

2016.06.14

3.1 Deputy R.J. Rondel of St. Helier of the Minister for Treasury and Resources regarding the reintroduction of tax relief on private health insurance: [9476]

Will the Minister reintroduce tax relief on private health insurance and if not, why not?

Senator A.J.H. Maclean (The Minister for Treasury and Resources):

I do not wish to start this morning by disappointing the Deputy but there are no plans to reintroduce...

Deputy R.J. Rondel:

Thank you. [Laughter]

Senator A.J.H. Maclean:

But there are, sadly, no plans to reintroduce tax relief on private health insurance. Evidence from the U.K. suggests that the availability of a more generous form of tax relief incentivised very few new contracts.

[9:45]

As a consequence, tax relief for private health insurance was succinctly summarised by the King's Fund, a renowned think tank, as being extremely poor value for money. Members of this Assembly will also recall that this matter was considered as recently as the 2015 Budget when former Deputy Young's amended amendment sought to introduce tax relief for marginal rate taxpayers aged 67 or older. It was rejected by 34 votes to 15.

3.1.1 Deputy R.J. Rondel:

Could the Minister confirm that detailed work has been carried out especially with the increase in cost of drugs and health care? I have been contacted by several constituents over the last couple of years who have cancelled their own private health insurance and the taxpayers are obviously carrying the financial cost of this within the hospital and health service. If I could use my own situation as an example, in the last 12 months the costs of my own health care has exceeded £70,000. Each time chemotherapy is introduced it is £1,000 ...

The Bailiff:

Is it a question, Deputy?

Deputy R.J. Rondel:

... each time. Would the Minister like to elaborate on that please?

The Bailiff:

I think the question is: have you made a full enquiry, researched the matter?

Senator A.J.H. Maclean:

I understand the sensitivities of this particular question. What I would say to the Deputy and to Members is that one of the reasons that we are earmarking a significant investment into health is to ensure that in the Island we have the finest healthcare services possible and affordable and as such there are tens of millions of pounds of additional investment being prioritised into our health service to ensure that members of the community can benefit. Work was undertaken previously by my predecessor on this matter and, as I have said, information has been garnered from further afield as to the benefits or otherwise, as the case may be, of tax incentives in this particular area. Our chosen

path is to invest in our health services and ensure they are as available to as wide a number of people as possible within our community and that they provide a high quality of care.