

2016.06.28

**8 Deputy M. Tadier of the Chief Minister regarding plans to propose new user-pays charges for services: [9531]**

Changing the subject slightly, can the Minister advise the Assembly whether there are still plans to propose new user pays charges for services such as sewage treatment and healthcare provision and, if so, when will the public be given the details of any such charges?

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

We are investing in our priority areas of health, education, St. Helier, and economic growth. We are bringing forward a package of measures in the Medium Term Financial Plan Addition, which will reprioritise spending and balance our budgets by 2019. The plan provides £40 million of additional annual funding for health and social care by 2019 and, as we have made clear, that ongoing requirement for extra resources will need to be supported by a health charge. Virtually every other jurisdiction charges for waste disposal and we have been looking at introducing user pays charges to pay for services, improve environmental outcomes and manage demand. The details of both these charges will be provided on Thursday, when the plan is published.

**3.8.1 Deputy M. Tadier:**

I suppose that 2 years after the election is not too late for the public to find out what they are actually getting and what they voted for, so they will certainly be happy, I imagine. Does the Minister agree that we are already paying these charges through our tax system? That is the established way that we pay for health care and that we have been paying for sewage treatment. Does he agree that if there are any changes there should certainly be talk of giving a rebate to taxpayers, so that there is not any double taxation in that regard? More importantly ... I can probably leave it there.

**The Bailiff:**

Two questions is probably enough, I think.

**Senator I.J. Gorst:**

It becomes apparent: fewer people paying more and more and more. That is not the policy of this Government. It has been quite clear. We have published many reports going back to P.82. It is so long ago I cannot remember; it was either 2011 or 2012. The former Minister for Health and Social Services - I am looking across - was intimately involved in this. It was her leadership that got us to start thinking about how we needed to transform the health service and how we needed to pay for it. Numerous reports have said we are going to have to ask the public to pay more for health and that we would need to introduce a health charge. We see it in the United Kingdom, the Dame Kate Barker report. They have looked at how they are going to support health provision into the future. Members will see some of the culmination of a myriad of reports saying what we were going to need to do and they will be able to make the right decisions for Jersey, in order to fund health care into the future.

**3.8.2 Deputy S.Y. Mézec:**

I have in front of me the page on Vote.je of Senator Gorst's election manifesto that was put on there and I cannot see a single word in it referencing the fact that if members of the public were voting for him, they were voting to increase their taxation by introducing a new health tax and a waste disposal tax to pay for services, which they already pay for in their income tax. Could he let me know if I am

wrong and if he did at any point in his election campaign tell the public that a vote for him was a vote to see new and increased taxes on those people on low and middle income brackets?

**Senator I.J. Gorst:**

I am pleased to stand up and address that question because it is a question that the Reform Party have been trying to suggest, that this Government did not inform the public of what the state of the public finances were, which are strong. The changes that need to be made to them over the course of this Government, at least 3 reports were published by the Treasury Department in July detailing and outlining exactly what the state of affairs were.

[10:45]

The Deputy seems to be now challenging us, because he appears not to have read those reports. With regard to the election, I was quite clear on a number of Parish platforms, I was quite clear on the radio phone-in, that there were a number of areas right across the health and social care provision that I was committed to seeing change - do not vote for me if you do not want to see more money invested in health and change - and that would mean that we would need to ask people to pay more. That is what we are doing because I can tell the Deputy, and I think they agree, that there are many services in our health provision that need to be improved, not least of which is the mental health provision. **[Approbation]** We will be putting many millions of pounds more into mental health. In order to do that, we will be asking the public to pay a little bit more than they currently are to contribute towards those services. It is absolutely the right thing to do and the Members opposite cannot reinvent history.

**Deputy S.Y. Mézec:**

Do I get a supplementary?

**The Bailiff:**

No, I am afraid not. We are under time pressure today. The Deputy of St. John.

**3.8.3 The Deputy of St. John:**

Could the Chief Minister advise what principles and policies, in particular, will be applied to these user pays charges?

**Senator I.J. Gorst:**

I am not exactly sure what the Deputy is trying to ask me there. She is aware of the principles and policies governing taxes and charges in the - I have just forgotten - taxes policy framework or something like that I think it is called ... long-term tax policy framework. Ministers had that in mind when they were considering these charges.

**3.8.4 The Deputy of St. John:**

A supplementary: will the Chief Minister accept that there is a difference between taxes and user pays and, therefore, there are policies in place with regards to user pays? I am asking specifically with regards to these 2 particular charges how that will be applied and whether they will be applied.

**Senator I.J. Gorst:**

I have no reason to doubt that they will not, but the details of which, of course, will be published on Thursday.

**3.8.5 Deputy M.R. Higgins:**

I noted that the Chief Minister did not have a clue as to how to answer the question, because he does not know what the policy is. The reason I have stood up to ask a question is the Minister has mentioned the Barker report in the U.K. and about how they have gone to the user pays charges in the U.K. Does the Chief Minister not recognise that taxation in the U.K. is much higher than it is in Jersey and, therefore, he could raise taxes rather than bring in a user pays charge? The taxes could be skewed to the better off in this Island.

**Senator I.J. Gorst:**

He is right, their taxes are much higher, and they are still having to introduce new charges to make their health care sustainable. I do not want to be in that position. I want us to make informed decisions in good time to deal with the challenges that future generations will face. I do not think it is much value in arguing about detail that is going to be published on Thursday.

**3.8.6 Deputy M. Tadier:**

I guess the question is: are we, as an Assembly, going to have the opportunity to vote yes or no on the principles of user pays for these 2 areas in particular? Could the Minister expand on that and will that be part of the Medium Term Financial Plan where we have to agree an overall package, or will we be able to vote specifically, in a separate vote, on these principles?

**Senator I.J. Gorst:**

It will be 2 stages in the M.T.F.P. and then necessary changes in legislation will come forward in budget proposals.