

Dear Panel

Whilst I appreciate that Government needs to raise further taxation, the way this new charge/tax is being applied is most unfair and could really damage Jersey's Tourism industry which is only now starting to see green shoots after many years of decline.

Water is a vital part of our business, we use it for cleaning, cooking, and laundry and of course our guests and staff use it every day for bathing and using the toilet.

Although we are always looking for efficiencies, all the above functions use a lot of water and proportionately more than most other industries on the island.

In 2016 we sold 9868 room nights and our water bill was just under £11, 000. Our calculations for liquid waste alone on similar figures would have us paying £10,450 which equates to £1.09 per night per room. In last week's JEP Deputy Noel was quoted as saying it would be 37p – I really don't know where he gets that figure from as colleagues I have spoken to all come out with similar figures to me.

Hotel rates are not always calculated scientifically, as many times of the year competitive forces dictate what we charge. Because of this we often absorb GST and would be forced to absorb this new charge as well.

I would also point out that at the present rate of an additional £1, if GST is added on and third party booking agency commission this would equate to about £1.30. This would be on top of any inflationary rate increases.

The result of this tax on hospitality will undoubtable constrict investment and some will say enough is enough and decide to put their properties to other use.

The knock on effect of this will be reduced tourist numbers and a reduction in flights which will also become more expensive. This would be a real shame after the recent success of Visit Jersey/Ports of Jersey's activities to encourage airlines to fly here from more departure points and offer low fares which are enjoyed by both visitors and locals and makes us a more competitive destination.

I think it is also worth pointing out the cost of water in Jersey compared to other nearby water authorities.

Just a quick check reveals we already pay £2.61 per cubic meter, whereas Guernsey is £1.95 and Thames/Southern around £1.30.

It has also not been explained to industry exactly how much one ton of solid waste is and how it will be calculated, so until this has been explained and the cost can be assessed it is difficult to comment further.

I believe the effect of Deputy Noel's proposal has not been properly researched and will damage the hospitality industry and Jersey and I would ask States Members to reject these proposals.

Yours faithfully

Stephen Clipp
Managing Director
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