



# Senior Citizens' Association

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Deputy P. Ryan,  
Scrutiny Panel Chairman,  
States Greffe,  
Morier House,  
JE1 1DD

6<sup>th</sup> June, 2006

Dear Deputy Ryan,

## REVIEW OF DRAFT GST LAW

Thank you for your letter dated 23<sup>rd</sup> May, 2006 telling me that the Corporate Services Panel is undertaking a review of the above draft Law and inviting comments.

You will probably be aware that the Senior Citizens Association has been opposed to this Tax from the start as it would cause hardship to many families, pensioners and others on a limited or fixed income already burdened with a high cost of living and now facing a possible 15 – 25% increase in electricity. It will not stop there as there is no doubt that gas and oil charges will increase and we know that the cost of petrol is already at an all time high. The 3% Tax will probably not stop there either as once the mechanisation is in place there will be nothing to stop further rises in the future.

The argument that for some there will be help under the new Income Support Scheme is not acceptable as there will be many – just above the cut-off line – with a few savings who will receive no help at all. This is already happening under the HIE scheme and causing unnecessary hardship. Families, many of them with a mortgage and young children, will be particularly disadvantaged as they try to provide packed lunches and other meals with balanced diets as per guide lines from Health Departments, school uniforms, shoes and Saturday/Sunday outfits which they outgrow at an alarming rate, books and on top of that for those wishing to provide Private education for their children 3% GST on the fees! Do States Members realise how much these parents save the Island by not relying on a States education?

Older people, too, are encouraged, to have a balanced diet and to have five pieces of fruit and vegetables daily. How can they be expected to afford these? Older people are more susceptible to the cold as their movements are slower and many spend time on their

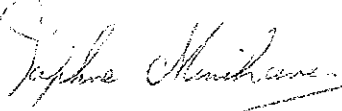
own just watching television. The fear is that if they cannot afford to heat the house properly then hypothermia will set in without them realising and with, possibly, fatal results. If GST is to be added to Doctor's visits and medicines this will be yet another burden as many older people need to visit their Doctor on a regular basis and rely on medication – for some as many as ten or twelve prescriptions at a time.

Have States members considered the impact on our tourism industry that is already struggling to survive? It will become more expensive and less competitive with a reduction in the money being spent in shops, restaurants and on leisure pursuits in the Island.

In our view a Goods and Services Tax is not an option – there must be other ways of raising the £40/45 million shortfall without causing stress and hardship to so many of our Island people. Without doubt the urgent need is to reduce the excessive cost of administration and eliminate waste of money by not embarking on unaffordable projects in this current economic climate. A reduction in the number of States Members would be a good start. This Island of around 90,000 population does not need 53 Members to provide an efficient government.

I trust the foregoing comments – not all mine but of many older people - will be of some help in your deliberations.

Yours sincerely,



Daphne Minihane  
Chairman  
Senior Citizens' Association and  
Age Concern Jersey