

METHODIST HOMES FOR THE AGED (JERSEY) LIMITED

Directors

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Deputy Patrick Ryan,
Isola Verde,
La Rue de Samares,
St. Clement,
Jersey. JE2 6LZ

Dear Deputy Ryan

Goods & Services Tax

I understand that you are heading the Scrutiny Panel which is looking at the proposed Tax "Reforms". On behalf of Methodist Homes, and other similar establishments, may I make a strong plea for your group to consider these as special cases.

Methodist Homes – there are two in Jersey – are run as a non-profit-making enterprise to provide a caring environment for nearly 60 residents. They are not reserved for Methodists, and never have been. All the members of the Board of Directors give their services freely, and there is no dividend paid to shareholders, two facts that some of your fellow States Members might find difficult to absorb, never mind understand.. The staff who run the homes are of course paid the proper rates for the job, although it is fair to say that because of the nature of the Homes all staff go the extra mile for no extra pay! However, the costs must be met, and are done so by charges to the residents, all of whom are pensioners.

The costs of feeding, clothing, entertaining, transporting and providing medical attention for our residents will increase with the introduction of GST by just as much as for a Company Executive. Not by the same percentage, but by the same amount. Furthermore, since EVERYTHING that is provided for our residents is either a "Goods" or a "Service", the costs will obviously increase by the 3% currently being proposed, and worse still, there is absolutely nothing they can do about it. People living independently can make changes to their lifestyle if they wish to reduce the effect – those in care cannot. It does hurt, therefore, to learn that there may be deals struck with certain businesses when the more vulnerable in our community are penalised to the maximum. When I raised this matter with Senator le Sueur he defended the businessmen!

In our Homes, and certainly in the Parish Homes, there are a number of residents – ever increasing, I might add – who are either totally or partially subsidised by the

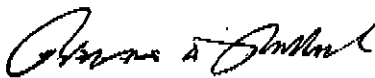
Parish. It follows that any increases in our fees will be passed on to the Parishes, which will no doubt be reimbursed from the States, so that the money goes full circle! Not a great deal of sense in that, is there?

I do not know how many Care Homes there are in Jersey, and we may well be the only non-profit-making organisation – but I do know that they will all be affected in a similar way to ours – it is unavoidable, and does seem unduly callous when the residents have no alternative. Just imagine what would happen if we were all forced to close our doors – who would care for the old folk then? It is unthinkable, but must be going through the minds of all those involved in this wonderful and essential service.

I am certain that some arrangement could be made which would not break the exchequer which could recognise the special circumstances of Care Homes. It would come as welcome news to the population at large if it was suddenly made clear that people matter – and that while the Finance and Business elements of our society might be important, if we lose sight of the needs of the senior members of the community the future looks grim, and it shows how poor and uncaring is the leadership of this very rich Island.

I offer the above for consideration by your Panel, and can only hope that some compassion can be shown for all senior citizens in care. Remember, they are all there because they have nowhere else to go and failing them is surely not an option.

Yours sincerely,



Brian B. Bullock
Director