

### **3.12 Deputy J.H. Young of the Minister for Treasury and Resources regarding the introduction of a charge on properties connected to the main drainage system as a means of financing the cost of replacing and updating the public sewer network:**

Will the Minister inform the Assembly whether he is considering introducing a charge on properties connected to main drainage system as a means of financing the cost of replacing and updating the public sewer network?

**Senator P.F.C. Ozouf (The Minister for Treasury and Resources):**

P.39/2014, the Waste Water Strategy, includes full details of the proposed funding arrangements for both the sewage network and the sewage treatment works. The strategy states that the infrastructure investment of £135 million is required for the sewage network over the next 20 years. The report and proposition clearly indicates that the strategy will move forward in accordance with the infrastructure funding limits proposed. Provided this funding is approved by the Assembly there is currently no consideration in the document for a charge on properties to be connected to the main drainage strategy.

#### **3.12.1 Deputy J. H. Young:**

Would the Minister accept that while he has referred to P.39 there is no certainty or indication of anything which we can rely on as to where that £135 million is going to come from? Is he going to leave this over for future Ministers to sort out?

**Senator P.F.C. Ozouf:**

I am just pulling up the proposition P.39. We have been absolutely clear in our funding report, and indeed the proposition which will come to the Assembly to be debated. The Treasury is required to bring forward proposals for the funding of the £75 million. We have set out where we are going to find that, and indeed it is the revenue expenditure going forward that is clear. I have read this morning the panel's report and I know that the chairman of the panel has raised some issues on funding. More than happy to meet with the panel chairman in order to deal with any uncertainties that he has with it. I thought we had been clear but if we can amplify that in advance of the date I am more than happy to receive the Deputy in the Treasury to explain.

#### **3.12.2 Deputy J.H. Young:**

I welcome the Minister for Treasury and Resources' invitation and will take him up on it. My purpose in my question was to get in the public domain what was in his mind. He has told us earlier on that he is going to produce a consultation report on property, generating property taxes, does it feature as a possibility in his thinking about how we might finance these costs, which are not provided for in P.38 ... that is a network cost of £135 million as opposed to the £75 million for the sewage treatment plant itself. Is that in his mind as a possibility or will he today rule it out completely. That was the point of the question.

**Senator P.F.C. Ozouf:**

I think the Deputy raises a really important issue. I am effectively doing what I do as a Minister, which is to assist Ministers in their capital requirements. The Minister for Transport and Technical Services and the Council of Ministers has been clear that there would be no new charges in the course of this administration. The Minister does not wish to bring in a charge. What needs to be accepted is that charges exist for waste water in many other places. Guernsey has a charge. There is controversy on the implementation of a charge in the Isle of Man at the moment. There has been previous talk in Jersey about it. From an environmental point of view, ultimately in the medium and longer term my own personal

view is that in the very longer term the user should pay for use of resources. When you pay for something you value it and also it is the right environmental approach. Ideally if one would be starting with a blank piece of paper ... I am going on a little because there is some time for oral questions and this is an important issue which I am answering.

**The Bailiff:**

Well, yes, concise answers.

**Senator P.F.C. Ozouf:**

I know but I am giving some concise important information, Sir. The fact is that black bag charging to encourage recycling ... you should have free recycling and black bag waste is the right thing to do environmentally. Jolly difficult from a population point of view and ultimately one should probably think about the charging mechanism for waste water. Not charging for things that you use is not right from an efficiency, from a use point of view, *et cetera*. This Assembly, or the next Assembly, is going to have some big funding challenges in terms of providing money for health and education. So I would never rule anything out but I am giving certainty that taxpayers are not going to have any additional burden while the economic downturn - which we are now coming out of - is there. But we should look at it on an environmental issue on that basis in the future. So I never say never but there are no additional charges for Jersey people at the moment because of the economic situation. But I am 100 per cent behind providing the capital for what the Minister wants. That is the certainty he wants and I understand the panel is right behind him on that.

**The Bailiff:**

Very well, we complete questions on notice.