

## **STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY**

### **The Bailiff:**

Thank you, Deputy. We come now to statements on a matter of official responsibility. The first statement is that of the Chairman of the Privileges and Procedures Committee.

### **6.1 Connétable D.F. Gray of St. Clement (Chairman of the Privileges and Procedures Committee):**

Members will be aware that the Sub-Committee established by the Privileges and Procedures Committee to undertake the review of the first 12 months of Ministerial Government started work some time ago and we held our first 2 days of public hearings last week. On 18th January 2007 I wrote to Members including enclosing a questionnaire and explaining that the Sub-Committee was keen to hear the views of all Members of the States on the matters covered by the review's terms of reference. Unfortunately to date, only 11 Members have replied to us in any of the ways suggested. The Sub-Committee finds that a very disappointing response in view of the importance of the review and the purpose of this statement is therefore to urge all Members who have not yet replied to do so. The Sub-Committee feels that we are able to make more meaningful recommendations if it has comments from all Members and I hope that any Member who has not yet contacted us, either by filling in the questionnaire or indicating that they would like to give oral evidence, will do so soon. I have placed some blank questionnaires in the Members Room today in case Members have mislaid the one sent in January.

### **The Bailiff:**

Are there any questions for the Chairman of the Committee? Very well, we come to the second statement on a matter of official responsibility to be made by the Minister for Economic Development.

### **6.2 Senator P.F.C. Ozouf (The Minister for Economic Development):**

Subject to States' approval, the introduction of a Goods and Services Tax (G.S.T.) will for the first time in Jersey result in a tax element in retail prices charged to consumers on the supply of a broad range of goods and services. The Minister for Treasury and Resources and I have carefully considered the question of how G.S.T. should be charged by traders on the goods that they sell to consumers. The vast majority of jurisdictions with G.S.T. or V.A.T. (Value Added Tax), including the whole of the E.U., the Antipodes and almost all developed countries, have enacted consumer protection legislation ensuring that prices displayed is the price paid at the till. We wish to ensure that local consumers and visitors to the Island are also protected in the same way. We are particularly keen to ensure that the Island is not identified as condoning price marking policies which would effectively be illegal in almost all countries where V.A.T. or G.S.T. exists. The Minister for Treasury and Resources and I are concerned that if legislation requiring price displays to include the 3 per cent G.S.T. is not enacted, it could confuse consumers where some traders display inclusive and some do not and could even lead to potential abuse. A paper on the issue of price marking will be available to Members tomorrow and published on Thursday. We then intend to consult on draft Regulations and place the matter for final determination before the Assembly before the summer break. It is equally important to ensure that traders and consumers have certainty on this issue ahead of the implementation of the proposed Goods and Services Tax.

### **The Bailiff:**

Are there any questions for the Minister arising out of that statement?