce user pays for health so that people start paying more for their own health care?

#### **Senator I.J. Gorst:**

I am not sure that I accept the mutual exclusivity that the questioner seems to be indicating.

#### **3.1.3 Deputy M. Tadier:**

Will the Chief Minister also give an undertaking that in some ways it is not simply the poorest in Jersey who need to be insulated from any user pays charges because traditionally the poorest in society are catered for and the wealthy do not need any care? It is the ones slightly above the most poor in society that need to be helped. Does the Chief Minister agree with that and what will he do to ensure that those people who struggle on a day-to-day basis are not most impacted?

#### **Senator I.J. Gorst:**

We have got to have a proper discussion and debate across our community about the health service that we need, that we require and that delivers the best outcomes. That is the basis of changing health and social services and we will have a rightly robust debate about that. But we cannot avoid, like the rest of our European neighbours, of needing to spend more on health and it is disingenuous of any Member who suggests in this Assembly anything otherwise.

[9:45]

If we want to invest more, we are going to have to ask our community to pay a little bit more to deliver it. I think that is fair. I think the public will accept it. Of course we will have a discussion

about exactly where that stops and where that starts and where exemptions might be but the principle is right.

#### **3.1.4 Deputy G.P. Southern of St. Helier:**

Such passion, it reminds me of election time, but that is not what he was saying at election time. Notwithstanding the ...

#### **Senator I.J. Gorst:**

I wonder if the Deputy could withdraw that. For the past 2 elections I have said exactly the same thing.

#### **Deputy G.P. Southern:**

In that case I withdraw it, Sir, but I failed to hear it at the time. I must be going deaf in my old age. Notwithstanding the methodical approach that he suggests is going to be taken to this particular area of charging, on a personal level, does he prefer himself a charge at the point of delivery or would he prefer a tax related to income tax and perhaps collected by the Income Tax Department which spreads the load more evenly?

#### **Senator I.J. Gorst:**

Much as I would like to accept the principle that the Deputy seems to be inferring that my personal view is the one that will prevail, that is not quite how this office works. We have got to have a conversation with the public and we have got to ... I think, out of those particular models that is something that elsewhere are grappling with, if we look at the Dame Kate Barker review that she undertook for the British Government, there are a number of different models that could be used and you could bring them together. For a personal preference, albeit that that bears no relation to what will ultimately be decided, I personally think that one solution is the better solution rather than having a myriad of solutions, and I personally think that a solution that is more collective than individualistic is better as well.

#### **3.1.5 Deputy G.P. Southern:**

Does the Chief Minister accept that income tax is the fairest basis to charge any taxes?

#### **Senator I.J. Gorst:**

As the Deputy knows, you have got to take charges and taxes in the round and just plucking one out of the air may not solve the problem so we have to wait and see.

#### **3.1.6 Deputy M.R. Higgins of St. Helier:**

The Chief Minister says that he is going to consult not only with the States but also with the public on health charges. Will he, at the same time, also consult on all the other user pays charges and all the other sort of stealth taxes that are likely to come forward, so at the same time the public can see overall what it is? Secondly, will he provide Members and the public an impact statement saying how it is going to affect different members of our society because there will be differentials?

#### **Senator I.J. Gorst:**

We will. Ministers have asked for the distribution analysis to be done not just on simply individual options but on packages of options. The Members opposite seem to be suggesting somehow, and it has gained credence in the media, that these are stealth taxes. There is nothing stealthy about them. We have been absolutely clear. We have been open and transparent with the public. We have brought forward a plan that we believe deals with the potential funding shortfall, provides investment in services that require it. There is nothing stealthy about it.

#### **3.1.7 Deputy M.R. Higgins:**

Did the Minister tell the public that when he stood for election, and his other Ministers, that taxes were going to increase in the way they are?

**Senator I.J. Gorst:**

This Minister has been clear, as I said, for the last 2 elections that we needed a mechanism to provide for investment in health. I cannot help it if some of the Members opposite, to paraphrase Deputy Southern, were not listening.

**3.1.8 Deputy S.Y. Mézec:**

They are not stealth taxes but he cannot tell us any of the details about them whatsoever. Notwithstanding his earlier grandstanding on a point that is not contentious or held contentious by any Member of this Assembly, the purpose of my question is to give the Chief Minister an opportunity to stand up in this Assembly and say to the public of Jersey that when proposing these charges in future I will make every effort to shelter the poor from it. My question, it is his final opportunity: will he stand here and say: “When these charges are introduced I will do everything I can to mitigate the impact they have on the poorest people in Jersey’s society” or will he do what his Government usually does, which is completely disregard those people?

**Senator I.J. Gorst:**

The Deputy seems to misinterpret everything that the Government does. This Government has put more money into income support, supporting the most vulnerable in our community. We have put tens of millions of pounds into getting those vulnerable people into work. We always take into consideration vulnerable members of our community and we will continue to do so.