JERSEY HOSPITALITY ASSOCIATION

Proposed Budget 2027 to 2030: submission from the Jersey Hospitality Association

A joint submission to the Economic and International Affairs, Corporate Services, and Environment, Housing and Infrastructure Scrutiny Panels

About this submission

This is the Jersey Hospitality Association's response to the invitations from Deputy Samantha Gleave, Chair of the Economic and International Affairs Scrutiny Panel, dated 26 October 2026, from Deputy Lyndsay Feltham, Chair of the Corporate Services Scrutiny Panel, dated 9 October 2026, and from Deputy Hilary Jeune, Chair of the Environment, Housing and Infrastructure Scrutiny Panel, dated 15 October 2026, and it is offered as a single joint submission to all three Panels, as Deputy Gleave kindly suggested. Duty and tax sit with Corporate Services, transport, waste charges and the Carbon Neutral Roadmap with Environment, Housing and Infrastructure, and the Visitor Economy as a whole with Economic and International Affairs, and our industry cannot be understood one panel at a time any more than it can be managed one department at a time.

The Association is the independent voice of the Island's Visitor Economy, representing over 200 members covering more than 300 businesses across accommodation, food and drink, attractions, events and the services that support them. It receives no government funding, so that it can speak plainly when it needs to, and every figure in this submission is drawn from a published source listed at the end, unless we say otherwise.

We have answered the Economic and International Affairs Panel's seven questions in order, the Corporate Services Panel will find our views on the Budget's tax and duty measures under questions 1 to 3, and our answers to the Environment, Housing and Infrastructure Panel's four questions on the Carbon Neutral Roadmap are in the annex. Our recommendations, with what each would cost and how it would be funded, are set out first, so that the Panels can see the whole of what we are asking for before the evidence behind it.

Declaration of interest. In answering question 5 we recommend a visitor intelligence platform for Jersey. The Association originated that project and, under the structure now being negotiated, may hold an interest in the independent body that would own its data and may act, at cost, as its on-Island delivery partner. Neither of the Association's Co-Chief Executives will be personally involved in running the platform, and it need not require any new Government funding. We set this out so that the Panel can weigh our evidence with that interest in plain view.

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Summary and recommendations

As drafted, this Budget would cut the money available to market Jersey by almost half in 2027, in the very year that new air capacity arrives, while every process that might ease our industry's cost base is pointed at 2028. Visit Jersey's own published accounts confirm that its funding for 2027 has not yet been agreed. Every one of our recommendations for 2027 can be met from money already in the Budget, apart from a duty freeze of about £0.6 million that fits within the projected surplus.

	Recommendation	Cost to the 2027 surplus	How it is funded
1	Transfer up to £5 million to Visit Jersey for 2027 as a bridge to the 2028 to 2030 Budget, or at the very minimum protect its 2026 funding	None	An internal transfer of existing funds already within the control of the Minister for Sustainable Economic Development
2	Continue the £1 million for route development through Ports of Jersey in 2027	None	Within the investment the Budget already makes in Time to Win, which the Minister for External Relations has described as the right place to support the Heathrow link
3	Freeze alcohol duty for 2027, as fuel duty is frozen, and commit now to separate duty rates for licensed premises and shops	About £0.6 million	Within the projected 2027 operating surplus of £703,000, with the industry doing the groundwork for separate rates from January
4	Destination marketing of not less than £10 million a year, index-linked, from the 2028 to 2030 Budget	Not in 2027	The three-year Budget, and still below Malta's proportion of visitor spending
5	Support the visitor intelligence platform: endorse it, consider funding its first 18 months from a neutral source, and ask Statistics Jersey and Jersey Finance to engage with it	None	A founding partner or, preferably, a neutral source such as the Tourism Development Fund for the set-up and first 18 months (about £252,000 plus set-up),

	Recommendation	Cost to the 2027 surplus	How it is funded
			then data sales agreed with industry stakeholders
6	Measure the Visitor Economy properly before the 2028 to 2030 Budget, as a system rather than a single industry code, and settle on one official figure for visitor spending	Officer time	Existing Statistics Jersey and departmental resources
7	Hold dedicated Visitor Economy meetings of the ministerial group on economic growth, and review the cumulative effect of the costs Government controls before the next Budget	None	Existing resources
8	Name the Visitor Economy in the competitiveness plan for the non-financial services sector promised under action 3.2 of the Common Strategic Policy	None	Existing resources

Question 1: our overall view of the proposed Budget

We understand this to be a holding Budget, lodged within months of the Council of Ministers taking office, which the Chief Minister's foreword says "provides stability while the Council of Ministers develops a more strategic three-year programme" for 2028 to 2030, and we have no quarrel with the discipline it sets out. The Minister for Treasury and Resources writes that "higher spending has not always produced better outcomes" and that "Value for money is not measured by how much Government spends, but by what Islanders receive in return", and we agree with every word, because our case to the Panel is not that Government should spend more, but that it should measure what it gets for what it already spends, and move existing money to where the return is highest, which is exactly what the Treasury Minister asks of departments when he says they must "redirect existing resources towards areas of greatest need before seeking additional funding".

We also want to recognise what the Budget does well. Raising the low-income exemption threshold by 2.8% to £21,850, which the Budget says will deliver £9.9 million of additional tax relief to the 90% of taxpayers assessed at the marginal rate, together with the increases in child allowances and childcare tax relief, will help the many Islanders who work in our industry, and anything that makes it easier for

parents to return to work helps a sector for which finding staff remains one of the greatest challenges. The fuel duty freeze rightly recognises the pressure on households and businesses, although, as we set out in question 3, it sits uneasily beside an increase in alcohol duty. The Time to Win measures, including a cut in the annual International Services Entity fee from £4,700 to £950 at an estimated cost of £200,000 and the introduction of tax warehousing, show that where Government regards a sector as strategically important it is willing to take targeted action on that sector's costs, and we support them, asking only that the same consideration be extended to the Visitor Economy.

The difficulty is that, for the Visitor Economy, a holding Budget holds nothing still. The Better Business Support Package, which in 2026 is worth around £9.4 million and includes £2 million for destination marketing through Visit Jersey, £1 million for route development through Ports of Jersey and £1 million of grants specifically for the Visitor Economy, ends on 31 December, and only the £1.1 million for the rural and marine sectors continues, a cut of 88%. Alcohol duty rises by 2.8% from 1 January, while fuel duty is frozen. Jet2 has almost 155,000 seats on sale from the Island for next summer, a trebling of its capacity, which marketing must now fill with less money rather than more. Apart from the name of the Tourism Development Fund in its list of special funds, the only place our industry appears in the Budget is the section on alcohol duty, where it appears twice, once for the increase and once for the review of relief for licensed premises that will not report until Budget 2028.

We would ask the Panel to set two statements side by side. On 19 October, in a written statement to ITV News, Government said that "the Government is already investing in the visitor economy through Visit Jersey and delivering the Visitor Economy Strategy". Visit Jersey's own Annual Report for 2025, approved by its board on 2 June 2026, records in note 13 that its core grant for 2026 is £4,720,000 and that "funding for 2027 and beyond has not been agreed", while the Budget's Economic Development head of expenditure falls from £38.0 million approved for 2026 to £32.1 million in 2027, a reduction of £5.9 million, or 16%. We do not doubt that the statement to ITV was sincerely meant, but nothing in the Budget yet gives effect to it for 2027, and the Panel is the body best placed to ask Ministers what, in pounds, the investment they describe will be.

The same gap runs through the proposed Common Strategic Policy, which the Assembly will debate on 10 November, the day after submissions to this review close. Priority 3 promises to "apply the 'Time to Win' approach across the wider economy" and to "ensure that the benefits of growth extend beyond financial services", and action 3.2 commits to "developing a competitiveness plan for the non-financial services sector and reduce the cost of doing business in Jersey", which is almost word for word what we have been asking for. The document names medical technology and biotechnology as possible areas of growth, and farmers, fishers and sport elsewhere, but the words tourism, tourist, visitor, hospitality, destination, hotel, airport, harbour and connectivity appear nowhere in it. Government told ITV that the Common Strategic Policy "is not intended to list every sector or individual initiative", which we accept, but we are not asking to be one of every sector, only that one

of the three economic priorities Ministers describe to us in person, alongside financial services and construction, is written down in the document that decides where the money goes.

We raise this as encouragement rather than accusation. Of the 49 Members now in the Assembly, 23 completed the questionnaire in our 2026 election guide, and every one of them said the Visitor Economy should be a strategic priority, sixteen committed to increased investment in destination marketing and route development, the other seven said they did not yet know and not one said no. Twelve of those now holding ministerial or assistant ministerial office completed it, all twelve called the Visitor Economy a strategic priority and nine committed to increased investment, so the will plainly exists in the Assembly, and what is missing is the line in the document and the money behind it.

Our overall view, therefore, is that this is a responsible Budget for the public finances and, for the Visitor Economy, a cut presented as a pause. Every process that might ease our cost base, from the duty review to the competitiveness plan to the three-year programme, is pointed at 2028, while the support ends in December, the costs rise in January and the new seats arrive next summer. Our industry cannot be asked to absorb another year of rising costs and withdrawn support while the plans are drafted, because that year will decide which businesses, and which routes, are still here when the plans arrive. The Chief Minister's foreword says Government will "expect all organisations funded by taxpayers to consider carefully their costs, structures and priorities and to demonstrate the public benefit they provide", and we agree, which is why our answer to question 5 sets out how that benefit can finally be measured, at little or no new cost to Government.

Question 2: the combined effect on our members' ability to invest, employ and remain viable

We welcome the Panel's request to separate what Government controls from what it does not, because it is the distinction on which our whole case rests. Every business carries costs it cannot control, and our members do not ask Government to solve the price of energy, food, insurance or borrowing, the cost of competing with destinations an hour's flight from London, or the wider pressures on household spending in our source markets. What has worn our members down is the steady rise in the costs that Government itself sets or controls, each decided by a different department, on its own timetable and for its own good reasons, together producing a cost base that nobody ever chose and for which nobody is accountable.

Cost set or controlled by Government	What has changed, or will change on 1 January	Effect on members
Minimum wage	Rose from £11.64 to £13.00 an hour in April 2025, about 12% in a single step, with a living wage still the stated goal under action 3.3 of the proposed	A rise in the floor moves every rate above it, so the whole wage bill rises, not only the minimum

Cost set or controlled by Government	What has changed, or will change on 1 January	Effect on members
	Common Strategic Policy	
Better Business Support Package	Around £9.4 million in 2026, falling to the £1.1 million for rural and marine sectors in 2027, a cut of 88%	The support created for the transition to a living wage ends while the transition continues
Destination marketing and route development	The £2 million to Visit Jersey and £1 million to Ports of Jersey within the package end on 31 December	Fewer visitors to spread fixed costs across, just as new air capacity arrives
Alcohol duty	Rises by 2.8% from 1 January, while fuel duty is frozen	A penny of duty reaches the customer as between five and eight pence (question 3)
Social security and long-term care contributions	Taken from every worker, including those on work permits, while the long-term care benefit requires ten years' continuous residence	Many permit holders pay in, are required to leave when their permits expire, and leave with neither the benefit nor a refund
Work permissions	Permit categories and time limits determine how long trained staff may stay	Businesses repeatedly recruit and train for the same role, and lose the skills they have paid to build
Licensing and regulatory fees	A new fee structure under the new alcohol licensing law, on which we have worked closely with Government	Another fixed cost, set separately from all of the above
Staff accommodation	Rules and availability for housing seasonal and permit-holding staff (question 4)	Determines whether a business can staff a season at all

The Budget already counts the next cost on that list, because it assumes that waste and liquid waste charges will be introduced from 2028 and that liquid waste charging alone will raise at least £10 million a year from then on, with the detailed design to be worked out during 2027 and brought forward in the next Budget, so the next charge our members face is already in the Treasury's figures before anyone has assessed its effect on them.

The minimum wage shows how these costs compound, and how much of each increase returns to Government. When the rate rose to £13 in April 2025, a single full-time worker on the minimum, with standard allowances, saw gross pay rise by about £236 a month, of which roughly £80 went in income tax, social security and long-term care contributions, and once the employer's social security contribution is added, the Treasury and the Social Security and Long-Term Care funds between them received more than a third of what the increase cost the business. Most people in our industry already earn more than the statutory minimum, but a rise of that size in the floor does not stay at the floor, because every rate above it has to move to keep its distance. We supported the principle of a living wage and still do, which is precisely why the Better Business Support Package mattered, because the Government described it as created to support employers and employees during the transition towards a living wage, and action 3.3 of the proposed Common Strategic Policy commits to "Continue working towards a living wage while supporting jobs, growth and competitiveness". Ending the package in December removes the second half of that sentence while the first half carries on.

The effect on employment is already visible in the official statistics. Statistics Jersey's figures for 2025, published in October, show that output in accommodation and food service activities fell by 1.1% in real terms, against a fall of 1.7% for the economy as a whole and 4.8% for financial and insurance activities, while our sector lost around 150 full-time-equivalent jobs. Output per full-time-equivalent worker in our sector rose by 1.8%, one of only six of seventeen sectors to improve while the Island's productivity fell by 2.5%, but we would ask the Panel not to read that as good news alone, because it is what happens when pay rises faster than takings and businesses do the same work with fewer people. That is how our members have stayed viable, and it is the opposite of the investment-led productivity the Common Strategic Policy wants.

Investment is where the combined effect bites hardest. Our members are regularly told that Jersey suffers from a product deficit and that the industry must reinvest, and many want to, but reinvestment is paid for out of earnings, and earnings are what rising fixed costs, withdrawn support and fewer visitors take away first. Visitors themselves have noticed, because in the summer of 2025 value for money fell to 3.5 out of 5, the lowest score for any attribute measured in Visit Jersey's exit survey, which in our view is a verdict on a value deficit rather than a product deficit, and on a price that Government in part sets.

We also want to give credit where it is due. The lifting of the restrictions on drinks promotions in May 2025, Tap Relief on draught products, and the Minister for Treasury and Resources' request that officers explore excise duty relief for licensed premises are all measures that help, and the route development funding of recent years has helped to secure the new capacity now coming to the Island. Our point is not that Government has done nothing, but that nobody adds the measures up, which is why our recommendation 7 asks for a review of their cumulative effect before the next Budget.

We have not named individual businesses in this submission, but the Association can survey its members on any question the Panels or Ministers wish to explore, from wage bills, recruitment and

permit costs to duty and licensing costs and investment decisions deferred or cancelled, and we would gladly do so whenever it would help Government make decisions on evidence that support our industry. We always welcome that approach, because changes made without consulting the industry, and without private sector evidence to support them and quantify their outcomes, are exactly how a cost base that nobody chose comes about.

Question 3: the alcohol duty proposals

The Budget raises alcohol duty by 2.8% from 1 January, in line with June RPI, describing this as "holding alcohol duty constant in real terms", while fuel duty is frozen "to help ease cost-of-living pressures". On the Budget's own figures in Table 4, the increase is small at the point it is charged.

Product	Duty rate 2026	Duty rate 2027	Increase per serve
Beer, 2.8% to 4.9% abv, per hectolitre	£75.74	£77.86	About 1.2p a pint
Wine, 5.5% to 15%, per hectolitre	£241.02	£247.77	About 5.1p a 75cl bottle
Spirits, per litre of pure alcohol	£46.64	£47.95	About 37p a 70cl bottle at 40%

Why a small rise is not small at the bar

Duty is charged on the liquid when it is produced or imported, and there are often two if not three businesses in the chain before it reaches a hotel, restaurant or bar, each adding its own margin to a cost that already includes the duty. No invoice shows the duty separately, so to the venue it is simply part of the product cost, to which a food and beverage business typically applies a gross margin of around 70% to 75% on alcohol, before GST at 5%. That margin is not profit, because it pays for the staff, the premises, the licence and the energy, but it means that a penny of duty is multiplied before the customer sees it.

One penny of duty, with two businesses in the chain each adding around 25%	At 70% gross margin	At 75% gross margin
Duty	1.00p	1.00p
After the first business in the chain	1.25p	1.25p
After the second, the venue's cost	1.56p	1.56p
Venue's selling price before GST	5.21p	6.25p

One penny of duty, with two businesses in the chain each adding around 25%	At 70% gross margin	At 75% gross margin
Price to the customer including GST at 5%	5.47p	6.56p

With a third business in the chain, the same penny reaches the customer as about 8.2p at a 75% margin. The cost lands hardest on independent restaurants, pubs and cafés, which have no other revenue to absorb it, and it lands on visitors, who in the summer of 2025 gave value for money a score of 3.5 out of 5, the lowest of any attribute in Visit Jersey's exit survey, and on Islanders, because charities such as Age Concern have told us that a drink out has become so expensive that some of their members no longer go out at all, and that they suffer for it, socially and mentally.

The case for a freeze in 2027

The Budget's own Table 6 shows that the alcohol duty increase raises £600,000 in 2027 compared with no adjustment, while the fuel duty freeze costs £700,000 compared with the forecast, and the projected operating surplus for 2027, after transfers to the Capital Investment Fund, the Climate Emergency Fund and the Strategic Reserve, is £703,000. A freeze in alcohol duty would therefore cost less than the freeze Ministers have already chosen for fuel, would fit within the surplus, and would mean that the first change our industry sees from this Government's first Budget is not an increase in the cost of a drink. A Government that has committed to cutting unnecessary regulation, reducing the cost of doing business, growing the economy and easing the cost of living should find it hard to explain why a freeze is available where it serves one of those aims and withheld where it would serve all four.

We accept that a freeze is a blunt instrument, because most of what it saves will be on supermarket shelves rather than in licensed premises. Government itself has made clear to us, during our recent work on the fee structure for the new alcohol licensing law, that most alcohol on this Island is bought from shops and supermarkets, which is precisely why the lasting answer is separate rates, and why we ask for the freeze only as a one-year pause that the next Budget can revisit once the review has reported.

The lasting answer: separate rates for licensed premises and shops

We warmly welcome the Treasury Minister's request that officers "explore the feasibility of providing excise duty relief for those licensed to sell alcoholic drinks in bars, hotels, clubs and restaurants", which is the question we have been asking for more than three years, but the review will "take place during 2027 with a view to bringing forward a report to Ministers in time for Budget 2028", which means no relief before 2028 at the earliest. The existing Tap Relief covers only drinks sold from kegs and other containers of at least ten litres, mostly draught beer and cider, is worth around six and a half pence on a standard pint, and gives nothing to venues without draught lines, although any reform should build on it rather than take away what draught operators already receive.

What we have proposed is simple, and the industry has offered to do the bulk of the work. If alcohol were held in bond until it is sold, duty could be paid at the point of sale and declared through the Government's CAESAR system as either an on-trade or an off-trade sale, giving Ministers two rates to set independently, so that duty on drinks served in licensed, supervised premises could be reduced while the shop rate is left alone or even raised. Alcohol duty raises about £21 million a year and the on-trade accounts for less than half of it, so the cost is real but bounded, could be phased in and could be largely recovered from the off-trade rate. The aim is not that Islanders drink more, but that more of what is already drunk is drunk in licensed, supervised venues rather than at home, which is why we would want the scheme designed with Public Health from the outset and its effects monitored.

Neither the principle nor the precedent is new, because this Budget itself proposes tax warehousing so that certain investment assets can be stored and transferred "without triggering GST and customs and excise duties provided they do not enter the domestic market", which accepts that duty can be suspended until goods reach a defined market, and it cuts the annual International Services Entity fee by around 80%, at a cost of £200,000, because Ministers judged that one sector's competitiveness required it. Holding alcohol in bond until it is sold, and setting a different rate for the licensed premises that serve visitors and Islanders, applies exactly the same thinking to the Visitor Economy.

There is recent evidence that the on-trade can be trusted with it. The Licensing Assembly lifted the near forty-year restrictions on drinks promotions in May 2025, on the Attorney General's recommendation and with the then Health Minister's support, and four months later the Attorney General reported that the trade had responded responsibly, and the Chief of Police that there was no evidence of any added alcohol-related crime or demand on his officers. Four months is too short to judge health outcomes, and any duty change should be monitored in the same way, but the evidence so far points the right way.

Because this industry works on margin, the multiplier also runs in reverse, so that when the cost at the bottom of the chain falls, the price at the bar falls by more. Of all the levers Government controls, a lower on-trade rate is one of the few that would lower the price a visitor actually sees, improve the value-for-money score, make every pound of destination marketing go further and reduce the cost of a night out for Islanders, all at once. We therefore ask the Panel to recommend a freeze for 2027, and to recommend that the review becomes a delivery programme, with the industry working alongside officers from January and separate rates introduced as soon as the system to collect them is ready, rather than whenever the next Budget falls.

Question 4: the conditions for a viable year-round Visitor Economy

Our short answer is that the Budget does not address these conditions, because apart from alcohol duty it does not address the Visitor Economy at all, and that several of the investments it does make depend on problems in our industry that nobody has yet been asked to solve. We take the Panel's

four conditions in turn, starting with the one the Budget affects most directly, the demand that fills everything else.

Demand: destination marketing in 2027

The industry is growing again in exactly the part of the market that marketing and new routes move. Visit Jersey's figures to August 2026 show overnight leisure visitors up 9% on the previous year, Jet2 arrivals up 44%, hotel forward occupancy for October and November up three and two percentage points respectively, and 1.3 million referrals from Visit Jersey's marketing to local businesses between January and September, 47% more than in 2025. Jet2 has almost 155,000 seats on sale from the Island for next summer, a trebling of its capacity across eight routes. Total visitors are up only 1%, because day trips, cruise calls and business travel are down, but the growth is in leisure, which is the market destination marketing exists to win.

Visit Jersey's published accounts show what the end of the Better Business Support Package does to that marketing. In 2025 its grants rose to £6,750,200, including the £2 million from the package, and it spent £4,432,597 on marketing, against £3,100,631 in 2024. Its staff costs of £1,872,608 and other operating costs of £557,444, together £2.43 million, are already equivalent to 51.5% of its core grant, so the £2 million from the package went almost entirely into marketing, and its loss will come almost entirely out of marketing.

Visit Jersey	2025, actual	2027, if the £2 million is not replaced
Grant income	£6.75 million	£4.72 million, assuming the 2026 core grant continues, since 2027 funding "has not been agreed"
Staff and other operating costs	£2.43 million	£2.43 million, assuming no change
Available for marketing	£4.43 million	About £2.29 million to £2.38 million, depending on other income
Change in marketing		Down by 46% to 48% on 2025, and around a quarter below 2024
Marketing per Islander, on the 2021 census population of 103,267	About £43	About £22
Marketing as a share of the £266 million visitors spent in 2025	1.7%	Under 0.9%

In real terms the decline is already long established. Visit Jersey was created in 2015 with a grant of £5 million, which would be £7.46 million today, against a core grant of £4.72 million, so the core grant has lost more than a third of its value while the cost of reaching an audience has risen sharply.

For comparison, Malta, which competes with Jersey for the same northern European holidaymakers, spent €157.6 million on marketing and advertising in 2025, with €169.3 million budgeted for 2026. Malta welcomed 4.02 million tourists in 2025 who spent €3.9 billion, and has 588,254 residents, so its marketing was equivalent to about £225 per resident, at 84p to the euro, and 4.0% of visitor spending. Malta is larger and better connected than Jersey, so we offer these figures as proportions rather than a like-for-like target, but on those proportions Malta spent around five times what Jersey spent per resident in 2025, and would spend around ten times as much in 2027. Spending Malta's proportion of visitor spending would mean marketing of around £10.6 million to £11.5 million in Jersey, depending on which of the three official 2025 visitor spending figures is used, whereas a total budget of £10 million for Visit Jersey would leave around £7.57 million for marketing, still only 2.8% of visitor spending and about £73 per Islander. That is why we regard £10 million as a floor rather than an ambition.

Transport: connectivity carries every industry

Routes need passengers, and visitors are the larger part of them, because on the 2024 exit survey 56% of all passengers departing the Island were visitors. Every Islander flying to see family, every finance executive flying to a client and every medical transfer travels on capacity that visitor volume helps to sustain. That capacity is fragile. Ports of Jersey's 2025 Annual Report shows harbour passengers falling from 533,577 to 384,528, a decline of 28%, airport passengers broadly flat at 1,443,769, and earnings before interest, tax, depreciation and amortisation down 57% to £4.6 million. Visit Jersey's figures to August 2026 show Loganair passengers down on the routes it took over from Blue Islands, with Southampton down 10% and Exeter down 9%, and cruise passengers down 56%.

The £1 million for route development has helped secure the new capacity now arriving, and in August the Minister for Sustainable Economic Development said publicly that Government was "actively looking at the best way" to continue it following the end of the package, yet the Budget was lodged weeks later with no provision for it. The case has since been made by Ministers themselves. The Jersey Evening Post reported on 15 October that the Minister for External Relations told a scrutiny hearing that "the link to Heathrow is critical to our economic future" and that the competitiveness funding was the right place from which to support Ports of Jersey, while the Time to Win report itself observed that "It is currently impossible to fly to Jersey from London for a full day of meetings and return the same evening during winter, as the last return flight departs at 4:40 pm", and that the cost of a subsidy "is likely to be a trivial cost compared to the business that better connectivity could generate". We agree with all of it, which is why our recommendation 2 places route development within the investment the Budget already makes in Time to Win.

Staffing

A year-round Visitor Economy needs year-round staff, and the costs that determine whether a business can keep them are almost all set by Government, as we set out in question 2. Permit categories and time limits mean that businesses repeatedly recruit and train for the same role, long-term care contributions are taken from permit holders who will rarely qualify for the benefit, and the availability of staff accommodation determines whether a season can be staffed at all. Our sector lost around 150 full-time-equivalent jobs in 2025, and without the Better Business Support Package, including its £1.5 million for skills and apprenticeships, there is nothing in the Budget that we can find to help reverse that.

Accommodation and the visitor offer

Accommodation follows demand, because a hotel that cannot fill its shoulder months cannot keep its staff year-round and eventually closes for the winter, or for good. The forward occupancy figures for this autumn show what sustained marketing and new routes can do for the shoulder season, which is the year-round economy the Panel is asking about, and why cutting marketing in the year the seats arrive is the surest way to lose it. The offer itself is rated highly by visitors on almost every measure except value for money, which at 3.5 out of 5 in the summer of 2025 was the lowest score in the exit survey, so in our view what holds the offer back is a value deficit driven in part by costs Government sets, rather than the product deficit our industry is often told it suffers from.

Investments that depend on an unresolved problem elsewhere

The Panel asked specifically about this, and we believe it is the most important point in our submission.

Investment or commitment	What it depends on	Why that is unresolved
Time to Win, including the Budget's investment in financial services competitiveness, an evening service to London and a new concierge "front door" for business	Air routes with evening services, filled all year, and a welcome that begins before a visitor lands	56% of departing passengers are visitors, route development funding ends in December, marketing to fill the seats falls by almost half, and there is no shared record of who arrives, why and what they need
Jet2's trebled capacity for 2027	Demand created by marketing in the regional UK markets the new routes serve	Visit Jersey's 2027 funding has not been agreed
The Government's Visitor	Funding and steering	The Visitor Economy appears in

Investment or commitment	What it depends on	Why that is unresolved
Economy Strategy	across the many departments whose decisions shape the industry	neither the proposed Common Strategic Policy nor the Budget
The transition to a living wage, under action 3.3	Productivity and earnings growth in lower-margin sectors	The support created for that transition ends while the costs rise
The competitiveness plan for the non-financial services sector, under action 3.2	Knowing the size, value and cost base of the sectors it covers	The Island's official estimates of visitor spending disagree by tens of millions of pounds (question 5)
Every pound of public money invested in the Visitor Economy	Being able to show what it returned	There is no reliable measure of return, which question 5 addresses

Time to Win is the clearest case. It is right that the Budget invests in financial services competitiveness, and we support it, but the connectivity and welcome on which Time to Win depends are delivered day to day by the Visitor Economy, through the routes that visitors fill, the hotels and restaurants where clients are hosted and the first impression an arriving executive forms between the aircraft door and the meeting room. An investment in Time to Win that allows the Visitor Economy to contract is an investment whose foundations are being removed at the same time, which is why we ask the Panel to treat the two not as competing claims on the same money but as one programme.

Question 5: what would produce the greatest additional visitor spending and year-round benefit, and how it should be measured

Where the greatest return lies

Three changes would, in our view, produce the greatest additional visitor spending for the least public money, and all three are in our recommendations for 2027.

The first is destination marketing, because it is the one lever that acts directly on demand, and because the new seats arriving next summer have to be filled from markets that do not yet know Jersey well. Visit Jersey's own submission to this Panel's review of the previous Budget said that its major campaigns must return at least six to one, and VisitBritain reported in October 2025 that every pound invested in its Starring GREAT Britain campaign brought an additional £20 of visitor spending. A target is not a result, and we would not ask the Panel to treat either figure as proof, but even if additional money returned considerably less, the case would still stand, and because Visit Jersey's

overheads are already covered by its core grant, additional money goes almost entirely into marketing itself.

The second is year-round connectivity, because routes are what turn a summer destination into a year-round one, and because the routes visitors fill are the same routes Islanders, businesses and patients rely on. In the first eight months of this year, visitors arriving for leisure outnumbered those arriving on business by more than five to one, and it is largely that leisure demand that gives airlines the volume to keep a route flying in January, which is why the evening London service Time to Win calls for exists, or does not, in large part because of the families who filled the same route in August.

The third is price, because visitors rate Jersey at four and a half out of five or better for its beaches, countryside, cleanliness and restaurants, cafés and bars, and lowest of all for value for money, which has not been above 3.9 out of 5 in any year since 2017 and fell to 3.5 in the summer of 2025. Separate duty rates for licensed premises are one of the few levers that would lower the price a visitor actually sees, and every improvement in value for money makes every pound of marketing go further.

The year-round benefit to residents follows from all three. Islanders fly on the same routes, eat in the same restaurants, use the same attractions and attend the same events, and a hotel or restaurant that can fill its shoulder months is one that can keep its staff, its supply chain and its doors open all year. Our sector accounts for around 9% of the Island's full-time-equivalent jobs, on our calculation from Statistics Jersey's published sector data, supports roughly 24 jobs for every £1 million of GVA it records against about four in financial services, and pays out some 73% of its GVA as wages, against 39% in finance, so additional visitor spending reaches Islanders' pay packets more directly than almost any other spending in the economy.

Why the benefits cannot be measured today

The Panel asks how benefits should be measured, and our honest answer is that, today, they cannot be, and that this is the single most important gap in the Island's economic policy for our industry. We say this without criticism of the people who produce the current figures, who do careful work with the tools they have been given.

Jersey's visitor spending figure comes from an exit survey modelled on the UK's International Passenger Survey. Its larger part interviews more than 40,000 departing passengers a year to establish how many were visitors and how long they stayed, but the spending figures come from a longer questionnaire, which the Government's delivery report on the Better Business Support Package puts at a sample of 5,600 visitors across 2025, carried out in the departure lounge and asking visitors to recall what they spent over a stay that averages between four and five nights. Around a quarter of overnight visitors in 2024 had booked an inclusive package, and would have had no easy way of knowing how much of what they paid went on their accommodation at all.

The results do not agree with each other, or with anything else.

What is being measured	Source	2025 figure
Total visitor spending	Department for the Economy published performance measures	£284 million
Total visitor spending	Government delivery report on the Better Business Support Package (R.55/2026)	£266 million
Total visitor spending	Visit Jersey, Visitor Experience Survey, Q4 2025	£262.6 million
Visitor spending with accommodation and food businesses	The exit survey, scaled to 466,000 visits, with and without packaged holidays	£147 million to £216 million
Visitor spending with accommodation and food businesses	Statistics Jersey Annual Business Survey, labelled experimental	£114 million

The two estimates of what visitors spend in the Island's hotels and restaurants differ by between £30 million and £100 million in 2025, and by as much as £130 million over the last three years, and they do not even move in the same direction, because between 2024 and 2025 the Annual Business Survey has our visitor trade rising by 13% while the exit survey has visitors spending 14% less on accommodation and eating out. The obvious alternative, card data, does not solve the problem on its own, because card spending is sorted by where the card was issued, read from the bank identification number on the card, and a great many of the cards in Islanders' wallets were issued in the United Kingdom, so that card data cannot tell a resident from a visitor from our largest source market.

Above all of this sits the measure most often used to describe our industry, which is that accommodation and food service activities were 3.2% of the economy in 2025. It is a perfectly sound statistical classification, but it is not the Visitor Economy, because it leaves out visitor spending on transport, attractions, retail and everything else, and counts none of the supply chain, the air and sea capacity or the exchequer return that visitor spending supports. On the internationally used measure of visitor spending as a share of GDP, which is a ratio of gross spending rather than a slice of output, Jersey's figure would be around 3.8% to 4.1%, depending on which of the three official spending figures is used, but to our knowledge Jersey has no tourism satellite account or measure of tourism direct GVA that would allow its Visitor Economy to be compared properly with its own other sectors or with other destinations.

There is a structural problem underneath this too. Visit Jersey exists to market the destination, and it is also the body that commissions the exit survey and publishes the results by which its marketing is then judged, including Government's own performance target for visitor spending and its delivery report on the extra £2 million a year. The fieldwork is carried out by an independent agency, and we do not

question its integrity for a moment, but no organisation should be left in that position, and Visit Jersey has told us on numerous occasions that it does not want to be marking its own homework.

The Time to Win panel made the same point about the Island's financial services promotion, observing that "Historically, the marketing of the island has not been subject to much by way of commercial performance measurement, including analysis of the return on investment of given marketing initiatives", and recommending a dashboard of key performance indicators with regular public reporting. The Budget asks departments to "make better use of technology and data", and the proposed Common Strategic Policy commits Government to "assess major policies and capital investment against their impact on growth, inflation and value for money". None of that can be done for the Visitor Economy with the instruments the Island has today, which means that every pound we have asked for in this submission, and every pound Government already spends, is being judged against numbers that cannot bear the weight.

The visitor intelligence platform

This is why, for more than a year, our Association has been developing a visitor intelligence platform for Jersey, and why we now ask the Panel to give it its support. It need not require any new Government funding, and we believe it is ready to proceed, although, as we explain below, how its first eighteen months are funded matters as much as whether they are.

What it does. The platform gives the Island, for the first time, a direct and consented view of who its visitors are, where they come from, how long they stay, where they go, what they book and spend, and what they think of it, as it happens rather than as it is recalled in a departure lounge. Visitors are offered genuine value for taking part, and a telecoms provider could partner with the Foundation to give every participating visitor a free eSIM with mobile data for their stay, a tangible welcome on arrival that would have an immediate positive effect on value for money, the attribute visitors score lowest, while giving them a simple reason to join the platform and to share, with their consent, the anonymised information about their visit that the Island needs, alongside live information on what to see, where to eat and what is on. Participating businesses, including hotels, attractions, restaurants and transport operators, contribute booking and transaction data under agreed terms, which is how the platform overcomes the card data problem, because it knows who the visitor is before they spend. The output is not another survey but a live, joined-up picture of the Visitor Economy by market, season, parish and sector, which can be shared with the businesses that contribute to it, with Visit Jersey for planning and evaluating its campaigns, and with Statistics Jersey and Government for policy, and it allows the Island to communicate with visitors in real time, from weather and travel disruption to an event with spare tickets or a restaurant with a free table on a quiet Tuesday in February.

Who owns it. The data would be owned by an independent not-for-profit Jersey Foundation, which would contract directly with the technology provider, whose platform already exists and has been

tested. The Foundation would be overseen by a board with an independent chair, drawn from the industry, Visit Jersey, the founding partners and data protection expertise, and in developing the proposal we have consulted Jersey's Information Commissioner, Visit Jersey and prospective partners on how the data should be governed and protected. We have deliberately designed it so that the data is produced neither by Government nor by any of its entities, because if the data is to be trusted by the industry it describes, it should not be Government's, and if it is to be relied upon for policy and funding decisions, Government in turn has to be entirely satisfied with how it is gathered, managed and stored. An independent Foundation, with Government as a user and a party to the data-sharing terms but not as owner, is the only structure we have found that satisfies both, and it means that Visit Jersey would, for the first time, be measured by data it neither commissions nor publishes.

What it costs, and who pays. The running cost is around £14,000 a month, or about £168,000 a year, which is the cost of replacing a measurement whose two official answers differ by between £30 million and £100 million. From the nineteenth month, the platform would be funded by data sales agreed at the outset with the industry and other stakeholders who use it, so that it pays its own way on an ongoing basis, with any surplus reinvested in developing it. That leaves the set-up and the first eighteen months, for which a telecoms provider is in discussion with us about becoming the founding partner, supplying the visitor eSIM and covering those costs, while a local bank has also expressed strong interest, so the platform may not need any new Government money at all. We would nonetheless encourage the most neutral form of funding possible for that first period, because data gathered without any single commercial interest behind it will be the least skewed and the most trusted, and therefore of the most value to the whole Island and its economy. A founding partner would be welcome on terms that protect that neutrality, but if Government were willing to meet the set-up and the first eighteen months instead, around £252,000 in running costs plus the set-up, perhaps from the Tourism Development Fund whose balance and use we ask the Panel to establish in question 7, we believe that would be the better outcome for the Island, and it would not compromise the Foundation's independence, because the data would remain the Foundation's whoever paid for the start.

What it does for Time to Win. The Time to Win report calls for "a concierge service that provides a welcoming and effective front door for business new to the Island", identifies "insufficient responsibility for the end-to-end experience of the firms and clients who use the system", and accepts that "It is no longer a privilege for clients to operate in Jersey; it is now Jersey's privilege to host and serve global businesses and investors". Its panel recommended that Jersey Finance own the concierge, that "A more effective front door for businesses new to the island could significantly improve Jersey's competitive position", and that "creating additional agencies will only worsen the confusion". The platform would not be another agency. It would be shared infrastructure that the concierge could use from its first day, because the same front door that welcomes a family on holiday can welcome a fund manager, an entrepreneur or a prospective resident, with a business layer that Jersey Finance and Locate Jersey control, connecting each arrival with the right person, the right

introductions and the right hospitality, while the human relationships and the financial services work itself remain entirely with Jersey Finance and the firms. For the first time, the Island could measure how many business visitors arrive, from where, how often they return and how many go on to invest, establish or relocate, which is precisely the dashboard of domestically driven indicators the Time to Win panel recommended. One front door, one set of data and one consistent welcome for every arrival would serve the Visitor Economy and financial services at once, which is exactly the kind of joined-up delivery that both Time to Win and the Common Strategic Policy say they want.

What we ask of Government. Four things: a clear statement of support from the Minister for Sustainable Economic Development; consideration of meeting the set-up and first eighteen months from a neutral public source, as the most neutral alternative to a commercial founding partner; a request to Statistics Jersey to engage on how the platform's data can strengthen the Island's official statistics; and an invitation to Jersey Finance to design the business layer with us from the outset. We would ask the Panel to recommend all four.

How the benefits should be measured

We propose that the Panel recommend a measurement framework for the Visitor Economy, in place before the 2028 to 2030 Budget, along the following lines.

What should be measured	How it is measured today	How it should be measured
How many visitors, from where, for how long	Exit survey interviews with departing passengers	Actual departure data from Ports of Jersey and the operators, with the platform's consented data
What visitors spend, and where	Recall-based questionnaire with a sample of 5,600, giving three official totals	Transactions recorded by participating businesses, matched to consented visitor data
The return on destination marketing	Campaign targets and referrals reported by Visit Jersey	Attribution from campaign to booking to on-Island spending, measured independently of Visit Jersey
The Visitor Economy's contribution to the	Accommodation and food service, 3.2% of GVA	A tourism satellite account or tourism direct GVA, including supply chain and exchequer return

What should be measured	How it is measured today	How it should be measured
economy		
Year-round benefit to residents	Not measured	Off-peak visitor spending, year-round jobs, routes and frequencies maintained through the winter, and new Visitor Economy measures in the Island Outcome Indicators maintained by Statistics Jersey
Business visitors and the investment that follows	Not measured	Arrivals through the business layer, their return visits, and conversion to investment, establishment or relocation, reported on the Time to Win dashboard

The Public Finances (Jersey) Law 2019 requires the Council of Ministers, in preparing each Budget, to take into account the sustainable wellbeing of Islanders, "including the economic, social, environmental and cultural wellbeing", and the Visitor Economy contributes to all four. A framework of this kind would let the Assembly see that contribution for the first time, and would let Ministers judge every pound they invest in it, including the pounds we have asked for here, against what Islanders receive in return, which is the test the Treasury Minister has set for this Budget.

Question 6: opportunities and risks the Panel should consider

The risk of a narrowing economy

The greatest risk we would ask the Panel to weigh is not specific to our industry, but our industry is part of the answer to it. Statistics Jersey's figures for 2025, published in October, show the economy contracting by 1.7% in real terms, after a fall of 0.8% in 2024, with GDP per head down 2.0% to £66,600 and productivity across the Island down 2.5%. Financial and insurance activities, at £2,615.5 million or 38% of the economy, fell by 4.8%, while the rest of the economy taken together grew by 0.2%. The Budget itself records that financial and related professional services provide "2 in 5 jobs and generates £6 of every £10 of tax revenue", which is a measure of the sector's importance, and also of how much of the Island's public finances now rests on a single industry facing, in the Budget's own words, "increasing competition, changing capital flows and shifting customer demands".

Jersey has been here before, the other way round. In 1971, in his Economic Survey of Jersey, Colin Powell, then the Island's economic adviser, estimated that tourists' expenditure was the origin of 52% of the Island's domestic income and banking and other commercial activity 9%, and warned of "the extent to which the Island is dependent on tourism, the narrowness of the economic base, and the potential vulnerability of the economy". He also wrote that "prosperity is a tender plant; too often

pruned, too little sustenance, or too much interference and it can easily wither", and that "the process of decline once started is extremely difficult to correct". The Island heeded the first warning and built a world-class finance centre, and we would ask the Panel to see that the same warning now applies in reverse, because the Common Strategic Policy's own aim, to "ensure that the benefits of growth extend beyond financial services", cannot be met by letting an industry that employs around 9% of the Island's full-time-equivalent workforce contract while new industries are sought from scratch.

The Time to Win panel itself observed that financial services' "particular strength has been its diversity" and that "This diversification has provided resilience". What is true within a sector is true across an economy.

The risk of losing capacity that cannot quickly be replaced

If the new air capacity arriving next summer is not filled, it will simply go elsewhere, and once an airline has taken its aircraft away, it can be a generation before it considers coming back. The same is true of businesses, because a hotel that closes for the winter often does not reopen, and of skills, because staff who leave the Island when their permits expire take their training with them. Our sector lost around 150 full-time-equivalent jobs in 2025, harbour passengers fell by 28% and cruise passengers are down 56% this year, so the evidence that capacity can be lost is already in front of the Panel.

The risk of deciding on the wrong numbers

Every decision in this Budget about the Visitor Economy is being taken against a measure, 3.2% of GVA, that captures only part of it, and against estimates of visitor spending that disagree by tens of millions of pounds. The risk is not only that the industry is undervalued, but that Ministers cannot tell which of their own investments are working, which is why we regard measurement as a risk to public money rather than a technical matter.

The risk to Islanders' wellbeing

Statistics Jersey's Better Life Index for 2025, published in March, ranked Jersey 28th of 41 countries overall, down two places, and 34th of 41 for life satisfaction, with work-life balance also among its weakest dimensions. The restaurants, bars, events, attractions and air routes that the Visitor Economy sustains are a large part of what Islanders do with their time and how they stay connected to family and friends off the Island, and when charities such as Age Concern tell us that some older Islanders no longer go out at all because a drink out has become too expensive, that is a wellbeing cost as well as an economic one.

The risk and the opportunity of AI

The proposed Common Strategic Policy rightly asks how the Island should respond to the effects of AI on its economy. As AI begins to change the entry-level office work that has given generations of young Islanders their first job, our industry, delivered in person, will still be able to offer that start, and

the skills it teaches, from service and languages to management, are ones that travel into every other sector. Ending the £1.5 million for skills and apprenticeships in the Better Business Support Package at the same moment is, in our view, a risk the Panel should note.

The opportunities

The first opportunity is the momentum already in front of us. Overnight leisure visitors are up 9% to August, Jet2 arrivals are up 44%, forward hotel occupancy is ahead of last year and Jet2 has trebled its seats for next summer. That growth has come from marketing and route development working together, and it is the cheapest growth available to the Island, because the aircraft, the hotels and the restaurants already exist and simply need to be filled.

The second is what other islands have shown is possible. The Isle of Man, with a population of around 84,000 and a ten-year Visitor Economy strategy approved unanimously by Tynwald in 2022, with targets it reports against every year, has seen visitor spending rise, on Visit Isle of Man's own inflation-adjusted figures, from £195 million in 2024 to £260 million in 2025, drawing level with Jersey, although both islands changed their methods in 2025 and the comparison should be treated with care. Malta, which has deliberately spread its economy across tourism, business services, gaming and digital, financial services, transport and manufacturing, and which invests in tourism on the scale set out in question 4, grew its GDP by 6.2% in 2024 and 4.0% in 2025, according to PwC Malta. Much of Malta's growth comes from a rising population, and its growth per head in 2025 was a more modest 1.6%, so we do not suggest that Jersey should copy it, but even on that measure the contrast with Jersey, where GDP per head fell by 2.0% in the same year, is one the Panel may wish to reflect on.

The third is Time to Win itself. The proposed Common Strategic Policy commits to applying the Time to Win approach across the wider economy, and the connectivity and front door that Time to Win needs are ones the Visitor Economy can help deliver, through the routes visitors fill and through a visitor intelligence platform that could serve as the shared front door for every arrival. If the two are treated as one programme rather than competing claims, the Island gets both for less than the cost of either alone.

The fourth is separate duty rates, which would allow Jersey to do something few jurisdictions have attempted, using a duty system it already operates to support licensed, supervised venues and the visitors and Islanders who use them, while leaving or raising the rate in shops, with Public Health involved from the start.

Question 7: additional measures, priorities and investments

Our recommendations for 2027 are set out at the start of this submission, and every one of them can be met from money already in the Budget, apart from a duty freeze that fits within the surplus. Beyond 2027, we would ask the Panel to consider the following, most of which cost little or nothing and all of which would help the Island get more from what it already spends.

Measure	When	Cost	Why
Name the Visitor Economy in Priority 3 of the Common Strategic Policy and in the competitiveness plan for the non-financial services sector under action 3.2	10 November, then the plan itself	None	What is not written down does not get funded, and Ministers already describe the Visitor Economy to us as one of their three economic priorities
Dedicated Visitor Economy meetings of the new ministerial group on economic growth and diversification	From January 2027	None	Our industry is shaped by decisions in many departments, and without cross-ministerial steering nobody is accountable for the sum of them, which is the same reason the Time to Win panel recommended a cross-ministerial group for financial services
Destination marketing of not less than £10 million a year, index-linked	The 2028 to 2030 Budget	About £5 million a year above the current core grant	The core grant has lost more than a third of its value since 2015, and even £10 million would leave marketing at 2.8% of visitor spending against Malta's 4.0%
Route development as a permanent part of Time to Win	The 2028 to 2030 Budget	About £1 million a year	Connectivity carries every industry, Ministers have said so, and routes cannot be planned a year at a time
Separate duty rates for licensed premises and shops, delivered rather than reviewed	Groundwork from January, rates as soon as the system is ready	Bounded, phased and largely recoverable from the off-trade rate	It is one of the few levers that lowers the price a visitor actually sees, and the industry has offered to do the bulk of the work
A measurement framework for the Visitor Economy, including a	Before the 2028 to 2030	Officer time	So that the Assembly can see what the Visitor Economy contributes and judge every

Measure	When	Cost	Why
tourism satellite account or tourism direct GVA, and Visitor Economy measures in the Island Outcome Indicators	Budget		pound invested in it
Support for the visitor intelligence platform, as set out in question 5	Now	No new Government funding required, though neutral funding of the first 18 months, about £252,000 plus set-up, would be preferable	It provides the measurement the Island lacks and a shared front door that serves Time to Win as well
A single review of the cumulative effect of the costs Government sets on businesses, applying the Common Strategic Policy's own test of impact on growth, inflation and value for money	Before the 2028 to 2030 Budget	Officer time	Each cost is set by a different department on its own timetable, and nobody adds them up
A fair arrangement on long-term care contributions for permit holders who must leave before they can qualify	The 2028 to 2030 Budget	To be assessed	Workers who pay in and are required to leave with neither the benefit nor a refund are being treated unfairly, and it makes Jersey a less attractive place to work
Permit rules that allow trained staff in shortage	2027	None to the Exchequer	Rules that send trained people away work directly against the

Measure	When	Cost	Why
roles to stay			productivity the Common Strategic Policy wants
A replacement for the £1.5 million for skills and apprenticeships	The 2028 to 2030 Budget	Up to £1.5 million a year	The Common Strategic Policy commits to expanding apprenticeships just as the funding for them ends

Within the States Funds in the Panel's terms of reference, we would also ask the Panel to establish the current balance and use of the Tourism Development Fund, which sits among the Budget's other special funds, because a fund created for the development of tourism is an obvious candidate to support shoulder-season events and investment in the visitor offer, and the Panel is better placed than we are to establish whether it is being used for that purpose.

Finally, an offer rather than a request. To the Panel, and to any Member minded to lodge an amendment to the Budget or the Common Strategic Policy, the Association will provide draft wording, costings and the evidence behind every figure in this submission, and will sit down with officers and the Greffe to get the drafting right. We would welcome the opportunity to give oral evidence, and if Ministers would rather bring any of this forward themselves, we would welcome that without reservation, because what matters is that the money is there when the seats are, not whose name is on the amendment.

Conclusion

The Proposed Budget contains measures for households and for financial services that we welcome, but it offers almost nothing to an industry that Ministers consistently describe as strategically important, at the very moment that industry is recovering, with overnight leisure visitors rising, new air capacity arriving and hotels reporting stronger forward occupancy for the autumn. This is exactly when Government should be reinforcing success rather than withdrawing support, and nothing we ask for requires the Budget to be redesigned, because every one of our recommendations for 2027 can be met from money already in it, apart from a duty freeze that fits within the projected surplus.

The question for the Assembly is not whether the Visitor Economy matters to Jersey, because Ministers have told us many times that it plainly does, but whether the Common Strategic Policy and Budget 2027 will recognise that in writing and put the money behind it, before the support ends in December and the new seats arrive next summer. We would welcome the opportunity to meet the Panels in person, and we thank them for the invitation to contribute.

JERSEY HOSPITALITY ASSOCIATION

Annex:
Environment, Housing and Infrastructure Panel's questions on the Carbon Neutral Roadmap

Our industry supports Jersey's commitment to net zero by 2050 and wants to play its full part in reaching it. We welcome the proposed Common Strategic Policy's commitment to "Revise the Carbon Neutral Roadmap to deliver a practical and affordable transition to net zero by 2050", because a transition our members cannot afford is not one they will be able to deliver, and our answers to the Panel's four questions follow from that.

1. The proposed review of the Roadmap

The review is a welcome chance to assess what has been achieved since the Roadmap was agreed in 2022, to identify what is holding delivery back and to make sure that future policies are realistic and supported by the sectors expected to carry them out. Net zero is an economic and social challenge as much as an environmental one, and policies that raise the cost of doing business without offering a viable alternative or support risk undermining the very investment the transition needs. We would therefore ask that the revised Roadmap relies on incentives, innovation and support for business investment rather than primarily on new charges, restrictions and regulation, and we stand ready to work with Government on practical measures that cut emissions while keeping the Visitor Economy competitive.

2. The Climate Emergency Fund

We do not have a view on the overall level of the Fund, which the Budget expects to receive and spend around £4.2 million a year from 2027 to 2030 from a portion of fuel duty and vehicle emissions duty, and our priority in this Budget is the support for the Visitor Economy set out in the main submission. We would, however, ask that the Fund's priorities include energy efficiency and low-carbon heating in commercial buildings, and that the Low Carbon Heating Incentive, which the Budget describes as supporting "homes and small businesses", be open to hospitality businesses of every size, because many of our members operate from older buildings where the gains in emissions, energy costs and productivity would be greatest.

3. Priorities for the revised Roadmap over the next five years

- **Energy efficiency in commercial buildings**, through support for energy audits, building upgrades, heating and cooling improvements and smart energy management, which reduce both emissions and operating costs.
- **Certainty about Jersey's energy future**, because businesses cannot make sensible long-term investment decisions without knowing how electrification, energy infrastructure and renewable supply will develop.
- **Transport**, the largest source of the Island's emissions, with road transport accounting for 26.5% of emissions in 2024 and aviation and shipping for a further 20.7%, according to Government's greenhouse gas inventory. Investment in public transport, active travel and the

move to lower-emission vehicles should remain a priority, and better information about how visitors travel around the Island, which the visitor intelligence platform described in question 5 would provide, would help to target it.

- **The Visitor Economy as a partner**, through support for sustainable tourism, resource efficiency and waste reduction that strengthens Jersey's reputation as a high-quality, responsible destination.
- **The economic impact of new charges.** The Budget assumes that liquid waste charging will raise at least £10 million a year from 2028, with waste and liquid waste charges designed during 2027 and brought forward in the next Budget. We understand the case for a "user pays" model, but these would be recurring costs for hotels, restaurants, pubs, cafés and attractions already managing rising labour, energy and compliance costs, so we ask that any proposals come with a full economic impact assessment, are developed with the sectors affected, are proportionate and phased in with transitional arrangements, and are designed first to encourage waste reduction rather than to raise revenue.

4. Opportunities and challenges for our sector

The opportunities are real. Demand for sustainable destinations continues to grow, and a credible climate strategy can strengthen Jersey's appeal to leisure and business visitors alike, while investment in energy efficiency and resource management lowers operating costs over time and opens the way to new experiences, technologies and practices that improve the visitor offer. The year-round Visitor Economy we argue for in the main submission helps as well, because longer stays and fuller shoulder seasons make better use of the transport, accommodation and infrastructure the Island already has, and reduce the emissions associated with each night a visitor spends here.

The challenges are mainly ones of cost. Many hospitality businesses face substantial capital spending on building upgrades, heating replacement and low-carbon technology, which is hardest for smaller operators and older premises, and unlike an investment that pays back through lower bills, a new charge is a recurring cost that must be absorbed or passed on to customers. Each measure may look manageable on its own, but their combined effect, alongside the costs set out in question 2 of the main submission, is what determines whether businesses can afford to invest in the transition at all, which is why we ask that climate-related and waste charges are included in the review of cumulative costs that we recommend.

Key figures and sources

Figure	Value	Source
Jersey GDP, 2025, and real change	£6,962 million, down 1.7%	Statistics Jersey, Jersey's Economy 2025: GVA and GDP

Figure	Value	Source
GDP per head, 2025	£66,600, down 2.0%	As above
Financial and insurance activities	£2,615.5 million, 38% of the economy, down 4.8%	As above
Rest of the economy, taken together	Up 0.2%	As above
Accommodation and food service activities	£223.5 million, 3.2% of the economy, down 1.1%; output per FTE up 1.8%; around 150 FTE jobs lost	As above, with sector tables
Visitor spending, 2025	£284 million, £266 million or £262.6 million	Department for the Economy performance measures; R.55/2026; Visit Jersey Visitor Experience Survey Q4 2025
Visitor spending with accommodation and food businesses, 2025	£147 million to £216 million, or £114 million	Exit survey; Statistics Jersey Annual Business Survey (experimental)
Visit Jersey grants, 2025	£6,750,200 (2024: £5,020,897)	Visit Jersey Annual Report and Financial Statements 2025
Visit Jersey marketing, 2025	£4,432,597 (2024: £3,100,631)	As above
Visit Jersey staff and other operating costs, 2025	£1,872,608 and £557,444	As above
Visit Jersey core grant, 2026, and 2027 funding	£4,720,000; 2027 "has not been agreed"	As above, note 13
Better Business Support Package	About £9.4 million in 2026, £1.1 million continuing in 2027	R.55/2026; P.73/2026
Economic Development head of expenditure	£38.0 million in 2026, £32.1 million in 2027	P.73/2026, Revenue Heads of Expenditure
Alcohol duty increase and	Raises £600,000; costs	P.73/2026, Table 6

Figure	Value	Source
fuel duty freeze, 2027	£700,000	
Projected operating surplus, 2027	£703,000	P.73/2026
Minimum wage	£11.64 to £13.00 an hour, April 2025	Government of Jersey
Overnight leisure visitors, January to August 2026	Up 9%; Jet2 arrivals up 44%	Visit Jersey, Visitor Volume Statistics, August 2026
Jet2 seats for summer 2027	Almost 155,000 across eight routes	Jersey Evening Post, 24 July 2026
Departing passengers who were visitors, 2024	56%	Visit Jersey exit survey
Harbour passengers, 2025	533,577 to 384,528, down 28%	Ports of Jersey Annual Report 2025
Value for money rating, summer 2025	3.5 out of 5, the lowest attribute	Visit Jersey Visitor Experience Survey
Better Life Index, 2025	28th of 41 overall; 34th of 41 for life satisfaction	Statistics Jersey, Jersey Better Life Index 2025
Malta marketing and advertising, 2025	€157.6 million; €169.3 million budgeted for 2026	Malta Tourism Authority accounts and estimates, as reported by The Shift News
Malta tourists, spending and population, 2025	4,022,310 tourists; €3.9 billion; 588,254 residents	National Statistics Office Malta
Malta GDP growth	6.2% in 2024, 4.0% in 2025; 1.6% per head in 2025	PwC Malta, Spring 2026
Isle of Man visitor spending	£195 million in 2024 to £260 million in 2025, inflation-adjusted	Visit Isle of Man, Annual Visitor Economy Report 2025
Tourists' expenditure as the origin of the Island's domestic income, 1971	52%, against 9% for banking and other commercial activity	Colin Powell, Economic Survey of Jersey, 1971

Where a figure is described as our calculation, the working is available to the Panel on request. Per-resident and per-Islander figures use the 2021 census population of 103,267 for Jersey and convert euros at 84p.

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The Jersey Hospitality Association is the independent voice of the Island's Visitor Economy, representing over 200 members covering more than 300 businesses. It receives no government funding.