



Jersey Hospitality Association

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17th August 2022

Deputy Sam Mezec
Chair, Corporate Services Scrutiny Panel

FAO – Andrew Harris, Scrutiny Office,
Morier House,
St Helier.
JE1 1DD

Dear Deputy Mezec,

Thank you for this opportunity to submit the views of the Jersey Hospitality Association (JHA) to the Mini-Budget 2022 process.

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.

The current reality for our industry members is that prices keep rising across the board due to supply chain issues, staffing shortages and the combination of Covid-19 and Brexit.

We are welcoming the proposed changes in the mini-budget as they are aimed at helping those directly affected by the cost of living rises, but as others have commented, there is very little included for businesses. We will have to wait until the main budget is published in the Autumn to see whether the new Government genuinely appreciates the pressure many of the small independent enterprises that make up our membership are facing.

One thing that was omitted in P.80/2022 was why the reduction in Class 1 Social Security contributions is only for employees and the rate employers pay remains unchanged. We welcome the targeted help that individuals will receive with a drop from 6% to 4%, but the employers will still pay their contribution at 6.5%.



Rising costs remain a real concern for the many businesses of varying sizes that make up our industry. The recruitment crisis has meant looking for staff from overseas and while that is a solution that works for the individuals that come here and for the employer who is grateful to have skilled and motivated staff, it is expensive and has drawbacks.

Suitable accommodation remains extremely difficult to find and for the employee paying social security, it is unfair that they cannot access the benefits they pay into for the first six months they are here. Even those who come back year after year, and in some cases have been doing so for decades, are back at square one when they arrive in Jersey for the new season.

The quieter time during the winter will be upon us very quickly and many businesses are concerned what effect a recession will have. We were surprised that a reduction in GST was not included in the mini-budget but we understand it is a line that many politicians are reluctant to cross. We would argue that if inflation does continue its upward trajectory, we will see a recession which would have devastating consequences on ordinary islanders and businesses. Surely a reduction in GST would be a sensible option for the Government to consider.

Kind Regards,

A handwritten signature in black ink that reads "Boscq" with a horizontal line extending to the right and a vertical line below it.

Claire Boscq
Chief Executive