# **STATES OF JERSEY**

# **OFFICIAL REPORT**

# THURSDAY, 14th SEPTEMBER 2006

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# PUBLIC BUSINESS (continued ...)

# 1. Annual Business Plan 2007 (P.92/2006) (continued ...)

# The Deputy Bailiff:

We continue with paragraph (d) of the proposition in relation to the Business Plan (Trading Operation Estimates), and I invite the Minister to propose them.

# 1.1 Senator T.A. Le Sueur (The Minister for Treasury and Resources):

When we approved the revenue expenditure allocations yesterday for the departments, there was no mention there of departments which undertake trading activities; basically the airport, the harbours, car park and fleet management. That is because their spending each year is accommodated within their trading surpluses. At the end of the year they do not return all their trading surpluses to the Consolidated Fund; they use them to fund ongoing expenditure. So what we are proposing in proposition (d) is a situation in respect of those trading activities where, as I say, the majority of their trading income is used to fund ongoing expenditure, revenue and capital, but any surplus over and above that does get returned to the Consolidated Fund. In this case, apart from the repayment of capital debt, the only return which is being made is made by Jersey Harbours, for which I am grateful, but what we have to do here is to approve the operating accounts figures for the 4 trading operations detailed in table B. I propose that they be adopted.

# The Deputy Bailiff:

Is that seconded? [Seconded] Does any Member wish to speak on paragraph (d)?

# 1.1.1 Deputy A. Breckon of St. Saviour:

I have a couple of questions. I remember some time ago that there was some private finance done regarding the airport - to build the new airport - and my question relating to that, Sir, is in the repayment of capital debt. There is £2.66 million there. The question is what element of that is private sector finance and what is the interest rate? Could the Minister answer that? Also, Sir, formerly within this part of the accounts would be income from Jersey Post, and that has disappeared from there. The question to the Minister is where does it now fit into these accounts on the income side?

# The Deputy Bailiff:

Does any other Member wish to speak on the relevant paragraph?

# 1.1.2 Deputy C.H. Egré of St. Peter:

I may have missed it, Sir, but I would be interested to know what sort of a return I think it is Transport and Technical Services get from the cost of tipping at La Collette because I understand that it is roughly about £9.10 a ton and I am sure there is a huge income generated by that route.

# The Deputy Bailiff:

Does any other Member wish to speak? Very well, I call upon the Minister to reply.

# 1.1.3 Senator T.A. Le Sueur (The Minister for Treasury and Resources):

I have to apologise to Deputy Breckon. I cannot at the moment provide you with the details of the interest rate on private sector borrowing or what the element was. Clearly that is an ongoing expense and I was not expecting to be asked that question after the expense had being incurred years ago. I will get the information for the Deputy and for Members who are interested. For the second question from the Deputy of St. Peter, we are dealing here with expenditure. The revenue from Jersey Post will be shown in the form of a dividend, if any, which that company now pays to the States. That will be shown in the budget in terms of other income, dividend income, the same way as they get dividend income from J.E.C. (Jersey Electricity Company) and Jersey Telecom and so on. So that does not show in these figures, which are figures of expenditure. Equally as far as Transport and Technical Services are concerned, the revenue from tipping in fact will be offset against the expenditure of Transport and Technical Services. That I think is a straightforward revenue figure which was shown and agreed yesterday when we looked at table A on page 56. The Transport and Technical Services show gross expenditure of £35.7 million but gross income of £14.5 million, and within that £14.5 million there will be the income from tipping. I could not tell you offhand how many tons that might be and at what rate. Maybe later on the Minister for Transport and Technical Services could enlighten us? As I say, that is a revenue matter rather than an expenditure matter. I propose proposition (d).

# The Deputy Bailiff:

All those Members in favour of adopting paragraph (d), kindly show? Those against? Paragraph (d) is adopted. We come next to paragraph (e): capital projects for 2007. I invite the Minister to propose it.

#### 1.2 Senator T.A. Le Sueur:

We have now got a series of propositions on capital expenditure for next year and for subsequent years. The capital programme is dealt with slightly differently from that of revenue in that capital expenditure often has quite a long lead-in time and we needed to plan rather further ahead. So what we saw in last year's Resource Plan was an agreed programme for the year 2006 and an indicative programme for the years 2007 to 2010. During the course of this year we have refined that indicative programme to take account of increased pressures in certain areas. There are 4 areas, really, of increased pressure: the first one is in respect of maintenance of housing stock, on which I think quite a bit has already been said; on maintaining the road infrastructure where there is significant investment required over the years; there is the town park, which in the course ...

#### **Connétable D.F. Gray of St. Clement:**

Can I just interrupt briefly? There seems to be a wrong reference on the ...

# The Deputy Bailiff:

Yes, I was just looking at that myself. I think it should be page 59, should it not, Minister? Table B, page 59, is it not?

#### Senator T.A. Le Sueur (The Minister for Treasury and Resources):

No, what I am doing is talking in general terms first and then I will refer specifically to that page 59.

#### The Deputy Bailiff:

But table B, 57, is clearly wrong because that relates to the trading.

# Senator T.A. Le Sueur (The Minister for Treasury and Resources):

We have just done table B, we are on proposition (e) now.

#### The Deputy Bailiff:

Yes, capital projects and the table B, page 57, is what is said in the crib sheet which we all have.

#### Senator T.A. Le Sueur:

Sorry, I am referring to the proposition. [Laughter] I do not go by crib sheets. I apologise for any confusion, Sir. That was not of my making. Yes, housing maintenance and road maintenance. The third one was the town park and that emerged from the discussions on the Strategic Plan, things on which we needed to pay more attention. Fourthly, the planning for the new inert waste reclamation site. Even if that has not been finally agreed in detail, there is clearly a significant expenditure which we have to plan for. That has been taken account of as well as the need for the replacement I.T. (information technology) system for Health and the need to accelerate the investment programme at the prison. All this produced considerable pressures but with readjustment and the addition of a further £3 million a year to the capital programme, we have managed to achieve all that has been required. So we will see that whereas the original capital programme spent £39 million a year, the revised programme spends £42 million a year. We agree the allocation for 2007 in particular, and then we are just looking in principle at the subsequent years. Proposition (e) refers to the capital programme for 2007, and I propose that in the gross figure of £43.499 million. There is some income to offset to that, but the figure required is that and I propose that part of the proposition.

# The Deputy Bailiff:

Is that seconded? [Seconded] Does any Member wish to speak on paragraph (e)?

# 1.2.1 Deputy R.G. Le Hérissier of St. Saviour:

In terms of I.T., I.T. as we all know, looking elsewhere is one of the most difficult projects to manage and generally runs out of control. There is a whole history, as we know, with it running out of control and over the years we have kept getting fed figures about the price of the corporate IT programme. Are these specific ring-fenced programmes or are they just going to merge in a very elastic way with other programmes? Similarly with the Health programme, I know the doctors are continually complaining that there is not compatibility between their systems and Health and this presumably is one of the big efforts to overcome this. Is that ring-fenced or are we just pouring money into sort of a vast thing called I.T. with no real idea where it is going to end up and so forth?

# 1.2.2 Deputy J.A. Hilton of St. Helier:

The Minister has pointed out to the States that the proposed capital expenditure allocations for 2007 have been agreed and that there has been in principle agreement for later years. I chair the Millennium Town Park Implementation Group and I am grateful to see that Treasury has agreed to an additional £800,000 towards the fund to remediate and deliver the town park, but I would just like to bring Members' attention to the fact that there currently is not enough funds put aside to remediate the land at the town park - the Gas Place site - and to deliver the park. I just wanted to draw Members' attention to that. That information should be available in the next 2 to 3 weeks, but I just want to put a marker down to say that the Implementation Group will be going to Treasury in the coming months to ask for some money to be set aside in next year's business plan.

# 1.2.3 Senator F.H. Walker (The Chief Minister):

Could I just pick up the point raised by Deputy Le Hérissier, because I.T. comes under my department. The Deputy will, I think - as will other Members, I hope - have noticed that I.T. is largely responsible for helping us to deliver the £20 million of central savings. Without the extensive use of IT that would simply be quite impossible; indeed, we would be spending considerably greater sums. Also, there are efficiency savings and in other ways the I.T. department has saved in itself, within its own area - or will over 2 years - £940,000 so it is certainly not a question of having money poured into it unchecked. It is very carefully checked, very carefully vetted, and in fact they have contributed one of the biggest departmental savings of all.

# The Deputy Bailiff:

Does any other Member wish to speak? Very well, I call upon the Minister to reply.

# 1.2.4 Senator T.A. Le Sueur:

I am grateful to Senator Walker for responding on the I.T. figures. In fact, they are detailed in some measure on pages 42 to 44 where Members can see the overall I.T. programme for the 5-year period. It certainly is true as far as Health is concerned. I think I can speak on behalf of the Health Minister to say that the replacement Health computer is critical to the ongoing well-being not just of the hospital but of the whole health and medical policy for the Island. That is something which has come to the fore now as being in need of urgent replacement. As far as the town park is concerned, in response to Deputy Hilton, I am aware that there may be additional costs for remediation to the town park. At the moment there is no firm figure for that. Once that figure becomes available, then it will be a matter for this House to discuss in subsequent capital programmes whether that can be accommodated within subsequent years. As I say, I think that is one reason why capital programmes for ongoing years are indicative rather than finalised. I think that deals with all the questions that were raised in respect of the 2007 allocations, Sir, and I maintain proposition (e).

# The Deputy Bailiff:

All those in favour of adopting paragraph (e), kindly show? Those against? Paragraph (e) is adopted. We then come to paragraph (f), which is trading operations capital. On the order of debate there is again, I think, an error and the reference here should be to table E on page 60.

# 1.3 Senator T.A. Le Sueur:

That is indeed correct. When I spoke a few moments ago about the trading operations of the States, I said that they had to fund their capital expenditure out of their trading fund income, and that is, in fact, reflected in table E where we can see the details of trading organisation capital expenditure: the airport at £22.5 million, the harbours at £915,000, the car parking at £1 million, and for fleet management of £100,000. If Members turn back to table B, they will see in the trading funds operations, expenditure figures which reflect that magnitude of expenditure. There are slight variations in respect of the airport and the harbours because of capital and timing differences, but the general principle is that they fund the capital expenditure out of their trading income. I propose paragraph (f).

# The Deputy Bailiff:

Is paragraph (f) seconded? [Seconded] Does any Member wish to speak on paragraph (f)?

# 1.3.1 Connétable M.K. Jackson of St. Brelade:

Once again, at the risk of harping on about the pier at St. Aubin, I notice that there seems to be no mention of the costings involved in this on the harbours paragraph on table E. I am still curious to know where the money for this immediate repair project is going to come from because we are told by experts that the danger is immediate and that there will be a need to deal with this problem in the coming year.

# 1.3.2 Deputy A.J.H. Maclean of St. Helier:

I was going to answer the Constable's question in relation to the pier, if there are no further questions. The money will have to come from the capital programme. It has not been identified clearly in this programme. It will have to come from the capital so we will need to be moving to the Treasury Minister in order to secure funds for it.

# The Deputy Bailiff:

Does any other Member wish to speak? I call upon the Minister to reply.

# 1.3.3 Senator T.A. Le Sueur:

I am grateful to Deputy Maclean for answering that question from the Constable of St. Brelade. My suggestion is that there may well be additional funds within the harbour's revenue pot, if you like, which will enable additional funding to be made. That would have to come when we see the actual sum required for the harbour. At the moment, Sir, I maintain the proposition as it stands.

# The Deputy Bailiff:

Very well, all those in favour of adopting paragraph (f) kindly show? Those against? Paragraph (f) is adopted. We then come to paragraph (g), which deals with in principle revenue and capital for 2008 to 2011. Again, on the order of debate there is an error: the in principle revenue for those years is table C, page 58, and the in principle capital for those years is tables F to I on pages 61 to 64.

# 1.4 Senator T.A. Le Sueur:

Yesterday we agreed, in paragraph (b), the total expenditure for the years 2007 to 2011 but we did not break it down between revenue and capital. In the remaining proposition - the detail in paragraph (g) - we set out the indicative capital programme for each of the years 2008 to 2011 and, by inference, what is not spent on the capital programme will presumably be spent on the revenue programme. So the revenue expenditure total is really, in one way, a balancing figure, but the total of capital expenditure for those years and the total of revenue expenditure for those years must total the amount that we approved in paragraph (b). Now, it has been quite clear over the last couple of days that there are going to be increasing pressures - for example, on the winter fuel scheme and on the prison improvement plan - which are going to require revisions in subsequent years. That is why these figures at the moment are indicative and it is pretty certain that they will change, as will others possibly, to accommodate ongoing pressures. What we have to do is to still live within the overall total, so those pressures will have to be accommodated either by revenue expenditure cuts elsewhere or by capital expenditure cuts or by a mixture of both. So paragraph (g) gives an indicative figure just to show that we can accommodate what we are proposing at the current time but recognising that there will be additional pressures over the years, as yet unquantified. I propose paragraph (g).

# The Deputy Bailiff:

Is that seconded? [Seconded] Does any Member wish to speak on paragraph (g)?

# 1.4.1 Deputy R.G. Le Hérissier:

Members may note, Sir, in respect of paragraph (g), there was P.92 Comments laid before this House by the Environment Scrutiny Panel which relates, I think, to paragraph (g). I wonder if I could just address those comments. It was just to say that we are approving in principle, and what the Panel wish to make very, very clear - and, of course, sludge has been a contentious issue, as we have noticed - and we hope in voting Members will have clearly in their mind that by voting for this they are not irrevocably committing themselves to a sludge treatment drier, which apparently Deputy de Faye is very keen to get his hands upon. What we want to say, Sir, is when the waste report does emerge - and let me assure Members it will emerge; there have been a couple of doubts expressed - it will clearly address this issue along with other issues in waste treatment, because clearly one of its major themes is going to be that some of this major capital expenditure could well be highly arguable and debatable. So I wish that point to be made and for Members to consider it when they are voting.

# 1.4.2 Senator J.L. Perchard:

Just a point of clarification: if Members turn to page 63, table H, the proposed in principle capital programme for 2010, there is a one-off prison visits and it does not appear on any of the other years. This is just a question about what that is. Secondly, estimated inflation for 2007 to 2011 per annum; at what rate has the inflation rate been estimated?

# 1.4.3 Senator P.F.C. Ozouf (The Minister for Economic Development):

My Assistant Minister, Deputy Maclean, has already indicated that it is likely, as far as Economic Development's trading committee accounts are concerned, that there will be some significant potential changes as far as the capital allocations for harbours and airports are concerned, and that is indeed very likely. There are big pressures. We do not know what those pressures are in respect of a number of things and they will have to be accommodated. No doubt there will be some interesting discussions between Economic Development and the Assistant Minister and the Treasury in respect of harbours and airports because there are certainly going to be some pressures. It may well be the case that harbours and airports, for example, is asked to overdraw its trading account in order to accelerate necessary capital expenditure. So these figures are indicative, but they may well change. Deputy Maclean has already made that clear. I want to just make one other point. I am as one with the Treasury Minister and Ministerial colleagues about the overall capital allocation, but there is one outstanding issue as far as Economic Development is concerned in its capital requirements in forthcoming years. That is that the vexed question of the Tourism Development Fund and the replenishment of it has not been addressed and is not addressed to any great extent in these figures. I have not pushed that issue at the Council of Ministers at this time because I think the first job that Economic Development should do is to review its own revenue expenditure to see where there can be monies potentially found. But what I would just simply say to Members is that just because the Tourism Development Fund capital allocation does not exist in these preliminary figures, it does not mean to say that we are not looking at it. We have appointed an independent board to do that. We are looking with economic advisers at the definitions of the Tourism Investment Fund. My own strong view is that if we are going to - and it is, of course, a choice at this Assembly and there are choices in terms of allocation of resources and which areas of the economy we stimulate - but if we are to secure a continued maintenance and, indeed, enhancement of the tourism economy - the visitor economy - then investment is going to need to be required in partnership with government. That is not addressed here and I do not have the solutions to do it, but I hope by this time next year we will have actually found a solution to these issues. I

am looking at the T.D.F. (Tourism Development Fund), I am looking at the arguments of whether or not it should be replenished, and I will be having constructive discussions with the Treasury about how that may be achieved. Clearly there is nothing in these figures, but I would not wish the message to go out that somehow we have given up on looking at the T.D.F. and looking at the important arguments for its replenishment.

# 1.4.4 Deputy P.V.F. Le Claire of St. Helier:

Just to reiterate what Deputy Le Hérissier said in relation to the reservations expressed and the comments by the Environment Scrutiny Panel - I believe the Chairman is away today off Island looking at composting techniques and machinery in the U.K. as part of the Environment Scrutiny Panel's evaluation of future expenditure on behalf of the States. There is obviously a lot of money at stake with the plans set out by the Transport and Technical Services Department going into the millions of pounds. The report, which is currently being concluded by the working party, is going to be informed on Friday at 3.00 p.m. at the Royal Jersey Agricultural and Horticultural Society by the visits of composting companies to Jersey and they will be available to be seen by the public on Saturday at 10.00 a.m. until 2.00 p.m. as well. I do hope and encourage Members that they attend these meetings so that we can save, or potentially save if the Transport and Technical Services Minister is agreeable, millions of pounds on this issue.

# 1.4.5 Senator W. Kinnard (The Minister for Home Affairs):

Just really to explain to Members what the prison visits entry is: it is the room where families visit prisoners at La Moye. Hitherto, the conditions were extremely poor indeed. The existing facilities have been upgraded as a temporary refurbishment with the help of some financial assistance from the Community Relations Trust and that has improved matters, but they are still really inadequate, particularly for the size of the prison now and the number of prisoners we have. We cannot really get sufficient numbers of families comfortably into that room. So we are aware that a new centre for when families visit is absolutely crucial but, of course, it is a fair way off and that is why a refurbishment job has been done in the meantime.

# 1.4.6 Deputy G.W.J. de Faye of St. Helier (The Minister for Transport and Technical Services):

Deputy Le Hérissier is quite right and it may be that as a result of the operations of Transport and Technical Services that both the department and myself have perhaps an over-attenuated interest in the sludge, but I can assure the Deputy I have no intention of putting my foot in it. As a consequence, particularly in regard to the report expected from Deputy Le Claire and also the further information I hope to glean from the Environment Scrutiny Panel, I can give an assurance to all those involved that I will be paying extremely close attention to the advice offered by the Le Claire working party and the Environment Scrutiny Panel and will, of course, take that into full account in the ongoing deliberations of how we deal with composting and sludge. For those Members who are not experts in this particular area, could I just simply point out that composting at the moment is a rather different area; it is green waste composting carried out at La Collette. Sludge is what remains in the bottom of the number of large pots we have down at Bellozanne that deal with raw sewerage. It is effectively progressively aerated and, over time, sediment falls to the bottom of the large tanks, thereby constituting sludge: 2 different components entirely.

# **Deputy P.V.F. Le Claire:**

Just a point of clarification, the reason why I spoke was because the opportunities for treatment and combination of sludge with compost is going to be made evident in the report.

#### The Deputy Bailiff:

I call upon the Minister to reply.

#### 1.4.7 Senator T.A. Le Sueur:

I think the Ministers for Home Affairs and Transport and Technical Services probably dealt with the comments in respect of environmental issues and prison issues as well as I could. I would just remind Members who may have thought of asking questions on the capital programme that there are details of all the individual schemes amongst the pink papers in the annex, and if anyone got that far they will find, indeed, those details. Senator Perchard asked about the assumptions we make. As far as inflation is concerned, that is shown on page 20 of the business plan and the indicative forecasts, States expenditure is assumed to increase at the long-term target rate of R.P.I.(x) (Retail Prices Index excluding mortgage interest) currently in the order of 2.5 per cent. I think that deals with all the questions but, as I said in my introduction, certainly I can give the commitment to Deputy Le Hérissier and others that these are indicative figures for subsequent years and, on past experience, they will change from what they are now. I maintain proposition (g).

#### The Deputy Bailiff:

All those in favour of adopting paragraph (g) kindly show? Do you wish an Appel? An Appel is called for on paragraph (g), so I invite all Members to return to the Chamber and the Greffier will open the voting.

#### **POUR: 38**

Senator S. Syvret Senator F.H. Walker Senator W. Kinnard Senator T.A. Le Sueur Senator P.F. Routier Senator M.E. Vibert Senator P.F.C. Ozouf Senator B.E. Shenton Senator J L Perchard Connétable of St. Saviour Connétable of St. Clement Connétable of Trinity Connétable of St. Lawrence Connétable of Grouville Connétable of St. John Connétable of St. Martin Deputy A. Breckon (S) Deputy J.J. Huet (H) Deputy of St. Martin Deputy P.N. Troy (B) Deputy C.J. Scott Warren (S) Deputy J.B. Fox (H) Deputy S.C. Ferguson (S) Deputy P.J.D. Ryan (H) Deputy of Grouville Deputy of St. Peter Deputy J.A. Hilton (H) Deputy G.W.J. de Faye (H)

# CONTRE: 3

Deputy G.C.L. Baudains (C) Deputy R.G. Le Hérissier (S) Deputy of St. Ouen

#### **ABSTAIN: 0**

Deputy P.V.F. Le Claire (H) Deputy J.A.N. Le Fondré (L) Deputy D.W. Mezbourian (L) Deputy of Trinity Deputy S.S.P.A. Power (B) Deputy S. Pitman (H) Deputy K.C. Lewis (S) Deputy of St. John Deputy I.J. Gorst (C) Deputy of St. Mary

# The Deputy Bailiff:

We then come to paragraph (h), the property plan, and I invite the Minister to propose paragraph (h).

# 1.5 Senator T.A. Le Sueur:

The property plan is really a new element compared with previous resource plans, and it brings further proposals which appreciate and identify the fact that property is one of the States' resources and it needs to be considered. The property plan in section 7 summarises much of the plan which was, indeed, contained in the Strategic Plan but adds some detail in respect of the financial elements. The proposition deals with the approval of the plan and, in particular, the identification of certain properties. However, I do not intend to speak at any length on the property plan this morning because there is an amendment in the name of Deputy Ferguson which I have indicated I am prepared to accept. Rather than waste Members' time this morning, I will simply make the proposition and invite the Deputy to propose her amendments.

# The Deputy Bailiff:

Very well, is that seconded? [Seconded] There is an amendment from Deputy Ferguson, which the Greffier will now read out.

# The Greffier of the States:

In paragraph (h) for the words: "to approve", substitute the words: "to refer to the Public Accounts Committee for a report" and after the words: "pages 65 and 66 of the report" insert the words: "and to agree that any debate on the plan be deferred until after the presentation to the States of the report of the Public Accounts Committee."

# 1.5.1 Deputy S.C. Ferguson of St. Brelade:

I thank the Treasury Minister and the Council of Ministers for their agreement to this amendment. I will be brief, since this is a very straightforward amendment. In fact, it is a simple proposition engaged in elucidating the rationale underlying the property plan. Essentially, it can be summed-up as understanding how the property plan was put together and what factors have been taken into account. This is not an examination of policies which have already been agreed by the States; it is an examination of the methodology. Discussion of which properties are to be sold is a political matter and will be dealt with in the House. In view of the various valuations for different pieces of land and the differentials between them being bandied about, it seemed to me that it would be a good idea if the House understood how the plan was put together. We will be pleased to work with the Treasury Minister to ensure that the final terms of reference are tight, relevant and transparent. It will not be a long study and should be ready in plenty of time for the full property plan debate

and the budget debate. As Members will note from the comments, there is no plan to merge property holdings with W.E.B. (Waterfront Enterprise Board), which has come as a relief to a number of us. This report will enable Members to discuss the property plan in an informed manner when it is brought to the Assembly later in the year, and I therefore ask for Members' support for this proposition.

# The Deputy Bailiff:

Is the amendment seconded? [Seconded] Does any Member wish to speak on the amendment?

# 1.5.2 Deputy P.V.F. Le Claire:

Very briefly, Sir, I support the amendment. Some of the issues that the Deputy raised in relation to properties which will be sold off will be a matter of political decision in the Assembly. I would just like to say that there have been a number of reports which notify - as required under Standing Orders - the States Assembly as to the transactions that are occurring under the guidance and approval of the Property Holdings Department. I would just like to ask if we could have perhaps in the future some more flesh put on to those transactions because, in the main, a lot of them are obscure and Members really cannot ascertain what those are unless they individually critique them, which Members do not always have the time to do. So I would ask that if properties are coming forward to be sold on, that some background is added to the document as we have done in the past. I will give one clear example: when we added a curriculum vitae for people who are going before the Appointments Commission. It gave us some background as to the suitability or otherwise, politically, of those individuals. I think it is important in safeguarding the assets of the States that all Members are fully aware as to what is happening with the properties and what the background to those is.

# 1.5.3 Senator T.J. Le Main (The Minister for Housing):

I know that the housing portfolio is outside this property plan, but I would be very happy if in future when the Housing Department come forward with some property to be sold on the open market - and I am not talking about shared equity or otherwise - to comply with the same kind of regulations as this amendment wishes to do. I think it is a good thing that Public Accounts can look and see if there is value for money and we are getting the proper deals. So I would be very happy to comply myself with any future housing sell-offs that may occur in the future.

# 1.5.4 Deputy J.A.N. Le Fondré of St. Lawrence:

As the House may be aware, I am the Assistant Minister who has responsibility for property holdings. I do welcome the amendment and support it and look forward to working with the Public Accounts Committee on the matter. The main reason I wanted to stand up is just to say could Deputy Le Claire come and have a chat with me afterwards and I will be happy to talk through the issues he has. To my understanding the actual sales go through on the property plan and most of the transactions that are coming through at the moment are predominantly leases and things that are going through on the Assisted House Purchase Scheme, if that clarifies matters. Any other questions I would be willing to clarify later on, if Members want to speak to me.

# The Deputy Bailiff:

Deputy, I think you may find it helpful in future to keep your voice up. I think some Members have difficulty in hearing you; at least I do.

# 1.5.5 Deputy A.D. Lewis of St. John:

It is just a minor matter related to this. When it is published that parcels of public land are for sale that may be available for building, it would be very useful when this happens if some kind of outline approval is attached to it so that residents in that particular Parish do not panic and suddenly think that on a small parcel of land perhaps 20 houses are going to be built. When they are sold, developers also would understand as to what value may be attached to that parcel of land if some kind of outline approval was attached to the sale document when it initially gets circulated and published. I have had some instances in St. John quite recently whereby residents have panicked in that they think we are selling land that is going to be over-developed. If there was some kind of assurance attached to that when it is first published, it would be a great help to many Deputies around the Island, I am sure.

# The Deputy Bailiff:

Does any other Member wish to speak? Very well, I call upon the proposer to reply.

# 1.5.6 Deputy S.C. Ferguson:

I would just thank people who have spoken and note the points, particularly the interesting one raised by the Deputy of St. John, and I also welcome the enthusiasm of Senator Le Main, the Housing Minister.

# The Deputy Bailiff:

All those in favour of adopting the amendment, kindly show? Those against? The amendment is adopted. Now, there was to be a further amendment, amendment number 9 by Deputy Power, but the amendment of Deputy Ferguson having been passed, the debate is deferred. Deputy, your amendment can no doubt be relodged and dealt with when the debate is resumed.

# **Deputy S. Power of St. Brelade:**

Can I comment very briefly, Sir? May I make one comment?

# The Deputy Bailiff:

No, the debate is deferred. **[Laughter]** The property plan has been adjourned, so that is it, really. We come to paragraph (i), the legislation programme, and I invite the Chief Minister to propose that.

# 1.6 Senator F.H. Walker (The Chief Minister):

As everyone will be well aware, this is the final element of this year's business plan and represents decisions on the last element of States' resources which is, of course, law drafting time. The consideration of law drafting is particularly important and it makes it possible to assess the impact of oncoming legislation on the future financial and manpower resources of the States. This is an area that departments have been asked to consider carefully as any financial implications of legislation required to deliver strategic objectives need to be included within the overall financial framework and within departments' revenue expenditure allocations. As in many previous years, the bids for law drafting time in 2007 exceeded the amount of drafting time available. A prioritisation exercise was, therefore, necessary and bids were assessed on a range of criteria but particularly their links to the Strategic Plan and whether the financial implications were provided within the financial framework. All those who submitted bids were able to participate in the prioritisation process, including Ministers and representatives of the Privileges and Procedures Committee and the Comité des Connétables. It had been hoped to make progress towards a 3-year programme in line with other resources but the short timetable allowed by this year's Strategic Plan means that this will now have to be pursued next year rather than this. The proposed programme for

2007 is shown at summary table K and more details of the individual bids are provided in the blue pages of the annex to the business plan. Sir, can I just add one more comment? I was asked on Tuesday why time had not been allocated to changing the law relating to share transfers and stamp duty and I could not give an answer at that time. I have since investigated and found that, in fact, the legislation, sadly, has turned out to be much more complex than anyone had originally imagined, but the law draftsmen are actively engaged in it right now. As with every legislation programme, we have a certain amount of buffer space - of free, unallocated space - and there is every possibility that it will be able to be dealt with in 2007 within that spare capacity. So, Sir, I would hope to be able to bring that forward or have the Treasury Minister bring that forward in 2007, even though it is not specifically included at this point in the programme. So Sir, I move the legislation programme for 2007.

#### The Deputy Bailiff:

Is that seconded? [Seconded] Does any Member wish to speak on the legislation programme?

#### 1.6.1 Deputy A. Breckon:

I notice this is the legislation programme but the Chief Minister actually referred to it as the law drafting programme, which is what it used to be known as. I say that because in 2004 and in 2005 I brought amendments to the law drafting programme to seek to include the Financial Services Ombudsman. In 2004 a vote was taken and it was lost by about 4 or 5 votes - I cannot remember the exact number - and in 2005 I withdrew it. Now I believe that was a mistake because I was given certain assurances at the time by Senator Walker and by Deputy Voisin, who was then President of the Economic Development Committee, that: "Something would be done." I do have the C.D. of that, but I went to the old version and got a tape. I have that and I can provide those quotes to the Chief Minister. The reason I say that is it is not included in 2007 law drafting. I did consider an amendment again. I had an exchange of emails with Senator Ozouf. I was backwards and forwards and time was a bit tight, but Senator Ozouf was prepared to give me an assurance that the department were working on it so, in that respect, I did not propose an amendment today. Having said that, a report has been produced on this and I would say that the report is dubious and not very positive. To add to that, I did look back at the record and in 2004 Senator Ozouf voted against it, so I am looking forward to some positive action there. I do not want to go on about this but it is something that has been in the system for a long time indeed. R.C.43 of 1999, which was a task force was set up following the Edwards review, at paragraph 3.14 - this is from December 1999 says: "Financial Services Ombudsman accepted." This is the accepted recommendation of Edwards: "Implementation in progress. The task force recommends the introduction of a statutory Ombudsman Scheme which will apply to all regulated financial service business. The scheme will provide an efficient and cost-effective mechanism for the resolution of disputes between financial services businesses and their customers." I should add, Sir, I have a suitcase full of background information to this. There has been some scaremongering about possible costs and what it will do, but in my mind it is a flag we could fly for the international finance business we have got and say it is a feather in our cap. At the moment the Isle of Man boast that they are the only offshore finance centre that offers an ombudsman scheme. I thought we were in competition with them and I would like to think we would get proactive on doing something about this. It is frustrating. The Chief Minister mentioned the people who were consulted about the law drafting as it went along. He mentioned a number of people but it did not include individual Members having an input. I mistakenly thought this would be on the agenda and unfortunately it has not been. It does go back. The Financial Services Commission set up a working group - people from the industry - between 2000 and 2002. They were supportive; they produced a brief. I understand it went to F and E (Finance and Economics Committee) years and years ago and nothing happened. This is stuck in the system. Now we are talking in general terms about engaging the population in politics and what we do, and those people - I spoke to one of them just the other day - feel very frustrated when they put in time and effort and nothing happens. So if we are going to do that, then perhaps we need to get proactive on some of these issues. Having said all that, I am heartened by something the Chief Minister said: that there is a buffer in the law drafting programme. Perhaps this is something that can be considered because unfortunately it appears that nobody has got the bit between their teeth and is addressing the issue. I think that is frustrating. It is frustrating for many small investors who cannot get remedy when they are taking on institutions with legal departments and deep pockets. They cannot get remedy and there are people out there, believe you me, who are frustrated because of this, and this is due, I believe, to our failure. Just another item I would like to mention, Sir, on law drafting, something again that has slipped down the back of the sofa. In 1992 and 1993 on the law drafting programme was a Fair Trading Law. This appears again to have fallen out. It was included then and that is a long, long time ago and again nothing positive has happened and people again are frustrated by this. I would ask the Economic Development Minister if perhaps he could apply his mind to this and do something about it. Although this is about legislation, Sir, and law drafting, it is a frustration for the individual Member. I would just conclude by saying what actually happens is if you want to put something in, you have to propose taking something out. Now, when you do that then the Minister or the department will feel frustrated and the world will stop turning if that particular item comes out. If you are looking for 20 or 30 days, I think this system needs to be looked at and we need to open it up to all Members. Because, as the Chief Minister mentioned, it is a vital part because if we are going to do things the law drafting makes it happen. It is no good agreeing to do things in principle which we have perhaps done in the past and not translating that into positive action which affects the people out there and addresses some of their needs. I feel frustrated again by this, Sir, and I hope those involved, the Economic Development Minister and the Chief Minister, will take note of that and perhaps find a way of getting round this because I think it is an error that it has been left out.

#### 1.6.2 Deputy F.J. Hill (B.E.M.) of St. Martin:

I feel equally frustrated and I can understand how Deputy Breckon feels; in fact, even as Senator Shenton felt yesterday. But there are 2 issues I want to raise and maybe I will get the easy one out first. I refer Members to the draft annex which is on page 229 at item 40, which refers to prison rules. In about April or May time the Social Affairs Scrutiny Panel visited the prison and our attention was drawn to some of the problems there by the women prisoners; in particular it had an effect on their human rights. On making inquiries, we found that the prison rules have been in draft form for some time awaiting amendments but it would appear that the hold-up is nothing to do whatsoever with the women prisoners, but it is to do with the role of the Jurats as Board of Visitors at the prison. This has been an ongoing issue which has not been resolved, and I think it is rather unfortunate that women prisoners are put to a great deal of discomfort simply because the issue of the role of the Jurats cannot be sorted out. I would ask maybe if we give an update and give an assurance because we heard from the Chief Minister when we were discussing the Sexual Offences Law how important it was to get this piece of legislation through so we could get the human rights legislation through, and yet here we are, another piece of legislation which cannot go through. We cannot get the Human Rights Law coming through because this particular Law, I understand, is holding up the possibility of human rights. Now to the issue of the share transfer. I have heard what the Chief Minister has to say this morning, but I am far from satisfied and I think Members of this House should also be unsatisfied with the issue. It was on 19th January 2005 that the States unanimously agreed that we would put an end to the share transfer situation and everyone who bought property in future would pay stamp duty. That was a unanimous decision and that was to introduce it by the end of 2005 so it would be ready for 12 months later so it gave plenty of time. I asked, 6 months later, what the situation was and we were told: "Well, it is a very complex situation but there are more pressing demands placed on resources within the Committee. However, the Committee still intends to bring proposals forward to this Assembly before the end of the year." They did not come back, so in February - 6 months later, the beginning of this year - I asked again

for an update. This time, from the Treasury Minister, I was told there was sickness in the department and the matter had to be delayed. I pressed again in May this year, this time of the Chief Minister, and he said: "I do accept this is an important matter and I have asked the Treasury Minister to ensure that the work in this area is given high priority." Well, I wonder how high a priority it is. Here we are losing at least £1 million a year which could be put to a performance improvement plan at the prison, which is just one thing. There are a number of other things this money could be going to, and here we have a situation where we are now told we may be able to fit it in next year. It is not even in the law drafting programme. That is why I was absolutely amazed when I saw it, and I immediately contacted the Treasury Minister and asked what the situation was. I still do not know. I was told: "Well, the matter is in hand" and now again we hear the matter is in hand. We are losing at least £1 million a year. It is unfair on those who pay stamp duty, and here we have another failure. Sir, I am very disappointed.

# 1.6.3 Deputy J.J. Huet of St. Helier:

I am going to be extremely short, I will not be holding anybody's time up. I would like to support Deputy Breckon because I have 2 cases on my hands at the moment and the actual companies or firms or whatever you want to call them are just laughing. They just said: "What are you going to do about it? There is nothing you can do." These people are little people, they have a good claim, but there is nothing they can do and it is most unfair. We are not protecting the people that need to be protected.

# 1.6.4 Senator P.F.C. Ozouf (The Minister for Economic Development):

Yesterday, Sir, I wrongly and unwisely said that I did not like being lectured by Members. I was wrong and I should not have said that. Remarks do not always come out in the manner in which one means. What I meant to say is that sometimes when I sit in this Assembly and listen to Back-Benchers' remarks, it is sometimes frustrating. It is sometimes frustrating to hear what they are saying because I know from the work that others are doing - or what the departments that I am responsible for are doing - that there is work going on and it is easy for Back-Benchers sometimes to simply stand up in this Assembly and scold Ministers or previous Committees for not doing things. I am disappointed to hear the comments of Deputy Breckon. It is easy to have cheap shots. It is easy to go back through the voting record and say: "Senator Ozouf voted against an ombudsman 4 years ago." We do not know what that proposition was, whether or not there were particular reasons for that. I did not agree in the manner in which it had been put at that time, in the way in which it had been put, et cetera. What Deputy Breckon knows, Sir, is that this Minister for Economic Development has given a categorical assurance that he is going to work hard to try and find a solution to this ombudsman. I look to the Deputy of St. Martin and I hear him again scold the previous Finance and Economic Committee for dealing with the issue of share transfer issues. I am well aware of the issue of share transfers. It is with enormous frustration that I see the quarterly statistics of house sales and I see probably 20 per cent of our property sales going through share transfer. As a former Member of F and E and as a Minister, I would love to see the revenue gained from share transfers attracting stamp duty. I ask the Deputy to examine his conscience when he scolds us. Does he really think that we are just sitting there and just not wanting to deal with this issue when we know that there could be upwards of £1 million collected? The reality is that the share transfer issue is an extremely difficult, extremely complicated issue which is commanding the attention of both the previous Committee, Ministers, experts and outside advisors. I am not involved in the Treasury work these days to any great extent, but I have no doubt that officials are working very hard on trying to find solutions to this, solutions that work. Laws brought to this Assembly that do not work, that will not catch all the property or have the unintended consequences of dramatically affecting Jersey's property market, are not desirable. We have to do it well and we have to do it properly, but we have to do it as soon as possible and we recognise that. I would just ask the Deputy, perhaps, to refrain from scolding us in this Assembly and perhaps work with us. If he has got a solution, if he knows how to solve the issue of share transfer, then come and tell us because I am not aware that anybody has done it and we are not the only jurisdiction to have these difficulties. Remember that stamp duty attracts payments on share transfers across not only property sales in the U.K. and it is a different issue. I would love to see the revenue and I hope it is going to be solved. Certainly, Ministers will be giving all the possible support they can to find that because if we get the money we can, of course, spend it on things like the prison, et cetera. In relation to the Financial Ombudsman Scheme, the previous Committee was against it. There is a report from officials which has been published which sets out the challenging issue about dealing with the Ombudsman Scheme. Deputy Breckon cannot get away also in saying that this is a simple issue. He cannot also get away with saying that there is not a cost implication of this. He says that the Isle of Man has a scheme. Yes, the Isle of Man does have a scheme but it costs, from memory, between £400,000 and £600,000. It is also a scheme which is effectively serving non-Island investors. That is not something, frankly, that I want to put our taxation revenue into. Sophisticated international investors have resources through the channels of legal redress and judicial review and the courts of resolving their financial problems. I do not want to put our taxpavers' money in. These are often just civil, contractual disagreements; rows that develop. We have a very, very good court system and an excellent Commission that will deal with legal representatives. I want to deal with the local market issues. I am at one with Deputy Huet in understanding and recognising the need for putting in place an ombudsman for the local financial services industry, and I am working with the Commission and I am working with other people to try and find a solution to do that. Deputy Breckon knows that. The Chief Minister did say that there is a gap, there is always a buffer in the law drafting programme. Members will see that Economic Development commands a number of days of law drafting time in this scheme and, if necessary, if we can find a solution and if we need to bring a Law, then we will do so and we will attempt to use the existing programme. The Deputy and this Assembly have my assurance that an Ombudsman Scheme is being looked at. We are working out how to do it and we are going to try and find a solution. I would appreciate it if Deputy Breckon would recognise the support that he has had from Economic Development. I do not think I need to remind him of the fact that he has had increased budget for his Price Watch campaign. He has had increased money for the administrative arrangements for his Consumer Council in addition to support for setting up a Consumers' Ferry Group. I do not think I need to be told that we do not support Deputy Breckon. We do, and I support an ombudsman.

# 1.6.5 Deputy J.B. Fox of St. Helier:

I want to refer to page 68, number 19, Civil Asset Recovery Law. I think this is a very important Law for Jersey. I brought it up at question time once and from this legislation point of view, my personal opinion is that we should have been trying to get it way up the list. As you know, I believe in preventive measures. This is a tremendous preventive measure in preventing crime happening within this Island and away from others' jurisdictions. I have just come from the Parliamentary Commonwealth Conference in Nigeria where it was a very, very important subject to all members of the Commonwealth. The other thing, it does of course, is it recovers corrupt money and I am told that it could be worth, in Jersey terms, over £1 million, maybe £1,250,000, per annum. Now, with all the difficulties that we have in financing things within this Island and especially at the prison, I would have thought that this was a welcome step forward, both in the prevention of crime; in the recovery of stolen or criminal assets; and it would also aid other countries who are desperately trying to resolve the corruption within their own countries. We have been an integral part recently as the Attorney General publicly announced last week and which Senator Le Main was able to impart at the last speech of the last subject on corruption at the conference. I would urge whoever makes this, let us look at it again and see if this cannot be put forward or by some other means to encourage that this list be able to be expanded. There are only 24 items on it. I am sure there are a lot more things. I know of a lot more things that should be on this list and I think that this is

something that I would sincerely hope that the Council of Ministers would review and re-examine, especially on important aspects which not only affect this Island but an awful lot of other jurisdictions that we should be seen to be sorting. We are the top of the tree when it comes to the financial services and our cleanness and openness and transparency, and this is a key part of it and I think that we need to bring it up.

# 1.6.6 The Deputy of St. John:

Can I offer Deputy Fox a point of clarification there? You mentioned that you thought the civil asset recovery may be around about £1 million a year. I can assure you that, in some instances, it would be an awful lot more than that, Sir and I would urge, perhaps, if we can move this forward up the tree, it would be a great benefit to the whole of the States' income.

# 1.6.7 Deputy J. Gallichan of St. Mary:

I would just like to ask the Chief Minister, please, to confirm with regard to 2 items that we have already discussed earlier in the debate for implementation during 2007, namely the third party appeals and the winter fuel allowance, that there will be space, hopefully, in the buffer zone for the necessary legislation or regulations to ensure those do come into force.

# 1.6.8 Deputy P.V.F. Le Claire:

I appreciate that my speeches are not always the easiest to follow, nor is my train of thought, so I am going to help the Chief Minister in response to my comments by making him know through the Chair, Sir, that I have 4 things to comment upon in respect to the legislation programme. I wondered if the Chief Minister would be so kind to respond to these 4 things that I mention. Sometimes, as I say, it is not always easy to follow my train of thought. The first one is the Financial Services Ombudsman. I concur with the issues that Deputy Breckon has pointed out and I understand that the issues of the Financial Services Ombudsman may be difficult but, having spoken to the ex-Chief Executive Officer, Mr. Carse, on the issue, he was very much in favour of the States Assembly providing this ombudsman to assist the Jersey Financial Services Commission in operating within this jurisdiction. Now, if there is an annual cost of £600,000 a year for this ombudsman, surely the monies that are accumulated on an annual basis by the Jersey Financial Services Commission from the financial services companies that are operating in Jersey - I think we had something like £10 million surplus in their account or something in excess of £4 million anyway - certainly we could look, perhaps, at asking them whether or not those amounts of money that they have collected from the financial services in Jersey could not be put towards paying for the Finance Ombudsman. Nothing is ever as easy as it seems and, as Senator Ozouf has pointed out, there was a whole briefing paper on the background to the issue and perhaps we need to look at that. That really runs into the second issue, which is the share transfer issue which Deputy Hill mentioned. Senator Ozouf pleaded with the Deputy not to scold him but to work with him in coming up with answers to the issue, which was extremely complicated. The reason we are being told that it has not been brought forward is because it is so difficult. Well then, might I make a suggestion that, as with the Jersey Financial Services Commission's suggestion of a Financial Services Ombudsman, that we issue a background report to Members so that if the Minister really does want the support of Members, then the Members can understand the issues as to why they are so difficult to implement and can put their heads together and maybe get some answers. It is all very well saying that programmes cannot come forward because they are difficult and we wish Members would work with us, but when the Members do not have the background to the issues, how can Members be positive? The third issue is the movement of the P.E.C.R.S (Public Employees Contributory Retirement Scheme) to a Trust, and that in itself is something that needs to be tackled. I wondered if the Chief Minister has any ideas as to what is happening there. The fourth

issue is just really flagging concern from my experience on the Special Committee of the States in respect to the Constitution and on serving with the current Chairman on the Privileges and Procedures Committee. If we are in train to recommend changes to the Constitution, we must be cognisant of the fact that any recommendations must be made well in advance of any elections. The normal reason why we cannot make changes at election time in the past has been because we have missed crucial law drafting deadline times, so I wondered if the Chief Minister might just let me know on that fourth issue that he will have his eye on the availability of law drafting in the future if any recommendations come forward that are approved for the States Constitution. Thank you very much.

# **Deputy J.J. Huet:**

Could I ask you a question, please? Is it possible for us to ask to change any of these around in the order they are or is that an impossibility?

# The Greffier of the States (in the Chair):

My understanding is there is no order. The Chief Minister will confirm that they are not in priority order.

# Senator F.H. Walker:

At the bottom of page 69 it does make it clear where it explains what "E" and "HD" mean in the columns. It does make it clear that the law drafting proposals for 2007 are not shown in any order of priority.

# **Deputy J.J. Huet:**

Thank you very much, Sir, because I would have asked if we could have changed number 5 for number 19.

# 1.6.9 Deputy G.W.J. de Faye:

I just want to rise in support of this motion and make a couple of relatively brief points. I am pleased that my Assistant Minister has been reassured that just because Transport and Technical Services matters are numbers 23 and 24 does not necessarily mean that they are the lowest priority. I do wish to draw Members' attention, as I say, briefly to the Street Works Law simply because it will save me saying this in a future debate and because also there are 2 current matters that I think will make the situation very clear in Members' minds. Members will know we have just completed very successfully the Queen's Road resurfacing project phases one to 3. It is a lovely new black asphalt surface with bright yellow lines and bright white bus stops and stop lines. Would it not be a great tragedy if next month someone started digging a trench in it? [Laughter] I have to point out that under the current law I do not have strong powers in this particular area, which is one of the reasons why we would like the Street Works Law to come forward. Secondly - and I apologise to anyone listening who may have been caught-up in the unfortunate road snarl-up in the St. Brelade/ La Haule area on Monday - this also brings to, I suppose, rather too vivid clarity another of the problems we face, and that is that despite the fact that the department had pre-planned some road works, on the day an emergency drainage/sewerage problem arose together with at least one set of road works which had not been notified to the department at all. So we had absolutely no idea that they were going to happen and, consequently, there was the most ghastly and hideous snarl-up. That is why we want to tighten the law up; that is why I want to bring the Street Works Law forward. I hope those 2 examples will spur Members along to give me a level of encouragement when I bring this before the House.

# 1.6.10 Connétable D.J. Murphy of Grouville:

May I add my voice to those who are asking for a Financial Services Ombudsman to be appointed? I had a case of a parishioner who came to me with an obvious case of mis-selling of insurance products, and when we approached the Financial Services Commission we were told they had no jurisdiction whatsoever. They could not do anything at all. He had ticked the box marked "No risk" and been sold something which was at least high risk anyway. They could not do anything; however, the major financial institution involved did recant and they put him back into the position he would have been in if the product had been sold to him properly in the first place. The problem is, of course, that unless these institutions volunteer to repay or to repatriate the client, then they have no recourse in law whatsoever, and I find that quite concerning. I would suggest also that in a case like this where you could have levied a fine, we could build up a kitty which would, indeed, pay for the services of an ombudsman.

# 1.6.11 Senator T.A. Le Sueur:

I appreciate the frustration of the Deputy of St. Martin as far as share transfer properties are concerned, but I wish he would appreciate the comments of the Chief Minister who tells him that the law drafting is, in fact, underway and that space will be found for it within the buffer provisions. The reason it was not originally in the law drafting programme was that, as an amendment to the Stamp Duty Law, it would have been taken up as part of the normal budget provision time which I have at my disposal. What has come out - and I am grateful to Deputy Le Claire for suggesting it - is that we have had to look outside the box at the only way of solving this because the fact is it cannot be dealt with through the Stamp Duty Law. To get revenue on share transfer property sales, we have to have a different law and we have had to look at laws from jurisdictions around the world in order to find one of a type which would suit Jersey's needs. That work is now done. That consultation has been done and the work has got underway, so I think the Deputy of St. Martin, rather than carp, should be reassured by the assurance that the Chief Minister has given him. Deputy Le Claire also mentioned the Public Employees Contributory Retirement Scheme. The law drafting work for that has already been done. That has been done, in fact, some considerable time ago. What we are waiting for now is some advice from the Attorney General but there is no further law drafting time required in order to implement that activity. Deputy Fox suggests that this list looks relatively light and that maybe there should be more legislation on the list. I do urge Members that we are trying to avoid creating unnecessary legislation and I do not think we should be trying to fill a list simply because there might be a little bit of space in it. Can I point out that already, looking at the annex, there are at least 5 additional posts required as a result of this legislation programme that we have here - as well as those not identified - as well as the revenue implications for all this additional legislation. All this adds additional burden to our resources and Members blithely say: "Well, let us pass another law for this, another law for that" and forget the fact that this adds to our pressures. When expenditure goes up by  $3\frac{1}{2}$  per cent a year, I sometimes say: "Well, I am not surprised when we pass all this sort of legislation." So let us not be so profligate about legislation; let us say: "Is it really necessary?"

# 1.6.12 Deputy J.A. Martin of St. Helier:

It is just a small question, really. On page 220 under item 1, on the blue pages under "Legislation" in the big book, you are talking for next year of 25 days for "Migration: Monitoring and Regulation" and then further on, on page 225, under "2006 Programme - Items on which instructions are awaited", we have the "Residents Registration Law - Scheme to enable monitoring and management of migration", 30 days. Really, 2 questions: is that 55 days in total, and if the law on residents registration is awaiting instructions, why has a draft not been brought to the House before now?

# 1.6.13 Deputy of J.G. Reed of St. Ouen:

I would like to echo many of the sentiments that the Treasury Minister has mentioned earlier. Obviously, as Members are well aware, I have been promoting the need to understand the full revenue consequences of the legislation programme. In the Council of Ministers' comments, it was suggested that the commentary included in the annex included the manpower and financial impact of each item which ensured that Members could rely on and be aware of the full consequences when considering this programme. However, when I have looked through the revenue impact and the financial and manpower impact, many of them say none. Obviously, I do not appreciate the details that surround some of these programmes, but I just would like to pick out one that I believe does have some revenue impact and should be easily described. That is the Criminal Justice (Young Offenders) (Jersey) Law where it is allowing the criminal courts to sentence children from 12 years of age to school-leaving age to a period of secure custody which would be, as we are told, at Greenfields. I am certainly not against the legislation. However, as we are well aware and as the Home Affairs Minister keeps telling us, obviously an increase in the numbers of people in custody has a cost. However, when we look at the revenue impact, it is none. Manpower impact is absorbed by the Probation Service. This is where this programme is extremely misguided. I equally go to the comments included in the business plan on page 54 which says: "Departments have also been asked for their assurance that their bids have been made with the clear understanding that the financial implications of the resulting legislation can be accommodated in their proposed cash limits for 2007 and beyond." I would like to ask the Minister what guarantees can he give that the information provided regarding the resource and manpower implications is accurate and that, indeed, the departments who are declaring that there are no costs will be able to fund this legislation programme from within their existing budgets?

#### **1.6.14** Senator W. Kinnard (The Minister for Home Affairs):

Could I begin, perhaps, in reverse order and just remind the Deputy of St. Ouen that the Greenfields facility does not come under Home Affairs, it comes under Education, and although we may be involved in drafting law as part of the ...

#### The Deputy of St. Ouen:

Sorry, I was speaking to the Chief Minister.

#### Senator W. Kinnard:

I am just helping him out by taking off some of the burden by referring to some of the areas that I do know something about. Perhaps, in some ways, that is a question better aimed at Education rather than at Home Affairs, or even perhaps the Chief Minister. If I can return to the Home Affairs issues that were raised really by the Deputy of St. Martin, he mentioned first of all the Sexual Offenders Law. Indeed, Members will know that I am very keen that we should get that in place as soon as possible. My department is still awaiting the comments of the Law Officers, but I think one of the issues that Members must be probably aware of - there has been quite a lot of discussion in recent months about the Criminal Records Bureau and some of the difficulties that we are experiencing - is that we would like to have access to the Criminal Records Bureau. There have been a number of meetings going on to try and ease the way and, in fact, my department is producing a paper on that very issue to go to the Council of Ministers very soon. But in a sense the 2 issues are somewhat connected because, clearly, any law that is going to be implemented has to rely on the best information we can get about the background of offenders, particularly in this area. In terms of bringing into human rights, of course, the Regulation of Investigatory Powers Law - the second phase of that implementation: there has been a lot of work that has gone on in terms of consultation and a lot of Orders. The legislation looks about that thick now in total, but we are closer than we have ever been to now being in a position to bring forward the Appointed Day Act for the Regulation of Investigatory Powers Law before the end of the year. I am sincerely hoping we are going to be able to. It is not now a legal or practical problem in the sense of bringing in Part 5 which has caused us some heartache, if you like. The issue now, really, for Members to know is that we are having to consider the impact of competition in the telecommunications market and the impact that that is likely to have in terms of the financial implications for the States of Jersey. So, again, my department are involved in trying to draw up a paper so that when we do bring this back to the House for the Appointed Day Act, then Members will have the fullest possible financial implications of bringing this Law into force. In terms of the prison rules, the prison rules were drafted by the previous Prison Governor, Mike Kirby. In fact, with the Prison Performance Improvement Plan - a very, very detailed plan - the new Prison Governor has started reviewing prison rules, but the reason that they were then put on hold is that we just have to make sure now that the Prison Improvement Plan has been produced that the rules reflect what the Plan details. Quite clearly, that is a very important piece of work to be done, but that is certainly the next job that the Prison Governor has in his in-tray to do. I am hoping that we will be able to get those brought forward fairly soon. So, Sir, that is the reason why the prison rules have not come forward as quickly as I would like and it has absolutely nothing to do with either the role of the Board of Visitors or, indeed, any human rights issue to do with women prisoners.

# 1.6.15 Deputy J.A. Hilton:

Just 2 points, very briefly, the first point being I wanted to just say how much I welcomed the amendment to the Criminal Justice (Young Offenders) (Jersey Law) 1994. As Members might be aware, there have been difficulties in the past in the way that young offenders - the under-18s in particular - have been able to be dealt with. Greenfields is well on site now and should be completed fairly soon. This will be a welcome addition to know that the under-18s can be sentenced to more appropriate surroundings than at present, which is the prison. The second point I wanted to make was I have made it quite clear in the past my discomfort about the fact of people being able to come to Jersey with serious criminal records. I have accepted now that due to the Immigration Act and human rights, we cannot stop U.K. citizens or E.U. (European Union) citizens from coming here and setting up abode in Jersey. I think I have come to terms with that now, but one of the things that I am not happy about and I have brought up recently and, indeed, I asked the Chief Minister a question during Chief Minister's question time back in June to confirm that following discussions that were held at the Council of Ministers during the previous week that law drafting time had been identified to address some of the concerns raised in recent months – is about the detention of people with arrest orders outstanding in the U.K. and the question of their lawful detention here in Jersey. I would just like the Chief Minister to identify for me where in the legislation programme that time has been set aside to deal with that very, very important issue.

# The Greffier of the States (in the Chair):

I call on the Chief Minister to reply.

# 1.6.16 Senator F.H. Walker:

I will try and be as brief as possible, particularly because I am grateful to a number of my Ministers for answering a number of the points that were raised by Members. I hope, certainly, that Deputy Breckon will agree that Senator Ozouf gave him a satisfactory response and, indeed, those others who raised the question of the Financial Services Ombudsman. I do endorse what has been said. There are 2 very complex pieces of legislation causing Members concern today. One is the Ombudsman, the other is the share transfer scenario, but they are very complex and I think Members will have to accept that that is the case: that some laws can be drafted very quickly. Some have taken up, and necessarily have to take-up, a great deal of time, but I can assure Members that both the Ombudsman and the Share Transfer Law are high on the priority list. I do say that both should be possible to come through in 2007, but we are in the hands of our Law Officers and the Law Draftsmen here. There is no political barrier to bringing them forward. In fact, there is a great

deal of political support but, as Senator Ozouf said, we have got to get these complex laws right or else we risk unintended consequences which this House would not wish to, I think, face up to. Deputy Fox asked about - and quite understandably - the Civil Asset Recovery Law. I absolutely agree that it is important, but I would point out, as I did in answer to a question from Deputy Huet, that the laws shown in next year's programme are not in any particular order. But I have noted the concerns of the Deputy, Sir, and we will ensure that it is given the priority it needs and that it will, indeed, be drafted as early as possible in 2007. The Deputy also said that he could think of a lot more things that should be on the list. Well, I think we can all probably say the same thing, but I did say in my opening speech that, as has been the case for many years, the number of requests for law drafting vastly exceed our ability to produce them, and that is no criticism whatsoever of the Law Draftsman and her department. I will come to them at the end. They have had additional resources. We have resourced them according to States' wishes but they cannot cope with every desirable piece of legislation in any one year. This is a complex process in itself. The Deputy of St. Mary asked about the Appointed Day Act for third party appeals. That is a simple job and does not need to appear in the programme, and, similarly, winter fuel. The Council of Ministers has given assurances that both will be delivered next year and I repeat those assurances. They can be delivered without causing any great impact on the law drafting programme. Deputy Le Claire was one of those who raised the ombudsman and share transfer, which I think have been dealt with. He also raised the question of Trust status for the P.E.C.R.S. Committee of Management and that does sit with the Attorney General. I can tell the Deputy I am in correspondence with the Attorney General stressing the urgency of this matter, and I am hopeful now for an early resolution. The Deputy also asked about legislation necessary, should it be so, to change the Constitution of the States but, of course, that does rest with the Privileges and Procedures Committee, as he said. I have had a number of discussions with the Chairman of that Committee. I think the House is aware of the programme his Committee is working to and should the House agree to changes to the Constitution, then, of course, we will have to do a reprioritisation exercise for the necessary legislation. But it cannot be included at this point because we are unaware if any legislation will be necessary or not. I was pleased that Deputy de Fave referred to the Street Works Law because how many of us have become totally frustrated by seeing a beautiful, new piece of tarmac, as he said, which is then dug up a week or 2 later by one of the utilities. It is just nonsense. It has got to stop and we need this legislation to ensure that it does. The Connétable of Grouville raised the question of ombudsmen and I just deal with one point he made. Funding here is not the issue. If the States approve the Law, then, of course, funding will have to be found from whatever source. Now, that does not mean necessarily it would have to come from cash limits but funding will have to be found from whatever source and there are probably other sources available. But funding is not the issue; it is the complexity of the legislation that has been the delay. Senator Le Sueur gave some good answers, for which I am grateful, to a number of questions that Members raised. Deputy Martin asked about the number of days for the migration policy and also the registration aspect of it. Yes, it is 55 days in total and, of course, we are awaiting now the workings - and they are working extremely hard - of the Migration Panel and there is no reason particularly why a draft has not been brought to the House, just that it is work in progress at this point. Again, assurances have been given and assurances will be met. The Deputy of St. Ouen is concerned, quite rightly, about the financial and other resource consequences of legislation and he has pointed out that it is shown against many of them that there are none. Well, I can assure him and the House that where it says none, it means none. All departments have been very clearly told that any legislation consequences either have to be flagged up or they have to be absorbed within their cash limits, and that is where it is, I think, clearly explained. Now, he did mention the Criminal Justice Law, which I think the Home Affairs Minister dealt with, but it will be absorbed in the Probation Service as the list clearly says. He did ask what guarantee has the House got that the House is getting accurate information. Well, Sir, I am not going to stand here and give the House inaccurate information and everyone involved in the prioritisation process or the law drafting programme knows full well where their responsibilities lie, both in terms of providing information and then working to that information.

Deputy Hilton raised 2 points. One basically was she welcomes the Young Offenders Law as a welcome addition to our armoury, as it were, and I fully share her welcome in that respect. The question, though, she asked was has time been identified for the retention of people in Jersey who have criminal records in the U.K. The answer at this point is no, there is no time identified in the law drafting programme but work continues with the Law Officers on this. We do accept the urgency of it, but at this point we do not have specific proposals to put forward. Again, it is work in progress but we will have to address that within a very short time span. So, I hope that answers all the points that Members raised or questions they asked. Can I close by warmly thanking and congratulating the Law Draftsman and her team for doing a quite splendid piece of work under very difficult circumstances. **[Approbation]** I think this House should welcome the expertise we have in that department and our ability to bring forward extremely good legislation, generally speaking in a timely fashion. I think it does them and, frankly, I think it does the House credit. So, Sir, I maintain the proposition.

#### The Connétable of St. Clement:

Excuse me, Sir, could I just make one correction to the information that the Chief Minister gave the Assembly? He said that if the Constitution of the States needed to be or was agreed to be changed, that they would have to find time on the legislation programme. There is time already on the legislation programme. It is item numbered 9.

#### Senator F.H. Walker (The Chief Minister):

I had overlooked that and I am delighted to hear it.

#### The Greffier of the States (in the Chair):

The Appel is called for on paragraph (i) of the proposition. If Members are in their designated seats the Greffier will open the voting for or against paragraph (i).

#### **POUR: 42**

Senator S. Syvret Senator F.H. Walker Senator W. Kinnard Senator T.A. Le Sueur Senator P.F. Routier Senator M.E. Vibert Senator P.F.C. Ozouf Senator T.J. Le Main Senator F.E. Cohen Senator J.L. Perchard Connétable of St. Saviour Connétable of St. Clement Connétable of Trinity Connétable of St. Lawrence Connétable of Grouville Connétable of St. John Connétable of St. Brelade Connétable of St. Martin Deputy A. Breckon (S) Deputy J.J. Huet (H) Deputy of St. Martin Deputy G.C.L. Baudains (C) Deputy P.N. Troy (B)

**CONTRE: 2** Deputy of Grouville Deputy J.A. Hilton (H) **ABSTAIN: 0** 

Deputy C.J. Scott Warren (S) Deputy R.G. Le Hérissier (S) Deputy J.B. Fox (H) Deputy J.A. Martin (H) Deputy S.C. Ferguson (S) Deputy of St. Ouen Deputy P.J.D. Ryan (H) Deputy of St. Peter Deputy G.W.J. de Faye (H) Deputy P.V.F. Le Claire (H) Deputy J.A.N. Le Fondré (L) Deputy D.W. Mezbourian (L) Deputy of Trinity Deputy S.S.P.A. Power (B) Deputy S. Pitman (H) Deputy A.J.H. Maclean (H) Deputy K.C. Lewis (S) Deputy of St. John Deputy of St. Mary

# The Greffier of the States (in the Chair):

Very well, that therefore concludes debate on the States' Annual Business Plan 2007.

2. Draft Treaty on Open Skies (Privileges and Immunities) (Amendment) (Jersey) Law 200- (P.75/2006)

# The Greffier of the States (in the Chair):

The Assembly moves to the remaining business. The next item is the Draft Treaty on Open Skies (Privileges and Immunities) (Amendment) (Jersey) Law 200-. I ask the Greffier to read the citation.

# The Deputy Greffier of the States:

Draft Treaty on Open Skies (Privileges and Immunities) (Amendment) (Jersey) Law 200-, a law to amend the Treaty on Open Skies (Privileges and Immunities) (Jersey) Law 1993.

# 2.1 Senator F.H. Walker (The Chief Minister):

This is an E.U. treaty to which Jersey agreed to sign up in 1992. It came into force in 2002 and Jersey was intending to bring the Law into force before the convention came itself into force but sadly it is one of these administrative glitches that the U.K. did not inform us it had come into force. Basically all this is, is an administrative thing. It is to bring the Law into force to meet the international obligations of Jersey which we gave way back in 1992. Members will have read, I assume, the report which covers it. It is a simple administrative is bring something into force which was agreed many years ago and which, because of an administrative glitch, has not yet been actioned. Sir, I move the proposition.

# The Greffier of the States (in the Chair):

Is the principle seconded? [Seconded] Does any Member wish to speak on the principles to the draft law?

# 2.1.1 Deputy R.G. Le Hérissier:

I do not want to hold up matters too much because there is a Scrutiny Panel at 2.00 p.m. which I hope relevant Members can reach. It is very hard, in reading the report, which is a masterful exercise in unplain English did we or did we not have a real choice?

# 2.1.2. Deputy G.C.L. Baudains of St. Clement:

When I first read this report, I was somewhat confused as to how this worked and what it applied to and I was concerned, Sir, that this may have some bearing on the rendition flights that we have all heard about and I do not think many of us would possibly condone. Could the Chief Minister confirm that, in fact, this proposition relates only to arms proliferation observance flights and has nothing to do with rendition?

# The Greffier of the States (in the Chair):

I call on the Chief Minister to reply.

# 2.1.3 Senator F.H. Walker (The Chief Minister):

We did have a real choice in the matter but Jersey decided that it would sign up to the Treaty. There is little, if any, impact on the Island in doing so. It is one of those international obligations that come up on regular occasions and so I can assure Deputy Baudains it is purely for the purpose of arms observation, no other purposes at all. So, Sir, I maintain the proposition.

# The Greffier of the States (in the Chair):

I put the principles. Those Members in favour of adopting them, kindly show? And against? The principles are adopted. I am required by Standing Orders to turn to the Chairman of the Corporate Affairs Scrutiny Panel. I cannot imagine it is high on your list of priorities?

# Deputy P.J.D. Ryan of St. Helier:

No, Sir.

# The Greffier of the States (in the Chair):

Very well. Do you propose Articles 1 and 2?

# Senator F.H. Walker:

I propose them together, Sir, yes, please.

# The Greffier of the States (in the Chair):

Are the Articles seconded? [Seconded] Does any Member wish to speak on either Article? I put the Articles. Those Members in favour of adopting them, kindly show? And against? The Bill is adopted in Second Reading. Do you propose it in Third Reading, Chief Minister?

# Senator F.H. Walker (The Chief Minister):

Yes, please, Sir.

# The Greffier of the States (in the Chair):

Is that seconded? [Seconded] Does any Member wish to speak? The Bill in Third Reading, those Members in favour of adopting it, kindly show? And against? The Bill is adopted in Third Reading.

# 3. Draft Sea Fisheries (Licensing of Fishing Boats) (Amendment No. 2) (Jersey) Regulations 200- (P.78/2006)

# The Greffier of the States (in the chair):

We come now to the Draft Sea Fisheries (Licensing of Fishing Boats) (Amendment No. 2) (Jersey) Regulations. I ask the Greffier to read the citation.

# The Deputy Greffier of the States:

Draft Sea Fisheries (Licensing of Fishing Boats) (Amendment No. 2) (Jersey) Regulations 200-: the States in pursuance of Articles 25, 26 and 29 of the Sea Fisheries (Jersey) Law 1994 have made the following Regulations.

# 3.1 Senator F.E. Cohen (The Minister for Planning and Environment):

The licensing of all commercial fishing vessels was brought in in Jersey in 1996 as a measure to limit the expansion of the British fishing fleet. It was done in parallel with a scheme that runs in the U.K. It is a very necessary system to control fishing efforts. There are currently 200 Jersey licences and entitlements in issue, all of which need to be renewed annually. Various conditions attached to the licence are altered throughout the year to fine-tune the management of certain fish stocks that may be under heavy fishing pressure. Licences on British vessels issued by the U.K. are now issued on a 2-yearly basis and this small amendment you have before you seeks to change the Jersey fishing vessel licence system to mirror this. It will involve both the administrative authority and the fishermen in less paperwork, yet the same level of management control should be maintained. This is the principle behind the amendments. I propose the principle.

# The Greffier of the States (in the Chair):

Are the principles seconded? [Seconded] Does any Member wish to speak?

# 3.1.1 Connétable M.K. Jackson of St. Brelade:

Any proposition to reduce the red tape from the point of view of fishermen will be well received, thank you, Sir.

# The Greffier of the States (in the Chair):

Do you wish to reply, Minister, to that?

# Senator F.E. Cohen (The Minister for Planning and Environment):

No, Sir.

# The Greffier of the States (in the Chair):

Very well. I put the principles to the Regulations. Those Members in favour of adopting them, kindly show? And against? They are adopted. This matter may be capable of referral to the Environment Scrutiny Panel. Vice Chairman, is that something that you wish to look at? Therefore, you propose Regulations 1 and 2 *en bloc*, Minister?

# Senator F.E. Cohen:

Sir, en bloc.

# The Greffier of the States (in the Chair):

Are they seconded? [Seconded]. Does any Member wish to speak on either Regulation 1 or 2? I put the Regulations. Those Members in favour of adopting them, kindly show? And against? The Regulations are adopted. Do you propose them in Third Reading, Minister?

# Senator F.E. Cohen:

Yes, Sir.

# The Greffier of the States (in the Chair):

Are they seconded? [Seconded] Does any Member wish to speak? I put the Regulations in Third Reading. Those Members in favour of adopting them, kindly show? And against? The Regulations are adopted in Third Reading.

# 4. Manual Workers' Joint Council Constitution: amendment (P.82/2006)

# The Greffier of the States (in the Chair):

We come now to the Manual Workers' Joint Council Constitution: Amendment in the name of the Chief Minister. I ask the Greffier to read the proposition.

# The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion to refer to their Act of 9 November 1961 approving the Constitution of a Manual Workers' Joint Council on the basis set out in Annex B to that Act and to approve the following amendments. In Section 3, membership of the Constitution, (a) in the first line of paragraph 3(a), delete the number "16" and insert the number "10"; (b) in the second line of paragraph 3(a), delete the number "8" and insert the number "5"; (c) in the fifth line of paragraph 3(a), delete the number "8" and insert the number "5"; (d) in the third line of paragraph 3(b), delete the number "6" and insert the number "5"; (d) in the third line of paragraph 3(b), delete the number "6" and insert the number "4"; (e) in the fourth line of paragraph 3(b), delete the first line of paragraph 7, delete the word "eight" and insert the word "four"; (b) in the second line of paragraph 7, delete the word "four" in both cases and insert the word "two" in both cases.

# The Greffier of the States (in the Chair):

Deputy Chief Minister, are you able to propose that?

# 4.1 Senator T.A. Le Sueur (The Deputy Chief Minister):

Yes, Sir. From this year onwards, the employment matters of the States are carried on by the States Employment Board and we have been in discussion with the existing Manual Workers' Joint Council with a view to streamlining the structure which has perhaps become rather top heavy and cumbersome over the years. What this report does - and it has been discussed with the employee representatives as well - is to reduce the size of the Manual Workers' Joint Council to a more manageable number, reducing the overall total from 16 to 10 and then reflecting that throughout the remainder of the proposition by maintaining the parity between the employer and the employee side representatives. That is the principle of the proposition, Sir, which I think is quite straightforward and should enable the Council to continue to work but to work in a more efficient way. I make the proposition.

# The Greffier of the States (in the Chair):

Is the proposition seconded? [Seconded] Does any Member wish to speak on the proposition? I put the proposition. Those Members in favour of adopting it, kindly show? And against? The proposition is adopted.

# 5. Manual Workers' Joint Council: Employer's Side membership (P.83/2006)

#### The Greffier of the States (in the Chair):

We come now to the membership of the Manual Workers' Joint Council and the Greffier will read the proposition.

#### The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion, in accordance with their Act dated 9 November 1961 as amended concerning the membership of the Manual Workers' Joint Council, to approve the nominations for 4 representatives of the States to serve as members of the employers' side of the Council as follows: Deputy Ian Joseph Gorst of St. Clement, Deputy Alan John Henry Maclean of St. Helier No. 2, Mr. John Michael Pollard, Chief Executive, Health and Social Services, Mr. John Richardson, Chief Executive Officer, Transport and Technical Services.

# 5.1 Senator F.H. Walker (The Chief Minister):

Yes, Sir, I think the proposition is entirely self-explanatory and I commend it to Members.

#### The Greffier of the States (in the Chair):

Is the proposition seconded? [Seconded] Does any Member wish to speak on the proposition?

#### 5.1.1 Deputy R.G. Le Hérissier:

Just a minor observation, Sir, because, sadly, the Constable of St. Helier is not here. Given that he has very robust views on these matters, I am quite surprised he has ended up as the automatic representative, but clearly that was thought about and the Connétables went with it. Thank you. Views, by the way, which good luck to him, but I am just saying.

# The Greffier of the States (in the Chair):

I call on the Chief Minister to reply.

#### Senator F.H. Walker:

That is, of course, a matter for the Comité des Connétables, but I have reason to believe that the Connétable of St. Helier will, as the report says, normally be the representative on the Manual Workers' Joint Council. There would have to be a pretty good reason for him not being so, I think. Could I thank Deputy Gorst and Deputy Maclean for agreeing to serve on the Manual Workers' Joint Council? It is not an easy role. It is time-consuming and difficult and I am grateful to them for agreeing to serve on the Panel. So, Sir, I maintain the proposition.

#### The Greffier of the States (in the Chair):

I put the proposition. Those Members in favour of adopting it, kindly show? And against? The proposition is adopted.

# 6. Draft Insurance Business (Amendment No. 5) (Jersey) Law 200- (P.85/2006)

# The Greffier of the States (in the Chair):

We come now to the Draft Insurance Business (Amendment No. 5) (Jersey) Law and I ask the Greffier to read the citation.

# The Deputy Greffier of the States:

Draft Insurance Business (Amendment No. 5) (Jersey) Law 200-, a law to amend further the Insurance Business (Jersey) Law 1996. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following law.

# 6.1 Senator P.F.C. Ozouf (The Minister for Economic Development):

Simply put, this proposition could be broadly described as removing some red tape in my own department in taking the Economic Development Minister directly out of something which we are, in effect, no longer required to be in the process for. The Insurance Business Law regulates insurance businesses in Jersey. One of the obligations in the Law is, when an insurance business transfers from one entity to another, consent is required by the Royal Court for that transaction to take place. Members will no doubt know that there have been a number of insurance and reinsurance business mergers over the last few years. In fact, that has meant that we in Jersey do not have as many insurance providers in our local market, but that is not the subject of this proposition. It is simply a consequence of things elsewhere and we are working on that in other areas. What, in fact, happens is that when the Royal Court considers the merger, it consults the Minister for Economic Development. This goes back to the days before the Financial Services Commission was in place when financial services was under the Finance and Economics Committee. These powers were moved from F and E to Industries, then to Economic Development, and they now fall to me. What, in fact, happens is that the Royal Court requests views on the merger and I simply ask the views of the Financial Services Commission. I then simply transmit this information to the Royal Court and the Royal Court considers the representations made and makes the decision on that. In reality, I am not required in that process and, in fact, we really cannot add any value in that. It is the Commission and their expert views in the analysis of the actuarial reports, et cetera, of the merging of the business and it is their views that matter. What this proposition does is it simply reflects the change in circumstances and removes the requirement for the statutory consultee being the Minister and replaces it with the Commission. I move the preamble.

# The Greffier of the States (in the Chair):

Are the principles seconded? [Seconded]. Does any Member wish to speak on the principles of the draft law?

# 6.1.1. Deputy G.C.L. Baudains:

The only comment I would make briefly, Sir, on this is that, whilst I welcome this, I do have a slight concern in that there may be a compromising of accountability due to the fact that the Minister will no longer be carrying out these duties. Could he assure us that accountability has been taken into regard in this and that we will have lines of accountability which are equal to that which existed before?

# The Greffier of the States (in the Chair):

I call on the Minister to reply.

# 6.1.2 Senator P.F.C. Ozouf (The Minister for Economic Development):

Deputy Baudains is right to raise that issue. In reality, the world in which we now operate is that we have an independent Commission which regulates financial services. They are the expert body with independent commissioners and they are independent but, ultimately, they have their

accountability - if there is one - to this Assembly through the Economic Development Minister. It is appropriate that their expert advice is recognised by the Royal Court on whose advice a decision is made. So, in fact, it is putting the proper accountability in the new world in which we have an independent regulator, properly putting that into effect in the Royal Court recognising that it is, in fact, not the Economic Development Minister that is giving his department's views on the actuarial validity of the information, but it is the Commission. Certainly, that does not mean to say that Economic Development is not keeping a watching brief on the whole issue of insurance because we are. Indeed, as a result of all of these mergers quite outside of local conditions - because of the world of mergers in the insurance market, et cetera - we can then get on to the proper job that we have, which is making sure that the market is working effectively. I am at the moment, in fact, even now, considering applications under Regulation of Undertakings for new insurance businesses in the Island, so it is a proper segregation of duty. A regulator is the one to give the advice on the scheme to the Royal Court - in this case on a merger - and it is we who create the right conditions for the insurance market, so I think that this is an improvement and better clarifies the accountability. I move the proposition.

# The Greffier of the States (in the Chair):

I put the principles. Those Members in favour of adopting them, kindly show? And against? The principles are adopted. I must turn to the Economic Affairs Scrutiny Panel to ensure they do not wish to scrutinise this draft. No? Very well. Do you propose Articles 1 to 4?

# Senator P.F.C. Ozouf:

En bloc.

# The Greffier of the States (in the Chair):

Are Articles 1 to 4 seconded? [Seconded] Does any Member wish to speak on any of the Articles? I put the Articles. Those Members in favour of adopting them, kindly show? And against? The Articles are adopted. Do you move the draft law in Third Reading? Is that seconded? [Seconded] Does any Member wish to speak? I put the draft law in Third Reading. Those Members in favour of adopting it, kindly show? And against? The draft law is adopted in Third Reading.

# 7. Draft Health Care (Registration) (Jersey) Regulations 200- (P.91/2006)

# The Greffier of the States (in the Chair):

The Assembly comes finally to the Draft Health Care (Registration) (Jersey) Regulations 200- and I ask the Deputy to read the citation.

# The Deputy Greffier of the States:

Draft Health Care (Registration) (Jersey) Regulations 200-. The States in pursuance of Article 17 of the Health Care (Registration) (Jersey) Law 1995, have made the following regulations.

# Deputy I.J. Gorst of St. Clement:

Could I just declare an interest in that my wife is a nurse and if the Appel is called for I shall be abstaining.

# 7.1 Senator S. Syvret (The Minister for Health and Social Services):

I do not think these Regulations have any bearing on anyone's professional income or anything of that nature. These Regulations are made under the Draft Health Care (Registration) (Jersey) Law

1995 and they simply add 2 new categories of registration to the existing categories that are contained in the register; that is registered nurse, first level, and then registered nurse, second level. These kinds of changes to the designations within the registration scheme occur from time to time because of changing designations within the United Kingdom. I propose the Regulations.

# The Greffier of the States (in the Chair):

Are the Principles seconded? [Seconded] Does any Member wish to speak on the principles?

# 7.1.2 Deputy R.G. Le Hérissier:

Can the Minister confirm that when nurses arrive in the Island if they come from overseas that the authority here under this new amendment accepts the accreditation of the U.K. authority in terms of their ability to practise?

# 7.1 2 Deputy S.C. Ferguson:

Perhaps the Minister would just like to explain for those of us that are not medically inclined the difference between a registered nurse first level and a registered nurse second level.

# The Greffier of the States (in the Chair):

I call on the Minister to reply.

# 7.1.3 Senator S. Syvret:

To answer the point raised by Deputy Le Hérissier: yes, the Island does recognise the designation qualifications for registrations of health practitioners from the U.K. For obvious reasons, we are very, very closely tied to the United Kingdom's health service. Therefore, it makes sense for the Island to follow the same kind of regulatory framework and structures. The change in designation will be based simply on the qualifications of the nurses concerned. Nurses have varying degrees of professional registration which they progress upward through a career path on the basis of their experience, qualifications they gain, continuing professional development and so on, and the higher levels will be more experienced and more qualified nurses. I maintain the Regulations, Sir.

# **Deputy S.C. Ferguson:**

Point of clarification, Sir. Those of us who are a bit older remember State Registered Nurses and state enrolled nurses. Now, are we talking, perhaps, State Registered Nurses and auxiliary nurses? With respect, can the Minster be a little more specific?

# Senator S. Syvret:

I am not sure what I can answer. We are talking about nurses, registered nurses, and the designation we use in these Regulations and, indeed, throughout the health service mirrors, as I have already alluded to, the regulatory framework in the United Kingdom. The kind of designations that we used many years ago now that the Deputy refers to are effectively obsolete and they are no longer used in the United Kingdom.

# The Greffier of the States (in the Chair):

Very well. I put the principles to the Regulations. Those Members in favour of adopting them, kindly show? And against? The principles are adopted. I turn to the Chairman of the Social Affairs Scrutiny Panel.

# Deputy F.J. Hill (B.E.M.):

There was not a lot to scrutinise, Sir.

#### The Greffier of the States (in the Chair):

Very well. Do you propose Regulations 1 and 2 *en bloc*, Minister? Is that seconded? [Seconded] Does any Member wish to speak on either Regulation 1 or 2? I put the Regulations. Those Members in favour of adopting them, kindly show? And against? The Regulations are adopted. Do you propose them in Third Reading, Minister? Is that seconded? [Seconded] Does any Member wish to speak? I put the Regulations in Third Reading. Those Members in favour of adopting them, kindly show? And against? The Regulations for the regulations are adopted in Third Reading. That, therefore, concludes the public business.

# ARRANGEMENT OF BUSINESS FOR FUTURE MEETINGS

#### 8. The Greffier of the States (in the Chair):

The Assembly turns finally to the arrangement of public business for future meetings as set out in M on the Consolidated Order Paper. Is there anything you wish to add, Chairman?

# 8.1 The Connétable of St. Clement:

There is just one alteration to 24th October in that I understand that Deputy Breckon has or will withdraw his amendment and there is the addition of the second amendment to P.86 from Senator Syvret.

#### The Greffier of the States (in the Chair):

Very well.

# **Deputy A. Breckon:**

Sir, if I may explain. I did have an amendment to Senator Syvret's proposal for exemptions from goods and services tax and I will be out of the Island that day on States business, which is a commitment that I cannot get out of. I did speak to the Treasury Minister and he suggested bringing it back to 10th October and Senator Syvret suggested going to 7th November, but what Senator Syvret has done is incorporate the substance of my proposal in an amendment to his own proposal so, therefore, it is covered. So I seek the leave of the House to withdraw my amendment to Senator Syvret's proposal that was set down for that day.

#### The Greffier of the States (in the Chair):

Very well. Are there any other matters that arise for the future business?

#### Senator S. Syvret:

Simply on the question of the goods and services tax, exempt or zero-rated items, I understand that Senator Le Sueur is very much hoping for a decision on it that day because of forthcoming legislation he has to deal with. I was wondering, therefore, Sir, on that basis whether it could be taken before P.75 as first item of business?

# The Greffier of the States (in the Chair):

Deputy Power is indicating his consent so if Members are content they will be listed in that order. Are there any other further matters?

#### Senator W. Kinnard (The Minister for Home Affairs):

Just on 10th October - P.94 - the Council of Ministers is going to be discussing this issue and also, in fact, the Connétables have asked for a meeting to discuss it with me. I am in no particular rush so I am happy for it to slip back to 24th October.

#### The Greffier of the States (in the Chair):

Very well. This is the Policing commercial and profit-making events: 'new user pays' charge, which Members are content will be moved back to 24th October.

#### Senator P.F.C. Ozouf:

I have not discussed this with any colleagues. However, I do note that the GST debate was originally going to be at the meeting 2 weeks earlier on 10th October but, for various reasons - I am not sure that I understand why - it was moved back to 24th October. We now on 24th October have 2 massive debates. There is the GST debate and, indeed, now the Code of Practice on Scrutiny Panels. Those are going to be important debates. For my own part, I had made plans to be out of the Island on other matters on 24th October and I am not going to be here. I just wondered, in view of the urgency of the GST matters, whether or not it would be a better solution, if we cannot debate it on 10th October, why we could not take it at a separate meeting the week after rather than leaving it right until the last minute.

#### Senator S. Syvret:

No, Sir, I am not prepared to accede to that request. The reason for the delay was that I was specifically asked by a number of people within the community - teachers, doctors, nurses and others - to put it back to enable them time to consider the matter and possibly write letters to States Members about it. They were concerned that the existing date did not leave sufficient time for during the school summer holiday period, so I am complying with requests that have been made to me by the public, Sir.

#### Senator M.E. Vibert:

I was also concerned about the amount of work on 24th October and probably 25th and 26th as well, Sir, and I think it might be useful if we agree now that it is likely to extend to the Wednesday, if necessary, and the Thursday. One of the concerns I had was that originally P.101 -, the Code of Practice for Scrutiny Panels and the Public Accounts Committee - was down for debate a month earlier on 26th September. I was going to ask the Chairman of the Chairmen's Committee as to the reason for its movement but he is, I understand, attending a composting exhibition in the U.K.. Perhaps I can ask the Vice Chairman of the Chairmen's Committee as to why 24th October has been picked; why it is moved from 26th September; and why not 10th October which is a comparatively light agenda and so on. I understand the Vice-Chairman is Deputy Le Hérissier.

# Deputy R.G. Le Hérissier:

The reason is that there was the probability of Senator Walker being outside the Island when the first debate was outlined and, secondly, there was the possibility of perhaps working to a variation or a solution and, again, it was thought that a bit more time might have added to that. But it was essentially - and may we wish him well, of course - because of the absence of the Chief Minister. **[[Laughter]** 

# The Greffier of the States (in the Chair):

I wonder if I could perhaps just say from the chair there are obviously some Members who are concerned about the volume of business on 24th October. It is still 6 weeks away. I wonder if those involved in the various propositions, perhaps with the help of the chairman of P.P.C. could just

look at this matter and come back at a future meeting with some suggestions rather than taking too much of Members' time this morning. Is that acceptable to Members? Senator Ozouf, do you wish to pursue it?

#### Senator P.F.C. Ozouf:

I will not pursue it now but I will pursue it with the Chairman of P.P.C. because I think it is unfair to put large debates in the calendar and then move them when people are making their arrangements. I just think it is dreadfully unfair for Members' planning. There are 2 Members who obviously have important views on these matters who are not going to be here for the G.S.T. debate and I think that is unfair when we plan according to a forward plan that then gets changed.

#### The Greffier of the States (in the Chair):

Very well. If there are no further matters, the arrangement is agreed.

#### **Deputy P.V.F. Le Claire:**

It is a matter of housekeeping, Sir. I was not really paying attention when the roll call for Deputy Duhamel was made this morning and whether or not he was recorded as on States business out of the Island?

# The Greffier of the States (in the Chair):

It was correctly recorded, yes. Thank you, Deputy.

# ADJOURNMENT

#### The Greffier of the States (in the Chair):

Very well, the business is therefore concluded. The meeting is closed and the States will reconvene on 26th September 2006.