

23.09.12

7 Deputy G.P. Southern of the Chief Minister regarding taxation measures and standards of health provision (OQ.179/2023)

Will the Chief Minister advise what taxation measures, if any, she has under consideration to prevent further deterioration of standards in health provision in the Island?

Deputy K.L. Moore (The Chief Minister):

As the Deputy I am sure is aware, it has previously been announced that the Minister for Health and Social Services is currently undertaking a wide review of the Island's health and care costs, which will inform options for the future funding of our whole health and care system. The review is ongoing and the draft Government Plan for 2024-2027 will set out a refreshed status of the review. It is expected that the ongoing work will provide options for future funding based on projected costs within health and care over the next 20 years. At this stage of the work, it is not possible to identify what, if any, taxation measures may be required to support those funding options. The Health and Social Security Panel have been kept up to date with the progress of the review via informal briefings. I would also like to add that we have made investment in a turnaround team, who are focused on improving standards in both service, delivery and value for money. They are leading the financial recovery programme for Health and Community Services. We have also invested in work in recruitment and retention to ensure that we close vacancies and retain staff in our Health and Community Services. We, of course, continue to work with our colleagues across the water in Guernsey to find ways of working collaboratively together to ensure that both Islands offer the best possible services in terms of health and social care.

5.7.1 Deputy G.P. Southern:

Review this and review that. We are full of reviews. However, we know what answers will be supplied by this particular review. They will make sure that the cost of delivering a decent health service on this Island will be going up. As people live longer and hopefully healthier lives then costs will go up inevitably. What provision has the Minister got in mind in order to fund that improving provision that we need before we get to being third world status?

Deputy K.L. Moore:

I would like to remind the Deputy that I did not simply talk about reviews. I talked about considerable action that is being taken and investment that is being made by this Government in Health and Community Services. We have, if I could remind him, invested in a turnaround team who are leading a financial recovery programme. Before we start talking about adding extra taxes to people's pockets and taking away money from Islanders who need to enjoy the best possible quality of life that they can, we want to be assured and reassure the public that our Health and Community Services are spending money wisely and is focused in the right areas. That is the work that is being done first, to ensure that our budget for that important service is offering value for money for the public and not taken away in taxes when it is unnecessary.

5.7.2 Deputy S.Y. Mézec:

Speaking of taking money away from Islanders; in 2016 this Chief Minister voted in favour of taking money away from Islanders when she voted in favour of introducing the health charge as part of the 2017 Medium Term Financial Plan, but it was defeated by this Assembly. That was a charge which was to see extra taxes placed on Islanders, but excluding the super-wealthy from paying the full rate.

Could this Chief Minister rule out consideration of such a tax coming back in this term of office or any equivalent that sees those with the broader shoulders exempted from carrying more of the burden?

Deputy K.L. Moore:

It is not the appropriate time to rule anything out or rule anything in. That is the whole point of a review. What we want to ensure the public first is that we are spending money wisely in health and social care. That is important, particularly as we look forward and are completely aware of the impending dependency ratio. It is vital that we encourage Islanders to look after their own health, to prevent themselves from becoming ill, so that we can better cope with demographic change as and when it occurs. In terms of spreading the cost against those who are better off in our community, we all contribute in our different ways in the structure that we have. Recently we have seen some great philanthropic giving in this area. Without that, particularly charitable provision in this area, we would be greatly worse off.

[10:45]

5.7.3 Deputy S.Y. Mézec:

We are talking about the government funding of the health services. That is not a matter for charity. That is a matter for Government and for taxation. Firstly, I have to ask the question, does the Chief Minister agree with that position or are we going to see a health service that is more reliant on the third sector and the more volatile funding methods that it has or is she prepared to say to the public of Jersey today, whose Government she leads, that she will not impose upon them taxation that sees working class Islanders paying proportionately more than the super-wealthy, even though they are the ones who are most capable of paying, because that is regressive and unfair?

Deputy K.L. Moore:

As a small Island nation, if we cannot treat our sick and teach our kids then we cannot do anything. We would not attract the people and retain our own people in the Island to enjoy the quality of life that we wish to see. When the Deputy talks about fairness, of course, he is speaking to the very Government that has focused on putting more money in people's pockets, the worse off in our community, by increasing tax allowances. We will continue to approach our government spending and our government planning in that very same focused way. When one looks at the percentages of people who contribute in various demographic brackets, according to their wealth, we can see very clearly that it is the top 10 per cent who contribute the most to the functioning of our public services.

5.7.4 Deputy G.P. Southern:

May I remind the Minister, on the back of that last answer, that it is the top 10 per cent that own most of the wealth in the Island? It is the top 10 per cent who own over half of the wealth in the Island. That is the reality. That is the redistribution that somehow needs to take place. Does she not agree?

Deputy K.L. Moore:

That is a very deep political point. That may be the view of the Reform Party, but that will be a matter for members of the public to consider at the election next time. This Government is a Government of balance, it is a Government of fairness and it is a Government that wants to ensure that Islanders lead the best quality life that they can, so that everyone in our community can thrive. The Deputy may be suggesting across the way that that is a decline, but in fact what we want to see

and what I hope we will see is an improvement in living standards and an improvement in the satisfaction of Islanders in the life that they lead here in our Island.