



Jersey Hospitality Association

Tel: +44 (0)7829 933393  
[www.jerseyhospitality.com](http://www.jerseyhospitality.com)

11 November 2022

Dear Deputy Mezec,

Thank you for this opportunity to submit the views of the Jersey Hospitality Association (JHA) to the Corporate Services Scrutiny Panel.

The JHA is Jersey's independent trade association, with sole focus on the hospitality industry and has a membership of more than 300 from all areas of the industry.

Your Panel has identified the freezing of alcohol duty on all strengths of beer, cider, wines, and spirits as an area you would like us to comment on. We have also added some further comments below which we hope will assist your review.

The JHA was pleased last year when the States Assembly supported the amendment from the previous Corporate Services Scrutiny Panel to a below inflation increase in the impôt duty on alcohol. Apart from 2020 when duty was frozen due to the pandemic, it was the first for a number of years that the industry was not facing damaging duty rises. The CSSP's amendment took account of the devastating two years the hospitality industry had faced, providing a potential breathing space for the many businesses still facing uncertainty.

It is therefore great news for the industry that the duty on alcohol is being frozen, but we must make it clear that it is too little, too late.

The duty rate in Jersey is enormously high, and there is little evidence to show that raising it reduces alcohol consumption. Our position is that this is a matter more focused



on educating the population and changing the drinking culture than simply using excise duty as a means of changing habits.

The duty system we have also is unnecessarily complicated. While it gives the impression that it encourages small producers, in the form of discounted rates for small brewery and cider producers, there is no advantage or support given to on island production in comparison to imported products.

If our government is serious about encouraging investment and entrepreneurial start-ups, it needs to be looking at ways of making it advantageous to operate on the island, as opposed to off the island.

## **Conclusion**

When we met the treasury minister just before the Government Plan was published, he told us that the government had under invested and neglected our sector for three decades and that needed to change. He is absolutely correct.

While hospitality will not take the place of financial services, most people do not understand that the industry goes way beyond the so-called 'visitor economy.'

We sometimes see info graphics about the value of the visitor economy to Jersey. But what those forget to show is the true value that hospitality, with all its subsectors, provides for the island. It is much bigger than the visitor or tourism label suggests.

We are hoping that the new government will follow through on its promises to create attractive and dynamic sectors that cover retail, hospitality, agriculture and all the additional sectors that support them. It is time that these sectors were recognised as being of equal importance to Jersey's economy as financial services.

Kind Regards,

Ana and Marcus Calvani

Co-Chief Executive Officers  
Jersey Hospitality Association