1240/5/1(210)

WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY S.Y. MÉZEC OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 18TH APRIL 2017

Question

What timetable does the Minister foresee for raising the Long-Term Care charge rate to 3% by 2044, as was envisaged in P.99/2013 'Long-Term Care Scheme'?

Answer

The Long-Term Care (LTC) contribution rate is 1% (as of 01/01/16) and there is currently no intention to increase this before the end of 2018, in line with a commitment given by the previous Minister for Social Security.

Without any other changes to the scheme, the LTC contribution rate will need to increase steadily over the next two decades to ensure that the LTC Fund can sustain the increase in benefit expenditure due to an ageing demographic.

However, P.99/2013 also outlined a variety of other policy levers that could be altered to make the scheme more or less generous, which could in turn have an effect on the LTC contribution rate.

An internal review is currently in progress to determine the timing of the next increase to the LTC contribution rate and I will advise Members once this is complete.