

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 29th MAY 2012

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[9:30]

The Roll was called and the Dean led the Assembly in Prayer.

QUESTIONS

1. Written Questions

1.1 DEPUTY S.S.P.A. POWER OF ST. BRELADE OF THE MINISTER FOR HOME AFFAIRS REGARDING THE DEPLOYMENT OF CUSTOMS OFFICERS:

Question

Can the Minister confirm whether a shift in deployment by Customs officers has been authorized to focus on the smuggling of tobacco and alcohol and, if so, whether this deployment has had a residual effect on drug detection and seizure?

Can he advise whether this change of officer deployment has occurred because of a request by the Treasury for greater emphasis on revenue recovery at the Harbours and Airport?

Answer

- a) There has not been a shift in deployment by the Customs and Immigration Service to concentrate on tobacco and alcohol smuggling. The prevention of drugs remains a priority and I know that the Head of the Service will continue to ensure that this aspect of its work is given the closest attention. However the Service does have other important responsibilities at the borders - including the prevention of illegal immigration, the control of prohibited and restricted goods such as firearms and endangered species, and, as the Deputy alludes to, the prevention of duty evasion on goods liable to Impôts and GST.

Unfortunately the Service has seen a marked increase in the amount of people coming into Jersey who are clearly and openly in excess of their duty free allowance. Blatant attempts to exceed the allowance cannot and should not be simply ignored for the following very good reasons:

- 1) it is against the law and the Service is charged with upholding the Customs laws;
- 2) it will represent a loss of revenue for the States and while an extra 200 cigarettes here and there is not significant it will mount up if everybody is abusing the allowance; and
- 3) there must be a responsibility to local retailers (and their customers who are paying the local duty) not to turn a blind eye to this type of duty evasion which is, in effect, unfair competition.

Clearly, if Officers are engaged in managing these duty evasions they cannot at the same time be catching drugs smugglers but this does not mean that there has been a change of emphasis in Service priorities. It is not possible to quantify the effect in relation to drugs seizures. It follows from the above that there has been no Ministerial decision to shift deployment. I view this as a normal operational matter within the remit of the Service. I was informed of the increased incidents in relation to exceeding the duty free allowance some time ago. The problem is partly caused by Duty Free outlets who aggressively promote their products including packs of 400 or even 1,000 cigarettes, which are in excess of the duty free limits. The Customs and Immigration Service has written to all the relevant outlets reminding them of the duty free allowances into the Island and asking them to notify their customers of them. Some outlets have clearly taken the message on board as part of their responsibilities to their customers, but others appear not to be so diligent.

- (b) The Treasury has not requested the Service to place greater emphasis on revenue recovery at the border controls.

1.2 CONNÉTABLE OF ST. JOHN OF THE CHIEF MINISTER REGARDING INWARD MIGRATION:

Question

Can the Chief Minister, given his responsibility for migration issues, provide a monthly breakdown showing how many people have arrived in Jersey to work in the Island over the last 36 months who are not residentially qualified, but applied for and received a social security card?

Can the Chief Minister provide a detailed monthly breakdown of the number of residentially qualified people that have been registered as unemployed over the same period?

Answer

Residential qualifications are determined under the Housing Law and are administered by the Population Office. The Social Security Department does not hold information on residential qualifications. It will not be until the new Control of Housing and Work legislation is in place and operational that information like that requested by the Connétable will be known.

The Social Security Department can, however, provide details of the registrations as shown in the attached tables which are recorded by nationality as opposed to residential status. Every individual is legally required to register with the Social Security Department as soon as they start work, or if they are not working for an employer, once they have been resident in the island for a period of 6 months.

The Social Security Department is now registering children at birth, or soon after, and therefore figures include children born in Jersey.

The Statistics provided by the Social Security Department (April 2009 – April 2012) are as follows:

Table 1 - New Registrations provides details of individuals who have registered for the first time in Jersey.

Table 2 – Re-registrations provides details of individuals who were registered previously, have left the island, then returned to Jersey and re-registered.

Please note:

- *Individuals registered as British nationals include Jersey nationals*
- *All categories include both children and adults*
- *The November 2009 re-registration monthly report is incomplete and the full report is not accessible in the time available to answer this question*

Table 1

Table 2

Month	New Registrations			Total Registrations
	British including Jersey	European Union Nationals, excluding British	Non European Union Nationals	
Apr-09	244	197	41	482
May-09	252	248	34	534
Jun-09	401	260	37	698
Jul-09	303	267	22	592
Aug-09	268	168	18	454
Sep-09	234	130	24	388
Oct-09	209	178	32	419
Nov-09	200	117	29	346
Dec-09	190	62	19	271
Jan-10	217	279	19	515
Feb-10	175	132	21	328
Mar-10	301	179	44	524
Apr-10	219	255	28	502
May-10	233	220	36	489
Jun-10	304	282	24	610
Jul-10	363	254	37	654
Aug-10	315	150	25	490
Sep-10	281	147	29	457
Oct-10	226	151	21	398
Nov-10	212	106	17	335
Dec-10	158	75	18	251
Jan-11	226	258	29	513
Feb-11	230	110	29	369
Mar-11	277	187	26	490
Apr-11	241	283	17	541
May-11	290	258	36	584
Jun-11	264	277	30	571
Jul-11	319	244	38	601
Aug-11	283	145	34	462
Sep-11	312	117	33	462
Oct-11	219	156	24	399
Nov-11	217	107	21	345
Dec-11	122	81	23	226
Jan-12	202	228	40	470
Feb-12	189	135	35	359
Mar-12	234	182	34	450
Apr-12	208	202	16	426

Re-registrations			Total Re-registrations
British including Jersey	European Union Nationals, excluding British	Non European Union Nationals	
140	140	26	306
139	79	18	236
86	69	5	160
80	84	4	168
109	64	16	189
81	56	8	145
45	36	3	84
60	16	5	81
54	153	5	212
53	68	8	129
89	110	13	212
89	83	15	187
84	86	12	182
85	83	11	179
82	67	6	155
95	34	8	137
44	46	7	97
58	34	3	95
48	24	3	75
46	19	4	69
43	78	1	122
41	59	10	110
71	103	5	179
70	113	19	202
88	85	16	189
117	118	16	251
75	62	2	139
67	33	2	102
81	43	3	127
46	41	9	96
58	39	4	101
36	19	6	61
60	56	4	120
55	69	5	129
65	119	8	192
74	80	13	167

Numbers Actively Seeking Work:

The Statistics Unit have reported the unemployment figures since January 2010. As above, this information is not recorded by residential qualifications. The information, however, is recorded by nationality. Under the new Control of Housing and Work Law, this information will be available by residential status.

The table below provides details from the Statistics Unit of the number of individuals actively seeking work for the period 2010 to date:

	British, including Jersey	European Union Nationals, excluding British	Non European Union Nationals	Total
Jan-10	1,008	151	44	1,203
Feb-10	1,101	169	46	1,316
Mar-10	984	142	48	1,174
Apr-10	966	125	51	1,142
May-10	901	106	48	1,055
Jun-10	958	106	45	1,109
Jul-10	1,072	123	48	1,243
Aug-10	1,106	134	52	1,292
Sep-10	1,056	133	42	1,231
Oct-10	1,080	159	46	1,285
Nov-10	1,096	163	52	1,311
Dec-10	1,026	139	42	1,207
Jan-11	1,165	171	54	1,390
Feb-11	1,218	194	55	1,467
Mar-11	1,089	182	41	1,312
Apr-11	1,117	185	49	1,351
May-11	1,111	175	50	1,336
Jun-11	1,079	157	42	1,278
Jul-11	1,140	166	41	1,347
Aug-11	1,127	171	49	1,347
Sep-11	1,139	187	43	1,369
Oct-11	1,208	231	58	1,497
Nov-11	1,233	237	60	1,530
Dec-11	1,255	234	54	1,543
Jan-12	1,378	258	62	1,698
Feb-12	1,461	293	67	1,821
Mar-12	1,444	297	66	1,807
Apr-12	1,384	289	71	1,744

1.3 THE CONNÉTABLE OF ST. JOHN OF THE CHAIRMAN OF THE JERSEY OVERSEAS AID COMMISSION REGARDING FUNDING FOR DURRELL:

Question

Will the Chairman confirm whether the principle of the Overseas Aid fund is to help the many people who are poor and needy across the world suffering from famine, drought, storm and other perils?

Can he advise whether funds have been given to Durrell and, if so, how this relates to the principles of Overseas Aid, particularly as the Trust has received States funding from the Tourism Development and Fiscal Stimulus Funds?

Will the Chairman consider bringing this year's list of charitable donations to the Assembly for endorsement?

Answer

JOAC's strategy is driven by a clear mission that it is committed to joining with others in reducing poverty in poorer countries by making a sustained contribution towards the provision of basic health care, medical care, effective education, safe drinking water and sanitation projects to assist self sufficiency and food security and emergency and humanitarian needs. The Commission currently gives preference to projects located in countries in Africa, Latin America or South-East Asia which fall within the bottom 50 countries on the current Human Development Index.

Durrell 2012 Projects Supported by JOAC

The Commission is supporting three projects this year with Durrell. All are located in Madagascar which is ranked by the United Nations Development Programme as a country within the lowest human development, with a GDP per capita of £172. 70% live in rural areas on less than \$2 per day and 55% of the population without sustainable access to an improved water source. All projects supported are providing the means and skills to adapt the use of natural resources to maintain future productivity to improve health, access to education and clean water.

Information on the individual projects is noted below:

Project One - £29,200

Baly Bay is an isolated area where people live in small scattered villages relying on subsistence agriculture, cattle herding and small-scale artisanal fishing, while using small remaining patches of native forest and raffia forests for weaving, construction and fuel wood. Durrell links its community work with the villages surrounding the Baly Bay National Park with the conservation of the critically endangered ploughshare tortoise species and its habitat with the main issues to be addressed in the region of lack of food security, high illiteracy, lack of fresh water, and the marginalisation of women.

Cattle are predominant across the extensive savannahs that surround Baly Bay. Despite its importance cattle farming remains mostly non commercial. JOAC is supporting vaccination programmes to both improve animal productivity and increase the market value of the animals (non-vaccinated animals cannot be legally sold so they fetch a lower price in the non commercial sector). As a result of a national lack of knowledge of modern equipment, intensive agricultural training is being provided with a proposed focus in 'agricultural technology'. Additionally raffia weaving will act as an important income to women's groups.

All proposed activities are aimed at long term implementation. Both the cattle and raffia activities will establish markets and outputs that should be financially viable well beyond the project period.

Project Two - £30,000

Lake Alaotra is located in the North-east of Madagascar approximately 120km from the capital Antananarivo. The Alaotra region is the breadbasket of the country and supports a population of over 500,000. Water resources have been greatly reduced from climate change and over-exploitation and habitats are being degraded. As a result food and fibre resources are being diminished and a rapidly increasing pressure has been placed on remaining natural habitats. The government is trying to address these pressures by increasing the sustainability of food production primarily through agro-ecology.

This project supports and expands the government's efforts to mitigate these pressures through small-scale agro-ecology and fishery initiatives in villages around the lake. Lake Alaotra covers an area of 1,000 km² and is a wildlife refuge of global importance. The area is Madagascar's most important rice growing zone and one of the largest inland fisheries. Sustaining over 500,000 people for food, fuel, building materials and income, both the biodiversity and the productivity of the lake are threatened by over-fishing, siltation, invasive exotic plants and marsh degradation.

The project will focus on support to fish farming, small-scale vegetable gardens, poultry farming and continued support to primary education. The local fisheries services has started a new policy to encourage small-scale fish farming (carp) and JOAC funded activities in 2009 and 2010 have already shown the potential for this approach. The project will provide additional training and equipment to fish farming to increase yields and income, while reducing pressure on native fish stocks. The provision of materials and training for small-scale garden produce, chickens and geese is aimed at improving diets and supplement incomes, as well as providing direct support to local women, a marginalised group, as they are primarily involved with small-scale enterprises. Further support is being given to local women towards developing weaving products, especially to improve product quality and the development of markets for the products. Additionally Durrell is able to continue to support the development of local schools that were started with JOAC's support. Having focussed on 'walls and roofs' Durrell is installing cement floors as well as supporting the development of school kitchen gardens, both to start agro-ecology at the grassroots and also to provide food supplements for school meals is being implemented.

Project Three - £27,000

Durrell has been active in the Marolambo area since 2003, drawn to the site because it still harbours a remarkable native fish fauna, with 19 species endemic to Madagascar of 3 which are not even found anywhere else in the country. Madagascar is renowned for its exceptional diversity of plants and wildlife, which is increasingly threatened by the progressive degradation of the native forest and wetland habitats. Durrell has been very well received in the Marolambo area and villagers along the Nosivolo river have already developed local initiatives demonstrating their commitment to work together to maintain the quality of the river habitat. They were particularly concerned about the decline in catches of fish which is an important source of protein and are also interested in conserving their endemic fish. Measures already adopted include a closed fishing period during the spawning season and planting vegetation along river banks as protection from erosion and sedimentation. They have created associations in 80 villages, organised into 19 Federations that cover the 130 km along the river.

In 2007 through previous JOAC assistance, development aid concentrated on organising a major treatment campaign to reduce the parasitic water-borne disease schistosomiasis, and to support agricultural and school projects in 23 villages. In 2012 Durrell is continuing to support this through

the establishment of piped water to schools and their villages as diarrhoea is a chronic ailment in the riverside villages from drinking the river water.

The decisions of the Commission will not be presented to the Assembly for endorsement as it was the Assembly who endorsed the Jersey Overseas Aid Commission (Jersey) Law 2005 (P.14/2005) its approval for the Commission to manage and administer the monies voted annually by the States of Jersey for overseas aid.

1.4 DEPUTY J.M. MAÇON OF ST. SAVIOUR OF THE CHIEF MINISTER REGARDING THE HISTORIC CHILD ABUSE INQUIRY'S TERMS OF REFERENCE:

Question

Will the Chief Minister advise when the Terms of Reference of the Committee of Inquiry into historic child abuse will be lodged for consideration by the Assembly and advise what impediments, if any, there have been?

Can the Chief Minister explain what consultation, if any, there has been with interested groups, such as the Jersey Care Leavers Association, regarding the formulation of the Terms of Reference of the Committee of Inquiry into Historic Child Abuse?

Answer

I have undertaken to submit the Terms of Reference for the Committee of Inquiry into the Historic Childcare Abuse to the States. There is a clear commitment for a Committee of Inquiry to provide help with closure of this difficult and long- running period in the Island's history.

It has been important to develop clear terms of reference that will be effective and provide help with closure, but not subjecting witnesses to the potential of undue cross examination in a Committee of Inquiry which would result in all parties having to receive legal representation. This has required careful consideration of the original terms of reference before being submitted to the States for approval.

In the light of requests I will be arranging to brief the Jersey Care Leavers' Association and other interested parties on the final terms of reference and I will consider any feedback from those groups before submitting them to the Assembly for approval. This consultation will inevitably delay the date of a States debate.

1.5 DEPUTY J.M. MAÇON OF ST. SAVIOUR OF THE MINISTER FOR HOME AFFAIRS REGARDING THE POTENTIAL MERGER OF THE CUSTOMS AND IMMIGRATION INTELLIGENCE SECTION AND THE STATES OF JERSEY POLICE:

Question

Could the Minister explain what consideration, if any, has been given to merging the Customs and Immigration intelligence section with that of the States of Jersey Police?

Would the Minister explain the reasons for continuing with the current situation whereby each Department has separate intelligence units and detail the cost and staffing levels of both?

Answer

I believe that the maintenance of two separate law enforcement agencies with separate links and sources of information is an important advantage and is one of the reasons for the comparative success of the Island in disrupting the supply of illegal drugs and consequently maintaining the current high prices in the Island for such drugs.

However, this issue was considered as part of the Comprehensive Spending Review when a Law Enforcement Feasibility Study was undertaken by the consultancy firm Tribal. The results of the Study were published in February 2011 and intelligence was identified as a possible area for a saving through closer collaboration between Jersey Customs and Immigration Service (JCIS) and States of Jersey Police (SOJP).

This was examined in detail, including the option of a single 'Island-wide' intelligence function to be re-established in a single location. The Tribal Study concluded that neither JCIS nor SOJP believed that they should reduce the resources deployed in the area of intelligence and considered the risks in accepting the option too significant to mitigate. It was therefore not taken forward as a realistic saving. The two sections continue to exchange information and work together co-operatively.

Whilst the conclusions of the Tribal Study remain relevant, JCIS and SOJP have initiated a project to identify whether savings and efficiencies can be made by further enhanced collaborative working within one aspect of the intelligence environment. A working group has been established and their findings will be considered by JCIS and SOJP management in due course.

In addition, the SoJP are also embarking on exploring options for Workforce Modernisation within the Intelligence arena, which has the potential to make £70k savings towards CSR.

The cost of the JCIS intelligence section for 2011 was £451,425. The cost of the SOJP intelligence section for 2011 was £1,065,400. (Staff costs only)

The staffing level of the JCIS intelligence section is 8 Customs and Immigration Officers.

The staffing level of the SOJP intelligence section consists of 13 Police Officers and 9 members of Police Staff.

1.6 THE DEPUTY OF GROUVILLE OF THE MINISTER FOR SOCIAL SECURITY REGARDING ACCESS TO THE SOCIAL SECURITY BENEFITS SYSTEM:

Question

Can the Minister confirm whether the Income Support system can be accessed by not only a head of a household, but also by his or her unqualified family and extended family who may never have contributed to the system and, if this is the case, what immediate action, if any, has he taken since 24th April 2012, when I brought this to his attention, to address this situation and what further action is proposed?

Answer

An Income Support claim can only be made in respect of a household comprising, at the most, an adult couple and dependent children. **No other relatives sharing accommodation with the couple are entitled to be included within the Income Support claim.**

I can confirm that information has previously been provided to the Deputy by e-mail dated 25 April 2012. Income Support benefit is paid to an Income Support household. This can be made up of a single person or a married/cohabiting couple, and any dependent children. Dependent children are included in an Income Support claim up to compulsory school leaving age (16+). Older children can continue to be included in the claim up to the age of 19 if they are registered as actively seeking work, or up to the age of 25 if they remain in full-time education.

Income Support is a non-contributory benefit funded by general taxation, and so the requirements for access to this benefit differ from those benefits administered by the Department, which are based on Social Security contributions.

Qualification for Income Support benefit includes a requirement that the claimant has either five years' continuous residency in Jersey immediately preceding the date of the claim or ten years' continuous residency at any point in the past. The Income Support Law requires that one adult (the claimant) in the household meets this residency test for the family unit to receive benefit.

If a number of separate households share accommodation, for example as members of an extended family, each single adult or adult couple that satisfied the test for five years' continuous recent residency, or ten years' residency at some point in the past, would be treated as a separate family unit and could make their own independent claim to Income Support benefit.

If an Income Support claim is made by a family unit sharing accommodation with other relatives, any support provided for accommodation costs is reduced to reflect the proportion of the dwelling being occupied by the Income Support household.

As above, there is no legal requirement for a second adult in an Income Support household to also satisfy the residency test. The great majority of these adults do also satisfy the residency test in their own right but since the end of 2011 my Department has been investigating the extent to which some valid Income Support claims include a second adult who would not satisfy the residency test themselves. This work has been discussed at two meetings of the Council of Ministers and I am planning to lodge a proposition on this matter within the next few days. The proposition will make an amendment to the Income Support regulations such that in order to receive the adult component in respect of a second adult included in an Income Support claim, the second adult will be required to meet the residency condition in their own right. This will reduce the total value of Income Support benefit available to Income Support households in which the second adult has lived in Jersey for less than five years, and has not previously completed ten years residency in the past.

1.7 THE DEPUTY OF GROUVILLE OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE ALLOCATION OF SURPLUS FUNDS:

Question

Given the States decision of 18th December 2001 to allocate £10 million to the Tourism Development Fund has never been implemented in full, why did the Minister decide to allocate the entire 'surplus' funds of £27 million to bolster the construction industry rather than honouring the

previous States decision by allocating the remaining balance of the £10 million to the Tourism Development Fund and giving the remainder to the construction industry?

Answer

This is not a matter of the Tourism Development Fund being disadvantaged at the expense of Housing. Both are important. The reality is that the needs of each are different and are being addressed in different ways. It is also for the States to decide on allocation of capital funding.

Tourism Development Fund (TDF)

At the end of 2011 the TDF had funds of £937,000 of which £430,000 was committed. In the last round of applications only 5 of the 26 applicants were successful because of the strict criteria applied by panel members to ensure a good return for the tax payer. Furthermore, there is a proposal to be included in the Medium Term Financial Plan that £1.5 million be allocated into the Fund. A proposal was brought to the States on 1st May this year to extend the scheme to private sector entrepreneurs, supported by a proposal to be included in the Medium Term Financial Plan that £500,000 be allocated into the Fund annually. The Deputy will be aware that the States deferred P26 and referred it to Scrutiny. There has been no request to increase funding for the TDF but the Treasury Minister would welcome further discussions in the run up to debate of the MTFP.

Housing

The 6 Housing schemes to be funded, although included in the 2012 States Business Plan, would not have been able to go ahead now as they were dependent on the sale of properties – which is a difficulty in the current economic climate. They are essential schemes providing much needed refurbishments to meet the “Decent Homes” standard and build 121 urgently needed new homes.

It must be stressed that the £27.1 million to be provided is a short term funding requirement of Housing. The full amount will be reimbursed to the Consolidated and Stabilisation Funds. This would not have been the case with the TDF.

The fact that the States can deliver these essential and socially desirable developments, provide much needed support to the local construction industry, safeguard local jobs and benefit from very competitive tender prices makes this a pragmatic and sensible proposal.

As stated before it is not a question of Housing benefitting to the detriment of Tourism. The proposals have been aimed at ensuring the individual needs of each are addressed in the most appropriate way.

1.8 TO THE CHIEF MINISTER BY DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT

Question

Further to the answer given to my written question of 15th May 2012 regarding the restructuring of the public sector, could the Chief Minister further advise who is presently carrying out this work and give details of progress to date?

Answer

The work on Public Sector Reform is being led jointly by the Council of Ministers and Corporate Management Board and is being resourced within the Chief Ministers department. It is still early in the programme but, to date, some high level scoping work has been developed and an engagement programme drafted for approval by the Council of Ministers with the aim of starting a dialogue with all interested parties but especially our staff, States Members and the Public.

The Council of Ministers gave its outline approval for a reform programme which has two key elements, the culture and value within the public sector and the way in which services are provided to the public. These programmes are being developed and it is intended that a States Members briefing will take place in the next two months.

1.9 DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING RESTRUCTURING THE PUBLIC SECTOR:

Question

Is the Minister aware of a practice whereby a person has his/her salary paid by a company at a level just sufficient to qualify for social security supplementation, whilst any balances are made up by open-ended, interest free loans from the company and, if so, what action, if any does he propose to take and would he further estimate the amount of tax lost by this process?

Answer

In answering this question it has been assumed that the Deputy is referring to a situation in which the relevant individual is the majority shareholder of and controlling director in the company (i.e. the relevant individual is an owner/manager), so as to have complete discretion over the manner in which he/she extracts value from the company.

Social security analysis

For social security purposes the owner/manager will be treated as if he/she is self employed, therefore their liability to social security will be calculated by reference to the gross amount of income drawn from the company, including the value of any loans made. Therefore by taking the steps indicated by the Deputy the owner/manager will not have achieved a social security saving.

Income tax analysis

Where a shareholder extracts value from a company by way of a loan, the shareholder will be taxed on the amount of the loan taken out in the year of assessment less the amount of that loan paid back. Therefore by taking the steps indicated by the Deputy the owner/manager will be taxed on the gross amount of the loans made, broadly as if they were dividends, and hence the owner/manager will not have achieved an income tax saving by organising their affairs in this way.

1.10 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE HUMAN RIGHTS AUDIT OF PROCEDURES AT THE PLANNING DEPARTMENT:

Question

Further to previous responses given, will the Minister advise Members -

- (a) which specific Laws, Regulations, Orders, guidance notes and procedures his Department audited in advance of the coming into force of the Human Rights (Jersey) Law 2000, and which they did not?
- (b) which laws, Regulations, orders, guidance notes and procedures his department has asked the Law Officers' Department to audit or comment upon since I first raised this issue?

Answer

- (a) The table below lists the Laws and subordinate legislation that are administered by my Department, and includes details on which laws have been reviewed for Human Rights (Jersey) Law 2000 compliance.
- (b) My department is working with the Law Officers' Department to identify if there are any higher risk areas within my department that need auditing for Human Rights (Jersey) Law 2000 compliance.

As requested in my answer to question 6873 asked by Deputy M.R. Higgins of St. Helier on Tuesday 15th May, if there are any convention rights that the Deputy believes are challenged by my department, I would be grateful if he would draw them to my attention, or he can seek his own advice from the Law Officers.

The Department administers the following Laws and subordinate legislation:	
	Reviewed (in part or whole) for Human Rights (Jersey) Law 2000 compliance? *
Environment Division	
Agricultural Land (Control of Sales and Leases) (Jersey) Law 1974	
Agricultural Marketing (Jersey) Law 1953	Yes. (ref:P.107/2003)
Animals (Trapping)(Jersey) Law 1961	
Animal Welfare (Jersey) Law 2004	Yes (ref: P.126/2003)
Artificial Insemination of Domestic Animals (Jersey) Law 1952	
Conservation of Wildlife (Jersey) Law 2000	Yes (ref: P.187/2001)
Dangerous Wild Animals (Jersey) Law 1999	
Diseases of Animals (Jersey) Law 1956	Yes (ref: P.29/2005)
Diseases of Animals (Rabies) (Jersey) Law 1976	
Draft Endangered Species (CITES) (Jersey) Law 201-	Yes (ref: P.171/2011)
European Communities Legislation (Implementation) (Jersey) Law 1996	not necessary
Fertilisers and Feeding Stuffs (Jersey) Law 1950	Yes (ref: P.28/2005)
Food and Environmental Protection Act 1985 (Jersey)	
Pesticides (Jersey) Law 1991	
Pet Travel Scheme (Jersey) Regulations 2011	
Planning and Building (Environmental Impact Assessment) (Jersey) Order 2006	Yes (ref: P.50/2001)
Plant Health (Jersey) Law 2003	Yes (ref: P.1/2003)
Sea Fisheries (Jersey) Law 1994	Yes (ref: P.95/2002)
Sea Fisheries (Channel Islands) Order 1973	
Loi (1894) sur la coupe et la pêche des vrais	
Sea Beaches (Removal of sand and stone) (Jersey) Law 1963	
Protection of Agricultural Land (Jersey) Law 1964	
Slaughter of Animals (Jersey) Law 1962	
Waste Management (Jersey) Law 2005	Yes (ref: P.88/2004)

Water Pollution (Jersey) Law 2000	Yes (ref: P.11/2006)
Water Resources (Jersey) Law 2007	Yes (ref: P.26/2007)
Water (Jersey) Law 1972 as amended	Yes (ref: P.24/2003)
Weeds (Jersey) Law 1961	
Endangered Species (CITES) (JERSEY) Law 2011	Yes (ref: P.171/2011)
Planning and Building Services Division	
Planning and Building (Jersey) Law 2002, as amended.	Yes (ref: P.50/2001, P.210/2004)
Planning and Building (Public Inquiries) (Jersey) Order 2008	Yes (ref: P.50/2001)
Building Bye-Laws (Jersey) 2007, as amended.	
Planning and Building (Building Bye-Laws) (Jersey) Order 2007	Yes (ref: P.50/2001)
Planning and Building (Application Publication) (Jersey) Order 2006	
Planning and Building (Display of Advertisements) (Jersey) Order 2006	
Planning and Building (Environmental Impact) (Jersey) Order 2006	
Planning and Building (General Development) (Jersey) Order 2011	
Planning and Building (Island Plan) (Jersey) Order 2009	Yes (ref: P.127/2005)
Planning and Building (Movable Structures) (Jersey) Order 2006	
Planning and Building (Fees) (Jersey) Order 2010 (to be replaced by 2011)	not necessary
High Hedges (Jersey) Law 2008	Yes (ref: P.51/2007)
High Hedges (Application Fee) (Jersey) Order 2008 (to be replaced by 2009)	not necessary
* In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000 the Minister made a statement to the effect that in the Minister's view the provisions of the <i>projet de Loi</i> are compatible with the Convention rights – (Article 16 only applies to laws)	

1.11 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING RECOMMENDATIONS MADE IN REG'S SKIPS COMMITTEE OF INQUIRY REPORT:

Question

Will the Minister advise members what actions, if any, his Department has taken to address the criticisms contained in the Committee of Inquiry's report into Reg's Skips setting out in detail each of the criticisms and the Department's responses outlining what action was taken to address each of these criticisms, and detailing on what dates such action was taken?

Answer

The Deputy has not been specific in this question as to which Committee of Inquiry (COI) report he refers. For Members ease, I therefore provide an answer to the recommendations in both reports produced by the COI.

Report 1:

The department has complied with the three recommendations of the report in relation to the public apology to Mr and Mrs Pinel and to Mr Taylor, and has provided ex gratia payments to both Mr and Mrs Pinel, and to Mr Taylor, as recommended in the report, and as the Deputy knows, as agreed in the debate under P130/2010 on the 3rd November 2010.

These payments and apologies were made in person by the Planning and Environment Minister and the Chief Executive Officer in short order during and following the debate in 2010.

The final and fourth recommendation from Report 1 required robust policies to be in place for sorting and recycling of inert waste. The new Island Plan agreed by the States Assembly on the 29th June 2011, has a section on waste management and policies to cover such facilities.

Report 2:

The first recommendation related to extended permitted development rights, and referring such changes through the Environment Scrutiny Panel and through the political steering group set up following the Planning Improvement Process.

Permitted development rights have been increased as envisaged and changes were referred to the political steering group. These changes took effect on 28 June 2011, when the new Planning and Building (General Development) (Jersey) Order, 2011, was adopted.

The Deputy should also be aware that the Department has an action in its Business Plan for 2012 to further review this Order, in conjunction with the Environment Scrutiny Panel.

The second recommendation related to an authoritative revision of delegated powers, with specific reference to powers delegated to officers and to the Planning Applications Panel. The delegated powers were revised and agreed by the Minister in December 2011 (MD-PE-2011-0123).

The third recommendation related to the Ministerial Code of Conduct. This was produced and formally signed off by the new P&E Minister in December 2011 (MD-PE-2011-0120).

The fourth recommendation related to consultation within Government departments. A paper has not been produced for corporate endorsement as envisaged in this report, as the purpose and role of consultations are clearly laid out in the planning law and procedure notes. The new IT changes now implemented on 15th May 2012 within the department have improved consultation processes and responses. Any concerns that exist with consultees are taken up by the Department direct to the consultee without needing to refer such detailed information to the Corporate Management Board.

The fifth recommendation related to eliminating overlap and ensuring better interaction between planning and health protection. Discussions have been ongoing during 2011 and 2012 to investigate the possibility of closer physical working between the Department and health protection. However, good working relations already exist between the two departments.

The sixth recommendation related to the creation of a merits-based planning appeal system. This is in the business plan for consultation later in 2012.

The final recommendation was that the Chief Officer for the Department report to the States before the end of the first session of 2011. This recommendation was never committed to by the Planning and Environment Minister. Members have however been kept fully up to date with all changes in relation to the planning system since the COI.

1.12 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE CHIEF MINISTER REGARDING THE PUBLICATION OF A HOSPITALITY, GIFTS AND EXPENSES REGISTER AND LIST OF EXTERNAL MEETINGS UNDERTAKEN BY HIM AND HIS ASSISTANT MINISTERS:

Question

Will the Chief Minister undertake to publish from the date he was appointed and from now on, the following information and, if not, why not?

- (a) Details of the gifts, hospitality and expenses register for himself, his Deputy and Assistant Chief Ministers;
- (b) Details of his, his Deputy and Assistant Chief Ministers' external meetings in an official capacity, including video-conferences, stating on which dates they met and the purposes of these meetings?

Answer

The Code of Conduct for Ministers and the Human Resources Code of Conduct provide guidance for Ministers and Civil Servants about receiving gifts and hospitality. As a result, the Department maintains a gifts and hospitality register in which entries are made of gifts and hospitality received by Ministers, Assistant Ministers and officers of the Chief Minister's Department. This register is available for inspection on request. The Chief Minister is proposing that this information is published annually but this has yet to be considered by the Council of Ministers.

The requirement to publish details of meetings is not currently contained in the Code of Conduct for Ministers. As I have previously stated, this Code is being reviewed and will consider including the Deputy's request, however it should be pointed out that this will require additional resources to provide for such disclosures.

1.14 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE COST OF MEDICAL INSURANCE:

Question

Will the Minister produce a table or tables showing:

- (a) the cost of medical insurance for each of the main divisions of the hospital for each year since 2006 to the present;
- (b) the average cost of medical insurance for each grade of personnel in each division for each year since 2006 to the present time; and,
- (c) give an explanation of any variances in the cost of cover?

Answer

(a) Cost of Medical Insurance by Hospital Division

Division	2006	2007	2008	2009	2010	2011
Ambulatory Care	44,301	53,002	40,145	57,520	82,833	132,736
Clinical Support	26,581	20,101	23,658	23,378	29,366	35,918
Emergency Care	16,241	16,761	17,010	19,265	75,232	62,304
Hospital Mgmt & Admin	474,612	544,531	606,536	605,785	-	-
Inpatients	222,675	298,406	285,892	379,832	997,629	711,287
Theatres & Anaesthetics	13,479	19,777	19,874	18,782	45,127	52,667
Women & Children	2,891	7,048	4,060	7,660	21,930	20,640
Total	800,780	959,625	997,174	1,112,220	1,252,116	1,015,551

(b) Average Cost of Medical Insurance Per Consultant by Hospital Division

Division	2006	2007	2008	2009	2010	2011
Ambulatory Care	4,397	4,816	4,097	4,320	4,808	4,565
Clinical Support	3,385	3,879	3,349	3,008	3,668	3,801
Emergency Care	5,794	8,625	8,355	5,594	7,725	5,411
Inpatients	35,058	27,771	36,120	30,603	34,796	34,513
Theatres & Anaesthetics	3,644	3,692	3,097	3,161	2,906	3,609
Women & Children	2,453	2,348	2,030	2,553	2,810	2,270
Total	54,730	51,132	57,049	49,240	56,713	54,168

Average Cost of Medical Insurance for Other Grades of Medical Staff

	2006	2007	2008	2009	2010	2011
All Other Medical Staff	8,030	9,735	10,433	10,810	12,377	9,483

(c) Explanation Of Variances:

- a. In 2010 the department changed the way that it coded medical insurance. Up to 2009 insurance paid for other medical staff was coded to Hospital Management and Administration. From 2010 the department has coded this insurance to each division.
- b. During 2011 the department retendered its contract for medical insurance. As a result from July 2011 the department changed its insurance provider which explains the major part of the reduction in spend on medical insurance in 2011.
- c. Inpatients include specialty consultant insurance for Obstetrics & Gynaecology in addition to Orthopaedic & Trauma which have seen significant increases in premiums since 2009.
- d. Consultants pay medical insurance in full and make a recharge for the public element of their insurance. If a claim is not made or is made in a subsequent financial year by the consultant there will be a distorting effect on consultant average cost of medical insurance year on year.
- e. Vacancies and changes in practices may affect the average cost of consultant insurances.

1.15 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING A BREAKDOWN OF COSTS FOR TEMPORARY WORKERS:

Question

Given that in his response to question 6856 the Minister stated that “costs for temporary agency workers and for States of Jersey employees are fairly evenly balanced” will he give members a detailed breakdown of these costs?

Will the Minister state in what services and at what grades the additional 8.7 staff (from 58.8 FTE employees in the 2011 Annual Business Plan (ABP) to 67.5 FTE in the 2012 ABP) are employed within the Department?

Will he further state in what services and at what grades the 27 employees on ‘zero hours’ contracts and not on headcount are employed?

Will he also state the weekly hours involved, and the length of service, along with the anticipated end dates, for these 27 employees?

Will the Minister state whether employment agency workers and Social Security staff work alongside each other on the same tasks and, if so, how do their contracts compare in terms of hourly rates, holiday pay and notice periods?

Will he explain the degree of “short-term fluctuations in workloads” or of “uncertainty in permanent funding” which justifies the need for such a high proportion of Social Security staff (28%) to be employed on ‘zero hours’ contracts?

Answer

I am advised that the percentage mark-up cost charged by individual agencies is commercially sensitive information and therefore the States of Jersey is not able to disclose this figure. However, the cost for employing staff directly within the States of Jersey include 13.6% for employer’s pension contributions and 6.5% for employer’s social security contributions which offset the administrative and other costs charged by an agency.

The Deputy will be aware that the costs and budgets for the Social Security Department are apportioned between three separate funds and the costs & FTE published in the Annual Business Plan are based on the amount apportioned to tax-funded expenditure only.

The overall FTE of the Department is published in the Social Security Department Business Plan which shows an overall FTE for 2012 of 147, and 145 for 2011. This growth relates to additional permanent staff added to support the changes to contributions from 2012.

The 27 agency staff engaged with the Department were paid through their agency against the following grades:

Civil Service Grade	Number of people
5	11
6	2
7	13
9	1

22 agency staff were engaged within Work Zone and the Back to Work programme, 2 in Income Support, 2 in Health Zone and 1 in Contributions.

Agency employees worked full time, 37 hours per week. The length of service varied, 10 people commenced work in 2011 and the remainder commenced during 2012. The nature of the relationship with the agency means that end dates are not normally specified at the commencement of the placement.

Employment agency workers and Social Security staff work alongside each other on the same tasks. The hourly rates for the agency staff are set by the grade of the substantive post, so, for example, if an agency worker is covering a grade 5 role then their hourly rate is the equivalent to a grade 5 civil servant. Holiday pay for agency staff is rolled up into the hourly rate at 4%, whereas the States of Jersey employees are entitled to a minimum 22 days annual leave per annum which they take as time away from work. The nature of the contract with the agency is that notice is not normally required and therefore an agency worker’s entitlement to receive and give notice is different than that which applies to directly employed workers.

Since 2011 and in response to increasing unemployment, the Department has secured additional short term funding to increase resources to provide support to those Actively Seeking Work. In 2012 further funding was agreed and this has allowed us to increase resources further and also fund new roles within the cross departmental Back to Work team which the Department is leading.

The Department has made growth bids within the Medium Term Financial Plan to support the Strategic Priority – Get People into Work. Once we have secured this funding we will recruit into either Fixed Term Contract roles or Permanent positions depending on the roles and the length of the funding streams agreed.

Temporary staff can be used to cover short term fluctuations in workloads or where a member of staff needs to be covered for a period to ensure customer service is maintained. For example this could be to cover peaks in customer activity, quarterly contribution cycles, maternity cover, personal development secondments, staff unpaid leave/career breaks or IT development testing.

1.16 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE TAXING OF NON-FINANCE, NON-LOCALLY OWNED BUSINESSES:

Question

Will the Minister justify the dichotomy between the following two parts of his answer to question 6863 on 15th May 2012 – *“The Minister remains committed to bringing forward measures to deal with the issue of non-finance, non-locally owned businesses”* and *“it will not be possible to tax the majority of companies in Jersey and maintain a compliant regime”*?

Since both a payroll tax and an office space tax have been ruled out along with deemed distribution, what options remain?

Does the Minister still consider that these companies can be taxed without discriminating between local and non-locally owned companies?

Answer

As stated in the answer to question 6863 on 15th May 2012 the Minister remains committed to bringing forward measures to deal with the issue of non-finance businesses and he plans to issue a report before the States summer break, with proposals to follow in the Budget statement. States Members will be fully briefed on the work done and options considered at the time when the report is issued. However, as was also made clear in the answer to question 6863, the backdrop of continued developments in international standards on taxation and the challenging economic environment means that this is a difficult exercise and there will be no perfect solution.

Analysis of the implications of implementing measures is on-going and will be included in the planned report. As previously advised, options under consideration include the extension of the 10% or 20% tax bands.

Finally, as stated by the Assistant Minister for Treasury and Resources on 6th December 2011: “whichever option is chosen cannot discriminate between locally-owned and foreign-owned companies”. Consistent with this statement, whatever measures may finally be introduced, they

will apply without discriminating between those companies which are locally owned and those which are non-locally owned.

1.17 TO THE MINISTER FOR EDUCATION, SPORT AND CULTURE BY DEPUTY G.P. SOUTHERN OF ST. HELIER

Question

Will the Minister advise whether any of the 582 Education, Sport and Culture (ESC) employees on zero-hours contracts are, like those at the Social Security department, actually employed by agencies and thus do not form part of FTE headcount and, if so, how many?

Will he provide a breakdown of the numbers of zero hours contracts by job types within ESC?

Will he further state whether teaching assistants are employed on zero hours contracts and, if so, how many and under what circumstances?

Does the Minister consider that for the most part teaching assistants should be on fixed-term or permanent contracts with defined hours to deliver consistent support in the classroom?

Will he further assure members that zero-hours contracts are not used to cover for predictable absence of teaching staff, such as maternity leave?

Will he also state how many zero hours contracts involve Highlands College lecturers (apart from Adult Education tutors) and what circumstances would justify this?

Answer

All of the 582 employees on zero-hours contracts and currently on payroll are employed by the States Employment Board through the Education, Sport and Culture Department and not through agencies. These contracts are not included in the FTE or headcount figures as work is not guaranteed.

The breakdown of numbers is as follows:

Job Type	Number
Civil Servant Non teaching supply (includes primary and secondary Teaching Assistant, Lunch Supervision, Special Needs Key Worker, Library Assistant, administration and secretarial cover)	172
Manual Worker Non teaching supply (includes relief cleaners, caretakers and Leisure Assistants)	26
Teaching supply primary and secondary	126
Sessional Youth Workers	63
Visiting Lecturers and Adult Education	195

Individuals employed in a non teaching supply role are contracted to work in more than one job type.

For example an individual may work as a lunch supervisor, a teaching assistant and/or a key worker in different schools.

Civil Service non teaching supply includes all individuals working as Teaching Assistants. This group are employed on zero hours contracts to ensure appropriately vetted and skilled staff are available to cover staff absence and meet changing demands for support staff due to fluctuating pupil numbers and the special need requirements of individual cohorts. The flexibility this allows is necessary to ensure the service can react to the differing needs of individual pupils as they move through the service.

Maternity leave is a predictable absence. In the majority of cases such absence would be covered by staff employed on fixed term contracts.

Highlands College employs staff on zero hours contracts to allow it to maintain the flexibility required to meet fluctuating demands in student numbers, subject choices and the individual needs of students in both further and higher education. A review of the use of employment contracts at Highlands is currently underway to ensure best practice. It is however envisaged that the majority of visiting lecturers will remain on zero hours appointments to allow the ongoing flexibility the College requires.

1.18 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING EMPLOYEES ON ‘ZERO HOURS’ CONTRACTS:

Question

Will the Minister whether any of the 545 employees on zero-hours contracts are, like those at the Social Security department, actually employed by agencies and thus do not form part of FTE headcount and, if so, how many?

Will he give a further breakdown of the numbers of zero hours contracts by job types within Health and Social Services?

Answer

The 545 HSSD employees currently on zero hours contracts, is broken down as follows:

Ambulance	2
Civil Servants	58
Nursing	432
Residential Child Care Officers (RCCO's)	53

The 545 staff are not employed through agencies, they are all on States of Jersey Zero hours contracts of employment.

These Zero hour contracts are used to cover ad-hoc short term absence and to meet other unforeseen demands. A portion of these staff (57%) also have a substantive role at Health and Social Services for which they have a permanent or temporary contract of employment.

1.19 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING TAX INFORMATION EXCHANGE AGREEMENTS:

Question

Given that the Assistant Chief Minister has stated that of the 28 requests for information from jurisdictions with which we have a Tax Information Exchange Agreement (TIEA) the “majority” have been complied with, will the Minister for Treasury and Resources state what this number is?

Will the Minister state how many of these concerned a person or a company as defined by Article 4 of the TIEA with Italy (P.34/2012)?

How many involved criminal tax matters as defined in the aforementioned Article 4?

How many involved information on each of paragraphs 4(a) and 4(b) (i) to (iv) of Article 5 of the same TIEA with Italy?

Is the Minister aware whether any tax revenue has been recovered through the use of a Jersey TIEA?

Answer

The Deputy has misunderstood the reference to the figure of 28. This is the number of TIEAs signed to date all of which have been ratified by the States. Of these 23 are in force. The remaining five are awaiting ratification by the other jurisdiction.

The total number of requests to date is 112. With the exception of a few still in the pipeline all requests have been responded to. A number of requesting authorities have stated that they have been impressed with the speed and comprehensiveness of the responses.

All requests have been in respect of a 'person' as defined in the standard TIEA which includes both natural and legal persons. With few exceptions requests seek information on the taxpayer both as an individual and as a beneficial owner of relevant corporate vehicles.

Of the total requests 67 have been in respect of criminal tax matters.

All requests have involved the entities referred to in paragraph 4(a) of Article 5 in the standard TIEA. No requests have specifically sought information about foundations or collective investment schemes (paragraphs 4(b)(iii) and (iv) of Article 5). Information on trusts (paragraph 4(b)(ii) of Article 5) has been requested specifically in two cases. Virtually all requests have sought information about the ownership of the corporate vehicles to which paragraph 4(b)(i) of Article 5 refers. In addition requests have sought information generally that is covered by the TIEA and which is foreseeably relevant to the investigation of the tax affairs of the taxpayer. Difficulties have not been experienced in obtaining information and responding to requests seeking information on any of the entities or categories covered by Article 5 of the TIEA.

There is no information available on the tax revenue obtained by the requesting authorities and at Global Forum meetings there has been general concern expressed at the poor feedback from requesting authorities. However a number of jurisdictions have said how valuable the information received from Jersey has been for their investigations and prosecutions.

1.20 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE NUMBER OF COMPLAINTS RECEIVED BY THE DEPARTMENT BETWEEN 2006 TO 2011:

Question

Will the Minister –

- (a) produce a table showing the number of complaints received regarding his officers between 2006 and 2011, breaking the complaints down into planning, environment, enforcement sections; years; officer grade; and indicating whether multiple complaints were received against any one officer in these areas?
- (b) explain the complaints procedure;
- (c) explain how many complaints, if any, were upheld and how they were dealt with for example an official warning, suspension, dismissal etc?

Answer

- (a) Our records for logging comments, compliments and complaints go back to 2008. The table below lists the number of complaints received against department officers for the period 2008 to 2012
- (b) The Department of the Environment Customer Feedback Policy and procedure (including complaints) is as follows:

**Comments, Complaints, Compliments
Department of the Environment
Customer Feedback Policy**

We recognise that in certain circumstances customers may wish to make a complaint, or a suggestion to help us improve our services, or indeed compliment us on the service provided. We welcome all such feedback and this document sets out our policy in this regard.

Our key aims

- To fully investigate and respond to all formal complaints.
- To record and analyse all formal complaints
- Set and monitor response targets for responding to feedback
- To ensure complimentary feedback is registered and recognised
- To ensure suggestions are appropriately responded to

Customer feedback

Our customers can:

- Give us feedback about our services – online, by fax, by phone, by letter or in person
- Expect us to use plain language when communicating with them
- Know the name of the person that is communicating with them

- Expect to be kept informed when we are unable to give a full response within the target time
- Escalate a complaint when dissatisfied with our initial response

How feedback will be handled

1. Compliments

A compliment is when a customer gives us feedback about how we delivered a good level of service or how an employee has done more than would normally be expected of him.

- Any compliments received in writing (letter or email) will be acknowledged within 3 working days.
- All written compliments will be recorded for performance monitoring purposes and appreciation for excellent service will be passed on by the senior management team to those involved.

2. Suggestions

A suggestion is when a customer gives us feedback on how we can improve our service delivery.

- We will send a response to the customer within 10 working days that either explains how we will implement the suggestion or explains why we are unable to implement the suggestion

3. Complaints

A complaint is any grievance or concern about the service we provide which can include allegations of one or more of the following:

- Non compliance with our service level agreement
- Failure to provide a reasonable level of service
- Incorrect advice given
- Poor customer service
- Inappropriate charging for a service
- An employee's behaviour causes upset to a customer
- We unfairly discriminate against a customer

a. Informal complaints

Where a customer wishes to make an informal complaint by telephone or in person we will:

- Try to resolve the problem with the customer straight away
- If the problem has arisen because of a mistake we will take action to put it right

If no satisfactory immediate resolution is possible we will arrange for you to be contacted by a senior manager within 3 working days. If you are still dissatisfied, we will advise you to make a formal complaint.

b. Formal complaints

Where a customer wishes to make a formal complaint, this needs to be made in writing (email or letter) to the line manager of the Officer that you have been dealing with, who will ensure that it is fully investigated. This is a stage 1 complaint.

We undertake to:

- Acknowledge your formal complaints within 3 working days
- Fully investigate and respond in detail within 20 working days.
- Give you the name of the person dealing with your complaint.

If you are not satisfied with the result of the investigation by the line manager, you can request that the complaint is reconsidered by the relevant Director. This is a stage 2 complaint.

At this stage, the relevant Director will:

- Review the evidence relating to the complaint
- Review your comments on the Line Manager's findings
- Respond in detail within 20 working days

If you are not satisfied with the result of the investigation by the relevant Director, you can request that the complaint is reconsidered by the Chief Executive Officer This is a stage 3 complaint and is the final stage of the Departmental complaints procedure.

At this stage, the Chief Executive Officer will:

- Review the evidence relating to the complaint
- Review your comments on the Director's findings
- Respond in detail within 20 working days
- Advise you of the procedure for complaints to the States of Jersey Complaints Board

Note: All parties will be kept informed throughout the process. If the complaint is about the conduct or performance of a named member of staff they will have access to all the correspondence received from the complainant. The complainant will also have access to all correspondence relating to their complaint.

The Complaints Monitoring System

As a service organisation we respect our customers and their right to know we will treat any complaints they may make in an appropriate manner. We will endeavour to deal with all complaints efficiently and effectively. In this regard we will record and monitor the number, nature and response to all formal complaints and report the findings annually.

If you have any queries regarding this policy please contact:

Business Support Officer
Planning and Environment Department
South Hill, St Helier

In addition to the above department policy, member of the public are able to complain to the States of Jersey Complaints Board. The Board is established under the Administrative Decisions (Review) (Jersey) Law 1982, as amended, to look into complaints by members of the public into any matter of administration by any Minister or department of the States, or by any person acting on their behalf. The States of Jersey Complaints Board information leaflet and the Administrative Decisions (Review) (Jersey) Law 1982 can be downloaded from the States website.

(c) During the period 2008 to 2012 no complaints received have resulted in an officer being dealt with under the department's disciplinary or capability policy.

Complaints against officers can be dealt with as disciplinary or capability issues as follows:

1. Disciplinary

In the case of disciplinary issues (for civil servants), the following procedure would take place;

Investigation (informal or formal as deemed appropriate by the relevant Director and with Chief Officer approval). Investigations can take place internally or with the use of two external investigators for formal cases, all depending on the extent of the issue. It is hoped that investigations will take place as soon as possible. In the case of what is deemed a minor fault, managers will bring the error to the attention of the employee and establish a course of action, set objectives, timescales and provide additional training if appropriate.

The States of Jersey emphasises that a full and proper investigation should take place into allegations, prior to a decision being taken to progress the matter formally under the procedure. Suspension from work may be required in certain circumstances, and must always be for the shortest possible period of time.

All issues are investigated with the aim of dealing with potential inappropriate behaviour immediately. The aim of the disciplinary policy is to deal with all matters fairly, consistently and promptly. The aim is to correct behaviour immediately, and in the cases where disciplinary rules have been thought to have been breached, formal action is implemented immediately. States Human Resources is involved with all formal stages of this procedure.

This policy is used in conjunction with the States of Jersey Code of Conduct (which all Department of the Environment staff have access to on the States of Jersey website, as well as their departmental website.).

The formal disciplinary categories are; minor misconduct, serious misconduct, gross misconduct.

The formal disciplinary sanctions available are:

- formal verbal warning
- first written warning
- final written warning (with or without additional penalties)
- dismissal, with or without notice
- right of appeal.

All disciplinary cases are recorded with the Human Resources department.

2. In the case of capability issues (for civil servants):

If the matter was formal or informal, managers would ensure individuals are aware of the standard of requirements, the reason for any action and the implications of not achieving an improved performance.

If the matter was dealt with formally, they would be advised at all stages and given the opportunity to be accompanied by a colleague or representative.

Managers would be tasked with investigating all of the facts, advise or warn employees of the problem and give them written notification that their performance is being monitored, give the employee a specific period in which they have a chance to improve, take any relevant action to

assist and support the employee during this period, and maintain complete written records of all discussions throughout this process.

In the cases where there was deliberate or wilful ignoring of instructions or producing sub-standard work, the disciplinary procedure would be used

Complaints received by the Department of the Environment against department officers (2008 to 2012)								
Date received	Received by	Stage	Department	Nature of Complaint	Summary of Complaint	Passed to	Comment	Total
19.06.08	E-mail	1	Development Control	Poor level of service	No acknowledgement of Planning Application Submitted in Dec 2007	Assistant Director	Investigated. Apology given.	2008 5
25.06.08 & 04.07.08	Telephone and E-mail	1 & 2	Development Control	Poor level of service	Poor level of Service and turnaround time on Planning Application	Director	Investigated. Delays due to workloads. Apology given.	
24.01.08	Letter	2	Building Control	Discrimination allegation	Alleged discrimination by staff members	Director	Investigated. No further action taken.	
25.06.08	Letter	2	Building Control	Discrimination allegation	Alleged discrimination by staff members	Director	Investigated. No further action taken.	
3.07.08	E-mail	1	Building Control	Discrimination allegation	Alleged discrimination by staff members	Assistant Director	Investigated. No further action taken.	
20/01/2009	Card	1	Development Control	Poor level of service	Timescale too long. Poor service, staff attitude, lack of information.	Assistant Director	Investigated. Application processed within target. No further action.	2009 7
16/03/2009	letter	1	Development Control	Poor level of service	Telephone manner following queries over disturbance caused neighbour	Senior Planning Officer	Investigated. No reason for further action identified.	
25/03/2009	e-mail	1	Building Control	Poor level of service	Phone calls not returned	Assistant Director	Assistant Director met with customer, who did not want to pursue the complaint further.	
08/04/2009	e-mail	2	Development Control	Delay in Response	Delay in responding and determining application	CEO and Senior Planning Officer	Investigated. Apology given.	
25/06/2009	E-mail	1 & 2	Development Control	Delay in Response / Poor service	Complaint re length of time of planning application. No one returning calls	Assistant Director	Investigated. Response via applicant's agent.	
11/09/2009	Letter	1	Development Control	Delay in Response	complaint about delays/staff handling of application	Director	Investigated. Application processed within target. No further action.	
15/09/2009	e-mail	1	Development Control	Poor level of service	Complaint from objector feeling she had been misled	Assistant Director	Investigated. No further action taken.	
16.3.10	card	1	Department	Poor level of service	Reception service	Director	Investigated. No further action.	2010 3
28.07.10	Letter	1	Development Control	Poor level of service	Objected to PAP decision in their absence	CEO	No further action.	
13.09.10	Letter	1	Development Control	Poor level of service	Lack of response to phone calls and email	Director	Investigated. Apology given.	
04.07.11	email	1	Development Control	Poor level of service	application was not dealt with properly	Director	Complaint dismissed.	2011 1
14.03.12	Letter	1	Building Control	Poor level of service	Staff - inconsistent advice	Director	Complaint not justified. Complaint resulted from remedial work required by surveyor.	2012 1
Total								17

1.21 WRITTEN QUESTION TO THE MINISTER FOR PLANNING AND ENVIRONMENT BY DEPUTY J.H. YOUNG OF ST. BRELADE

Question

Will the Minister advise the Assembly of the number of new first time buyer homes, affordable homes or open market homes, both flats and houses, which have been added to the local housing stock since the adoption of the 2011 Island Plan, on sites within each of the following areas and categories identified in paragraphs 6.38- 6.64 and Table 6.3 of the Island Plan -

- (a) from the 900 homes reported in the Island Plan as under construction as at March 2011;
- (b) from the planning permissions reported as outstanding in March 2011 for a total of 1,243 dwellings;
- (c) the site zoned for first time buyer homes in the Island Plan 2002 but remaining undeveloped at the time of the plan;
- (d) the six sites zoned for lifelong homes in the July 2008 amendment to the Island Plan 2002;
- (e) sites within the St Helier waterfront;
- (f) other sites within the town of St Helier;
- (g) sites outside the town of St Helier, within urban and rural settlements classified as built up zone in the Island Plan 2011;
- (h) extensions of village and rural centres under policy H5; and,
- (i) States owned sites under policy H1.

Answer

The Department of Environment currently monitors housing supply on an annual basis and by parish. At present, the most up-to-date readily available information relates to the year ending 31st December 2011. Whilst this annual information is not entirely consistent with the period since the adoption of the Island Plan, it does provide a useful indication of recent performance in addressing the Island's housing requirements.

This information has been used to report on the provision of homes in each of the areas and categories identified in the question. This has been supplemented in some categories by more up-to-date information where this is available.

- (a) from the 900 homes reported in the Island Plan as under construction as at March 2011;**
There were actually over 1,000 homes (net) under construction in the qualified sector at the start of 2011 (143 Category A and 900 Category B).

By the end of 2011, over 600 of those homes had been completed (33 Category A and 585 Category B).

- (b) from the planning permissions reported as outstanding in March 2011 for a total of 1,243 dwellings;**

There were nearly 1,600 homes (net) with outstanding outline, planning and building permissions in the qualified sector at the start of 2011 (comprising a proposed loss of 28 Category A homes (from the regeneration of outworn housing stock) and the proposed development of 1,617 Category B homes).

Of those permissions, 11 homes had been demolished and 12 had been completed by the end of 2011.

(c) the sites zoned for first time buyer homes in the Island Plan 2002 but remaining undeveloped at the time of the plan;

There are actually two sites remaining to be developed which include:

- Fields 190-192, Rue Sergente, St Brelade – this is for 26 houses (14 first time buyer and 12 affordable), which are currently under construction.
- Field 873, St Lawrence – this is for 12 houses and has been the subject of planning advice.

(d) the six sites zoned for lifelong homes in the July 2008 amendment to the Island Plan 2002;

The anticipated yield in the Island Plan is 350 lifelong and first time buyer homes by the end of 2015.

The current status of the sites is as follows:

<i>Site</i>	<i>Anticipated Yield</i>	<i>Status</i>
Fields 561 & 562, St. Mary	15 x FTB houses 18 x lifelong bungalows	Completed Feb. 2012
Field 274, La Lourderie, St. Clement	23 x lifelong bungalows 19 x lifelong flats	Planning application approved Building application pending.
Field 605, St. John	14 x lifelong bungalows	Under construction
Field 148, Rue des Maltieres, Grouville	20 x lifelong bungalows	Under construction
Fields 516, 516A, 517 & 518, St. Saviour	100 x lifelong cottages 48 x lifelong flats 32 x lifelong bungalows	Planning application approved Building application pending.
Field 578, Trinity	39 x ftb houses 4 x social rented homes	Planning application approved. Building application for Phase 1 approved. Building application for Phase 2 pending.

In addition, a further site, at Field 663 in St Peter, was rezoned in 2010 (P.52/2010).

<i>Site</i>	<i>Anticipated Yield</i>	<i>Status</i>
Fields 663, St. Peter	15 x lifelong bungalows	Completed

(e) sites within the St Helier Waterfront;

The anticipated yield in the Island Plan is 600 homes by the end of 2015.

The current status of the Waterfront sites is as follows:

<i>Site</i>	<i>Anticipated Yield</i>	<i>Status</i>
Castle Quays (Phase 1)	341 flats	complete
Castle Quays (Phase 1)	43 extra flats	Building By-laws pending
Castle Quays (Phase 2)	280 flats	Planning and building permission
Zephyrus	67 flats	Planning and building permission
Esplanade Quarter	388 flats	Outline permission
Extension to north of Waterfront Hotel	28 flats	Planning permission

(f) sites within the town of St Helier;

The anticipated yield in the Island Plan is 750 homes by the end of 2015 (75 Category A and 675 Category B).

In the Parish of St Helier the following Category A homes were either completed in 2011 or under construction at the end of 2011:

<i>Site</i>	<i>Anticipated Yield</i>	<i>Status</i>
Salisbury Crescent	24 social rented flats 9 social rented houses	complete
Uplands Hotel & apartments	10 ffb houses	3 complete 7: Building By-laws pending
Clos Paradis	30 social rented houses (-24) social rented houses	Under construction (<i>refurbishment of existing housing stock</i>)

During 2011, 151 homes were completed in the Parish of St. Helier and at the end of that year 165 homes were under construction and a further 586 homes were the subject of outstanding planning and building permissions.

(g) sites outside the town of St Helier, within urban and rural settlements classified as built up zone in the Island Plan 2011;

The anticipated yield in the Island Plan for windfall developments in these areas is for 820 homes by the end of 2015 (75 Category A and 750 Category B).

In all the parishes except the Parish of St. Helier during 2011 there were 87 Category B completions and no Category A completions. Furthermore, at the end of 2011, there were 91 Category A homes and 374 Category B homes under construction and over 400 additional Category B homes with planning or building permission.

(h) extensions of village and rural centres under Policy H5;

The anticipated yield in the Island Plan is for 25 Category A homes by the end of 2015).

A development of 15 lifelong homes has already been completed at St Peter and a planning application has been approved for 43 Category A homes at Field 578 Trinity (see answer to d) and the Parish of St. Ouen is currently seeking planning permission for the development of Field 622 for 19 sheltered houses.

Also, sites may come forward as a consequence of village plan work under consideration in other parishes such as St. Martin and St. Peter.

(i) States owned sites under policy H1.

The anticipated yield in the Island Plan is for 50 Category A homes by the end of 2015.

The status of sites, presently the subject of consideration, is as follows:

<i>Site</i>	<i>Status</i>
Former JCG	Draft development brief has been out for consultation – adoption pending. An application for the redevelopment of this site is expected during the summer.
Summerland and Ambulance Station	Draft development brief has been out to consultation – adoption pending. An application for approx. 150 apartments is expected before the end of June.
South Hill and La Folie	Included as part of a wider Master Plan which is in preparation

It is also relevant to note that there are other States owned sites which will be yielding new Category A homes, including:

<i>Site</i>	<i>Anticipated Yield</i>	<i>Status</i>
Le Squez Estate Redevelopment (Phases 2a and 2b), St. Clement	24 social rented houses 36 social rented flats	Under construction
Le Squez Estate Redevelopment (Phase 2c), St. Clement	21 social rented flats 3 social rented houses	Planning permission
Field 91A (Lesquende), Belle Vue, St. Brelade	35 lifelong flats 20 lifelong houses	Planning permission in March 2012

It is the intention of the Department of the Environment to publish a monitoring report on residential land availability as at the start of 2012 shortly and an Island Plan monitoring report later in 2012.

2. Oral Questions

2.1 Connétable A.S. Crowcroft of St. Helier of the Minister for Treasury and Resources regarding the provision of a new police station at the Green Street roundabout:

Would the Minister state what progress, if any, has been made towards the provision of a new police station at the Green Street roundabout?

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

My Assistant Minister is handling the relocation, so I ask him to answer the question.

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

We can confirm that good progress continues to be made towards the provision of a new police station headquarters on the La Route du Fort site. Since the completion of the public consultation in March 2012, the design team has been working closely with the States of Jersey Police and with the Department for Planning and Environment, responding to the issues that have been raised. Redesign work has been completed and the height of the building has now been reduced. The team is in the final stages of confirming that the revised scheme will be acceptable in both operational terms and in financial terms. A formal planning application will be made within the next 2 months for consideration by the Planning Panel. We are confident that the scheme will be delivered in its revised form and will provide not only a single site police station; it will also release substantial land for social housing on the Summerland and Rouge Bouillon sites. However, we are still continuing to work closely with our colleagues at T.T.S. (Transport and Technical Services) in order to deliver additional parking solutions for the town.

2.1.1 The Connétable of St. Helier:

A supplementary please. How will the removal of a floor, which I understand has been agreed with Planning, enable the new police station to accommodate the needs of the force or future-proof the new building?

Deputy E.J. Noel:

A substantial redesign has taken place. We have removed the plant from the roof and we have removed one floor of the police station to enable us to continue to provide the area and the size of police station required. If Members will recall, the previous design had skylights above the cell block and the cell blocks were not built above. We have been working closely with the Home Office and they have verbally agreed to our solution, which enables us to build above the cell block area, thus maintaining the size of the building required for the police force for now, and to future-proof it, and to comply with the concerns of both the Department for Planning and Environment, and of nearby residents.

2.1.2 Deputy J.A. Martin of St. Helier:

I am surprised, really, to hear that this project is so far advanced. Before Christmas - as one of the 3 Deputies of St. Helier - we had a meeting and we were told that before anything went forward, a full traffic impact study would be done, and that we would know the outcome. To this day, unless I have missed it somewhere, I have not seen one; I do not know where it is. Could the Assistant Minister please let us have a meeting as soon as possible to see where we are with this?

Deputy E.J. Noel:

I am happy to liaise with our T.T.S. colleagues who have been carrying out that work on our behalf, and to bring that information back to the Deputy.

2.1.3 Deputy M.R. Higgins of St. Helier:

I am surprised at some of the comments made by the Assistant Minister. If they have reduced the plant from the top floor, the plant surely has got to go somewhere, so what have you done? You have reduced one level of operational area, and also reduced the plant area. What are you going to do with the plant that you needed, and secondly...

The Bailiff:

What is the Minister going to do?

Deputy M.R. Higgins:

Sorry, what is the Minister going to do with the plant that would be required for the building, and was the building too big in the first place, if he can afford to lose a floor and still cram everything in?

Deputy E.J. Noel:

The plant is going to be incorporated within the design of the building. Although we are reducing the height by one floor, we are not reducing any of the floor space of the building. We have managed to achieve this by building over what was a single storey part of the design, with multiple stories. So instead of having above the cell block one storey in height, we are now going to have 3 storey heights above the cell block. I hope that satisfies the Deputy's questions.

2.1.4 Connétable P.J. Rondel of St. John:

Given the Minister has said he is working in consultation with the Home Office in relation to the design of this particular building, on an earlier set of drawings I saw in relation to a new police headquarters on the waterfront, they also included, via the Home Office, tank protection walls around the building. I sincerely hope that on this occasion, in any new design, this is not going to be included [**Laughter**]. Will the Minister confirm, please?

Deputy E.J. Noel:

I am delighted to confirm for the Constable of St. John that we will not require blast walls around our police stations here in Jersey. This is not Northern Ireland.

2.1.5 Deputy J.H. Young of St. Brelade:

Will the Minister confirm that this site is a very important one in the middle of St. Helier, and it has the potential, putting a 24/7 blue light use, to cause problems for neighbours? Could he tell us, to manage those issues, has he received a development brief for the site from the Minister for Planning and Environment, and if so, has this been to public consultation and has he briefed his design team to follow its requirements?

[9:45]

Deputy E.J. Noel:

I would answer that all our sites in St. Helier are important sites. St. Helier is a confined space, and all States-owned land and privately-owned land sites in St. Helier are important. With regards to the blue light section, I have mentioned this before at Scrutiny Panel last week, the blue light services do not normally dispatch from the police station. Our police force is dispatched from around the Island where they are patrolling, be it in their cars, on their motorbikes or on foot. So it is very rare that officers blue light exit from the police station. We have been given assurances by the police force that only in exceptional circumstances will blue light services exit from any police station, wherever they are located. With regard to the planning issues, we have worked very closely with officers at Planning and have taken their comments on board, and we are now in a position where we have a solution, that we believe, is suitable to go forward for a formal planning application, which we hope to be doing by the latter part of July.

2.1.6 The Connétable of St. Helier:

Would the Assistant Minister agree with me that while the new police station will not, under the present system, pay rates in the Parish of St. Helier, the Lime Grove office building will?

Deputy E.J. Noel:

I cannot deny that. Under our current rules and regulations, States-owned property does not pay rates. But the current police station is not paying rates either, so there is no net loss to the Parish. In fact, we are working very closely with the Parish to provide a solution for one of their public conveniences that is in the vicinity. **[Laughter]** I would like to, if I may, take this opportunity of the Parish, thanking my colleagues at T.T.S. and at the Ministry of Home Affairs and at the Department for Planning and Environment, because, along with myself and the Minister and my colleagues at J.P.H. (Jersey Property Holdings), I believe that we have an exciting project here that we will deliver, and we will deliver something that was not on the cards before, and that is a single site police station, which I think is a prize to be had.

The Bailiff:

I think you have answered the question, Minister. We come next to a question which Deputy Young will ask of The Minister for Treasury and Resources.

2.2 Deputy J.H. Young of the Minister for Treasury and Resources regarding the provision of affordable homes from each of the 5 States-owned sites identified in the Island Plan in June 2011:

Will the Minister advise what progress has been made by Property Holdings in the provision of affordable homes from each of the 5 States-owned sites which were identified in the Island Plan in June 2011, and will planning applications be submitted for the development of 150 affordable homes before 29th June 2012, because otherwise amendments will be needed to the Island Plan under Policy H1?

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

The Assistant Minister has responsibility for this area. I will be taking all the other questions, however.

Deputy E.J. Noel (Assistant Minister for Treasury and Resources - rapporteur):

I could be flippant and answer this in 2 words, which would be “good” and “yes”, but I believe Members need a bit more detail than that. So with your indulgence, Sir, I would like spend a little bit more time giving a break-down of, per site, where we are.

The Bailiff:

Not too much.

Deputy E.J. Noel:

Thank you, Sir. Policy H1 identifies 5 sites in public ownership to be developed, in whole or in part, to provide at least 150 affordable homes. I will update the Members now on these 5 sites. The first is Le Coin in Ann Street. This site is currently being used by T.T.S. for public parking to supplement that already on Ann Court. It will become available for development by mid-2013 and a revised planning application is being progressed in the interim. This site previously had 23 one, 2 and 3-bedroom apartments and it is expected that a revised planning application will be delivered for a similar number of units on this site. The Summerland and ambulance station, which, in the previous question I referred to, Jersey Property Holdings, in conjunction with the S.o.J.D.C. (States

of Jersey Development Company) are preparing residential schemes on the public land on these 2 sites. An outline planning application will be submitted by the deadline of 29th June 2012 and it will set out, as in the Island Plan, for a minimum of 150 social rented homes, being a mix of one, 2 and 3-bedroom flats and a number of townhouses. This alone will satisfy the H1 Policy requirements. The third site, the former J.C.G. (Jersey College for Girls) site, a detailed planning application is being prepared and will be submitted in September of this year. The regeneration steering group has agreed that 40 units will be identified as social rented lifelong homes for those who are over 55. The fourth site, the former D'Hautrée School site, is currently still being used by the Ministry for Education Sport and Culture as part of their Highlands campus. A detailed review of accommodation uses on the site will be undertaken later this year, and that will inform whether or not this site will be released for any alternative uses such as residential development. The fifth site is the South Hill offices. These sites remain in operational activity and therefore are not currently available for disposal. If I may quickly add, in addition to the H1 sites, fields 91 and 91A at Belle Vue, St. Brelade, have been transferred to the Housing Department to develop a minimum of 55 social rented homes, commencing in 2012. Therefore, I believe Members can gather from this that the States will honour its obligation in the Island Plan and produce at least 150 affordable homes.

2.2.1 Deputy J.H. Young:

I would like to thank the Assistant Minister for that detailed answer. Could he confirm that all those details he has just given do not produce any first-time buyer homes and that they seem to be social rented homes? Also, in making that confirmation, could he also advise the House that he has been able to confirm what he said with the Minister for Treasury and Resources – and so he has agreement with what he said – so that there will not be any snags in those proposals coming forward?

Deputy E.J. Noel:

The Minister for Treasury and Resources and I are fully conversant. He knows exactly what notes I have in front of me. He probably has them in front of himself as well. So if I can deal with that latter part first. With regard to first-time buyer homes, we are still currently working on that and along with our partners, S.o.J.D.C., and in fact with the Department for Planning and Environment.

The Bailiff:

We move on to the next question...

2.2.2 Deputy S. Power of St. Brelade:

Before we move on to the next question, could I ask the Assistant Minister to circulate that read reply to States Members, because it is just too long?

The Bailiff:

I understand why you ask that, Deputy, and I am sure the Assistant Minister will agree. For myself, I would have thought this was a question more suited to a written question than an oral one [**Approbation**], and that is why I am not going to allow any supplementary questions, other than the Deputy, because otherwise it would be unfair to other questioners.

Deputy E.J. Noel:

I would be delighted to forward that, and will do so by email, to save a few trees, later today.

2.3 Deputy R.G. Le Hérissier of St. Saviour to the Minister for Home Affairs regarding the control and/or influence the Minister had over those voluntary organisations in receipt of States funds:

What control and/or influence, if any, does the Minister have over a voluntary organisation to whom he allocates funds annually from his budget, and upon whose board he has a representative?

Senator B.I. Le Marquand (The Minister for Home Affairs):

There are some principles which apply to all grants to such voluntary organisations, namely compliance with finance directions, particularly currently 5.5, in relation to grants, and the existence of a service level agreement. The degree of control over such organisations relates to the service level agreement and the renewal of grants. The degree of influence depends upon the degree to which I choose to exercise influence. In relation to the specific organisation to which the question relates, I do not have a representative on the board, although I used to, but there is, however, a staff member of Home Affairs who sits on the board in their own time but not as my representative. They do so because they have expertise in this area. I am very content with the composition of the board of that particular organisation, and have not found it necessary to intervene in any way.

2.3.1 Deputy R.G. Le Hérissier:

Could the Minister acknowledge that I forwarded representations to him and he essentially answered, some time ago, in the way that he has answered now? Would he, again, say when he gives finance to an organisation what control or influence does he exert on that organisation? Would he, for example, say what are the key factors of the service level agreement in relation to such an organisation?

The Bailiff:

The first part of that question was a repetition of the main question...

Senator B.I. Le Marquand:

Yes, I have nothing to add on the first one, Sir. In relation to the second, the principles in relation to grants are quite complicated, and I do not think the Assembly wants me to start reading out 6 pages, but if I can summarise it? First of all, the aims of an organisation must be in accordance with aims of the States and clearly of the individual department. The department must be satisfied that this is an efficient way of delivering that aim, and then it must be satisfied that there are appropriate governance systems in place: things like proper accounts, sometimes audited accounts, and so on and so forth. Clearly, if you are going to be supporting an organisation that is delivering something that you want to deliver, you must ensure, as far as you can, that it is delivering what you want to deliver. One should not, in my opinion, be overly interfering in relation to the matter, because if one is going to do that, one might as well do it within one's department anyway.

2.3.2 Deputy R.G. Le Hérissier:

If the Minister were to receive a complaint, for example about the management, and it was to be a serious one which could well impede the achievement of the organisation's objectives, what would he do with that complaint, or what, previously, given the sudden and unexpected disappearance of his representative, was he doing when such complaints were received?

Senator B.I. Le Marquand:

I am aware that there was an issue of a complaint last year, and I am aware of the process which was dealt with in relation to dealing with that, and I am perfectly happy with it. I thought this issue had been resolved and gone away. There are some very capable people on the board of this

particular organisation, including a chief officer of a States department, not one of my departments, who also sits there and I have every confidence.

2.4 Deputy S. Power of the Minister for Treasury and Resources regarding the fibre optic Gigabit Jersey technology:

Will the Minister confirm that, despite a £40 million investment by the public, there will be some addresses that will not be able to use the fibre optic Gigabit Jersey technology, and would he further confirm that an English company, CH2M HILL, is contracted to do the majority of the cabling and infrastructural works, and how does this benefit the Island's tax revenues and provide work for local employees?

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

I am pleased to inform the Assembly that, upon advice from J.T. (Jersey Telecom), I can confirm that all addresses in Jersey will be able to use fibre optic technology. No addresses will be unable to access, or be excluded from, services once the complete programme has been rolled out. This is the biggest single programme of work ever undertaken in the history, we think, of Jersey Telecom, and every address in Jersey will be able to gain from its benefits. Of course, the ubiquitous nature of fibre in Jersey is the issue that is receiving worldwide attention and we think will create jobs in terms of the Minister for Economic Development's desire to create a digital economy in Jersey. As far as the partnership is concerned, J.T. is partnering with the company that the Deputy asked, and has indeed done so for the last 7 years. Its parent company is a global leader in the area of fibre optic working. The employment also, as part of the contract, is for 100 unemployed locals. Furthermore, the company has given a commitment with J.T. under the terms of the funding that we put in place, that apprenticeships, bursaries, and graduate schemes are also going to be put in place and providing additional opportunities for young locals. Of course, in addition to that, this scheme is protecting the jobs of existing J.T. employees. I hope that answers the Deputy's question.

2.4.1 Deputy S. Power:

I would like to follow up on the 2 parts to the question. The first part is part (a) where the Minister said that all Jersey addresses will be able to access Gigabit Jersey. Can he confirm that there will be a cost to this for some addresses and could he also perhaps ask J.T. to voluntarily give the address of contractors, subcontractors, their employees, to the Minister for Housing and Development, so that he can confirm the residential status?

Senator P.F.C. Ozouf:

I certainly can do that. I am advised by J.T. that this is ubiquitous, this is the difference in terms of fibre optic roll-out that we are seeing in Jersey compared to other countries such as Singapore, and every home in Jersey will be connected at the end of the process. Indeed, the nature of the funding that we have put in place with J.T. requires them to do things like train unemployed locals. I do not know the precise Regulations of Undertaking Licence of that contracting company, but I am happy to look into that and to share that, as appropriate and under confidentiality - of course, it is commercially confidential information - with the Deputy, if he wishes. I would also point out that in regards to the funding of it; the Treasury has provided £10 million-worth of the investment. The company itself was going to be putting £30 million in for, effectively, super-fasting the copper. We decided to put the extra £10 million to go the further step of rolling out fibre, which is so exciting.

[10.00]

2.4.2 Deputy J.M. Maçon of St. Saviour:

The Minister commented that this facility will be available to every home in Jersey. The Minister said that that would be done by the end of the process. Can the Minister give us an indication when that is going to be or is it going to be like the mains drains saga? Thank you.

Senator P.F.C. Ozouf:

I am pleased to say to the Deputy and to the Constable of St. John, this is not another mains drains. This is a project that we are getting on with and have funded. The original timetable was 2 years for roll out. Clearly J.T. wants to beat that target. We think it is really important to get people in work and rolling out this technology and there was one question I did not answer, I apologise.

2.4.3 Deputy G.P. Southern of St. Helier:

Apart from through its employees income tax, does the company, CH2M HILL, pay Jersey income tax?

Senator P.F.C. Ozouf:

No, of course, and that is the dilemma that I and the other Crown Dependencies have in relation to zero rate of tax. I hope to be holding some constructive discussions with my opposite number from the Isle of Man later this afternoon, and further discussions with my new opposite number in Guernsey, in relation to dealing with this common issue of non-locally owned, non-financial services companies.

2.4.4 The Connétable of St. John:

Can the Minister advise of the 100 jobs being proposed for this particular contract how many of them have been taken up to date?

Senator P.F.C. Ozouf:

I am advised that it is 75, I think, from the information I have from J.T. The 100 posts were 10 for cable deployment of the backbone network, 30 posts for splicing fibre optic cables, 60 posts for the installation of customer premises, equipment and provision of fibre optic services within the home.

The Connétable of St. John:

But how many have been given out to start?

Senator P.F.C. Ozouf:

I am advised that it is 75 so far but they are recruiting to the full 100.

2.4.5 Deputy S. Power:

I do not want to do the Minister an injustice by misunderstanding. Am I clear in my understanding to his first part of my question that all domestic residences in Jersey will be able to access Gigabit Jersey but that some will have to do it at a cost? Is he willing to ask Jersey Telecom to disclose to the Minister for Housing the details of all the employees of the contractors and sub-contractors of CH2M HILL so that the Minister for Housing can have a better idea as to who is qualified and who is not?

Senator P.F.C. Ozouf:

Two questions, that is an issue for Regulation of Undertakings and Development and the Migration Advisory Group, and I am happy for that process to work outside of the normal arrangements. That is not something I am responsible for but that should certainly happen if the Deputy has concerns. I think the important point is universal service obligation. Clearly, fibre optic cable laying, without being pejorative, to St. Ouen is going to be more expensive than within St. Helier. We want every home in Jersey to be connected to fibre optic and that is why we have made the investment. A

universal service obligation for fibre optic to every single home... and that is what is important about the exciting removal of the copper network and putting in place fibre for everybody and being a world leader. This will attract attention and investment in our digital economy.

The Bailiff:

I think the question to the Deputy is whether it would be at cost to some houses?

Senator P.F.C. Ozouf:

Indeed, of course, J.T: this is another matter that must be resolved between the regulator and J.T. in terms of the cost. If subscribers want a gigabit, then they will pay a higher monthly tariff than their 20Mb service. But they will be able to not only get that service, it will be reliable and it will be resilient. There is accommodation in La Moye and other areas that simply do not have good Internet service. This is going to solve that but of course there will be a hierarchy of charges for the different speeds that people will want to have.

2.5 Deputy G.P. Southern of the Minister for Social Security regarding those Income Support recipients classified at level 3 impairment:

Will the Minister inform Members of the number of recipients who were automatically awarded level 3 impairment when income support was introduced on 31st January 2008; what the annual change in the numbers of recipients has been since that date; how many have been subject to review and how many have had their award reduced under the new criteria for judging the level of impairment?

Senator F. du H. Le Gresley (The Minister for Social Security):

This is a complex subject to deal with in an oral question. The Deputy's question refers to the highest level of personal care components within the income support system, which have replaced Attendance Allowance, Adult Disability Allowance and Child Disability Allowance. At the start of income support, existing claimants of these legacy benefits were transferred automatically into one of 3 personal care levels depending on their previous benefit. 342 individuals, previously receiving Attendance Allowance, were awarded the highest personal care level 3 in January 2008, which started at £102.62 per week and is currently £145.25 per week. At the end of April 2012, this number had risen by 73 to a total of 415 individuals. The criteria for determining the level of personal care award are set out in detail in the Income Support Regulations, compared to the previous benefits, which were based on a more subjective view of the individuals needs. Personal care level 3, as with previous Attendance Allowance, is available to individuals with high personal care needs. These are individuals with significant disabilities or illnesses, many of whom are elderly with a condition that is unlikely to improve during their lifetime. While reviews are regularly undertaken, review cycles have always been determined and then undertaken on a case by case basis, depending upon the underlying reason for the award of the personal care component and the likelihood for any improvement in a claimant's condition, such that a reduced award might be a possibility. To answer the specific question posed regarding the changed status of impairment award with respect to claims back to 2008 would require a manual examination of each and every claim. I believe that the Deputy is concerned that the new, more objective tests may have resulted in a reduction in level of support for those previously awarded Attendance Allowance. However, from the analysis allowed in the short time available, the department advises me that there have only been a few cases where level 3 awards dating back to 2008 have been revised downwards, further to review.

2.5.1 Deputy G.P. Southern:

Is the Minister confident that his new method for judging the level of impairment is both effective and easy to understand by impairment holders and most importantly, is the system well understood by G.P.s (General Practitioners), because I believe that not to be the case?

Senator F. du H. Le Gresley:

Yes, I am satisfied. In answer to the Deputy's question, I would say that the new system - if it is new, it has been going for years - is a self-reporting form that asks simple questions across a range of physical, sensory and mental areas. This is checked against a clinical report from the G.P. or the consultant. Individuals can be interviewed by a Social Security doctor if the condition is complicated.

2.5.2 Deputy G.P. Southern:

Is the Minister aware that despite filling out 18 questions on the form, the emphasis placed by his department on the results is negligible and that all that goes to the G.P. is a simple request for information on the patient? There is no detail asked for there.

Senator F. du H. Le Gresley:

I am familiar with the forms and in fact I have the forms with me in case I might need to refer to them. I think it is important for this Assembly to understand that under the old Attendance Allowance system, the claimant's G.P. completed a medical report and then an independent doctor, who was paid by the department, visited the claimant to complete another medical report. This report was then presented to the Attendance Allowance Board, who decided whether the benefit was payable. So under the current system, if a member who is claiming impairment is unhappy with the decision of an officer, they can request redetermination by another officer and the final appeal is to the Income Support Medical Appeal Tribunal.

2.5.3 Deputy G.P. Southern:

Is the Minister satisfied that his appeal process is not in fact intensely long and complicated and is taxing for many recipients of impairment who obviously have impaired function?

Senator F. du H. Le Gresley:

I would have sympathy for anybody who has to resort to using a tribunal process, but the fact is that this tribunal has not sat very often to consider claims of the type that the Deputy refers to and I am sure that they would treat the applicant with all due respect.

2.6 Deputy M.R. Higgins of the Minister for Economic Development regarding the Jersey Competition Regulatory Authority's public criticism of Jersey Telecom's 4G adverts:

Following the Jersey Competition Regulatory Authority's public criticism of Jersey Telecom's 4G adverts, does the Minister consider it is time to introduce a general law relating to misleading advertisements in the Island?

Senator A.J.H. Maclean (The Minister for Economic Development):

Yes, and I am in the process of doing so, but not, I hasten to add, in relation to the example the Deputy uses in his question, specifically. The new law will deal with misleading advertising and indeed all misleading practices by traders which harm consumers. Deputy Higgins may recall that I issued a Green Paper on proposals for legislation based on the U.K. (United Kingdom) Consumer Protection from Unfair Trading Regulations. Following the consultation and further consideration of this matter, I have taken the decision to proceed and a bid for law drafting time was made in the 2012 programme.

2.6.1 Deputy M.R. Higgins:

Could the Minister remind us what the date of the consultation was and, although he has bid for law drafting time, when he estimates that this will all come into effect, if passed by the States.

Senator A.J.H. Maclean:

The conclusions for the consultation were received by my office in April 2011. Law drafting, as I have said, has been made for 2012. I know the programme is very full, so I cannot give an exact date at this stage but I am happy to keep the Deputy and Members apprised of when we are likely to see this progressed further.

2.6.2 Deputy G.P. Southern:

Will the Minister seek to persuade J.T. to recompense some of these people who have been taken in by misleading adverts and face very high mobile bills?

Senator A.J.H. Maclean:

It is not my role to do so. What I would add is that the J.C.R.A. (Jersey Competition Regulatory Authority), who do have concerns in such areas have taken forward a complaint to the Advertising Standards Authority and that is currently being processed. I understand the results of which will be published within the next few weeks.

2.6.3 Deputy G.P. Southern:

Will he seek to act on the J.C.R.A. to persuade them to seek recompense from J.T.?

Senator A.J.H. Maclean:

I would say to the Deputy that there is no point having a dog and barking yourself. I am satisfied the J.C.R.A. are acting appropriately and I will wait until that process is concluded.

2.6.4 Deputy G.C.L. Baudains:

I understand the Minister is casting his net rather widely. Will that include airlines? It is rather frustrating to try to book a ticket and find, by the time you have chosen your seat and the amount of fuel that is going in the aircraft and 25 other things, you pay more than a normal airline.

Senator A.J.H. Maclean:

I do of course understand the frustrations of the Deputy in this matter. I would not say though that they are different in Jersey to any other jurisdiction. I am afraid that is the way the airline industry operates now, as frustrating as that may seem. Nevertheless, it is not breaking any laws as they currently stand.

2.6.5 Deputy M.R. Higgins:

With reference to the J.C.R.A. and while we welcome the fact that they have highlighted this issue, is it part of their normal powers to relate to advertisements of the people they are regulating? Is it within their specific powers?

Senator A.J.H. Maclean:

As I have said, the J.C.R.A. have referred this matter to the Advertising Standards Authority and that it is completely appropriate. So yes, they have the right to act in this way and they have done so. Clearly, Trading Standards also have an interest in this matter and it is in fact that area of economic development that is progressing the proposed new legislation that I have referred to.

Deputy M.R. Higgins:

Can the Minister just confirm that it is a legal power as part of its remit?

Senator A.J.H. Maclean:

Certainly, it can refer the matter to the A.S.A. (Advertising Standards Authority) as I have referred.
[10:15]

2.7 Deputy T.M. Pitman of St. Helier of the Minister for Treasury and Resources regarding the findings and criticisms within the Comptroller and Auditor General's report into the Lime Grove House acquisition:

Does the Minister agree with the findings and criticisms within the Comptroller and Auditor General's report into the Lime Grove House acquisition and, if so, will he be resigning?

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

With the benefit of hindsight, I fully accept that mistakes were made in the handling of Lime Grove. I was put in a difficult position from the start with an offer being made for the building without my or the Council of Ministers knowledge, which went against our agreed policy of no surprises within our ministerial team. I accept that I should have acted earlier to deal with both Lime Grove and issues within Property Holdings. I regret that, because of the sheer scale of the responsibility I had, particularly in the last year, I found this very difficult, but I should have acted earlier. So I stood for re-election, on the basis of a new way of working, and I hope that colleagues on the Council and this Assembly will have seen how I have tried and will have noted the changes in recent months. I will continue to change. I also welcome the training that is now going to be available as a result of what the Chief Minister has been doing on how to better deal with performance issues. So I have high standards for myself and those who work with me. Nobody is perfect and neither am I. I have made it clear that Ministers need to have the confidence of the Chief Minister and while I hope that I have, I hope to be able to continue to serve to the best of my ability and with, I hope, the continued support of this Assembly.

2.7.1 Deputy T.M. Pitman:

Having spoken to the Minister over the weekend, I am aware that he has given some in-depth answers in an exclusive interview to the Voice for Children, Citizens Media site. However, for those who have not seen it, I think there is one issue that the Minister really needs to address if he is to maintain or regain the support of Members and that is, can he give us some detail to set our minds at rest on these allegations of bullying, particularly those allegations that he was willing to ruin a civil servants career. That is what needs answering, and I think the Minister appreciates that.

Senator P.F.C. Ozouf:

I fully accept that and I want to be absolutely clear that bullying, in all of our views and in my own view, has absolutely no place in any work place or within the States of Jersey. It is a difficult line when you are accused of bullying when that person is being held to account. I would say that my behaviour in relation to holding people to account was not bullying, but I do understand that there is a fine line and that people that are being challenged and when their performance is being challenged, could say that they are being bullied. That is not an accusation that is being adjudicated on. Indeed it probably never can be because of the circumstances of one person saying the other. I do not think that I am a bully. I believe in teamwork. I pride myself on having built strong teams and working together with people. I think that all Ministers need training. We need training on performance management and I accept that I need training. I have read J.A.C.S. (Jersey Advisory and Conciliation Services) articles in recent days about what is bullying and what is not bullying and we all must learn that. We must do away with a culture of bullying in the States - if it existed. If my actions were regarded as bullying, then I regret that but I do not believe that on an independent analysis that my actions against the individuals in Property Holdings were.

2.7.2 Deputy M.R. Higgins:

If I can just say to start with, to err is human. Now the Minister fully indicated that he made one mistake in the sense that he was not monitoring. Would he like to elaborate on his other mistakes?

Senator P.F.C. Ozouf:

As a Minister, and particularly as Chief Minister, you make hundreds of decisions. Perhaps the easy thing to do in politics is not to make any decisions and not to challenge [Approbation] and I fully accept that I am not perfect. If I get 8 or 9 out of 10 decisions right, then I think I am doing the right thing. I need to learn from mistakes and we all need to. We need training and this is something that we have not had. I have never had training as a Minister. There has been limited training within H.R. (Human Resources). This is something the Chief Minister is changing. I want to raise my game, I want to be a better States Member and I want to be more engaging. I will make mistakes and I will continue to make mistakes, but you need to learn from your mistakes. These issues that I am being judged on and that are attracting so much attention are issues that happened last year when I was under extreme pressure - perhaps too much pressure - and of course, as I have said, mistakes have been made. I am sorry about that, but things need to move on.

2.7.3 Deputy M.R. Higgins:

I accept that people make mistakes and so on, but I would like to know, especially with regard to Lime Grove and perhaps the Bill Ogley affair, if you could just elaborate on the mistakes in regards to that area.

Senator P.F.C. Ozouf:

I should have acted earlier in dealing with Property Holdings. If Members think back to last year, I was being faced with question after question from Members about a deteriorating relationship between Property Holdings, the Parishes, the Housing Department, all manner of areas. I should have worked with my Assistant Minister. I tried to put in place good communication. I set up weekly meetings. I would try and communicate but communication goes both ways and perhaps I did not engage quickly enough. The sheer scale of things that I was dealing with last year meant that I did not attend to Property Holdings with the attention that I should have done. I should have prioritised it higher but I had other things such as Zero/Ten, F.S.R. (Fiscal Strategy Review), C.S.R. (Comprehensive Spending Review) to deal with. I am sorry that I did not deal with Property Holdings earlier, I should have done so. In relation to the former Chief Executive, obviously that is a subject of the P.A.C. (Public Accounts Committee) report. I do not think it is possible to level a criticism against the Minister, against the highest official in the States of Jersey and say that a Minister bullied. I never received a complaint about it and the issue is a report in his own file that he said of me. It was never said to me, so I find it very difficult that I have to respond to issues that have been put on file. Justice means that you have allegations and you respond to them.

2.7.4 Deputy J.A.N. Le Fondré of St. Lawrence:

Given that the Minister has had the opportunity to have extensive discussions with the Comptroller and Auditor General to straighten the record, why does he feel that the Comptroller and Auditor General, who in my view has a reputation above reproach, has felt it necessary to cast doubt upon the credibility of his evidence?

Senator P.F.C. Ozouf:

Again, I find this extremely distressing. I find myself in a position where I asked the Comptroller and Auditor General to record the interviews. Other interviews were recorded, transcriptions were made. I asked the C. and A.G. (Comptroller and Auditor General) to record the interviews. That was refused. I asked the C. and A.G. to take an independent witness, that was refused, and I now

find myself in a position where I am caught in the middle of a public debate about whether or not my evidence was accurate. I have not denied saying that mistakes were made with Lime Grove. I am very clear that there were, but I find it extremely distressing that I now find myself in a position of being doubted when I tried to put in place measures to ensure that my evidence ... and I stand in this Assembly being truthful and honest. I gave significant evidence on oath and I stand by it.

2.7.5 Deputy J.A.N. Le Fondré:

The States Watchdog has said that the credibility of the Minister's evidence needs to be considered, I think the Minister needs to answer a bit better than that.

Senator P.F.C. Ozouf:

The letter from the Comptroller and Auditor General was sent and was leaked and I am again on the back foot having to respond to issues. I did not know about the concerns of the Comptroller and Auditor General. I asked for fairness. I am absolutely happy to be judged fairly but processes need to be fair and all I ask is for fair treatment. I am more than happy to be held to account but I want fairness and my interviews were not transcribed, so of course it will be one person against the other. I am honest in what I say to this Assembly and I regret the fact that there is now a further issue, which has been put into the public domain and leaked, when I asked for safeguards to be put in place. I ask Members to judge to their own conclusions.

2.7.6 Deputy G.P. Southern:

May we cut to the quick? Should any Minister whose evidence to the C. and A.G. raises questions as to its reliability remain in post?

Senator P.F.C. Ozouf:

I believe that my evidence was reliable. I believe that I spent many weeks; in fact I was talking to officials in the Treasury yesterday and trying to make an estimate of the amount of time that we have gathered in putting evidence together for Lime Grove. We have probably spent more time putting evidence together, giving every single email, every single bit of correspondence, than we did working on the project. I cannot say that we have been anymore than completely truthful in the evidence that we have given. It is up to Corporate Services and the C. and A.G., of course, to receive that evidence. I believe that we have done so and I regret the imputation that we have not. I would remind the Deputy again, that I asked for transcriptions of the interviews, and that was recorded, and I am now at a centre of a debate apparently - again not put to me - that effectively there was a disconnect between what was said between 2 people. I regret that.

2.7.7 Deputy G.P. Southern:

Did the Minister say to the Comptroller and Auditor General: "Are you out to get me?"

Senator P.F.C. Ozouf:

I said in my report, I responded to the notes, again not contemporaneous notes, that effectively: "Was this report out to get me?" I have not said that I did not say that. The report of the notes was 5 pages of a 3-hour meeting. They were not contemporaneous notes. I received notes of an earlier meeting after 3 requests for receiving notes 3 months after. Five pages of double-typed stamped for a 3-hour meeting. That is not a transcript, so of course there is going to be incomplete notes and I regret that when other evidence was recorded. I asked for evidence to be recorded and if it had been then perhaps we would not be in this situation now.

2.7.8 Senator S.C. Ferguson:

The question that appears to be coming up though, in most of the interviews and throughout the report, is that there appears to be a pattern of behaviour that the Minister is indulging in. Obviously

he has said that there will be training programmes and perhaps this will alleviate the problem, but by my count, he has disposed of some 4 chief officers, which follows a pattern. Would he care to comment on that?

Senator P.F.C. Ozouf:

I expect high standards and: first of all, I think it is absolutely wrong to suggest that I have disposed of 4 chief officers. That is absolutely wrong. I did not make the decision in relation to the former chief executive. That was a matter for S.E.B. (States Employment Board) and the former Chief Minister. But again, I am cast in this role and certainly it is suggested that something happened because of something I did. I do not think these are fair accusations. If anybody is feeling unfairly treated by such accusations, I feel it is unfair. I have read J.A.C.S. bullying and harassment process, and indeed some aspects of J.A.C.S. bullying and harassment process, in my regard; I have been perhaps poorly treated in relation to some of these issues. I asked for fairness. I do have high standards and I have been asked to do a very difficult job for this Assembly in the most difficult of economic circumstances and, so far, I have had the support and the confidence of the Assembly on very difficult issues. But of course, when dealing with difficult issues, you will ruffle feathers and I regret that. That should not be regarded as bullying.

2.7.9 Senator S.C. Ferguson:

Does the Minister not consider that if 3 people have one view of a meeting and one has a different view, then it is more than likely that the one is incorrect?

Senator P.F.C. Ozouf:

That one meeting was certainly a difficult meeting after months of promises of resolving an issue; there were certainly some strong issues raised, but I also followed that meeting up with a clear statement, as the procedures that I now read in J.A.C.S. says that you should do. I followed that meeting up by being absolutely clear that I wanted a solution for Lime Grove. I wanted an office strategy before this Assembly 18 months ago and I note the difference that is now being approached. My former Assistant Minister, the Constable of St. Peter, and Deputy Noel, the progress they have made with Property Holdings is in marked contrast between the... I think that not enough progress was made before. I am sorry if people think that that is holding to account but that is the reality of it. I stand accountable and I have to deal with difficult issues and that should not be described as being inappropriate activity. Ministers are expected to hold their officials to account but I accept it has got to be done properly and I am against bullying.

2.7.10 Deputy J.H. Young:

Does the Minister consider that it is possible that he may not always be right and does he accept wholeheartedly, in his heart, that other people have valued opinions on matters and that in a Government, it is necessary to work co-operatively and wholeheartedly and collectively with other people and share responsibility?

[10:30]

Senator P.F.C. Ozouf:

Absolutely, it is teams that work. I look across the Assembly to the Deputy who was a former chief officer of a department that I was responsible for, that I had to deal with some very difficult issues with him at the time in dealing with the difficult planning and public services issues. In my term of office, we certainly had a happy team at Planning and Public Services, after all of the butt of jokes of Transport and Technical Services, and I stand ready to serve, serve co-operatively as a team member of the Council of Ministers and I hope colleagues on the Council of Ministers will see how I am trying to co-operate as a team. I am not always right. Teams are the right decision and I am

working with every single Minister and I have invited every single States Member into the Treasury. Come and talk. I want their views. I am not always right but I certainly have to make decisions.

2.7.11 Deputy T.M. Pitman:

I am just hoping that the former questioner is not one of those Members that was disposed of by the Minister for Treasury and Resources in his past. My final question is ... I have been in the States coming up to 4 years. I have seen what I, and many, consider to be a complete shambles at Health and at Home Affairs even more so. I have never ever seen someone held accountable. I have never seen this furore created by the *Jersey Evening Post*. Perhaps the Minister could say what does he think is different here? What is driving this? Crucially, the really big question is does he still have the Chief Minister's support?

Senator P.F.C. Ozouf:

I think ministerial government does mean that Ministers should be held accountable and that is the big difference between the old committee system, where it was very difficult to do so. I am happy to be held to account and I am happy to be held to account on my decisions in relation to Lime Grove which, as the Assistant Minister has said, I believe that we will end up with a far better solution for the Minister for Home Affairs and the Chief of Police. I am not perfect. I need to learn just as we all do about mistakes. I want to engage and learn. I am not going to comment on the other matters for other Ministers. Clearly, there were massive issues within the States of Jersey over the last 6 years. There were huge failures in different departments. The Health White Paper issued yesterday indicates the scale of problems that we now have to deal with, but we are tackling it. This new Council of Ministers, under the direction of the Chief Minister, is tackling it and tackling it as a team. I am working with every single Minister in order to achieve their objectives. It is a matter for the Chief Minister but I do hope I continue to have his confidence. If I do not, then I have made it absolutely clear and I hope that that has been clear in all the interviews that I have given, both on the accredited and non-accredited media.

2.8 Deputy J.M. Maçon of the Chief Minister regarding the consultation process associated with the terms of reference of the Committee of Inquiry into historical child abuse:

May I begin by thanking the Chief Minister for his written answer to question 4 today? Will the Chief Minister give an undertaking that there will be an official consultation process with a clearly identifiable point of contact to ensure that interested individuals and groups are able to contribute to the Committee of Inquiry into Historical Child Abuse's terms of reference and are kept regularly informed of the committee's progress and if not, why not?

Senator I.J. Gorst (The Chief Minister):

In a written answer I have provided to the Deputy on this subject today, I have given an undertaking that I will arrange for interested individuals and groups to be consulted on the terms of reference for the Committee of Inquiry into Historic Child Abuse before they are submitted to the Assembly for approval.

2.8.1 Deputy J.M. Maçon:

Yes, but this question was more so about the process, about how individuals will be updated, what the mechanism will be and who will be made responsible for that process. Could the Chief Minister please respond to that part of the question?

Senator I.J. Gorst:

Yes, sorry, I thought it was implied in my answer that I will do just that. I have written yesterday, I believe it was to the Care Leavers' Association inviting them into a meeting so that they are aware of whom the contact person will be. Ultimately what I intend to do, as I have said before, is publish the result of that alongside the Verita terms of reference when I ask the States to make a decision about the terms of reference on the Committee of Inquiry.

2.8.2 Deputy R.G. Le Hérisier:

Would the Chief Minister acknowledge that what is causing great consternation among various groups is the enormous, almost interminable time that this is taking? Could he identify for the House what are the obstacles to achieving a speedy resolution of this matter and setting up the Inquiry, as this is dragging on for an awfully long time?

Senator I.J. Gorst:

I do appreciate that and the Deputy makes a very fair point, it is disappointing to me as well. But the Deputy, when he has questioned me on this subject before, has asked me how I was going to ensure that the Committee of Inquiry was appropriate, did not cost tens of millions of pounds and did not drag on for many years. It is a very difficult process to come forward with a Committee of Inquiry which addresses the issues, allows people to have their say and yet, at the same time, does not become a Committee of Inquiry like, for example, the Bloody Sunday Committee of Inquiry, because we are talking about a long period of time. I want to be able to present to this Assembly a terms of reference that I hope everyone is going to be able to support because it is important, in my opinion, that we have a Committee of Inquiry and it is in balancing those considerations that is taking longer than I would have liked.

2.8.3 Deputy R.G. Le Hérisier:

Could the Chief Minister tell us when he does intend to bring these terms of reference to the Assembly?

Senator I.J. Gorst:

I have intended to be in a position to do so within the next couple of weeks so that it could be debated prior to the summer recess, but Members will be aware of the requests for further consultation that I have received and that the Deputy has articulated, and I think it is right that I see to that and go through what I hope will be a short process. Some interested Members of this Assembly have already met to consider those terms of reference so I hope that it will not take too much longer. It might be that Members feel that once I am in a position to lodge it, and it is lodged, that they wish to take it in a slightly quicker fashion than Standing Orders allow, so that we can get on with it and have the matter resolved prior to the summer recess.

Deputy M.R. Higgins:

Deputy Le Hérisier with his supplementary asked my question.

2.8.4 Deputy T.M. Pitman:

I appreciate that the Chief Minister is the third Chief Minister since the origins of this sad and sorry saga began. What I would like to know is what assurances can the Chief Minister give to the victims that the key issue here, which for many is the political holding to account of decisions that were made in the past, will not be watered down or even eradicated? Can he give those assurances?

Senator I.J. Gorst:

I believe that I can. One of the difficulties is that including terms of reference along those lines is appropriate but we, as Members, must be aware that when we look at Committees of Inquiry across the world elsewhere, getting to the bottom of those issues in a satisfactory manner can be quite

difficult. So it is appropriate to have that term of reference but resolving that issue, in hindsight now 20, 30 or 40 years after an event, can be quite difficult.

2.8.5 Deputy J.M. Maçon:

This is in connection with the last part of my original question. I asked about how individuals and groups will be kept informed regularly. Will the Chief Minister give an undertaking about a process of perhaps fortnightly, perhaps monthly, that an email will go out to interested individuals in order to keep them informed? Because at the moment, the understanding and the communication about what is happening with the Committee of Inquiry and what will then happen, has not been good enough for interested individuals and I hope that we can put a process in place in order to cope with this. Does the Chief Minister agree and will he give that undertaking?

Senator I.J. Gorst:

I shall certainly try to ensure that communication is better than it has been in the past. I suppose I have wrongly assumed that statements that I have made in this Assembly are part of that communication process. I think what the recent letter that we have had and the issues the Deputy raised have shown is that that is not a very good communication process and that it should be much more direct.

2.9 Deputy G.C.L. Baudains of St. Clement of the Minister for Housing regarding an alternative to the States Loan Scheme:

This is a follow-up question to that which I put to the Chief Minister recently. I see collective responsibility is now extended direct from the Minister for Housing. Further to my question on 15th May 2012 regarding the States loan scheme, would the Chief Minister advise whether any homeowners are still using it, why it has been decided not to reintroduce it, and what research and consultation has taken place on the alternative scheme as outlined recently?

Deputy A.K.F. Green of St. Helier (The Minister for Housing):

The States loan scheme was established in 1950 because at the time the local banks had not become involved in lending for house purchases. This has obviously changed and while we still have 200 longstanding loans remaining, the scheme is largely inactive. As to expanding the scheme, this would have very significant costs and could mean that house prices would rise in response to a significant increase in the credit market. Instead, I would suggest that we need a response that meets the challenge of our time, in particular, one that addresses the inability of many households to raise a deposit. This is why, along with the Minister for Treasury and Resources, we are developing the States Deposit Loan Scheme to lend money for deposits to first-time buyers at a low interest rate. The scheme is currently being researched by officers and recognising that it is not without difficulties or challenges, it will be consulted on before it is introduced.

2.9.1 Deputy G.C.L. Baudains:

I am concerned about the new scheme. Would the Minister comment on whether he believes it is going to work? My understanding is that it is to subsidise the deposit. Surely a bank who would then be covering the mortgage later on will look at this and say: "Well, hang on, the applicant already cannot afford the deposit and is paying interest on a sum for the deposit, so we are therefore not going to issue the mortgage in the first place."

Deputy A.K.F. Green:

The Deputy expresses a concern that we had when we were first looking at it. We have discussed with potential lenders the opportunity of what would be known as a second charge. Clearly, the

bank would expect to have the first charge. I have to say that we are going to help people - if we get the scheme off the ground - with their deposit. We are not going to give them the whole deposit. We will expect them to have made some contribution and some savings in the past but we are going to assist people to get on to that first rung of the homebuyer system. So the Deputy is right. There are difficulties but we have been in consultation with the banks and we believe that we can get a scheme that will work.

2.9.2 Deputy G.P. Southern:

Has the Minister noted the comments of a leading mortgage broker on the Island to suggest exactly that the total borrowing would be taken into consideration and that this does not help? Furthermore, does he accept that the overall problem is the sheer unaffordability of housing in Jersey and his task is to build houses cheaper?

Deputy A.K.F. Green:

Dealing with the second part of the question first, that is one of the problems. Housing is unaffordable for many families even on a reasonable salary, and that is one of the challenges that I need to take up. Of course, part of meeting that challenge is the increase in supply. I accept that and I take that very seriously and that is why we need a Strategic Housing Unit that will provide a strategy for housing right across the Island and help with solving those problems. I have noted the comments of a leading mortgage lender. It is quite interesting that he encouraged people to go and visit his establishment.

2.9.3 Senator L.J. Farnham:

The Minister mentioned there were some 200 longstanding loans remaining from the original scheme. Does he happen to know the value of the debt outstanding and generally is the debt safe?

Deputy A.K.F. Green:

I do not have the total value of the loans outstanding but I am quite happy to get that and pass it on.

Senator P.F.C. Ozouf:

If it helps, it is £4.6 million.

2.9.4 Deputy G.C.L. Baudains:

I think we all subscribe to the view that homes are too expensive for first-time buyers, they cannot afford them. Does the Minister agree with me that by creating - if we should ever manage to do it - lower cost housing for first-time buyers, then we would be creating negative equity for existing buyers and that they would be then exposed to the bank? Whereas if we were financing it ourselves, through something like the old States loan scheme, then we might be more relaxed about it than a bank.

[10:45]

Deputy A.K.F. Green:

The Deputy makes a very valid point and this is one of the challenges. The last thing we need is to see are families in a negative equity situation. Some of us have seen that in the U.K. in the past and know how difficult that is. At the same time, I have a challenge to provide homes that more families can afford. This is all part of the challenge that I have to meet. I think one of the best things that can happen at the moment is that prices remain stable to enable people to invest in a home rather than invest and speculate. It is home ownership we want to encourage not speculation.

2.10 Deputy R.J. Rondel of St. Helier of the Minister for Treasury and Resources regarding the adoption of an 'opt-in' service for access to over-18 sites by Jersey Telecom:

What, if anything, is the Minister, as representative of the shareholder, doing to ensure that Jersey Telecom adopts the opt-in service for access to over-18 sites?

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

I recognise that this is a very important issue for parents. I am not a parent myself but I am a godfather and uncle, and I recognise how important this is for people with young children. This is really a global industry issue. At the local level, it is currently up to each mobile operator to act and put safeguards in place themselves. I am pleased to see that the J.C.R.A. is, however, taking an active role and as I understand, they held meetings with all the operators on this subject last week. As far as J.T. is concerned, it is, of course, for the board to make decisions and to work with the interested parties and the J.C.R.A. to ensure appropriate protection. I have asked J.T. to continue to work with the J.C.R.A. and other operators, parents and the Education Department, to ensure that this important matter is dealt with. I would commend, if I may, and I will send this around, this very helpful booklet that is produced by J.T. which informs parents of what they can do to safeguard their children.

2.10.1 Deputy R.J. Rondel:

I thank the Minister for that comprehensive answer but does the Minister agree that we do have a duty as Government to protect our children as far as is possible? What further steps could he possibly take to ensure that J.T. continues to play their part in this process?

Senator P.F.C. Ozouf:

I fully accept and I believe that public ownership does mean that one can ask the publicly-owned company to do things that perhaps we would not. We must not put them in an uncompetitive situation. This is clearly an issue which is going to be resolved by other agencies elsewhere and there is going to be the technology to do so. I note that TalkTalk in the United Kingdom is the first operator to identify such technology that can be put into place. There are questions about whether or not it is good enough but I will certainly encourage J.T. to continue to comply with the best standards and the best technology that is available. I will also liaise with my colleague, the Minister for Economic Development, with his responsibilities at the J.C.R.A. to ensure these standards. But I would also say that having examined this issue as a result of the Deputy's question, I think that this is really an important educational issue for parents. Parents can put in place safeguards on their children's phones and on their home computers to safeguard them against inappropriate access to sites which, of course, we all know are dreadful. It is really a parent's issue and that is why we should be, I think, promoting this leaflet to all parents in the Island and perhaps that is an issue that we can communicate with Education too.

2.10.2 Deputy T.M. Pitman:

I am pleased to see my colleague here has been investigating a really important and serious issue. As someone who has worked in Education, I am well aware that young people are far more adept and clued up on circumventing any safeguards than most of us adults. I just heard the Minister say he would be working with the Minister for Economic Development. Can he reiterate that he would also include his colleague, the Minister for Education, Sport and Culture, because when I was there, the Youth Service certainly led the way in this field locally so I think that would be really helpful?

Senator P.F.C. Ozouf:

I thought I said that but I absolutely agree. It is an issue of education and, indeed, at Parish Hall levels and every level, I think that we can all raise awareness of what parents and grandparents can

do, and what godfathers and uncles can do, in order to safeguard their children when they are accessing the internet.

Deputy R.J. Rondel:

The reason why I put that question forward was that it arose from a very informative day by the Health Department. It was unfortunate that there were not that many States Members there, but it was extremely useful and extremely important, and I thank them for that. I thank the Minister for his reply.

2.11 Deputy T.M. Pitman of the Chairman of the Privileges and Procedures Committee regarding citizens' media sites' access to information:

Will the Privileges and Procedures Committee reconsider its previous decision not to afford citizens' media sites the same rights to access material and film meetings as the mainstream media are allowed to do?

The Connétable of St. Helier (Chairman, Privileges and Procedures Committee):

The Code of Practice on public access to official information sets out the information access rights of the accredited media and members of the public. Neither group is afforded preferential treatment under the Code. The committee will be considering the matter of filming rights again next month. The provisional view of P.P.C. is that if the States made their own broadcasts available to the public over the internet, it might obviate the need for any third parties to film the committee in open session. However, the committee has since considered the findings of a feasibility study on web-casting and decided against pursuing that option in the short term. P.P.C. is conscious that the issue of filming rights was considered by the former P.P.C.'s Media Working Party, whose findings were appended to the projet P.100/2010, Media Relations: code of conduct. The States was never given the opportunity to debate these findings because P.100 was withdrawn. P.P.C. acknowledges that the States, the accredited media and the public would expect consistent application of rules on filming by all committees and panels. For these reasons, it is the committee's intention to revisit P.100/2010 to consider the Media Working Party recommendations and to consult further with the Chairmen's Committee before deciding whether to lodge a proposition recommending a way forward.

2.11.1 Deputy T.M. Pitman:

I thank the Chairman for that; I am encouraged by his answer. Earlier I referred to an actual interview that the Minister for Treasury and Resources did with a citizens' media site. Now, I mention this because also on that citizens' media site, they carried the other side of the story with the argument being put by Senator Ferguson. I think, if I may say so, this gets to the nub of the issue. With citizens' media, for all its limitations, you see in-depth arguments from both sides, something I have to say, you never ever see in the *J.E.P. (Jersey Evening Post)*. Does that not say to the Chairman all that needs to be said? We want a level playing field that all can sign up to but all can be held accountable to and if they breach it, then they fall by the wayside.

The Connétable of St. Helier:

I do not necessarily concur with the Deputy's view that citizens' media interviews necessarily show both sides of the story but I do not want to get involved in a debate on individual broadcasts. The committee's concern is that proper standards are put in place so that the members of the public in particular do not find themselves being broadcast on the internet without their permission or without their full knowledge.

2.11.2 Deputy T.M. Pitman:

May I just follow that up because the only incident since that when members of the public have been filmed and appeared on TV is by the mainstream media. It is not citizens' media who have broken that. The point I was trying to make, and I hope the Chairman will agree, is that citizens' media offer every one of us the chance to put their side. This does not happen in the mainstream media, particularly with places like the *Jersey Evening Post*. Does that not suggest we should have some kind of level playing field and do it as a matter of urgency?

The Connétable of St. Helier:

We have said that we will look at this again in June. Again I cannot comment on whether one media organisation is more balanced than another but I agree that they should be on a level playing field.

2.11.3 Deputy J.A. Hilton of St. Helier:

I was at an opening of a facility in St. Helier last week. It took place in the Town Hall and I was very disturbed to see that somebody, citizens' media, was at this event and proceeded to record and film 2 members of the public at this event who had absolutely no idea who this gentleman was. When I spoke to them later, they thought he was a member of the Parish. When I pointed out to them that he was citizens' media and that there was every possibility that the content of what he had recorded and filmed would end up on the internet, the women concerned were very upset. Does the Chairman of the Privileges and Procedures Committee think this is acceptable behaviour?

The Connétable of St. Helier:

No, I have already alluded to a recent example of this kind of web posting causing distress, as clearly was the case after the opening of the Changing Places disabled toilet in Seale Street last week. I think that is why it is important that the meaning of accredited media and proper standards are set in place for those which are not accredited, because the accredited media do have standards and they can be taken to task if they breach those standards.

2.11.4 Deputy R.G. Le Hérissier:

Why has the committee rejected web-casting?

The Connétable of St. Helier:

The committee was not convinced of the public demand for web-casting of its meetings. The committee was advised that it would cost £20,000 for a one-year trial in terms of equipment and the same again for officer support. So the committee basically could not justify the expenditure of £40,000 for a one-year trial on the basis of, I think, only one or 2 requests that such a facility be provided. However, the committee does have, as a matter of principle, openness. I personally have opened Parish meetings to the public, including all kinds of media when they come, so I think the committee is going to look at this again. The committee is also aware that the Chairmen's Committee has been looking at the issue of web-casting of Scrutiny meetings and we want to operate in a joined-up way with other States committees.

2.11.5 Deputy T.M. Pitman:

I think Deputy Hilton's point is a good one and it really sums up the issue. Why do we not have everyone registered, because the Chairman has said that the mainstream media can be held accountable? How, then, does he suppose this happens when certainly TV breached that by showing an abuse victim, even though I, as a Scrutiny Chairman, had asked them not to film? The Chairman says we can hold them to account yet the Press Complaints Commission was disbanded even before the Leveson Inquiry finished its report because it was absolutely toothless and a

complete waste of time. How does the Chairman think we hold the mainstream media to account? Sorry, it is just not true.

The Connétable of St. Helier:

With respect, I feel that the last question has gone a bit off the track of the original question which is about P.P.C.'s decision not to allow citizens' media to film its meetings. I cannot really comment at this stage on the press complaints procedure but if P.P.C. come forward with a proposal for filming, then they will have to look very much at what recourse the public will have if things go wrong.

2.12 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding Double Taxation Agreements with France and Canada:

A question for which I have a partial interest. Does the Minister propose to negotiate double taxation agreements with France and Canada and if so, when?

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

The Treasury's preference is for double tax agreements, D.T.A.s, but the difficulty is that O.E.C.D. (Organisation for Economic Co-operation and Development) member jurisdictions such as Canada and France are generally not prepared to negotiate such agreements with the international department because we are a zero tax or low tax jurisdiction. Jersey therefore has unfortunately not been able to persuade Canada or France to engage in the negotiation of a D.T.A. and there is no sign of their position changing. However, I would point out, of course, that there were some elements of the agreement reached with France which did, of course, have some benefits to homeowners from Jersey on a reciprocal basis. But I am afraid there is no solution to the Deputy's issue, I suspect, from a previous employment, in relation to Canada.

2.12.1 Deputy T.M. Pitman:

Does the Minister not agree with me that, regardless of what he has said, now that France have made the very wise and informed decision to swing to the left, that this might be a little bit easier to progress?

Senator P.F.C. Ozouf:

Perhaps the Chief Minister or the Minister for External Affairs may be more appropriate to comment on that than me. I have no doubt at all that we have to continue to make strong representations to France about just how well our Tax Information Exchange Agreement is working. I think that we have got the President of the Finance Committee Senate coming back and I think we have got visits with France. I know the Assistant Chief Minister was in France with other colleagues on Friday. Of course, we need to continue to represent what good standards Jersey has - and what excellent Jersey standards has compared with some other offshore jurisdictions - and yes, we have got a big job of work ahead in creating the appropriate knowledge within the French Senate, within the Assemblée Nationale and within the presidential palace, of the standards that Jersey has.

[11:00]

2.13 Deputy G.P. Southern of the Minister for Economic Development regarding the tax status of new businesses which have set up in Jersey in the last 4 years in sectors such as oil, gas and mining:

Could the Minister state whether the 87 businesses which have been set up in Jersey in the last 4 years, in a wide range of sectors such as oil, gas and mining, are currently paying any company tax? Could he advise what part tax neutrality plays in their business models and given that the Minister for Treasury and Resources has made a commitment to tax these companies, how sustainable is their presence in Jersey?

Senator A.J.H. Maclean (The Minister for Economic Development):

I would like to thank the Deputy; his question goes right to the heart of our plans to return Jersey's economy to growth. As my recent visits to China and Israel have confirmed, Jersey has much to offer, not just tax neutrality, and we have much to gain from inward investment, most notably diversification of our economy and job creation. The Deputy refers to 87 businesses that relocated to Jersey between 2008 and 2010. Of these, 27 are financial services businesses, some of which will be regulated by the J.F.S.C. (Jersey Financial Services Commission) and therefore subject to 10 per cent corporate tax. The Deputy, however, may be confused by the statement of the Minister for Treasury and Resources in the 2011 budget that he would tax profits arising from the exploitation of land in Jersey and importation of oil. However, the oil, gas and mining companies to which the question refers are headquarters for international mining operations. These companies do not import nor surprisingly do they drill for minerals in Jersey and are therefore not impacted. They are zero rated for tax purposes. We need more inward investment, not less. We need more jobs, not less and, to deliver this, we need an internationally competitive tax system. Zero/Ten is just that and I trust the Deputy agrees.

2.13.1 Deputy G.P. Southern:

An answer from the Minister for Treasury and Resources suggests that he is examining a 10 per cent or an extension of 20 per cent rate to just these companies which currently are zero rated. What part does tax neutrality play in the arrival of these companies and are they sustainable at all?

Senator A.J.H. Maclean:

The first part of the Deputy's question, I do not believe he is correct. In fact, there is a written answer which I would refer the Deputy to, 6900, and also 6863, which give further details of what the Minister for Treasury and Resources has said in relation to a report which is going to be published before the summer in this regard. As far as tax neutrality is concerned, I have already pointed out, yes, it plays a part, of course, but it is not the only part as far as inward investment is concerned as we have seen once we have travelled to Israel, China and other places. Jersey is extremely attractive for many reasons: its stability aside from anything else, the level of professional services that we find in the Island, its proximity particularly to this cluster of mining companies. We are very centrally located for where their operations are, and that is extremely attractive and convenient.

2.13.2 Senator L.J. Farnham:

Could the Minister tell the Assembly, please, how many jobs these 87 businesses have created?

Senator A.J.H. Maclean:

Yes, in fact, there were 87 businesses in 2008-2010. We have brought in a further 56 businesses in the period 2011 to date. In total, it is almost 1,000 job opportunities that have been created in the Island from inward investment. Importantly, 95 per cent of those job opportunities have been for local people. That is what is important and that is the value of good quality inward investment.

[Approbation]

2.13.3 Deputy J.G. Reed of St. Ouen:

Just to follow up from Senator Farnham's question, could the Minister provide details of the actual jobs that have been created by these 87 businesses?

The Bailiff:

I think he just has, has he not, Deputy?

The Deputy of St. Ouen:

No, he did not. He gave an estimate of job opportunities, not actual jobs that have been fulfilled.

The Bailiff:

I see, all right, thank you.

Senator A.J.H. Maclean:

I will get back to the Deputy in due course on the actual jobs as opposed to job opportunities. The Deputy will be aware that in order to extract the jobs that have been fulfilled from the opportunities that have been created, there is a differential, which I accept. That does take some more time to ascertain and we are working on that at the moment but there is no doubt that the level of job opportunities is significant and I can tell the Deputy, if it is of help to him, and particularly with regard to the oil, mining and gas company sector of which there have been 11 businesses, there are 59 jobs created there of which only 2 were non-locally qualified.

2.13.4 Deputy G.P. Southern:

I thank the Minister for directing me to question 6900, where it says clearly from the Minister for Treasury and Resources that he remains committed to bringing forward measures to deal with the issue of non-finance businesses and that the options under consideration include the extension of the 10 per cent or 20 per cent tax bands. What will that do to the viability of these companies which he is so proud of locating to Jersey?

Senator A.J.H. Maclean:

The Deputy is predetermining that there is going to be a change. I think it is fair to say that the Minister for Treasury and Resources is not going to do something that is going to compromise inward investment and compromise the significant value that it brings to our economy. I think the Deputy will have to wait further until the report is published and I think that it will probably make it perfectly clear to him.

2.13.5 Deputy G.P. Southern:

And, if I may, is it the Minister's impression that that will then negate the promise he made to this House almost 2 years ago to do something about taxing these businesses?

Senator A.J.H. Maclean:

I take it that is a question to the Minister for Treasury and Resources.

Deputy G.P. Southern:

To the Minister for Economic Development; is it his impression?

Senator A.J.H. Maclean:

No, it is not.

2.14 Deputy S. Power of the Minister for Treasury and Resources regarding the number of houses involved in the test or pilot scheme in the La Moye area for Gigabit Jersey:

Sticking to my Gigabit theme, would the Minister confirm the number of houses that were involved in the pilot scheme that was conducted recently in the La Moye area for Gigabit Jersey?

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

The purpose of the trial was to help J.T. get real life experience of rolling out the fibre infrastructure and testing alternative technology from a short list of suppliers. This experience and this rollout was a crucial part of the independent board's decision-making process and resulted in the £12 million contract to Cisco Systems who are providing the equipment, which sits at the core of the network, as opposed to the contractor that we were talking about earlier that is rolling out the fibre. This will be the dual partnership that will roll out fibre optic for every home in Jersey. J.T. advised that, of the total number of houses connected in La Moye, 63 provided some extremely useful feedback from that experience and that trial. The others are being successfully applied to part of the trial that had been connected and will benefit from the same 2-month free upgrade to their bandwidth, which the other trial has benefited from.

2.14.1 Deputy S. Power:

The Minister referred to Jersey Telecom's real life experience in dealing with feedback from telephone customers in La Moye and I would suggest to the Minister that the real life experience has been a very poor internet speed and very poor access in the La Moye area for as long as I can remember. Does the Minister have a technical reason for what has been the cause of these poor internet access and speeds in the La Moye area?

Senator P.F.C. Ozouf:

I am not the Managing Director or the Technical Director of J.T. but obviously I know quite a lot about it because, of course, we have pored over the detail. I hope the Deputy will welcome the fact that the investment that J.T. was making ... I think that we must remember that J.T. were going to make £30 million worth of investment in speeding up the copper network, of which there were pockets in the Island that had very poor speeds, La Moye being one of them, I think some areas of St. Clement being another, and St. Martin being another. We were going to do the "souped-up" copper version. That is what J.T. was doing. In discussion with the board, we went further to do the ubiquitous fibre optic rollout for the whole of the Island, which I think is going to be regarded in future as absolutely groundbreaking for the Island. La Moye, because of the poor internet speed, was put as the first area to deal with in terms of speeding up internet. I hope it brought pleasure to the constituency representative. He did not lobby for it but it has happened and I hope his constituents are very happy.

2.14.2 Deputy S. Power:

This is my final question and I thank the Minister for his technical knowledge of the La Moye area. It is more than mine is, I have to say. Has the Minister been given an indication from J.T. as to when this will finally be accomplished in that area?

Senator P.F.C. Ozouf:

I understand that an amazing... because of the difficulties in La Moye, I understand that 1,493 homes applied, and 500 were accepted on the initial trial. There were originally 131 but 292 have now been connected and there is going to be a further 500 added in July, August and September, an average of 1,000 a month. So La Moye is going to be one of the first areas in the Island to get exciting, reliable and good value fibre optic services which the regulator will, of course, have a view on the pricing of.

2.15 Deputy G.C.L. Baudains of the Minister for Planning and Environment regarding the consultation undertaken before publishing planning applications on-line:

Will the Minister advise what consultation, if any, took place before the department began publishing planning applications on line and what consideration, if any, was given to the matter of security and privacy of applicants?

Deputy R.C. Duhamel of St. Saviour (The Minister for Planning and Environment):

The answer to the question is pretty much set out in the report which accompanied the decision to introduce the revisions to the planning system to allow applications to be viewed on line but, for those Members who have not read it, I will just précis the essence. The department took advice from the Law Officers and from the data protection officers. That answers the first part and the second part, was any consideration given to the matter of security and privacy of applicants? Yes, it certainly was. Data protection is an important issue for Members and the Island and the officers who conduct the services from departments. In presenting comments by way of representation to be published on line, the department will retain an opportunity to redact the information; if indeed some of the things that are placed in those representations fall into the exemption categories as highlighted in Appendix 1 of the Ministerial Decision report.

2.15.1 Deputy G.C.L. Baudains:

I presume from the Minister's answer that he would not agree with me that there is a concern about these matters being published on line. Where previously if a person wanted to see details, they had to personally attend the department; now anybody anywhere in the world can access these details. Is that not a security issue, especially for premises that may have a significant amount of valuables? What about a bank that wants to move its strong-room? Is this going to be on line?

Deputy R.C. Duhamel:

Certainly, as I mentioned, there are a whole host of exemption clauses, some of which, if I just read one or 2: "Disclosure would be or might be liable to being exempt from disclosure if it constituted unwarranted invasion of the privacy of an individual or prejudiced the administration of justice, including fair trial in the enforcement of proper administration of the law" and so on. There are other things about causing damage to economic interest, premature release of draft policy issues and any prejudicial causes. I think the exemption clauses are probably exhaustive but if the Deputy considers that there are some exemptions that should be further added to the list, I would be happy to work with him if he so wishes.

2.15.2 Connétable S.W. Pallett of St. Brelade:

Will the on-line facility be available at Parish Halls and if so, who will be bearing the cost and will he be withdrawing the hard copies currently available at Parish Halls?

Deputy R.C. Duhamel:

The hard copies will be available at the Parish Halls alongside the opportunity to view the applications on the computer terminals that presumably reside in the Parish Halls. The costs of the whole service I understand are being borne by the department.

2.15.3 Senator L.J. Farnham:

My question has been partially answered but to be absolutely clear, is this scheme completely mandatory or can an applicant choose to opt out?

Deputy R.C. Duhamel:

Overall the Minister is seeking to introduce a system that is as open and transparent as possible and as far as possible. All representations, excepting those that fall into the exemption classes as previously indicated, will be seen as fit for publication on the internet.

2.15.4 Connétable J. Gallichan of St. Mary:

Further to the Minister's recent answer, could he confirm that, in fact, there are not necessarily any specific look-up facilities at the Parish Halls for the public to access the internet? Certainly in St. Mary we do not have it. Is the Minister aware of that and does he confirm that paper copies are available for the purpose of allowing parishioners to consult?

[11:15]

Deputy R.C. Duhamel:

I am aware that specifically there are no open terminals that are available at the individual Parish Halls but I am also aware that there are computer terminals that are used by administrative staff. Indeed, I would have thought that if anybody approaching the counter perhaps at the Parish Halls, that they would be able to turn their computer round for the persons to see them. If that is not the case, then I would be interested to receive representations from the Parishes as to whether or not the department should be assisting to offset or defray any particular costs in supplying this open and transparent service.

2.15.5 Deputy G.C.L. Baudains:

The Minister identified a commendable number of exemptions but can he guarantee that officers will check every application against all these exemptions before putting them on line or is it going to be the case that applicants will find their details online when perhaps they should not have been. Where is the appeal process for applicants who feel that their information should not go on line? I do not want to find a situation where things are online and then you have got to appeal. It is too late once the cat is out of the bag.

Deputy R.C. Duhamel:

The department obviously, and officers within that department, will, I would hope, at all times apply the exemptions in an exemplary manner. I would certainly take issue if indeed any information was put on to the internet, whereby the officers could be shown not to have been diligent in their duties, which they have to be under the law. In terms of appeals, if an applicant is aggrieved, I think there are rights of appeal through the department.

2.16 Deputy M.R. Higgins of the Minister for Economic Development regarding a joint Financial Services Ombudsman with Guernsey:

Will the Minister advise Members of the current state of negotiations with the Guernsey authorities regarding a joint Financial Services Ombudsman? Will he explain the differences between the scope of the 2 existing schemes and advise when legislation will be lodged for consideration by the Assembly?

Senator A.J.H. Maclean (The Minister for Economic Development):

I am pleased to report that negotiations are progressing well with our counterparts in Guernsey regarding a joint Financial Services Ombudsman scheme. We in Jersey are currently working on a draft of the legislation while our colleagues in Guernsey are at the final stages of their industry consultation exercise due to their later start. At present, there are no significant differences regarding the proposed scope of the scheme across the Bailiwicks. It remains my intention to lodge proposals for consideration by this Assembly by the third quarter of this year.

2.16.1 Deputy M.R. Higgins:

This particular piece of legislation is already overdue because the Minister gave an undertaking that it was brought before the House before the end of 2011. In terms of the scope of the scheme, I believe that Guernsey is looking at watering down the trust provisions. Can the Minister confirm if that is the case?

Senator A.J.H. Maclean:

All I can say at this stage, which I mentioned a moment ago, is that Guernsey is currently at the consultation stage. Matters such as the one that the Deputy raises are being considered and I am sure we can update him at a later stage. I know the Deputy has been in contact with officers of the department and I am very happy for him to continue to liaise as this legislation is developed.

2.16.2 Deputy M.R. Higgins:

Just following through, is the Minister aware that the lack of a scheme is causing a problem, not only for individuals but it is also likely to bring the Island into disrepute? In the sense that certainly one Canadian investor and others are talking of approaching the national media about failures on the part of the Commission and the fact that we have not got a Financial Services Ombudsman scheme.

Senator A.J.H. Maclean:

I am afraid the Deputy appears to be sensationalising matters somewhat. I can say to Members that as far as the scheme is concerned, when it is introduced - and the target date now is 2014 for actual implementation - that the scheme would be retrospective to the date at which this Assembly took the decision to progress the matter of introducing a Financial Services Ombudsman. There is a 6-year period, so from the date of 2010 when this Assembly approved it, there would be a period of 6 years which would be covered.

2.16.3 Deputy M.R. Higgins:

Just a very quick one. It was originally agreed by the Island that it would be in 1998 - the Island gave an undertaking as part of the Edwards Review - that we would bring the scheme in. Should it not be backdated to then?

Senator A.J.H. Maclean:

The scheme that has been decided has been backdated to the point at which this Assembly made the decision to progress a Financial Services Ombudsman.

2.16.4 Senator L.J. Farnham:

Is the Minister aware of the very real co-operation that has existed between Jersey and Guernsey with the publication of the joint telephone directory?

The Bailiff:

Well, I am not sure that has got very much to do with the question under reference [**Laughter**] so I think we will perhaps pass that one. I see another Minister wishes to ask a question. Is that an equally friendly one?

2.16.5 Senator F. du H. Le Gresley:

It is a matter of opinion. Has the Minister considered referring any pressing cases which might meet the new criteria to the U.K. Financial Services Ombudsman service for adjudication?

Senator A.J.H. Maclean:

Clearly if the Senator is referring to cases with regard to mis-selling where the mis-selling has occurred in the U.K., they would be relevant under that particular scheme and I know of a number of cases that are being pursued in that way. If he has any other particular references that he would like me to be aware of, I am happy to discuss them with him.

3. Questions to Ministers without notice - The Minister for Health and Social Services

The Bailiff:

Very well. That concludes question time on notice and we come then to Questions to Ministers Without Notice and the first period is to the Minister for Health and Social Services.

3.1 Deputy G.P. Southern:

This refers to page 30 of the White Paper circulated by the Minister yesterday. On page 30, it suggests that recruitment of nurses and retention of nurses is vital to delivering the aims of this White Paper. Is she content that the £5 million for the nursing establishment will attract sufficient numbers, especially in the light of the £3.2 million which she has allocated over this first period of phase 1 to nursing terms and conditions?

Deputy A.E. Pryke of Trinity (The Minister for Health and Social Services):

I am very pleased that the Deputy has got the White Paper with him. The nursing establishment we have, asked them for some funding which was in the 2012 Business Plan for nursing establishment and nursing terms and conditions. It is always a challenge and will continue to be a challenge to recruit and retain nurses especially. But at the moment, this is the money that we have identified for the next 3 years and we are working hard to make sure that we recruit those nurses and especially the hard to reach ones

3.1.1 Deputy G.P. Southern:

The question was is she satisfied that the £3.2 million allocated over the first 3 years, phase 1, is sufficient to attract, recruit and retain sufficient quality of nurses?

The Deputy of Trinity:

As I said, the amount of money that we have identified we can use within the first 3 years, whether we go on needing more remains to be seen when we get to phase 2. But it is not only recruiting but it is also making sure that we retain them and making sure that we have got a plan to train our own nurses locally, which is going to be an important part.

The Bailiff:

The question, Minister, was whether you thought that what had been offered was sufficient to attract them?

The Deputy of Trinity:

I thought I said yes, Sir, for the first 3 years.

3.2 Deputy S. Power:

I refer to her department's excellent White Paper on *Caring for each other and Caring for ourselves*. In the briefing yesterday, the Minister and her senior management referred to what I would call the frivolous use of the Accident and Emergency Department. How does she propose to deal with the Friday night/Saturday night invasion of people who are nauseous because of inebriation or people looking for such things as a pregnancy test on a Saturday night? How does she propose to deal with things like that?

The Deputy of Trinity:

I am very pleased again that the Deputy has got the White Paper with him. A. and E. (Accident and Emergency) Department is a challenge and, as you said, on Friday and Saturday nights, it is a different world down there. The hospital management are working hard to try and find different ways of using the A. and E. Department properly. One of them, as he probably knows, is having some sort of G.P. liaison officer working in A. and E. so that those people who come to A. and E. who should go to their G.P. can be directed there. That is one issue. We know that quite a few parents bring their children down to A. and E. because it is expensive to go to the doctor. One of the business cases is early intervention and working with the G.P.s to try and see whether we would commission G.P.s to give so many free visits to the G.P. during a year. That is one of our thoughts. But also most of those issues on a Friday and Saturday night are alcohol-related, and the biggest thing that we need to look at is to change our society. It is a societal issue that we are more responsible with the amount of drinking that we all do.

3.3 Deputy M.R. Higgins:

Drawing the Minister's - and the Members as well - attention to written question number 14. In Table A, it shows that the cost of medical insurance for inpatients has risen by over £430,000 per annum from 2008 and that theatres and anaesthetics has also gone up by £32,000. Can the Minister confirm if this is the impact of the failures in the Health Department - and certainly the death of the nurse - and other consequences that have happened for the hospital to be paying much higher insurance premiums, because the medical insurers consider the risks are so high?

The Deputy of Trinity:

If the Deputy turns the page, he will see an explanation of the variance and one of the main things was that before medical staff were coded to hospital management and administration but from 2010, the department had coded this insurance to each division. But saying that, increases in medical insurance premiums are part of a global trend. As you know, more people will seek litigation and that does put the price up. Jersey is not immune to these trends. We provide services on Island and that poses risk and increases the insurance. We could just simply fly everybody off the Island but medical insurance is a fact of life.

3.3.1 Deputy M.R. Higgins:

Is the Minister stating therefore that there has been no increase in premiums as a result of the recent sort of tragic deaths of people at the General Hospital?

The Deputy of Trinity:

It is a very difficult thing to say categorically one way or the other. We procure our medical insurance and we try and do that very well, but at the end of the day, as I said, it is a fact of life that obstetrics and orthopaedics - which are essential to any functioning hospital - have their risks and a high cost of insurance.

3.4 Deputy S. Pinel of St. Clement:

While the White Paper deals extensively with the long neglected situation with the Children's Service, the requirement to wraparound care for children and the importance of early intervention; would the Minister reassure Members that young people leaving care will not fall through the net and will receive the support they require, hopefully in collaboration with the third and voluntary sectors?

The Deputy of Trinity:

For the first 3 years with the White Paper, we put early intervention as one of our main spheres but that does not stop business as usual continuing, and I must stress that. One of them is making sure that for all our children - and I class them as they are all our children because they are of the States of Jersey - we have a corporate responsibility that we give due care and attention to that. That will be continuing because I am always keen that our looked after children have a very good chance and that we continue to look after them up to 21-25 if necessary.

The Bailiff:

I am sorry. According to my calculations, we are one short of a quorum. Usher, could you go and summon back Members please?

[11:30]

The Deputy of Trinity:

Sir, has the clock stopped or is it still ticking away quite nicely?

The Bailiff:

I am afraid it has stopped. Now we are quorate, again.

The Deputy of Trinity:

It is a shame, Sir.

The Bailiff:

Deputy Pinel, did you want a supplementary question?

The Deputy of Trinity:

I still had a bit to say about the third sector, charitable organisations. Shall I carry on?

The Bailiff:

Briefly.

The Deputy of Trinity:

We are continuing to and will continue to work with the charitable sector, Parishes and private sector too, because in this White Paper they have an important part to play and very importantly there will be, if the States agree, financial resources as well.

3.5 Connétable D.W. Mezbourian of St. Lawrence:

I, too, am going to refer to the White Paper and we know that there is a transition plan leading up to 2021 spread in phases of 3 years. My question to the Minister is we know that Jersey has a very high proportion of cancer-related illnesses and yet cancer prevention has been itemised for attention during 2019 to 2021. Why has it been left until then and how has the Minister and her department prioritised what will be done during the transition period?

The Deputy of Trinity:

There are quite a few questions in there. Cancer screening, cancer prevention is business as usual and I know my Assistant Minister mentioned this in questions a couple of weeks ago, by example the bowel screening that is starting in 2013. So those things are beginning. But we chose those 5 outline business cases for the first 3 years because they were the highest pressure within Health and Social Services.

3.6 Deputy J.M. Maçon:

Will the Minister go and meet with her Social Services frontline staff who have recently been moved and discuss the facilities they now have to use, such as the severely reduced family meeting room?

The Deputy of Trinity:

I am always ready to go and meet my frontline staff, whether they are in mental health, out in the community or within the hospital. There has been some movement of officers to try and streamline so that, for example, all children's services are operating out of one building and that is now at Les Bas, as they work very closely with the health visitors from the Family Nursing Services. So it looks more joined up work. Older services of social workers are now working up from Overdale. But I am always happy to meet any of my staff and I do that very often.

3.7 Senator L.J. Farnham:

When the police headquarters are finally relocated, an opportunity will arise at Rouge Bouillon for the Fire Rescue and Health to combine control rooms; is this something the Minister would support?

The Deputy of Trinity:

I know there have been plenty of discussions; I think that is one of the C.S.R. with Home Affairs. We run a very efficient Ambulance Service and a very good one but when we relocate within the Fire Service that could be an opportunity to see if we can work closer together. But we will wait until we get there because I am sure it is quite a few years into the future. I hope to have a new hospital by then.

3.8 The Deputy of St. Ouen:

Does the Minister plan to publish a summary of the White Paper responses and if so, when will this happen?

The Deputy of Trinity:

Yes, the White Paper is out for an 8-week consultation, which will bring us to the end of July and I am sure we will publish, like we did with the Green Paper, the responses before we lodge.

3.9 Deputy M.R. Higgins:

Just following on again on insurance premiums; can the Minister explain what is encompassed under ambulatory care and also explain why it has gone up by over £80,000-odd?

The Deputy of Trinity:

Ambulatory care, as I understand it, is the Outpatients Department. I cannot tell you exactly what is made up in that figure but I can surely get him the information.

Deputy M.R. Higgins:

Can the Minister be a bit clearer on what goes on in that division of the hospital?

The Deputy of Trinity:

It is the Outpatients Department.

3.10 Senator S.C. Ferguson:

Under the White Paper it is obviously going to be an expensive procedure that we are indulging in. Would the Minister like to confirm how many further years of extraction from the Health Insurance Fund will be made?

The Deputy of Trinity:

This Assembly, when the Chief Minister brought this proposition when he was Minister for Social Security, it was for a 2-year look at getting the £6 million, and that is what we have done. We have done this as the second one.

3.10.1 Senator S.C. Ferguson:

Yes, but how many more years does the Minister estimate will be needed with the amount of expenditure that is listed under the White Paper?

The Deputy of Trinity:

The States Assembly agreed for 2, and that is what we have done; 2. The problem is not going away. The £6 million will come from somewhere and it will probably come from the request for the finances that we have put in the medium-term financial planning. The £6 million was used for primary care, Family Nursing Services and the other charitable organisations that deliver primary care into the community.

Senator S.C. Ferguson:

That does not answer my question. More money will be required; if it is not coming from the Health Insurance Fund where does the Minister think it is coming from?

The Deputy of Trinity:

It will be put in the medium-term financial planning.

The Bailiff:

I am told that brings questions to the Minister to an end so we move on to the second period for questions for the Minister for Planning and Environment.

4. Questions to Ministers without notice - The Minister for Planning and Environment

4.1 Deputy S.G. Luce of St. Martin:

It is now several weeks since the closure date for the submissions to the St. Martin's School consultation. Is the Minister in a position to publish the results?

Deputy R.C. Duhamel (The Minister for Planning and Environment):

Almost. The Ministerial Decision was presented at my administrative meeting yesterday. There were one or 2 things that I need to check over the week and at the end of the week I shall be in a position to endorse the document.

The Deputy of St. Martin:

Does that mean the Minister will publish the results next week?

Deputy R.C. Duhamel:

I thought that is what I said.

4.2 The Connétable of St. Helier:

Does the Minister consider it acceptable to hold up the determination of major planning schemes without giving applicants any reason for the delay or any date for the determination?

Deputy R.C. Duhamel:

I do not think he does consider it reasonable and if the Constable would like to enlighten me as to the offence then I will be in a position to do something about it.

4.2.1 The Connétable of St. Helier:

As a supplementary, I have been passing the Minister a note every 2 weeks for the last couple of months about a particular scheme that he is well aware of, which we have not had determined or any date for determination.

Deputy R.C. Duhamel:

In that case I think if the Constable could pass yet another note, and perhaps put the name of the site on I will see what I can do.

4.3 Deputy T.M. Pitman:

Obviously you always treat rumours with caution, but could the Minister shed any light on something that is widely circulating about an alleged agreement being reached between himself and Dandara in relation to areas up at Fort Regent?

Deputy R.C. Duhamel:

That is a new one to me. I know absolutely nothing about that.

4.4 The Connétable of St. Lawrence:

The Minister wears 2 hats and he tends to be asked questions on planning, so mine is of an environmental nature. I would like to refer to the coastal strategy which was published in March 2008. One of the aims and objectives stated in there was to develop a fully representative network of marine and coastal protected areas that could include no take zones. In the same document it states that the network of protected areas will be established by 2010, so 2008, 2010. So 2 years later and with World Ocean's Day on 8th June, will the Minister tell the House when that network of marine protected areas will be established?

Deputy R.C. Duhamel:

One of the things that I have just recently issued a Ministerial Decision on is to agree a radical shake-up of the 13-odd extra groups that we had advising me. Some of which were working in different directions, so to speak. So the Ramsar group and the fisheries groups have been reorganised. There is undergoing work that is at a very final stage of completion and almost ready to come to the House, whereby full responsibility for agriculture and fisheries is being asked for by the Department of Environment from Economic Development, and I am hopeful that by the setting up of these new bodies there will be more opportunities to press ahead with the serious work that has been mooted and asked for. It is definitely desirable and something that I hope to achieve within my term of office.

4.4.1 The Connétable of St. Lawrence:

That is very laudable, however I do not think you answered my question. What I would like to know is has any work been undertaken by the department to strengthen and increase marine reserves by looking at closed seasons and no take zones? The Minister has told us that it will be happening. I would like to know when it will be happening and what work has been undertaken in the meantime?

Deputy R.C. Duhamel:

There is a whole host of work that has been undertaken by various bodies, as I indicated, in which these issues are discussed. The last meeting with one of the representatives from the Fishermen's Association discussed the issues of bass minimum size stocks and, indeed, minimum sized stocks and no take areas across most of our species that are fished for in Jersey waters. In order to bring these things into fruition laws have got to be changed and the work has to be undertaken. The work

is being looked at, at the moment, by the officers and I am hoping that it will be progressed in as short a timeframe as possible.

4.5 Deputy J.H. Young:

The Minister will have heard the answer to my question to the Minister for Treasury and Resources this morning outlining that all of the H1 sites are going to be for social rented housing. Could he please tell us how he is approaching the achievement of first-time buying housing, particularly that in his written answer to me today on question 21, only 53 of the homes in progress are currently identified as first-time buyers? Can he comment on the fact that they were not zoned for first-time buy homes but lifelong homes? Is he satisfied with that? Is that enough? Can he also tell us what he is doing to return to the States with the H3 policy for first-time buy homes on privately-owned sites?

Deputy R.C. Duhamel:

In the statistics that were produced for the Deputy for question 21, my reading of it was that indeed in consideration of the delivery period, which was to deliver a lot of these things by the end of 2015, certainly the figures that we have produced and billed so far do not really give me much concern or worry. I think we are in a position to complete and deliver those units that we have estimated will be required. That said, I do share the Deputy's concern that perhaps not enough is being undertaken in order to bring forward truly affordable homes. Indeed, it appears that there is an undue influence at the moment that is beginning to build up to the provision of social rent plans. There needs to be a debate, I feel, in the House to determine the extent to which affordable homes should be higher up the list, so to speak. What am I doing? At the moment I am about to present a paper to the Council of Ministers for their prior endorsement before coming to this House in order to put forward a proposal to seek to increase the number of truly affordable units that could quite easily be accommodated on States-owned sites and indeed on other private sites, but under a slightly different formula to what is being considered by the Minister for Housing or indeed the Minister for Treasury and Resources. That is probably about as much as I can say on that at this point in time.

[11:45]

4.5.1 Deputy J.H. Young:

If I may, a brief supplementary? I did ask the Minister when he was going to return to the House with the H3 policy, which of course is on hold as a result of the States decision to set up a working party with the Minister, and that requires a report back to the States before it can be implemented.

Deputy R.C. Duhamel:

Apologies, the Deputy is absolutely right. That work is ongoing and is in a final state. The timetable is to present either before the summer recess or if that is not possible, because the timetables are fairly tight, then certainly by the opening of business when we return in the autumn.

4.6 The Deputy of St. Martin:

Could the Minister tell the Assembly if there are any circumstances under which the new Island Plan allows him to make a different decision on an application depending on whether that is a States-owned site or a site in the private sector?

Deputy R.C. Duhamel:

I think the Minister is entitled to make whatever decisions but has to pay due regard and pay attention to the Island Plan policies to the extent that those policies avail themselves or turn up in consideration of any particular proposition. At the moment, I do not think we do have one rule for

States-owned sites and a different rule for members of the public. If, indeed, that is the Deputy of St. Martin's impression, then I would be grateful if he could give me indications of examples where decisions in that regard have been taken and it is certainly something that I would remedy.

4.6.1 The Deputy of St. Martin:

I do not have any instances in the past. I am thinking more so of the future. I would just like the Minister - if he could - to confirm that he would use the regulations on employment led as strictly in an application for a States-owned site, as he is applying it in the private sector.

Deputy R.C. Duhamel:

Certainly, that particular clause, since its introduction in the new Island Plan has been used on many occasions so far and I would fully expect it to be considered in all applications in a fair and open way.

4.7 The Connétable of St. Helier:

Nearly a year ago the States agreed my amendment to the Island Plan that a feasibility study into a St. Helier country park should be undertaken. Could the Minister advise what progress has been made?

Deputy R.C. Duhamel:

This was carried in the media, I believe, last week and answers were given there, but I am happy to repeat. The work that was called for is being undertaken. There was not a specific timetable that was set down in order to deliver other than within the Island Plan period. The Constable should have my assurances however that I do consider it is an idea that merits worthy attention and perhaps is applicable in more than one place. The work is being undertaken at the moment. We can only go as fast as we can walk at the moment in terms of the number of staff that I have got to deal with master planning and S.P.G.s (Supplementary Planning Guidance) and the like. As I mentioned in this House to a previous question by the Constable of St. Helier, as to whether or not he could personally involve himself in the day-to-day and the nitty-gritty running of any detailed application, I said that I would certainly consider his offer when the time was available. We are not at that point as yet, but the Constable has my assurances that when the time comes I will be banging on his door.

4.8 Deputy J.H. Young:

On the theme of procedures for States-owned sites, he will have heard the answer from the Assistant Minister for Treasury and Resources this morning about the process being adopted for the Green Street site. Can he confirm that the proposal is in accordance with the Island Plan? Could he also confirm briefly that no development has yet been issued by that site, which would be the normal procedure were it to be privately owned? Thirdly, could he please explain what procedure for public consultation on such a brief takes place before he is required to determine the application?

Deputy R.C. Duhamel:

Previously, as Assistant Minister and on Scrutiny, I was very much interested in housing issues along with other Members and approached the Housing Department to see to what extent the Green Street site, or at least part of it, could be used as an exemplar project to bring forward what I consider to be the possibility for true, affordable homes. Some discussion has taken place with the Housing Department. I believe that there have been briefs to a certain extent that have been written and indeed some architectural work has been undertaken, to see to what extent a regeneration project on that site could deliver benefits across the board. That said, I think the general point is that there is more than one site. There are many, many sites in States ownership that could be used

for affordable homes and, indeed, that will be part of a presentation made to this House in order to test the assumptions as to whether or not the States are of a mind to use their own property in that particular case.

4.9 Deputy S. Power:

Could the Minister give the Assembly an assurance that in any application to reuse the Lesquende site at Quennevais, that he would encourage the Housing Department to seek a higher than indicated plot density ratio and particularly the number of habitable rooms per acre, which seems to have dropped from about 120 to something approaching 70? Would he have a view on this?

Deputy R.C. Duhamel:

I certainly do have a view, and I agree with where the Deputy is coming from. Density is an issue that we have to get to grips with. It is not always the scare story or the bogeyman that a lot of people think. Indeed with the Lesquende development there are a number of residents who have approached me over the years as to the insufficiency of the houses that were built and operated under the Homes Trust. There are not enough rooms generally and there are better design methods to improve the site without having to build rabbit hutches or places which are not suitable for human habitation.

PUBLIC BUSINESS

5. Open Ballot for Ministers and Chairmen (P.188/2011)

The Bailiff:

Very well, that brings questions to the Minister to an end. There are no matters under J or K, so we come to Public Business. The first matter is the Open Ballot for Ministers and Chairmen, projet 188, lodged by Deputy Trevor Pitman. I will ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion - (a) to agree that the election of the following should be undertaken by way of an open ballot and no longer by a secret ballot for States Members - (i) Ministers, (ii) Scrutiny Panel Chairmen, (iii) Chairman of the Privileges and Procedures Committee, (iv) Chairman of the Public Accounts Committee; (b) to charge the Privileges and Procedures Committee to bring forward for approval the necessary legislative amendments to give effect to the above proposals; (c) to agree that the election of the Chairman of the Jersey Overseas Aid Commission should be undertaken by way of an open ballot and to charge the Chairman of the Commission to bring forward the necessary amendment to the constitution of the Jersey Overseas Aid Commission accordingly.

5.1 Deputy T.M. Pitman:

Although I have many thoughts I hope no one can say that one of those has ever been that I am slow to give credit or thanks where they are merited. I mention this now because thanks are in order to each and every Member who 2 weeks ago allowed me to have this proposition debated. Having had this lodged for many months and with it falling away under the 6-month rule - if common sense had not prevailed - as a so-called Back-Bencher it was certainly very encouraging to see the majority supporting good democratic practice. So I say a genuine thank you to all those Members, the majority who did support me to bring this forward. With that out of the way, I am pleased to be able to say that although we have got quite a way before lunchtime I do not think I need to speak for more than 10 minutes. After all we, or rather the last Assembly, made the brave and, in my view, the correct decision to move to an open ballot for Chief Minister less than a year ago when I

brought that proposal to the Assembly in the summer of 2011. And though like other Members I too am generally a little sceptical about such claims, judging by the feedback that I have had personally, the people I speak to, the people who write in, email, and that which has been evidenced through the various media outlets, I have to say that I am fairly confident that that move is something that has been widely supported and widely appreciated by the majority of people. The open ballot for Chief Minister was also passed by a decent majority and though we have heard some arguments against the proposal ... sorry, we did hear some arguments against the proposal, some were fair comments, I concede, and there were others which I personally felt had little real merit. The bottom line, I suppose, is that Rome, if I can use such an analogy, did not collapse as a consequence of what I brought forward then and what was supported by the House. The real key result of that historic vote was that finally the electorate in Jersey, I suggest, could at least see some small link between how they had voted in the election - as a result of what each of us will have told them at the hustings or on the doorsteps - and what then happened afterwards with regards to the appointment of the Chief Minister, the leader of our Government. Put in a nutshell, I believe in the absence of a party political system at present, such openness is both necessary and it is wholly positive. There is a quote in my report highlighted: "Openness is the best weapon of a democracy" and I sincerely hope all would agree with that whatever their political leanings. I would like to just look quickly at a couple of possible arguments that I believe we could still hear today against what I am proposing, which is just essentially widening that openness. The first one is the argument that the only truly free vote that can be made is one in secret. In essence, the votes must be made in secret for the fear of bullying or intimidation. If we were talking about the public going to the polls, as they did last October, I would wholeheartedly agree. I think that argument would be completely valid but that, I suggest, is why we have the sanctity of the polling booth, where no one but the individual voter can go. The big and crucial difference here, I suggest, we are not members of the public going to the polls. We are elected representatives and there is a difference. Not only does the public, in my view, have a right to know who and what we vote for, we really should be big enough to stand up and own those decisions, however difficult, and they are difficult sometimes. I think regardless of our differences we do not all set out just to upset other people for the sake of it. But you are here, you have to vote, and most of us, I think, do try to use pour or against and miss out the one in the middle whenever we can. After all, let us never forget, as anyone who has worked with young people will attest, the majority of bullying or intimidation happens in secret. That is a fact, and the reason for this, as we all know, is that those who would bully you and intimidate are generally cowards. Indeed if I can hammer this point, I am simply, for the benefit of those new Members who were not here last time when I made a very similar speech, and secondly, because it makes me laugh even now when I think about it. I would ask Members, those who can recall what Deputy Judy Martin, sitting next to me, told us at the time of the open ballot for Chief Minister. She said: "We are adult men and women, we are not jelly babies" and I say never was a truer word spoken. The States may be many things but I suggest it is no place for jelly babies, even if some of our figures are going slightly that way, mine included. The second excuse, I believe, that we might hear today is that the list in my proposition is not complete, that more open votes could be added to it. I say fair enough, that is a reasonable comment. But surely, I would say to Members, the reality of the situation is this, the Chairman of the P.P.C. subcommittee, of which I am a member, said only 2 weeks ago that we were generally moving in the same direction of openness. This being the case, if some feel that other votes should also be open then the remedy was surely quite straightforward. Bring those measures forward, either as an individual or as P.P.C. It surely holds no water at all to suggest that someone should vote against this proposition today just because they feel it does not go far enough. Indeed, should we do so I generally think the public will think that we have finally taken leave of our senses completely. We have encouraged them with this move towards openness. What will it look like if we step back? I say again, remember this proposition has been lodged since the beginning of December last year,

just on 6 whole months. Anyone could have amended it in that time, including P.P.C. It could have been amended even in the time - let us be quite clear on this - that I have twice agreed to defer the matter.

[12:00]

Twice I have deferred this matter yet nothing has come forward. Nobody has tried to amend it. The truth about this, I believe, is as Deputy Tadier, who is not here today, from P.P.C. highlighted 2 weeks ago; accepting and supporting these major areas of increased openness now is a positive move because it can be used to give P.P.C. the steer that the majority of the House, hopefully all of us - I genuinely hope that - do support political transparency. The bottom line then I suppose is that supporting this proposition today in no way limits or curtails further measures being brought in the future. It is important to keep that in mind particularly to new Members who were not here last time. I honestly believe that I do not really need to say very much more, this proposition coming so soon after we committed - with wholly positive results, as I have said - to that open vote for the most senior position in our Government, the Chief Minister. All I will add before making the proposition, and hoping somebody seconds it, are these 2 brief points. Firstly, I say to Members just how odd and disconcerting will it look to the people who saw us vote openly for Senator Gorst or otherwise only a few short months ago, if suddenly we are backtracking and it will be backtracking. I suggest it would not only look highly inconsistent at the very least, but, most likely, it would look completely bizarre. In fact I think it would be a decision lacking any credibility and at a time when we are all wanting to enhance the public's faith in Government. Secondly, and I hope that I am saying this without any need now, if any Member is honestly tempted to vote against the proposition today - and, of course, that is their right - then I do at least hope that they will be consistent when further proposals along these very same lines or similar lines come forward from P.P.C. After all, I know from the public that I speak to and from my correspondence, that many members of the public genuinely are concerned that some politicians in the recent past have voted not on the proposition's merit but because of who has brought it. I think that is a shame. I am convinced that it has happened. I have never done that. I can say that hand on heart and I think my record shows it. If people are going to consider voting against it, all I would ask then is that when these other proposals come from P.P.C. in whatever way, to add or subtract, those Members are consistent and also vote against those. I would just hope that any Member speaking against the proposition today will make that consistency quite clear, when they speak for if Members are consistent in this way then, whichever way the vote goes, I, for one, will have absolutely no complaints. I believe I am right in bringing this forward. Certainly the public who speak to me seem to fully support it and, with that, I will thank Members again for listening, those who voted to allow this to be debated. I make the proposition and hope somebody seconds it.

The Bailiff:

Is the proposition seconded? **[Seconded]**

5.1.1 Deputy J.A. Martin:

Yes, Sir, and I would like to speak now. Why I would like to speak and second this proposition is because I am in a bit of quandary. I am on P.P.C. and I was on the last P.P.C. and I know that there has been lots of work done behind the scenes on many a proposition and when it comes to this House it does not go through. This debate is not premature. I think we have got a lot of new people in the House and we can put it to bed. You either support or you do not support, but, personally, I would not say it is premature. I voted for the open vote on the Chief Minister and there were some very passionate speeches for and against and I doubt very much if those principles have changed. I know about those people. We have quite a few new people. So, if anything, the Deputy is bringing something in principle that ... he sits on a subcommittee of a committee I sit on

and we get a very clear steer. Now, if it is very close the P.P.C. subcommittee can go away and possibly bring it. If it is completely defeated it goes to bed and if the Deputy wins the argument P.P.C. proceed. I hope people do not ... and they do come from P.P.C. It could be premature. The Chief Minister is going to be looking at it. I cannot remember personally which way the Chief Minister voted in the open vote for his own vote, if you know what I mean. He is telling me he voted for, but it is memory, and normally mine is pretty good. I think we do need a decent debate today, a good vote. Just do not say: "Oh, it is premature," because I know deep in all your hearts you know which way, and believe which way, you think that it should go. I am not saying that is right or wrong. I just think, to save the Greffe and P.P.C. running round trying to get things done, that will not be passed by the House, we are doing it in principle today and I hope we have a good debate and then the outcome will be taken on board by the subcommittee and, in turn, for P.P.C.

5.1.2 Senator P.M. Bailhache:

I think it is a pity that this debate is taking place. Deputy Pitman may have forgotten but he had himself elected to a subcommittee under the chairmanship of Senator Ferguson, which is considering Standing Orders as a whole and considering, indeed, the very question which the Assembly is now being called upon to debate today. I, for my part, would have liked to have had a discussion with him about this issue because he made a very interesting speech and certainly made a case for the proposition but it is not an open and shut matter. I would have liked, as I have said, to have had a discussion around the table and, in a sense, we have probably been deprived of that. The argument that principles of openness demand that all elections should take place by open ballot is seductive but does not, I believe, bear close scrutiny. Deputy Pitman's report states: "Who among us has not been told that people are tired of secrecy for no other apparent reason than secrecy itself? We have elected our new Chief Minister and, for the first time, the public have been able to see whether those they voted into office subsequently kept their word. This can only be a good thing." But how many voters cast their vote because the candidate in question was saying that he was going to vote for X or Y for Chief Minister? I think voters have more important things in mind when they cast their votes. But even if some voters do want to know whether the Member kept his promise to vote for a particular candidate for Chief Minister, that argument is of no application at all to chairmen of Scrutiny Panels or the Chairman of the P.P.C. Senatorial candidates going around the Parishes are not going to be asked on the platform: "Who do you support for the chairmanship of the Health Scrutiny Panel?" It is just not realistic. For a start, nobody would know who the candidates are going to be. So what public interest is there in knowing who voted for Senator Le Marquand or Senator Ozouf, by way of example, for the post of Minister for Treasury and Resources? I do not think that there is any public interest, properly so-called. There may be curiosity, but not a public interest. The object, I think, in voting for a Minister or a chairman of a Scrutiny Panel is to ensure that, in the interests of Jersey, the best person gets the job and the way to achieve that object is to have a secret vote because the only truly free vote is a secret vote. Otherwise, being human, we are all affected by friendships, desires not to upset a particular colleague or someone who sits next to them. An open vote, as the Deputy has said, opens the door - in very rare cases, I am sure, but I do not think one can ignore the possibility - to the possibility of intimidation. Why is it that, when the public cast their votes for Members of the States, it is done in secret and the law lays down rigorous controls to make sure that no one can find out? It is to ensure that democracy is protected and that every person has an absolutely free vote in choosing his or her representative. Deputy Pitman says that we ought to be big enough to stand behind our decisions and Deputy Martin talked about jelly babies and I am sure that, in most instances, Members do indeed stand behind their decisions and, in important matters, they will stand up to be counted. But I am not at the moment convinced that the proposition is in the interests of democracy. We do not have a party political system where everybody knows who votes for everybody else. We have a system which many Members would like to feel is more inclusive

and, in such a system, I, as I say, am not convinced that open polls are in the public interest. So I regret that the Deputy was not prepared to have this argument before the subcommittee set up for that particular purpose and I am going to vote against the proposition.

5.1.3 Senator S.C. Ferguson:

I must say, after the Deputy's comments I was tempted to expand on Deputy Pitman's faults but I think I will refrain. It is quite true; my subcommittee has been addressing this particular issue. As Senator Bailhache said - and I thank him for his contribution, I do not agree with him but that is an argument for another day perhaps - the original concept of the secret vote was necessary to prevent harassment. I mean, I have heard of examples of individuals in this Assembly, in previous years, haranguing other Members if they do not vote the way that the senior Members thought they should. I think this is much less likely nowadays, since people are much more prepared to protest and complain. This is the benefit of an open society and if somebody starts bullying you, do jump up and protest. Now, the proposer insists that once Members have taken a political stance then they should stick to it come hell or high water. I think we need to differentiate between principles and practice. It is entirely right and proper that a Member should comply with the standards set out in the Code of Conduct. That is a given and Members should not deviate from that. That is principle, but there are matters of fact which are subject to evidence. If the evidence dictates a change then it is entirely proper that a Member should reconsider their position. Even Cicero - and I will not bore you with the Latin - said that no well-informed person has declared a change of opinion to be inconsistency, whereas I was told when I entered the States: "The important thing is that you can explain why you voted in a particular way. Not only are you accountable, but you base your position on the evidence and your principles." In fact, I would agree with the proposer and maintain that the secret vote is essential in an election where a significant number of Members of the public will participate - for example, a general election or a strike ballot - but is totally different to voting in this Assembly. We are paid by the taxpayer and we are subject, under the Code of Conduct, to openness, accountability and transparency which, for new Members, can be found under Standing Order 155, Schedule 3.

[12:15]

If I quote from the minutes of the subcommittee: "We discussed whether the concept of open voting should be extended to all appointments which were currently elected by secret ballot or indeed whether the concept of secret voting should be extended to votes of no confidence or censure which are presently held in open ballot. It was agreed that, in the absence of party politics and published manifestos, the only way in which Members are accountable is through the scrutiny of their voting records. It was agreed that there was no justification for votes on the appointment of Members to positions of responsibility remaining opaque while a Member's views and voting record on all other matters, from taxation to social policies, were visible to the electorate. It was therefore agreed that a recommendation would be made to the main committee to amend Standing Orders to delete the word 'secret' and substitute with 'open' on respect of all appointments." This has not come forward yet because we intend to bring all the amendments together in one fell swoop. There is no point in sort of gentle dripping, one by one every week. We intend to report to the main committee by the end of June. So this will be through to the Assembly, providing it gets - and I see no reason why it should not - through the main Privileges and Procedures Committee. It should be brought forward fairly shortly afterwards. What we are recommending fulfils the main requirements of this proposition. What I am slightly confused about is why Deputy Trevor Pitman has insisted on bringing this proposition to the Assembly now when the Standing Orders subcommittee, of which he is a member, is recommending that we remove the secrecy element in voting. So, really, I think we can curtail this debate and I recommend that we go straight to the

summing up and the vote and I would recommend to Members that we vote in favour of the proposition.

5.1.4 Senator L.J. Farnham:

I came round a little quicker than I had anticipated. While fully understanding the importance of an open ballot in certain circumstances, one must always take into account the forum in which one seeks such an outcome. For example, in another type of election, whether it be a general election or something else, in a large constituency there are many disadvantages, such as the inability for a recount to name but one. The myth that the only free vote is a secret vote is also flawed in a forum such as the States Assembly because I believe we are all above that. So this should not really be a valid part of the debate by the detractors of the proposition. I look around here and I have worked closely with most of the Members here and I cannot name one that I think would succumb to intimidation or bullying over a vote for a Minister. I simply think, as individuals, I hold Members in the highest regard and I do not think we would succumb to that. So that is not an argument, but the real issue here for Members to consider is one of sincerity and the real and human possibility that Members may feel obliged to vote in a certain way, for reasons such as loyalty or, as we all do in politics from time to time, work in a strategic way with whatever plans or stratagems we may have moving forward, when really Members would have liked to have followed a different path. This, of course, would be insincere and an insincere vote is no better than a vote cast under the duress of bullying or intimidation. So whatever one may say about our current Council of Ministers, I believe they were put in place by votes cast with sincerity and Members should remember that during this debate.

5.1.5 Senator P.F.C. Ozouf:

I do not always agree with Deputy Pitman or Senator Ferguson and I am in somewhat of an interesting dilemma in this proposition because I do absolutely agree that we need the wholesale reform of Standing Orders, which I know P.P.C. are doing and I look forward to their conclusions. Here is the dilemma. It has been suggested that when a Minister is on the ropes they may suffer a vote of no confidence. Maybe that will be coming. I do not know. Of course, a vote of no confidence is a vote that is recorded with every vote in public. If a Minister stands down and seeks re-election, of course the vote is in secret. There is a dilemma. I hope that I do have the confidence of the Chief Minister. I hope that I will be able to continue to serve. Maybe I will face a vote of no confidence, but I note the interesting difference between the 2. I originally voted against, I think the open ballot for Chief Minister because I had concerns about the way in which the sort of personality parts of politics would happen. I was not the Chief Minister's original candidate for Minister for Treasury and Resources but he knows that and I know that. I also know who he voted for and who I voted for as Chief Minister, but we work well together and the whole Council of Ministers has worked well together. I am much less concerned now perhaps than I was previously about the individual votes on Ministers. I still think there are real issues that we need to think about. Would I behave in any different manner if I knew who supported me, one or 2 votes for both in the Chief Minister's votes than I? Would I really know differently? Would I treat any Member differently if I knew they voted for me? Would I work harder on trying to lobby them? They are natural areas of politics. These are really difficult issues to go with. Interestingly, I hear the views of Senator Ferguson and her panel and perhaps it is right that we at least have a level playing field in whether there is a vote of no confidence or whether there is a vote to stand again. I am in a real dilemma about this. I look forward to hearing the Deputy's summing up. He and I do not often agree, but we do agree on quite a lot of things and some things that we have been talking about in recent days. There needs to be a level playing field and I just put to Members the dilemma: face a vote of no confidence, have a public vote, stand down or have a secret ballot for your potential re-election or otherwise. It is a real problem.

5.1.6 Connétable J.M. Refault of St. Peter:

I rise not to talk about the actual detail of the proposition itself. My concern is more to do with the bringing of the proposition in itself. I am open-minded as to the outcome and I have to say that I was intending to vote against it earlier on. I am probably still going to do that based on Senator Ferguson's comments when she advised the House a few moments ago that all this would have been dealt with within the P.P.C. sub-panel to review this. I am probably still going to vote against it because I believe that is the way it should be done, where it has been properly evaluated and investigated. If I support this now I am more or less saying that, irrespective of what P.P.C. are doing in the background, I am going to make a knee-jerk decision on a proposition which is brought today, maybe another one next week or in a fortnight's time and maybe another one in another fortnight's time, which, at the end of the day, will limit the potential of the overall report to reflect all the different evidence that they have brought in. I think I am not voting against the principle of what Deputy Pitman brought forward. I think I probably do support it, quite frankly, but I am going to vote against it because I think it is wrong that he has brought it now when the work has already been done to fully evaluate whether it should be open or closed.

5.1.7 Deputy E.J. Noel:

Just to quickly say that when we voted to have an open election for Chief Minister I was one of the Members that supported Deputy Trevor Pitman and it was a rare event that I do support one of his propositions. I would just like to confirm back to him again today that I will be supporting him for a second time.

5.1.8 Deputy J.A.N. Le Fondré:

Deputy Pitman is doing very well and getting unusual endorsements today. I did not support the original proposition and the world did not end, which was the proposition to make the vote for Chief Minister, and I am also on Senator Ferguson's sub-panel. The panel have agreed that it is worthy of merit and are working on it and, on that basis, I am supporting the view of the panel and will be supporting the proposition of Deputy Pitman.

5.1.9 Deputy J.H. Young:

As a new Member, I came to this House believing in openness and transparency, but there are always some issues in my mind to resolve. I was looking forward to the debate when we see the P.P.C. reform proposals come forward as a whole when I could resolve those issues; issues in taking, for example, the parallel of openness in court proceedings. You do not go in the jury room and you do not count who votes for guilty or not guilty. There are exceptions and I want to be sure that what this Assembly approves is in the overriding public interest, which, to me, is about getting the right people who can do the best job for the public of the Island. I am very disappointed that we are forced to make this choice today. Obviously with my predisposition to openness and transparency, a lifelong one, I do not want to vote against it, but the comments of Senator Ferguson emphasise to me the problem about doing this piecemeal. The Senator said that there is a whole review process going on and we are going to see a whole set of changes and I want to see the big picture. I want to see it all and then I think one can make a balanced judgment. I have listened to Members who have said they have got doubts and I worry about remarks: "I voted for him before, so I am going to support" and all that sort of thing. That is not the basis on which we decide. We should be confident that these are the right proposals. I am not going to vote against but I think I am going to abstain because I think this debate is happening at the wrong time and in the wrong place.

5.1.10 Deputy G.P. Southern:

It is interesting, our system, is it not? It is a unique Jersey system in which we do not have any political parties and, by and large, most of us do not have much when we stand by way of policy. I think Deputy Pitman is absolutely correct when he says that there is no connection between what people want out there and their vote and what then happens in this Chamber. Why? Because we are not particularly policy-based. We have a personality system. We run on personalities. By and large, we stand up and say: "I am a good bloke or female, vote for me and I will do my best in the best interests of the Island." Most people's policies go little further than that. Some may have some specific policies in the Parish or on particular issues, but, by and large, nobody knows what we are getting when the new House assembles, as I have seen now 5 times. What I do know is that when I have been elected in my district more people have come up to me, and shook my hand and said: "I voted for you" than votes I got. **[Laughter]** I think, keeping a careful record, I have noticed that in the House. I have got 27 votes here according to what people are saying to my face, but not in the actual ballot box, although a lot of people come up and say: "You gave by far the best speech but I did not vote for you." What is it about? It is about personalities. Personality politics is what we do. I regret that and I think it should be all on policies and not on personalities. In fact, certainly the balance should be a little bit more towards the policies so that people out there know more or less what they are getting, but that has not happened. That is not going to happen in the near future. So what are we down to? No political party system, no policies and no connection between the vote and what happens, but people are aware of those personalities and they expect us to be adults. The argument about intimidation or some other form of corruption, of offering positions, of bartering: "Ha-ha, you vote for me and I will vote for you", that we are going to be influenced by that. I, quite frankly, do not believe that. We are not children. We are grownups and we make our own minds up, sometimes on the issues and sometimes on the policies. As other members of this subcommittee have said - and I am on there as well - we are in support of this particular proposition. The argument that you should not vote for it because of the way of doing these things and the way of not doing these things is ... as described by the Constable of St. Peter, where he seems to think that if we vote for this today, it will mess up the report that we are going to bring later, as if what we are here for is to bring reports and not to vote on the issues. I would encourage Members to vote wholeheartedly for this proposition. I think it is a safe proposition and I think people out there will finally know what side some of us are on.

[12:30]

5.1.11 Deputy J.P.G. Baker of St. Helier:

This proposition has significant superficial appeal. It holds itself out to be a step towards greater transparency and, further, it professes to create a more democratic process. However, if one applies a degree of common sense to the proposition, one will soon see that this objective is diametrically opposed to what would be achieved if the proposition were successful. The freedom for individuals to vote for whoever they wish without any external influence is democracy in its neatest and perhaps purest form. This allows Members to follow their own beliefs, free from external pressure, and leaves them able to vote entirely with their conscience without the need for further justification. This freedom may mean that Ministers and their Assistant Ministers vote against each other, but that is a democratic process free from further scrutiny, analysis and indeed distortion. It does not mean that a vote and indeed a voter, is then subject to further analysis with their voting record used as a poorly-aimed weapon against them. Furthermore, it does not mean that once a Member is elected, or otherwise, the publicising of the votes cast is an excuse for supporting or not supporting that person in their role. All Members should have the maturity and confidence to support that individual in the role for which they have been elected. What is also contained in the proposition is another thinly-veiled attempt to discredit Members of the Assembly. The words "secrecy" and "democracy" are interlaced throughout the document, as well as allegations of anti-democratic practices. The word "secrecy" infers something untoward is going on but, in reality, this is simply

the freedom to vote as one wishes. Perhaps when the word “secrecy” is used one should replace “secrecy” with “privacy”. Privacy is something that we all have a right to. As has been mentioned, would we even consider having open ballots at polling stations? May I suggest that Jersey is blessed with a fully-functioning democracy which we should be proud of. It is our Government that perhaps, at times, does not perform well. Our Island deserves better than this proposition taking up yet more of our time. It is littered with nonsensical phrases and is further evidence of a suboptimal government. If one believes that Jersey has a failing democracy then one must question how we have all been elected. It is naïve and in some ways insulting to those who live without any shred or hope of democracy to bring this proposition forward. We are fortunate to live in a functioning democracy and to be able to vote freely. There are millions of people on our planet for whom democracy is a farfetched ideal. I have fought alongside those who are prepared to die for the right to vote and Members would be well placed to consider these people before giving credence to the idea that democracy is, in part, absent here. We have all been elected to represent the public and get on with the task of leading and making decisions but, yet again, we are spending time - and myself included today - debating matters of relative *de minimis* importance. We have the highest unemployment recorded in Jersey, which is likely to rise further. Our finance industry, which provides us all with a better-than-average standard of living, is under increasing pressure and we have school leavers leaving full-time education in a matter of weeks with poor job prospects. Yet we are debating another proposition and listening to associated speeches which hint of plots, schemes and perceived secrecy. Picking up on the proposer’s theme of Rome, there are perhaps some similarities here with the little-used idiom of Nero fiddling while Rome burns. Perhaps Members are unaware of the commercial reality of where we are in the economic cycle or maybe we need reminding of how hard it is in the private sector to simply avoid making redundancies, let alone grow a business and contributing to the wider good of the economy. I joined this Assembly as a reasonably disillusioned member of the public, often embarrassed by the poor level of debate, the lack of understanding of key issues and the imperceptibly slow progress in this Chamber. I joined to make a difference, to make decisions and improve our Island. When the day comes that we are all living in Utopia I will willingly spend time debating the merits or otherwise of open ballots and other premature, poorly thought through proposals. [Approbation]

5.1.12 The Connétable of St. John:

Six months ago I voted along with the proposer on this particular issue to have the votes in open but we have moved on since then. We have put in place an Electoral Commission. Why put in place an Electoral Commission if we in this Chamber are going to be trying to do the work for them? I think it is wrong. I am thinking back probably 12 years ago when we were about to embark on putting in place all the Clothier details and in 2004-05 we were ready to move forward. A Member brought to this House, at the last moment, a proposition that in fact the Chief Minister and his C.E.O. (Chief Executive Officer) ... in fact the C.E.O. would not be in charge of all the C.E.O.s of the various departments. That went through on the hoof and we finished up with what we have today, 10 silos. We lost our chief C.E.O. recently because he was employed to run the civil service and that did not happen. So his contract had to be changed. I do not blame him leaving the Island because he was employed to do a specific job. By us having gone down that particular road on that occasion we have lost 6 or 7 years from misdirection in a number of areas. Hence we are where we are today and we have had to call for another review of our Government. I do not want to be pre-empting what might happen out of that review by putting more obstacles in place for this body. Only last week we saw more legislation coming to this House, prior to this Government review, on taking the powers away from the Connétables, of which I was the only Connétable to vote against it because I believe that should have waited and all come into being as part of the review of Government. I will not be supporting this today on those grounds, because I think if we have elected a body of people to do a job those people should be allowed to get on with

it under the chairmanship of Senator Bailhache and do what is necessary and report back to this Chamber. That is the time to debate the way forward for this Island.

5.1.13 Senator P.F. Routier:

During this debate we have heard from various Members of the subcommittee that are looking at this, and while having different views from them, I do get a feeling that the subcommittee do feel that openness in the way we elect people is the way we should be going. I think I do support that view. The work that they are doing has got to take its course. So I would like to see the overall picture as has been highlighted by Deputy Young, who made that point very clearly. Also I need to comment on paragraph (c), which is about the election of chairman for the Jersey Overseas Aid Commission. I am supportive of an open ballot for that and I think that is something that should proceed, but I say that with the proviso that I would like that work to be included within the Privileges and Procedures work so that, rather than the Chairman of the Overseas Aid Commission going off and bringing forward his mechanism for carrying out a ballot, I think it is important that they are carried out in exactly the same way as the rest of the elections. So I find myself in a position where I am not sure which way I am going to vote on this because I really want to see the outcome of the work of the committee, but I do support the move to go to an open position.

5.1.14 Deputy M.R. Higgins:

I must say that I quite like the quote within the start of the report from Deputy Pitman: "The best weapon of a dictatorship is secrecy and the best weapon of a democracy is openness." I came into the States and in fact I have asked many, many questions on a lot of issues and I want to see greater openness and transparency. In fact, if you look at the written questions today, I have got more questions, asking us to be more open. I am highly critical of Ministers, for example, who hide or are constantly evading issues. In fact, so much so - and this is no secret - the Minister for Planning and Environment, I am making a formal complaint against him today to the Chief Minister for obstruction on answering questions. I have already told him that I was going to do it if I did not get an answer today. Just to give an example of this to Members, I asked a question on 17th January regarding the Enforcement Division of the Planning Department, how many planning enforcement actions they have brought over the last 4 years; how many have been successful and so on. I still have not got the answer. Even today, for example, I asked a question about Reg's Skips, the lessons learned: "What has been done?". Again, they have evaded answering some of the criticisms that were made and explaining what is going on. This is a constant sort of thing and so I do believe in greater openness and transparency and so I naturally will be supporting this proposition. Now, it was mentioned earlier about some bullying that has gone on. I know it may have been more of a case in the past. I have heard the stories about some of the people who were almost bending the arm of some Members in the coffee room if they appeared to be going away from things. This is before my time, I might add. But there are also cases of almost inducements and double-dealing. We know that politics is Machiavellian and it is not just in the Westminster Parliament that it takes place. I am sure we have all got instances or we have heard different stories about what is going on. For example, just going back to the current situation of the Minister Treasury and Resources, we know that he is wondering what is going to happen on the Council of Ministers: "What is the Council of Ministers saying about me? Who is with me? Who is against me?" He is also wondering what is going on in the States. We know he is on a charm offensive. He has been charming of late and very supportive. But, equally, we know that there are others who are discussing behind the scenes what his position is and it is going to be interesting to see how it all resolves. I do not know. I have not been involved in all of these sorts of discussions, but I am sure the Minister for Treasury and Resources is going to be most interested in the outcome. So these things go on and they go on behind the scenes and people are saying things to your face: "I am going to support you" as Deputy Southern said, and behind your back they are conspiring with the

others, going the other way, and with a secret ballot they can get away with that. I do not believe in that. I believe that we should be open and transparent. I have already mentioned about the Code of Conduct. We are supposed to be open, transparent and honest and all the rest of it. I am afraid it does not happen, there are deficiencies and that is why I am taking the action I am going to be doing against the Minister for Planning and Environment. A point about whether we should be doing this now. Well, first of all, if I just go back to the Constable of St. John. He talks about the Electoral Commission. You have got the wrong body. The Electoral Commission is not dealing with this issue. It is a sub-panel of P.P.C. that is looking at the codes of practice and I am, again, on that sub-panel and I have already stated that I am in favour of openness and transparency and would like to have this vote out in the open.

The Connétable of St. John:

Sir, I accept that he is correct. It is P.P.C., but it is part and parcel of our review.

Deputy M.R. Higgins:

With respect, it is not for Senator Bailhache to come back and report as part of the Electoral Commission. Also, Deputy Pitman has been criticised for bringing this matter up now when all these reviews are going on. Well, let me just say it was 6 months that he asked it. It was before we even had the sub-panel. So I think it is fair enough that he should be heard. A point I would make about the sub-panel is that, although the sub-panel is in agreement on this, it does not mean to say that when it goes back to the main panel ... I know Senator Ferguson says she expects the main panel will support it. I have no guarantee of that. I am not on the main panel and, therefore, I do not know if that will be the outcome in the end. So at least here, now, I have my ability to say what I think and to vote accordingly and I think that is it. The public expect us to be open and transparent. We often talk about the public not being terribly amused with the States. We have got into disrespect and everything else. Let us not hide behind secret ballots on this type of issue. Let us be open, so they just see and judge us by what we do.

[12:45]

The Bailiff:

Does any other Member wish to speak? Very well, I call upon Deputy Pitman to reply. How long do you wish, Deputy, because the adjournment has been proposed?

Deputy T.M. Pitman:

In fairness, I probably need 5 or 6 minutes.

The Bailiff:

Do Members want to complete this?

5.1.15 Deputy T.M. Pitman:

Time-keeping has never been my best. What can I say? I would like to thank everyone who spoke, I think. There has been some good opinion put forward and I really appreciate that. I will try to run through them very quickly. Deputy Martin said she felt it was not premature. She was very supportive of this and I have thanked her for that. Senator Bailhache, I think I knew the Senator's feeling were different to my own. I appreciate his interpretation of things and his opinion. I mean we are all entitled to those views. I have to say I do not agree with his views. I think secrecy is far more of a problem than openness. So we will have to beg to differ on that. Senator Ferguson, she is the chair of the subcommittee. I appreciate her reservations, particularly the fact that she still saw this was something that could be supported. I was not able to go to the first meeting when it was discussed because of our bereavement, but I know those debates are still going on. My only

point would be to her and to a couple of other speakers later, that I did lodge this before any of the subcommittees were formed. One thing I must say to Senator Bailhache. He did say he would like to discuss this with me. Well, I would be happy to discuss it with him, but I do not think I have missed any emails. I am always open to discussion. So there is nothing to stop any Member putting those thoughts or concerns forward. Senator Farnham talked about sincerity and I totally agree with him. We have perhaps disagreed on how that is best demonstrated to the public. I think it is by that openness. Perhaps, on reflection, he might come to agree with me. Senator Ozouf seemed supportive of me. I thank him for that. I nearly fell down then. Luckily I was sitting, but then I probably would have collapsed completely when I found out Deputy Noel was also supporting me. Perhaps there is fresh air flowing through the States. The Constable of St. Peter, I understand his concerns. However, I would point out to him that I did lodge this long before those committees were in place and, again, I repeat what I said in the main proposition. This does not in any way curtail what can be brought forward by that subcommittee. Deputy Le Fondré is also supporting me. I am getting more and more worried as the day goes, but thankful. Deputy Young had some concerns and, again, I understand those. He said he would abstain and I hope I could persuade him not to because I think it is good to vote one way or the other and I do not think supporting this would have any negative impact on what he wants to see in the bigger picture. Deputy Southern pointed out about the no link at present and how we moved forward slightly with that vote for Chief Minister. I think it is true that in a smaller jurisdiction like Jersey a lot does depend on personality to the ordinary member of the public who perhaps does not follow politics closely. It was interesting when he talked about how apparently you have got 2,000 votes more than you end up with because Senator Breckon, who is not here today, made this very point, that when he stood for Chief Minister he was counting his votes and he was quite shocked when he did not seem to have all those people who were coming up and saying: "I voted for you." Now, that could not happen with an open vote and I do think it is important. I want to say something nice about Deputy Baker's speech, so I will congratulate him as it was his maiden speech. I obviously do not share his opinions. I was disappointed that he seemed to be implying that I had some ulterior motive for bringing this because I can assure him that I do not, but we will have to differ on those. The Constable of St. John did seem to be under the impression - and I know the point he is trying to make - that this should be left for the Electoral Commission. Well, it is not for the Electoral Commission, rightly or wrongly. Finally, we had Senator Routier who felt generally supportive of the principles and I just hope that I can push him to vote that way because whatever we do today will not negate anything that comes through on Senator Ferguson's subcommittee. Deputy Higgins finished off. He was very supportive. He talked about perhaps the darker side of politics that has gone on and we all know it has gone on in the past, not the physical arm twisting but severe pressure. I have seen it in my time in the States. He mentioned how he really felt that that openness was the way forward. I think there are only positives to gain from this, certainly outweighing any negatives. With that, again I thank everybody who spoke and I will put it to the vote and let people have their lunch.

The Bailiff:

Is the appel called for?

Deputy T.M. Pitman:

Yes, Sir.

The Bailiff:

The appel is called for then in relation to the proposition of Deputy Trevor Pitman. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 27		CONTRE: 18		ABSTAIN: 1
Senator P.F. Routier		Senator B.I. Le Marquand		Deputy J.H. Young (B)
Senator P.F.C. Ozouf		Senator P.M. Bailhache		
Senator S.C. Ferguson		Connétable of Trinity		
Senator A.J.H. Maclean		Connétable of St. Clement		
Senator F. du H. Le Gresley		Connétable of St. Peter		
Senator I.J. Gorst		Connétable of St. Mary		
Senator L.J. Farnham		Connétable of St. John		
Connétable of St. Helier		Connétable of St. Ouen		
Connétable of St. Lawrence		Connétable of St. Martin		
Connétable of St. Brelade		Deputy of St. Ouen		
Connétable of St. Saviour		Deputy of Grouville		
Deputy R.C. Duhamel (S)		Deputy J.A. Hilton (H)		
Deputy R.G. Le Hérisssier (S)		Deputy of Trinity		
Deputy G.P. Southern (H)		Deputy S.S.P.A. Power (B)		
Deputy J.A.N. Le Fondré (L)		Deputy A.K.F. Green (H)		
Deputy K.C. Lewis (S)		Deputy G.C.L. Baudains (C)		
Deputy T.M. Pitman (H)		Deputy J.P.G. Baker (H)		
Deputy E.J. Noel (L)		Deputy of St. Peter		
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy of St. John				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy R.J. Rondel (H)				

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

Before the adjournment there are 2 matters which I would like to raise with the Assembly. First of all, to inform the Assembly of 3 lodgings: projet 51, Draft Employment Tribunal (Amendment No. 3) (Jersey) Regulations; projet 52, Draft Petroleum (Amendment No. 3) (Jersey) Law; projet 53, Draft Petroleum Substances (Jersey) Regulations, the latter 2 lodged by the Minister for Home Affairs and the first by the Minister for Social Security. The second matter is that I am very pleased to tell Members that His Royal Highness the Prince of Wales and Her Royal Highness the Duchess of Cornwall will be visiting Jersey on Wednesday, 18th July as part of the arrangements to celebrate Her Majesty's Diamond Jubilee. A programme for the visit is currently being planned and we will make a further announcement as soon as possible, once the content is finalised, but I would invite Members to keep 18th July free both during the day and during the evening.

[Approbation]

Senator A.J.H. Maclean:

Just before we adjourn could I seek the agreement, hopefully, of the States. P.42, Collective Investment Funds, is on the agenda. I am going to be approximately half an hour late returning from lunch. I have a family commitment and I would ask Members if, in the unlikely event that that comes up, which I do not think it will, it could be dropped down the Order Paper.

Senator P.F.C. Ozouf:

I am happy to take my Standing Order issues straight afterwards if that assists the Minister.

The Bailiff:

We will see how it goes but all Members have agreed to take that at the end if that is convenient. The Assembly stands adjourned until 2.15 p.m.

LUNCHEON ADJOURNMENT

[12:54]

STATEMENT ON A MATTER OF OFFICIAL RESPONSIBILITY**The Bailiff:**

The Chief Minister has requested to make a statement, I have given leave to him to make the statement. I think it is about to be handed out by the ushers but do Members agree that this would be a convenient moment for the Chief Minister to make a statement? Very well, then I invite the Chief Minister to make the statement.

6. Statement by the Chief Minister re structural deficiency and a more rigorous code of conduct for Ministers**6.1 Senator I.J. Gorst (The Chief Minister):**

When I started as Chief Minister I was aware of the major concerns being faced by our community and of some of the difficulties the organisation was tackling. But I was not aware of the depth of the issues which needed to be addressed by the corporate functions of Human Resources, Information Services, and Property Holdings. The departments manage their individual work streams efficiently but when one of the central departments tries to make corporate decisions they are held back by the very structure of the organisation that set them up. When we moved to ministerial government we set up a devolved structure with each Minister operating individually and each Chief Officer answerable to the Minister. At the very same time we are trying to operate as one organisation which needs a corporate structure to work. It is this structural deficiency that the Comptroller and Auditor General has clearly highlighted in his report on the proposed acquisition of Lime Grove House. He pointed out that Human Resources was not adequately funded, Property Holdings was not meeting its objectives and there was a failure in communication between the various parts of the organisation that were involved in the negotiations. The report also highlights the lack of modern and effective H.R. systems and processes. This meant that procedures used in the disciplinary case did not provide the necessary balanced perspective. For these ambiguities I would like to apologise today. A central part of the States Strategic Plan is the reform of the public sector and the development of a flexible organisation that serves Jersey effectively and efficiently. Service redesign is a major aspect of this reform programme and it will mean a change in our culture, values, and behaviour. I am working with the Acting Chief Executive of the States on transforming the public sector to achieve this. In March I agreed with the Comptroller and Auditor General's assertion in his previous report that to build a self-confident, highly performing organisation requires the development of a culture based on mutual respect and shared values. Ministers must be seen to be part of that culture. I still agree with that assertion and work has begun to ensure the organisation moves in that direction. Part of that work is to address the potential for the development of problematic relationships between Ministers and Chief Officers. It is a relationship that will always involve a certain amount of tension and while that tension remains creative it can provide positive challenge during policy development. There must, though, be a mechanism for senior managers and Ministers to use when they see that the relationship is developing in ways that do not support the healthy functioning of the organisation. I support a more rigorous code of conduct for Ministers which establishes proper procedures for conflict resolution and which clarifies the sanctions for both Ministers and Chief Officers if they do not comply with it. This code is currently in the process of being amended and a revised version

will be presented to States Members for consultation. I am convinced that embedding a culture based on mutual respect is the best way for our organisation to function effectively. Senator Ozouf was re-elected to his ministerial position in November. He is a strong and effective Minister for Treasury. His record speaks for itself. He has tackled a looming deficit, led a Fiscal Strategy Review and Comprehensive Spending Review, which together will balance the books leaving us with no debt and a balance sheet other jurisdictions could only wish for. He has developed a new financial system, the medium-term financial plan, which will see departments planning their spending over a longer period allowing senior managers flexibility and ending the spend it or lose it mentality that used to be so prevalent. Being Minister for Treasury is a tough job. Treasury policy may not have been popular with everyone but the Minister did not make those decisions in isolation, he made them with the support of the Council of Ministers and this Assembly and he has carried them through with drive, determination and commitment. It is that determination and commitment that may sometimes lead to the Senator's forthright approach tipping over into a manner that could be interpreted as bullying. Senator Ozouf has said both today and in his ministerial election speech that he needed to change and that he had not always got everything right. He has apologised for the way he has managed certain relationships and meetings. Both the Council of Ministers and I believe that the Senator has recognised the need to act in a consensual manner. This latest report from the Comptroller and Auditor General looks at the actions of the past, before Senator Ozouf's appointment in November of last year. It examines a period during 2010 when the Senator was dealing with an enormous pressure of work, Zero/Ten, balancing the books, restructuring the Treasury. Coping with pressure is part of a Minister's role but I do not believe Minister's have been properly equipped through appropriate training and development to prevent that pressure from affecting their behaviour. Under my leadership I do not want to see bullying. There is no place for it, either here in this Assembly or in the way that politicians relate to officers. It is not necessary and it is not the best way to meet the very important objectives we have agreed in our Strategic Plan. I am putting in place measures to ensure it does not happen in future. We can all learn to operate more effectively at work. Good communication and changed management skills will be essential as we approach the root and branch reform that is needed to transform our public sector into a modern, efficient service for the Island. I am determined that as ministerial government matures Ministers must have access to appropriate training, as States Members do. This will help us manage our work and relationships and prevent what can be a very stressful job from affecting the way we deal with colleagues. I am setting up a programme of one to one meetings with Ministers to regularly review their work load and to discuss their progress in delivering their objectives. This will also give me a change to check for signs of stress. I hope Members will agree with me that everyone makes mistakes. One of the changes I want to effect as part of the reform programme is to end the blame culture that currently exists. That does not mean people should not be accountable for their actions but accountability and blame are not the same thing. To be accountable means to be responsible for and answerable for an activity. Understanding how a failure has happened helps us to prevent similar failures. Blame is another thing entirely. Once we have found the culprit and allocated the blame that is where any analysis usually stops before there has been any real organisational learning. That is not the kind of organisation I want to lead. I want to see brave decisions being carried forward by people who know their jobs and believe in serving the public. We have a responsibility to our hardworking and dedicated staff to create an environment in which they can effectively and efficiently deliver their services to the people of Jersey. It is my role as Chief Minister to lead that initiative with the support of Ministers. As Ministers we need to provide challenge, however, I do not condone bullying or intimidating behaviour and we are putting in place the policies and procedures for Ministers to be clear about how to fulfil their role without putting staff under duress. People have asked me to show strong leadership. Some have meant by this that I should remove the Minister for Treasury, others have meant I should support him. When we get things wrong the strong and

often most difficult response is to apologise, learn from our mistakes and use what we have learned to do a better job in the future. That is what I believe is the best thing to do. We have a strong Council of Ministers with each member of the team contributing their own expertise to the mix. We need to learn from our mistakes and make the public sector into the kind of organisation that provides excellent services efficiently, both now and in the future. I hope that we can all work together to get there. [Approbation]

The Bailiff:

Very well, now Members have 10 minutes for questions. Deputy Southern?

6.1.1 Deputy G.P. Southern:

Can I just draw the attention of Members to 2 statements here, to be accountable means to be responsible for and answerable for an activity. The Chief Minister has also said the Senator was dealing with an enormous pressure of work but says coping with pressure is part of the Minister's role. Does the Chief Minister believe that pressure will be somehow less as we go forward from here and will the Minister relieve that stress on the Minister for Treasury and Resources by removing him from the post?

Senator I.J. Gorst:

Perhaps I can take the last question first. No, the Minister for Treasury and Resources - as he said when he stood for the office back in November - recognised he needed to change. He recognised that he needed to divest himself of some of the responsibilities that he had been asked to perform in the previous 3 years and he has indeed done that.

Deputy G.P. Southern:

But does the Chief Minister believe that the stress will now be relieved?

Senator I.J. Gorst:

I believe that the Minister for Treasury and Resources is performing a different function from that which he was called upon to perform in the previous 3 years. It is a Treasury and Resources function. In the past he also was the Deputy Chief Minister and - it does not need me to remind Members - there were a number of stresses that the Island was facing that he was also called on to deal with.

6.1.2 Senator S.C. Ferguson:

Does this mean that the Chief Minister and the Council of Ministers condone the pattern of behaviour that is shown in the report? Is the Chief Minister aware that Chief Officers do not use letters of direction, which is the normal method of a Chief Officer who does not agree with his Minister - Chief Officers do not use letters of direction because of a climate of fear? I believe the comment is that they are not very career enhancing.

[14:30]

Senator I.J. Gorst:

I can well believe from what I have seen in my short period that some people feel that there has been a climate of fear in the public sector. However, already - even within this short period of time - I am receiving messages and comments from people working within the public sector who believe that they are starting to see the light of change. They believe that they are able to come forward with new ideas and developments that will make the organisation exactly the type of place that we wish to see delivered. With regard to the Minister for Treasury and Resources, as I have said, the Minister for Treasury and Resources at the start of this term of office recognised his need to

change. This Assembly voted for him to be the Minister for Treasury and Resources. I work with every Minister that is in post and that is right and proper.

6.1.3 Deputy J.A.N. Le Fondré:

Does the Chief Minister consider the behaviour of the Minister for Treasury and Resources, as identified in the C.A.G. report and also in the letter of 18th May 2012 to be acceptable or unacceptable? A very clear question.

Senator I.J. Gorst:

The Minister for Treasury and Resources has answered that question rightly this morning and so I believe that he gave a fair answer. I suspect that some of the questions that the Deputy is alluding are ones where if we take the bullying and harassment accusation that was made. From my reading of the report the Comptroller and Auditor General was not able to conclude on that matter and he says so in his report. I do not believe, however, that it would be right for me to comment, particularly with regard to the letter which was sent to P.A.C. on 18th May because there is no full transcript of that meeting on which I could adjudicate.

Deputy J.A.N. Le Fondré:

I did ask a very clear question. In respect of the other issues, for example the end of the report including the conspiracy to damage the reputation of a civil servant.

Senator I.J. Gorst:

As I said, I do not condone bullying and that is exactly as Members would expect me to say. With regard to the removal of the director of Jersey Property Holdings, again, the Minister for Treasury and Resources has spoken this morning about his concerns around performance and again if we look in the report, if we read the extract from a comment by the interim finance director, it was the interim finance director that raised concerns about the performance of Property Holdings. It was ultimately the Chief Minister. I cannot say now whether S.E.B. was consulted or not in that instance which dealt with the ultimate removal of the director.

6.1.4 The Connétable of St. John:

Given the Minister's statement does the Chief Minister consider that his statement will do more damage to the system of Scrutiny and his statement means that Scrutiny is now on the decline?

Senator I.J. Gorst:

Not at all, I could not disagree more. I have stood up here this afternoon and I have concurred with the findings of the state of the organisation which this Assembly has asked me to lead with the state that the Comptroller and Auditor General has said it is in. I do not think, therefore, it is a bad day for Scrutiny, I think that Scrutiny now can move forward and can help in the reform that is needed, that the Comptroller and Auditor General says is needed. They have a very valuable contribution to make.

6.1.5 Deputy T.A. Vallois of St. Saviour:

This statement comes as a result of recent C. and A.G. reports, could the Chief Minister advise the Assembly whether the independence of the C. and A.G. has been called into question by the Council of Ministers and if so what were the results of those discussions?

Senator I.J. Gorst:

I was not at the Council of Ministers last week but as far as I am aware the independence of the Comptroller and Auditor General has not been called into question by the Council of Ministers.

6.1.6 Deputy R.G. Le Hérisier:

Would the Chief Minister concede that had the matter been allowed to proceed to a vote of no confidence both parties, so to speak, could have put their cases and there would have been an airing of what appears to be ambiguous and at times contradictory evidence?

Senator I.J. Gorst:

I am one Member of what I believe is now 51 Members. I am alive to the possibility of another Member disagreeing with my opinion. That is political debate and another Member might bring a vote of no confidence. I hope that I have set out what I believe is the right, yes difficult, but right thing for us to do. We have 7 or 8 months of working together in what I believe is a very positive fashion. This Assembly has approved the Strategic Plan, yesterday we made giant steps forward with the delivery of health care. I believe that we can continue to work together to deliver on behalf of our community and that is what we should be doing.

6.1.7 The Connétable of St. Lawrence:

I understand that there was what was termed an emergency meeting held yesterday with the Council of Ministers to discuss this issue. Will the Chief Minister advise the Assembly how many of the Council of Ministers yesterday supported the Minister for Treasury's retention?

Senator I.J. Gorst:

I would not use the word "emergency" for a start. Unfortunately it was the only day that I could be available, having been out of the Island on business and then for a family occasion, so therefore, it was programmed in so that we could consider this report prior to the Assembly sitting today. Nine Members of the Council of Ministers were present and the Council of Ministers were of the opinion that this report was not sufficient in order for the Council of Ministers to lodge a removal proposition to the Assembly in effect to bring, themselves, a vote of no confidence.

The Connétable of St. Lawrence:

Was it a unanimous decision then?

Senator I.J. Gorst:

It was either unanimous or there was one counter argument.

6.1.8 Deputy E.J. Noel:

Does the Chief Minister believe that the Minister for Treasury bullied either former chief executive officers of the States or indeed the former head of Property Holdings?

Senator I.J. Gorst:

Two very different issues, in my opinion. I understand that the P.A.C. are yet to lodge a report with regard to the former chief executive. From a personal point of view, and I have read the Comptroller and Auditor General's report into that, his findings were based on a desk based or paper based approach. I understand that he did not speak to other concerned parties in regard to that. From a personal point of view I find it very difficult to believe that a Minister could have bullied the former chief executive. As I say, that is a personal opinion. [Approbation] I hear that some others share that opinion. With regards to the former director of Jersey Property Holdings, the Comptroller and Auditor General indeed does consider that in his report and he says that he is not able to corroborate and, therefore, we have I think 2 or 3 recollections who recall it in one light, we have heard the Minister this morning recall it in a different light, but I do not believe that in the body of the main report the Comptroller and Auditor General was able to satisfy himself in that regard.

PUBLIC BUSINESS - resumption

The Bailiff:

Very well, that brings questions to the Chief Minister to an end. So we now come back to Public Business and the next matter before the Assembly is P.40, Social Housing Schemes Funding, lodged by the Minister for Treasury and Resources...

Senator I.J. Gorst:

Sorry, Sir, I got excited that I had finished my statement and questions that I wanted to ask if we could now take P.41, my Assistant Minister will be acting as rapporteur and he has to go and greet the Chief Minister of the Isle of Man later this afternoon.

7. Draft Money Laundering and Weapons Development (Directions) (Amendment) (Jersey) Law 201- (P.41/2012)

The Bailiff:

Does the Assembly agree to take that matter next then? Very well, so we will take next P.41, Draft Money Laundering and Weapons Development (Directions) (Amendment) (Jersey) Law, lodged by the Chief Minister, and I will ask the Greffier to read the citation.

The Greffier of the States:

Draft Money Laundering and Weapons Development (Directions) (Amendment) (Jersey) Law, a law to amend further the Money Laundering and Weapons Development (Directions) (Jersey) Law 2012. The States, subject to the sanction of Her Most Excellent Majesty in Council have adopted the following law.

7.1 Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

This is a, I hope, fairly straightforward and minor amendment to the Money Laundering and Weapons (Directions) (Jersey) Law, which would amend the process undertaken by the Royal Court on any appeal against a decision of the Chief Minister following a direction given under the law. The 2012 law provides for directions to be given by the Chief Minister in response to threats to the interest of Jersey relating to money laundering, terrorist, financing, or weapons development. Under the present law the provision is for the Royal Court to determine the matter on the basis of unreasonableness. The proposed amendment which will bring the 2012 law into line with another very similar law passed by the States, entitled the Terrorist Asset Freezing (Jersey) Law 2011, will direct the court to apply the principles of judicial review so as to make the same principles applicable to both laws. The principles of judicial review are also the principles applied by the High Court in England on an appeal against a decision under the equivalent legislation in that country. I move the principles of the Bill.

The Bailiff:

Are the principles seconded? **[Seconded]**

7.1.1 Deputy J.H. Young:

Just a comment, obviously it is very good news that here is a piece of legislation which is moving away from the test of unreasonableness, having regard to all the circumstances of the case, in questions of appeal against a Minister's decisions. Obviously this is now the second one, both of those in the financial services, I would just like to make a comment that I hope very much this now sets a precedent for a domestic legislation where of course we do not allow that advantage and appellants are not given the benefit of this particular vision. But the vision is right and I support it.

The Bailiff:

Does any other Member wish to speak on the principles? Do you wish to reply?

7.1.2 Senator P.M. Bailhache:

I maintain the principles and asked that they be approved.

The Bailiff:

All those in favour of adopting the principles kindly show. Those against. The principles are adopted. Senator Ferguson, do you wish this matter to be referred to your Scrutiny Panel?

Senator S.C. Ferguson (Chairman, Corporate Services Scrutiny Panel):

No.

The Bailiff:

Senator Bailhache, do you wish to propose the articles *en bloc*?

7.2 Senator P.M. Bailhache:

Yes, I propose Articles 1 and 2 *en bloc*.

The Bailiff:

Seconded? [**Seconded**]

7.2.1 Deputy M.R. Higgins:

Again it is just an objection to the way that we go about bringing amendments. For example, if we look at Article 1 it refers to Article 10, applications in relation to a direction or a license, it says subject to Article 11. I have got no idea what Article 11 is and in the past I thought we set a principle when we did the gambling law that marked up copies would be available for Members so they can see the context in which legislation is being put.

[14:45]

Time and time again legislation is coming forward with a few words here and there and again this also relates to U.K. law. I think it is not good enough, I think we need to have proper information before we pass these.

The Bailiff:

Does any other Member wish to speak? Do you wish to reply, Senator Bailhache?

7.2.2 Senator P.M. Bailhache:

I have great sympathy with Deputy Higgins' comments and I think he is perfectly right that Members should be able to see other Articles of the law which are referred to in the amending draft and I shall try to ensure that so far as the Chief Minister's Department is concerned we follow that practice in the future. I move the 2 Articles.

The Bailiff:

All those in favour of adopting Articles 1 and 2 kindly show. Those against. They are adopted. Do you propose it in the Third Reading?

Senator P.M. Bailhache:

In the Third Reading.

The Bailiff:

Is that seconded? [**Seconded**] All those in favour of adopting the Bill in Third Reading kindly show. Those against. The Bill is adopted in Third Reading.

8. Social Housing Schemes: funding (P.40/2012)

The Bailiff:

I have now had placed before me the Draft Fire Precautions (Amendment No. 2) (Jersey) Law, lodged by the Minister for Home Affairs, P.54, and that will be in Members' pigeonholes. Then we move to Social Housing Schemes: funding, P.40, lodged by the Minister for Treasury and Resources and I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion, in accordance with Article 2(4) of the Public Finances (Transitional Arrangements) (Jersey) Order 2011, to amend the expenditure approval for 2012, approved by the States on 14th September 2011, in respect of the Social Housing Programme head of expenditure to permit the withdrawal of an additional £27,100,000 from the Consolidated Fund to fund 6 Social Housing schemes, 3 of which already have expenditure approval (£10,804,000 in the 2012 Annual Business Plan) which would now be unfunded due to insufficient sale receipts; and 3 of which are being brought forward from future years' capital programmes.

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

May I start by just thanking the Chief Minister for his earlier statement. I am this afternoon seeking Members approval in accordance with the Public Finances Law to amend the Social Housing Programme head of expenditure approved by the States for 2012 last year. I would like to recognise the work of Corporate Services Scrutiny Panel for their very quick work in reviewing the proposal and their helpful questions that I am sure reflect some of the questions that Members may have had during the course of this debate. I will endeavour to answer those questions during the course of the remarks I make in proposing it. The request means for a withdrawal of an additional £27.1 million from the Consolidated Fund to fund 6 social housing schemes. It would allow 3 approved schemes to commence and bring forward 3 other previously identified schemes in addition to providing up to 121 homes that were not originally planned. I want to be clear that without this funding proposal these, what we regard as essential schemes, would not be able to proceed. The breakdown of the £27.1 million by scheme is available and has been provided to Treasury by Housing but for commercial reasons we do not consider that it is appropriate to release the individual amounts for the individual schemes. I am happy to do so on a confidential basis to Members but I - in practice with previous statements made by Ministers on spending decisions - we regard publishing the upper limit of an amount for this particular scheme not to be in the interest of getting value for money, as effectively the procurers of the scheme will effectively know what the price that we have available for schemes are. Also in terms of the buying of additional homes in the particular lifelong home schemes, we do not want to reveal our hand as to exactly what the total budget is. I am happy to explain in broad terms but we certainly do not want to place ourselves in a position where there is an available budget known. What I can say is that as far as the sites are concerned I do not think that - while we are not tying ourselves to any particular sites - I can say that the preferred site for the purchase of the scheme is perhaps unsurprising to Members the large scheme at the back of St. Saviour's Parish Hall for the lifelong homes. But there are other Parish schemes if that particular negotiation does not succeed and if we do not get what we consider should be extremely advantageous rates available in current market position. Housing is, and indeed has been for some years, in a very difficult position. They are responsible for fully funding their own capital projects from sales from their existing housing stock. Under the Finance Law

they must have all the funds available to complete the project in its entirety before they start. In other words they must have the sufficient funds from sales to fund the complete project before it is approved to commence. This is not a pragmatic or sensible way of operating and it is one of the major reasons why the Minister for Housing has issued his excellent White Paper which a number of Members heard a presentation at lunchtime on and it sets out how we can and will in future deal with a much more appropriate arrangement for funding capital projects in Housing, in the longer term. So the Minister for Housing, with the full support of the Council of Ministers, has requested this particular initiative in the light of current economic downturn and in particular with the Minister for Economic Development, with his view on the current state of the construction industry. It is the joint Council of Ministers with our high priority of getting people into work, securing jobs and boosting economic growth that we have a principal eye to in this proposition. The funding proposal put forward recognises the problems remaining in the immediate term and seeks to address Housing's funding issues in a pragmatic and sensible way. If it is approved, and I hope it will, the funding will certainly provide the whole £27.1 million for these important schemes to proceed. What I can say is that any proceeds from the sale of housing stock in 2012, which is anticipated to be £5 million, will be paid back to the Consolidated Fund, less the retention by Housing to pay for any of their expenses in the normal way. But we want to get on with the schemes before we rely upon the sales. I want to also stress that this proposal does not change - in any way - the way by Housing continues to fund their own capital programme. The funding of this £27.1 million will be repayable by Housing upon their incorporation as proposed in the White Paper. As I have already signalled, it is the intention - if the proposal for the White Paper is accepted - that the currency noted in coinage fund is used to invest and create a return on this, what is effectively longstanding, money. I am happy to go into more detail if Members want in the summing up on exactly the reason. But I do want to stress that this is not a debate about taking money from the Currency Fund, I am simply indicating that if Housing are incorporated that is the source of funding that we would put in place. If we do not incorporate Housing, then effectively we will have to work within the balance of the Consolidated Fund that we have and that is not going to have any detriment impact on the capital programme because of the more favourable balances that we find in the Consolidated Fund as a result of tax income. Of course, I will be publishing the States accounts next on 11th June which of course set out all of the available balances. I hope Members understand that this favourable position does allow us to act in this way. I will leave the Minister for Housing, if I may, to comment on the specifics of each scheme and the benefits that he believes that it will bring to those housing tenancies affected. But I will explain that I am very pleased and the Council of Ministers is very pleased to support the request that we made to all Ministers to bring a pipeline of work available, shovel ready, in order to assist the economy if the economic situation needed it. The funding is to be provided from, as I say, the higher than anticipated Consolidated Fund position at the end of 2011 and it is to be repaid with £10 million being reimbursed eventually to the Stabilisation Fund. It will provide an extremely and really important necessary boost to the construction industry at a time when I am sure that all Members know that there are real issues with credit being applied to construction firms and the difficulty that many construction firms find across the board, small contractors and larger contractors, the sub-contractors of these big contractors find themselves. We are seeing rising unemployment in terms of local jobs in a whole range of contractors and this will provide an important boost in order to safeguard jobs. If I may say, it is just the very announcement of this potential programme that has alleviated a number of construction companies from laying off staff in anticipation, not the certainty but an anticipation that there is work from the public sector. We are advised by our colleagues in Social Security of up to 500 jobs of locally qualified people that are at risk if we do not put some more demand into the construction industry. There is clear evidence from the order books of the construction industry that also the construction industry is providing extremely competitive prices at this time. This is an opportunity for us in the States,

when we need to catch up on repairs and maintenance, to get better value for money on schemes. So there is almost a triple benefit; the benefit of jobs, the benefit of value for money and the benefit of getting better homes for Islanders. I have asked, as is my practice, for advice of the Fiscal Policy Panel and Members will have been forwarded and have with them I am sure the letter from the Fiscal Policy Panel dated 4th May, which I was pleased to see that the panel expresses its support for this proposal. It says that subject to it meeting the previous requirements of fiscal stimulus that the projects are timely, targeted and temporary, that they support those proposals and indeed I do not think any Member would disagree that is the case. I have been asked by Corporate Services for the yield of the investments that are being made from Housing and what I can say is that if we have a full purchase of 121 homes there will be a yield of £1 million of additional revenue to Housing. We can also advise Members that under the current fair rent policies that the additional income as a result of the refurbished homes will be in the region of £200,000. Indeed those additional revenue streams will be dealt with in the normal way when we discuss with Housing the medium-term financial plan and we will be looking for early repayment from Housing from that area. So I can say in detail of the Consolidated Fund balance that at the end of the year it was £47.2 million and this will withdraw £27.1 million from that. I am conscious that the Deputy of Grouville has, in her capacity as Assistant Minister for Tourism, asked the question also today of why this proposal was prioritised over the T.D.F. (Tourism Development Fund). I would say to the Deputy that we are now in the process of finalising the medium-term financial plan, we have already allocated some money for the T.D.F., we need this Assembly to extend the remit of the T.D.F. I have not got shovel ready projects for the T.D.F., I hope we will and I am looking forward to engaging with her and the Minister in relation to whether or not we do need to find some more resources for the T.D.F. If the case is made then we will act. This is not the only action that the Council of Ministers is taking in relation to securing jobs and boosting economic growth. I have been asked on a number of occasions by Deputy Southern whether or not there was a plan B. Well, there was not a plan B in terms of managing public finances. We dealt with our deficit and we dealt with the difficulties that we have but we did always say that we would act if necessary to secure jobs and that is exactly what we are doing. The Minister for Housing was asked for a pipeline of work. He has done so and the Council of Ministers wants to reward the Minister for Housing with his foresight in securing this pipeline of work which needs to be done. We can get on and do this work, providing better homes, we can secure jobs and we can get value for money. I very much am grateful to Corporate Services for raising the questions, I do hope that I have answered all the questions that they put in their report, if I have not I will do so in the summing up and I ask Members to support this important proposition in the manner that I have described.

The Bailiff:

Is the proposition seconded? [**Seconded**]

8.1.1 Deputy P.J.D. Ryan of St. John:

I did not get a chance at the start of the debate but I would just like to say that I have pecuniary interest and I am, therefore, in conflict and I will be withdrawing from the Chamber but will remain in the Assembly for the following projects, thank you.

8.1.2 Deputy J.H. Young:

The Scrutiny Panel in their comments on the proposition advised Members that we should seek a breakdown of these projects and, having listened to the Minister's explanation, I accept that asking for the price of each individual site when tenders are in process is inappropriate.

[15:00]

But I do think we are entitled to a little bit more information than just a one liner: "Purchase of lifelong home, new build, 50 units." I particularly ask that because the Island Plan of course, when

these sites were zoned also said that they were to be zoned not only for lifetime lifelong homes, i.e. for people over 55 but also for first-time buyers. In the written answer we had from the Minister for Planning and Environment this morning, this particular site includes 100 lifelong cottages and in fact the confirmation is there that they should also deliver first-time buyer homes. I would like to hear some clarification of the sites involved in the purchases of lifelong homes, how many units and whether or not the housing mixes have been approved by the Minister for Planning and Environment and, in particular, how this project dovetails with the development of first-time buyer homes on the same site. What I would hope we do not do is end up with piecemeal development, developing phases of schemes because they come out of different pockets of money or different arrangements at different times. I hope very much the development will be co-ordinated. Therefore, I will be listening carefully to the Minister's reply on that, but I do think the proposal is a sound one. I certainly have reservations about selling homes in order to be able to raise funds. I was not in the House at the time. I really have difficulty in seeing the sense of selling on the one hand and then buying on the other. Therefore, I am assuming that will be something that is addressed by future strategists. In the meantime, as an immediate measure which strikes me as a good one, I shall be supporting it but I very much think as a principle we should not allow the Minister to get away with a simple one-liner on page 4. He should be able to give us more explanation.

8.1.3 The Deputy of St. Martin:

I will be supporting these proposals but I would just like an assurance from the Minister that he will work together with the Minister for Housing and be creative and inventive and I quote the words of the Chief Minister: "Brave in making some decisions to not only deliver these houses as quickly as possible but to provide work to as many as possible of those members of the local construction industry in the very near future."

8.1.4 The Deputy of St. Ouen:

I would like to pick up on a number of points that Senator Ozouf made earlier. I would like him in his summing-up to confirm that the 121 new homes that he spoke about were indeed not originally planned because it seems to me, on reading some of the information that was contained in the 2012 Business Planner, indeed some of those new homes were planned and anticipated. As I say, if he could just confirm that point. Furthermore, I am still struggling to understand when a loan is not a loan because we are talking about providing £27.1 million to housing but on the understanding that it is repaid as a result of this Assembly making decisions to incorporate the Housing Department. That is basically a wish at the moment because until we debate it, that is uncertain and unknown and obviously there are issues about what happens if this Assembly chooses not to follow that route. We were also told that proceeds of sales will be paid back to the Consolidated Fund and I would like to remind States Members that in last year's Business Plan, which ultimately we have to rely on to make our decisions, we were told that all capital programmes for the Housing Department would total a 3-year period. The 3-year plan would be £38.5 million and that flows from the Housing Department's Property Plan approved in 2007, which speaks about the use of proceeds from the sale of a number of States rental homes in addition to funding from the capital programme and funds advanced from fiscal stimulus. We are now being told that although that might still be the case, another £27.1 million is going to be provided to the Housing Department and again, we need a better explanation of exactly how all of these different proposals fit together. I would be pleased if the Minister for Treasury and Resources would pick up on that. I am also concerned about comments the Minister for Treasury and Resources makes when he speaks about the construction industry offering extremely competitive rates. I spoke recently to a local individual who is currently undertaking a housing development in Cornwall and he informed me that his bill costs are £100 per square foot. I equally inquired about the general cost of building on

the Island. I am told it is around £200 or more, which is double. The Minister for Treasury and Resources is shaking his head. Maybe he will quote and provide evidence of the build costs for local housing because, as I see it, I am not seeing in the new prices, whether it is for apartments or for other property, those competitive rates being reflected on our own. What worries me and I do not have the answer but the question is, are we maintaining prices at an artificial level by introducing additional funds into the construction industry at this time? Should we not allow construction costs to come down and better reflect U.K. values in the same way that we now see at last local house prices reducing?

8.1.5 Deputy M.R. Higgins:

I would like to ask questions about the lifelong homes question again, whether the States are buying properties from others. I would like assurances that the people we are buying these properties from or negotiating with are not in financial trouble, are not trying to offload their properties because they are having trouble with the banks. It strikes me that I think in the past there has been a suspicion and I may be wrong on this, but the Goose Green development, and I know this is dressed up as Homebuy and everything else, but there were rumours circulating at the time that the company concerned was in trouble and this helped bail them out with the bank. I do not believe the States is really in business to be bailing out major property developers and I fear that we may be doing the same thing. I should have preambled my statement by saying that we all want to see more housing, more social housing and more affordable housing for our residents, *et cetera*, and we also want to see employment in the construction industry. However, it is all right saying that the prices we are getting from the construction industry are down or there is a possibility of greater unemployment. Does the Minister, for example, have any way of looking at the profit levels of some of these companies? Are they making the same profits that they have always made and we just keep on subsidising the owners? We are subsidising them, keeping their profit levels up but dressed up as helping the employment situation on the Island. I do not like the thought that we are purchasing homes to bail out property developers who are in hock to the bank.

8.1.6 Deputy G.P. Southern:

I rise to my feet and I ought to be wholeheartedly in support of this proposal. I have been arguing for some time now that if we take money out of the economy, then we prolong the recession and that we ought to be putting more money into the economy. It does not seem very long ago that we successfully did that with a fiscal stimulus programme. The 3 Ts applied clearly in those cases and we organised a whole variety of schemes and initiatives to stimulate all parts of the economy. Today, what we have is something completely different. It is a fish of a different colour. It is £27.1 million straight into housing. No discussion, no bids, no shovel ready projects or anything else we might do. How about green initiatives? How about widening the scope for insulating our homes? It could be done at short notice. It could provide many jobs for small and large firms. As the Deputy of Grouville has suggested, where are the initiatives for tourism? Where is the diversification of this initiative to stimulate the economy and to keep jobs? It has gone the way of all fine ideas; it has disappeared. The Minister for Treasury and Resources mentioned that we have a plan B and then stopped. He did not describe what else he is doing with the £20 million that is still left over, not a word. It is £27.1 million for this particular building project and that is it and I find that very suspicious. Why could we not have a repeat, which was organised at very short notice, of what was described as fiscal stimulus which applied across a broad spectrum? It is not happening. I have also been reading the comments of the Corporate Services Scrutiny Panel and I too share some of their reservations. For example, there seems to be an argument expressed by the Minister for Treasury and Resources that we must do this now because we will not be able to do in future because of our medium-term financial plan and we do not know how we are going to get short term spends out of that. Maybe it is about time we did because there must flexibility built into it, but the

Minister for Treasury and Resources suggests that if we do not spend it now, we will never be able to obtain it in the proper manner. Finally, and this is the one that I have met before and I am very suspicious of this. We last met it when it was suggested that Health was going to start introducing charges for particular services in the hospital. We were told that when you change the law, meaning us, to allow them to charge for services, we will tell you what services we want to charge for. The assumption was some time in the future; that was over 6 months ago and that law has not been passed yet to enable them to charge. Therefore, we have not seen what the charges are because when and if, in discussing one particular project in the future, you accept this then we can do it, never happened. We have here a when and if clause. When and if you accept and vote on the new structure being proposed by the new Minister for Housing, then that structure we will pay the money back. What happens if in 2 years down the line we are still waiting to agree that? What happens if that gets delayed? What happens if for some reason we reject it because it does not quite fit what we need? Then, we do not get the money paid back. It does not become a loan at all. Beware this trap. When and if we complete the whole thing with another piece of legislation sometime in the future, then everything will be all right. It may never happen; it may be delayed a long while. It is a major project; it may not see the light of day. For that reason alone, I am loathe to start voting £27.1 million, a substantial and significant amount of money, into this hurriedly arranged proposition which I suspect has several flaws in it.

[15:15]

8.1.7 Senator S.C. Ferguson:

As Members have said, the Corporate Affairs Scrutiny Panel has issued comments regarding the proposition. The Minister for Treasury and Resources has answered some of our queries but not all and one I think he has misunderstood entirely. Again, as Deputy Southern said, our first query was procedural because this is an Article 11(8) request and at the time of the original debate, the Minister opined that it was going to be very difficult to bring forward an Article 11(8) request under the new arrangements. Theoretically, such requests could be dealt with under the contingency arrangements unless of course the contingency funds have been earmarked for something else. As we say in our comments, the Minister should clarify whether under the new arrangements of the medium-term financial plan, fiscal stimulus of the type proposed in P.40 would be possible and if so, how. The somewhat byzantine financial movements also require a clearer explanation. The Minister wrote to the Fiscal Policy Panel to obtain their advice on his proposal to apply a further fiscal stimulus to the economy and effectively, to keep the Stabilisation Fund at zero from 2011 to 2013. The panel commented: "If economic conditions had not deteriorated since our last report, our advice would have been to transfer all the funds, all the £27.1 million into the Stabilisation Fund." We have a number of economic questions which have not been answered. There has not been a proper economic evaluation of the effects of the previous fiscal stimulus. If we spent £44 million, how many jobs were created or maintained? If the jobs were taken by immigrants, was this good value for the out of work locals? Are the jobs available under the stimulus congruent with the skills of the unemployed that we have? A large fiscal stimulus, a large increase in population, high demand for housing, high activity in the construction industry. Are these facts inter-related? Did the stimulus exacerbate the population rise? This is something that I have been taking up with a number of economists and we have not quite reached a conclusion yet. We have £27 million additional tax collected. Should we be spending it all? The spending pattern is not too clear. There are a number of projects indicated in the proposition but in the proposition the costings only included 4 of these, but in actual fact, there were estimates given in the Annual Business Plan 2012. Given that the Annual Business Plan 2012 provided a breakdown of the individual costs of the projects, it is noteworthy that the reported company in P40/2012 does not do likewise. Why not? The Minister should provide a breakdown of how the £27.1 million would be used across the 6 projects. Is it the same or has it changed? He may like to confirm that the details

which are on page 4 of our comments, as I say, given in the Annual Business Plan 2012 have not changed because in the Annual Business Plan 2012, of the £27.1 million we are spending £19.6 million on new build. It is a lot of money. The other matter was that, as we say in our comments, it was not altogether clear whether the Housing Department will receive all the proceeds from the sale of existing stock. The report with the proposition states that the department will probably receive about £5 million from sales of stock this share, but the Annual Business Plan 2012 approved some £10 million for housing. Then, the £27.1 million will cover the 6 projects listed. Are we approving £27 million or £37 million for social housing in this proposition? The department has misunderstood it. The Minister should clarify how much is expected from the sale of existing stock in 2012 and what use is going to be made of that funding. As we have said in our comment, part of the rationale behind P.40 is to address concerns that the construction industry will face a lack of new work and the proposals are therefore designed to bolster the industry. We have considered the question of what capacity there is in the construction industry. The report accompanying the proposition cites announcements from the industry itself and evidence from tenders to the Housing Department in 2011. We asked what other information there might be to indicate capacity and were advised that it is very difficult to estimate capacity, a difficulty encountered in other larger jurisdictions. Nevertheless, we were directed towards the Business Tendency Survey which in March 2012 had indicated that less than 10 per cent of firms were reported to be working above capacity with the majority reporting that they were working either at capacity or below capacity. In actual fact, approximately 55 per cent reported to be working at normal capacity and 37 per cent reported to be working below normal capacity. If you take into account the 8 per cent or so were working above capacity, this indicates that about 62 per cent of businesses are working at normal or above capacity and 37 per cent working below capacity. How does this compare with other industries in the Island like tourism for a start? Given the experiences with the estimates of the multiplier in other economies, is it really correct to shovel money into the construction industry when this just appears to suck additional labour into the Island? How do we train ex-bankers to become blocklayers? This is what it is boiling down to. Roberto Barro of Harvard University, who is an extremely well respected economist, comments that: "If austerity is so terrible, how come Germany and Sweden are doing so well?" He says: "In effect, stimulus spending keeps failing." He points out that large fiscal stimuli have a moderately positive effect on G.D.P. (Gross Domestic Product) growth but the effect fades quickly and probably becomes negative for 2011 and 2012. Le Quesne(?) and economists look at this and say: "We need to have more fiscal stimulus. The problem is that every time that heightened fiscal deficit failed to produce desirable outcomes, the policy advice is to throw more money at it." We have not reached the large public debt level yet but we are raiding all the piggy banks. I am fully cognisant of the fact that we have a maintenance programme to bring States properties up to scratch. In fact, it was my Public Accounts Committee which focused States' attention on this in September 2008 when there was £100 million worth of maintenance due and about £15 million a year to bring the estate up to scratch. I am very supportive of bringing States housing up to scratch but I am cautious about agreeing to spend a large sum on new build houses when only 37 per cent of the industry is working under capacity and when the assumption that our spend in this area goes straight back into the economy appears not to be supported by the evidence. We have not had a proper economic review so it is difficult to say. As we highlight in our comments, this proposition assumes that the housing transformation, as Deputy Southern said, will be passed by this Assembly. I do not need to remind Members that it is very dangerous to assume anything in this Assembly. The panel has noted the proposed use of the Currency Fund. It is accepted that P.40 will not in itself lead to the Currency Fund being used. Nevertheless, it is a significant proposal and one on which further explanation will be required. It is not apparent in the proposition how much investment from the Currency Fund it is envisaged would be required and the Minister should ensure that the Assembly and the panel are kept appropriately informed of plans in relation to the Currency Fund. Also, the assets of the Currency

Fund represent the value of the currency in circulation. Investments are held in near-cash assets so that liquid funds would be available should these be required for the redemption of Jersey currency. I think in this time of economic uncertainty with the prospect of Greece pulling out of the eurozone and the other possibility of contagion, we should be very careful about keeping our investments in near-cash. The intention, as we understand it, is to invest funds from the Currency Fund in the housing projects. The Minister should ensure that the proposed actions are explained and that clarification is provided to ensure that there is a margin of safety retained in the Currency Fund. As we have stated, it is for Members to decide whether they approve of the Minister's proposal to use £27.1 million from the Consolidated Fund to assist both the Housing Department and the construction industry. I think it is apparent that there is additional information and advice from the Minister for Treasury and Resources required in order to ensure that the Assembly's decision on P.40 is made on an informed basis. I would therefore ask for a reference back so that the Treasury can relaunch the proposition with better information for Members.

The Bailiff:

You are proposing a reference back in order to seek?

Senator S.C. Ferguson:

Further information in line with the questions in my comments, the question I raised in the amendment that was raised.

The Bailiff

Is that seconded? No, it is not seconded, then I am afraid it does not go. The debate continues.

8.1.8 Deputy T.A. Vallois:

Mine is more of a series of questions rather than a statement with regards to the report. In the budget debate last year the States Assembly was asked to note page 51 of the budget which stated the estimated balance for 2012 of £7,390,000. I would ask the Minister for Treasury and Resources to therefore explain much more clearly to the Assembly rather than a statement of improved taxation revenues and carrying out the full approved transfer from the Stabilisation Fund as to how we manage to have this £27 million when this Assembly have had to make some extremely difficult decisions in terms of how we spend our money and cutting areas of services and departments. I would also ask that he explains how the additional manpower in the short term is funded? Whether that is going to be from the £27 million or whether that is going to come out of the departmental budget or out of any other additional funds or contingency funds, all these wonderful little funds that we have which one it is going to come from? I feel to a certain extent cheated in a way with regard to the States Business Plan and I feel uncomfortable with the fact that I voted for a business plan as a Member of this House believing the information that was in there and that the funding sources, the estimations and the forecasts put before this Assembly were right, within a certain percentage either way. I feel uncomfortable that on page 4 of the report it is stated: "The projects at La Collette, Le Squez and Journeaux Street were all included in the 2012 States Business Plan (although the funding sources assumed are now unlikely to materialise)." I do not believe that has really been answered to the extent that I feel it needs to be answered by the Minister for Treasury and Resources. I think he needs more explanation there.

[15:30]

I understand the economic conditions that we are in, *et cetera*, but it is a bit like déjà vu from the economic stimulus I am seeing here. Another £27 million being ploughed into the construction industry, and I am concerned that in 3-years' time this Assembly is going to be asked for another £27 million to plough into the construction industry and I would love to know exactly where we are going to get that from. Members have mentioned with regards to diversification and stimulating

the economy and I ask whether the Minister for Treasury and Resources gave any consideration to reducing any areas of taxation, in particular G.S.T. (Goods and Services Tax) with the view that the income was much higher than forecast last year. Thank you.

8.1.9 Deputy C.F. Labey of Grouville:

I would just like to speak briefly. A few notes while the debate has been going on. I have been fairly uncomfortable about this proposition, hence my question down today about the Tourism Development Fund and how come £27 million can be allocated to the construction industry when the Tourism Development Fund has been waiting 10 years for the £10 million allocated or decided upon by the States Assembly. So, I am uncomfortable with it. I feel that Tourism has lots of merits too. There could be so much more done in this area with some funding. The creative industries, we need a creative industry strategy. We need to look to our culture and enhance it. We need event-led tourism. We could look at social security contributions to start-up businesses. There are many ways that we can put monies into our economy and bring it forward in some way without plonking this huge amount of money into construction. I too, like the Deputy of St. Ouen, am concerned about the price of building over here. We pay way over the odds and I have seen no indication of those sorts of prices going down in any way, despite the recession that we are going through. So, there are concerns there. Likewise, the Deputy of St. Martin made the point about how many local firms, with local people ... and I know I have a different view to a lot of people about local people, what defines a local person and I am not talking about 800 years of this, you know [Aside] no, not 300, let us be reasonable, but I think that at Highlands we could do lots. There is the faculty, the building faculty up there could do with funding. They are doing wonderful things but they need more funding to help train people, train our youngsters in industries; plumbing, carpentry, decorating, electricians, whatever. Our children need to be trained in trades. So, like I said, I am uncomfortable with this huge sum of money going directly into construction. I understand perfectly well it is to create decent homes. Of course we should have decent homes in an Island like ours and I would like to see some first-time buyer homes being built and on this agenda. So I am unsure how I am going to vote. I have made careful notes of what the Minister for Treasury and Resources has said today, not only in the answer to my written question, but further for Tourism and the Tourism Development Fund. If the case is made we can have it, we can have the money. Well, I might just hold him to that. Thank you.

8.1.10 Deputy A.K.F. Green:

Members will not be surprised to hear me supporting this proposition and I think we have lost sight of what this is about. This is about housing our community. We have got a number of people, and I will go through the figures in a minute, but from memory 108 people that need to be housed now, who are in a very precarious position and who would be classed particularly as homeless. This happens to fit in with the second objective of providing work for our construction industry and I will talk about those in more detail as I work my way through my comments. But this is about housing our community. I am pleased to have been working with the Minister for Treasury and Resources on this, in very difficult times. I identified about 2 years ago that we might find ourselves with the need to have schemes that were, to use the quote “shovel ready” and I asked my department to work up a number of schemes. Not just to keep builders in work, although that is quite important, but to house our community. We got those schemes prepared. We got them “shovel ready”. We know, despite what people might think, from the estimates that we are getting back from the work that they are currently doing, that our professional advisers have already reduced the prices. We are getting quotes back that are 25 per cent lower than the quotes we were getting previously. Our professional advisers are working out now what sort of figures we expect and the latest quote came in 14 per cent lower than that, so there are real savings to be made. But - and I will not say I do not care about savings, of course I care about savings - I want to make the

money go as far as possible. I want to see the construction industry - and people might scoff - there are a lot of companies out there with nothing on their order books. This is not about providing new employment. This is about preventing further unemployment as well as housing our community. There is no doubt that the construction industry is struggling and if we want to spend money, more money on social security than that is fine. If we want to keep people in work then this is one way that we can do it. Of course other departments could come up with other schemes, but at the moment they have not. I did and my community, our community, needs to be housed. I set out that we needed to put housing on the long-term sustainable financial footing and that all of our homes, as I talked about at lunchtime, must meet acceptable standards. These proposals, as I said, are set out in my White Paper and we are going through a period of consultation alone, after which I will bring a report and proposition. I accept that this Assembly may not decide that my proposal is the way to go forward, but in the interim we still need to continue a programme of refurbishing existing States rental homes. Just as importantly we need to provide more homes. We do not receive an annual capital allocation. We depend on the sale of homes to fund the current work and to provide new homes. That money, the money that is being invested at the moment, will be repaid. It will be repaid at some time by future sales, or in other ways. The majority of the sales that we have made to date have been to existing housing tenants, but it can be no surprise at the moment that in the challenging economic conditions, people are not buying even our deferred mortgage or deferred payments homes, and this has meant that we have not been able to continue with refurbishing schemes. Members might remember that before I was Minister for Housing I brought a proposition forward with great support from my colleagues in District No. 3 of St. Helier. I brought proposition forward for Pomme D'Or Farm. People are suffering fuel poverty because we have failed to insulate our homes properly, failed to put proper double glazing, failed to put modern heating systems in. So we can help our existing tenants to live in decent homes by doing that and I will talk about those that are waiting to be addressed. We have recently launched the Affordable Housing Gateway which has resulted, as I was talking about at lunchtime, in the Housing Trust closing their separate waiting list. So we can be certain that the allocation of social housing now, be it Trust or be it in some cases Parish, because some of the Parishes have joined me, or be it States housing. Those social homes are being targeted at those in greatest need. We are all using the same eligibility criteria and the waiting lists have increased even so. Evidence from the Gateway presently demonstrates there are 869 families in need of rental housing, 869. This is what this proposition is about, helping to house some of our community. 108 of those, as I mentioned earlier, are considered to be in precarious housing situations. They would be classed in some communities as virtually homeless and, with the current supply as it stands, many of those will have to wait up to 12 months to be housed. That is not something that I want to see and I hope that other Members agree with me. It is not good enough. We need to find opportunities to provide more housing and particularly lifelong housing for older people. This proposition is important in helping to deliver those new homes. If these schemes can be funded, 121 new homes will be delivered. The vast majority of those will be lifelong homes for older people and will go a considerable way towards the stock of realignment, which is necessary if we are going to cope with our ageing society. All of the homes developed will be retained for rental use and at current rental values will generate an extra £1 million in annual rental income. As the report accompanying the proposition points out, when the economy is less buoyant, sales become difficult. Income is therefore reduced, however those same economic conditions tend to mean better value on building projects, as I have said before and I demonstrated with some practical examples. Members have asked, and I can understand this, they would like more detail on what I am going to do with the money. Well, here we go. La Collette High Rise, constructed in 1983, thermally inefficient but provides significant accommodation in terms of 28 one-bedroom flats, 28 2-bedroom flats, and despite the reasonable degree of maintenance that has been done over the years, significant improvements are needed. The lifts have already been replaced. They were done and will be

completed this summer. But we now propose to over-insulate the building to make it thermally efficient, to put a new roof on it and windows and doors will be installed as well as improving the common areas and security. Improving our homes, and of course what that does is improve life for current tenants. It does not provide a new home, but what it also quite clearly means that they will be spending significantly less on heating. Phase 2 at Le Squez will provide 24 new homes; 11 one-bedroom flats, 7 2-bedroom flats, 3 3-bedroom flats and 3 3-bedroom houses, all built to a high standard of sustainability and will be retained in rental stock. In Journeaux Street, the development of 2-4 Journeaux Street will develop 9 new one-bedroom homes and getting rid of an eyesore on that corner. Lesquende: the development of Lesquende is long overdue. My department have had possession of this land for about 3 months now, recently transferred from Property Holdings. We propose, and picking up on a comment of Deputy Southern or a question of Deputy Power this morning, we propose to go ahead immediately this year with phase one. I agree with Deputy Power that we could get more out of the land. I do not want to hold this scheme up so I have agreed, if we get the money, phase one will go ahead and we will re-work phase 2, increase the density and get better value from that land.

[15:45]

But this is for phase one and it will provide 35 new 1.5 - because that is the policy I am working to, where I can - bedroom lifelong homes for over-55s. Osborne Court, First Tower, a site I know very well because I was brought up there in a cottage with no electricity, no water, outdoor loo shared by 7 cottages. I know it well. Those were knocked down and Osborne Court was put in its place, 23 homes; 2 bed-sits and 20 one-bed flats, constructed in 1977. They are not thermally efficient and need to be brought up to date. We will provide insulation, we will put a new roof on and in the roof we will provide, as well as reconfiguring around the out-buildings, 3 new one-bedroom flats at First Tower. We need to meet the housing needs of our ageing population. We can stick our heads in the sand and say it is not happening, but it is happening and of course the benefit of adequately housing our ageing population means that as they move from their 3-bedroom, 2-bedroom homes where they are stuck at the moment - they do not want to be paying the rent that they are paying for these homes - they will release those homes for families who desperately need them, some of the 800 or so families that I have mentioned. We need to house the ageing population. The States rezoned a number of sites in 2008 to start to address this need. To date, only a couple of Parish sites have been developed and there has not been an opportunity for the States to acquire any of the 400 lifelong homes which were indicated in that. A number of sites remain undeveloped. We anticipate that we can unlock probably the one at St. Saviour's, but if not other sites that have been approved that are waiting for funding, housing our community. We cannot leave tenants in homes that do not meet a decent home standard. We must develop the homes that our community needs and we are doing this at the same time as keeping our people in work. This will not provide new jobs. This keeps our community at work. As I said before, prices are keen at the moment. The Fiscal Policy Panel, in a recent letter to the Minister for Treasury and Resources, commented that it supported this proposition on the basis that the schemes were delivered in line with key fiscal stimulus principles; temporary, targeted and timely. But they also - if those of us that attended their presentation last year remember - suggested that we consider bringing forward real live projects. If we could find the money to do them, bring them forward, do them now and that is what we are doing. These are not pipe dream projects that we just thought up to spend £27 million. These are homes that are needed now. To conclude, I urge Members to support this proposition, to put aside their concerns about the prices - I can assure them we are getting prices 25 per cent lower than before - put aside their concerns as to whether the construction industry is in trouble. Believe me, it is in trouble but this is opportune. I am using this opportunity to get the work done, but I have to have this work done anyway. 800 families need homes now. 108 of those are virtually homeless. I

have nowhere to put them. I am giving you a solution and I am asking you to support this. Thank you.

8.1.11 Deputy T.M. Pitman:

That was a long speech. I think the longest the Minister has ever made. It was a good speech and I have a lot of sympathy for what he said. I am going to speak very briefly, one, because I want to keep my new friends, but more importantly and realistically I think the speeches made by Deputy Southern, Deputy Vallois and the Deputy of Grouville raised an awful lot of very good points and genuine concerns. I have that concern - will we be back again in a few years for another £27 million? However, I said I would never ever say that but I feel in a dilemma with this really, because as the St. Helier No. 1 Deputy, what I have to see at the front of all this are real people and the Minister of course just touched on all this. My concern is if I was tempted to go along the lines that Senator Ferguson reasonably suggested, I think, if we were to reference back, some of those people I meet on a daily basis will never get to see those improvements. Now I know the Minister will know who I am talking about. I have people who have been waiting 8 years, lovely people, kiddies suffering because of the conditions down there, ill health because of the appalling conditions. I have got another constituent just moved now, a week Saturday, apparently a surface crack. You could see the sky through her wall and probably put your fingers half-way through. You could certainly get your hair blown ... well, I could not get my hair blown dry, but some people could with the wind whistling through there. This is my concern; if I do not support this people like that who have begun to be ... like people at La Collette who have been promised that something is finally going to be done; will it ever happen? Now I can remember before I was in politics with a number of us - believe it or not, 7 former members of the J.D.A. (Jersey Democratic Alliance) in here - and I can remember going around with them, highlighting with a leaflet, about the 100 million backlog of essential maintenance that had been, I have to say, shamefully ignored. I know the Minister is doing a great deal, as did the one before him who did quite a bit, to try and rectify that. But this is a problem that has got to be tackled so I will listen carefully to the summing up, but at the moment I think I am going to have to put my constituents first, even keeping all those reservations I have, like the Deputies I mentioned, at the front of my mind. I mean, the Deputy of St. Martin, the last one, used to say about holding your nose and voting and I almost feel like that. So, it is a dilemma. I do not do so happily but we are here to represent people and if we do not put them first, what is the point of being here? Thank you.

8.1.12 Senator L.J. Farnham:

It brings sobering thought when you read some of the statistics in this very good document. I was happily reading away and realised that if I make it that far, I will be one of the statistics that is referred to in 2040, 95 per cent increase of the elderly. In fact, most of us here if we make it, will be there. Some will have left us and some of our younger Members, they may be Senators by then, who knows? But my ears pricked up and I was prompted to speak when the Minister for Housing was saying that quotes were coming in with as much as 25 per cent better value, and more in some cases. That means, I hope, that there might be some change for the Tourism Development Fund from the £27.1 million. I have 2 points to make, one in the form of a question which I will come to in a minute, but the other one is, the Members must consider the effect that this will have on the construction industry, because what has happened at the moment, is that because there is so little work around the larger companies are moving down to do smaller work and that has caused a lot of the smaller contractors to be pushed down and so on. The effect goes on and a lot of smaller businesses at the lower end are literally being squeezed out of the market. This will rejuvenate the market and these larger firms will move back up to deal with the larger products which they specialise in. That will have a tremendous benefit on the smaller businesses which will be able to move up and fill the gap that the larger businesses have left in the construction industry. Senator

Ferguson is shaking her head, but that is an absolute fact. There are large construction companies that are now quoting very competitively for small house extensions and the building of garages and private properties, although they have never been interested in the past, and they, because of their size, are pushing the smaller businesses out. So, be of no doubt that this will be of tremendous benefit to the industry and the Island's economy, and the labour market. But, I want to ask the Minister for Treasury and Resources, has a piece of work been done to quantify exactly how much the construction industry needs to lift it out of recession? Because if £27.1 million is the figure, then good. It could be less, in which case the industry is getting extra value, but it could be more. Is there any real point in this sort of policy if £27.1 million may help 2 or 3 larger companies in the short term, but do nothing for the medium to long term? Has a piece of work been done to identify exactly how much is needed? The industry could need, and the Island's economy could need, £50 million or £60 million of investment. In fact it could be very sensible, having heard what the Minister said about very good prices coming in now in relation to their quotes, to go out and look to deliver far greater value for money by bringing forward some of these other big projects. So, I hope the Minister for Treasury and Resources will be able to answer that. Thank you.

8.1.13 Deputy S. Power:

Like previous speakers before me, I will be brief. I know that the construction industry is struggling and is suffering out there, and that this £27 million that is being injected is not a band-aid, or a life support system or some sort of subsidy for them. It is really more an investment in our fixed assets belonging to the public purse than anything else, and I think it is important that Members realise that we are investing in assets that will be owned by the public of the Island of Jersey. That will enable the Housing Department to then sell on some of those to some of their people, noticeably the ones related to in St. Saviour. But there is an awful lot of pain in the construction industry at the moment and I know, from contacts I have in the shipping industry locally, that the volume of import of construction materials has dramatically fallen off in the last 6 months. We were reminded of the fact last Friday when some of us went to Granville on a business to business trip, that particular imports of certain products from the Normandy Peninsula has virtually stopped in the last 6 months. That is something to be worried about because we want to increase our links with our French neighbours, but we are struggling. The construction industry is seriously struggling. My good friend and colleague, the Deputy of St. Ouen referred to, perhaps, Cornish building costs per square foot being lower than Jersey's and I do not know how the figures were, but it depends on where you look and sometimes that comparison is not terribly relevant. We are where we are and we do have to bring virtually all our raw materials in. The Minister for Planning and Environment and I were looking at timber-frame housing for instance in Romania and it is coming in at an extraordinarily low price. It is sort of €20-30 per square metre, and there are comparisons that are simply not appropriate to what we are used to here. This is a simple proposition in my view. It is a very straightforward proposition. It is good work between the 2 Departments, Housing and Treasury, in getting this done and obviously, from the way it has been presented, there is an enormous amount of work that has been carried out between Housing and Treasury. I think the Minister for Housing referred to the fact that some contracts, some tenders have come in a lot lower than the department expected. Well, the reason for that is obviously that people are hungry for work. Even in my own time, which is a long time ago now, I remember one particular contract come in - it was estimated to come in at £8 million and it came in at £6.9 - and that is going back to the middle of 2010, so people are hungry for work. I have no problem with the section of P.40 which deals with the purchase of lifelong homes because I think it makes an awful lot of sense. I think it is an appropriate use of States funds to enable that type of development and I think it is to be lauded. Coming on from the work that has been done by both Treasury and Housing, I would like to see more funds invested in the local economy but I know that we have to be prudent. But sometimes when we do something, where we invest in Homebuy

or we invest in States Housing, we invest if first-time buyer or we invest in an over-55 development, some of the biggest roadblocks are in this Chamber. We have got to realise that when we want to get something done, when a Member or a Minister wants to get something done, sometimes the greatest amount of resistance comes from the floor of this Chamber. It can be very frustrating when a Member does something that he or she thinks is of value to that department, or to the Chamber or to the public purse, to find that a whole pile of States Members want to shoot it down in flames for reasons that do not seem to make any sense, but I will leave it like that. Some of the biggest roadblocks in getting anything done are in this Chamber, so I encourage this kind of initiative and I encourage the Minister for Housing to develop further social housing, further first-time buyer, further over-55 and, at the risk of repeating myself, more Homebuy, because it is something that I feel passionately about.

[16:00]

What I would like to see, with the Chief Minister's blessing, is that further co-operation between Treasury, Housing and my friend and colleague, the Minister for Planning and Environment, so we can enable some further innovative development of housing projects for this Island. You know we all remember the big campaign of the Island Plan last year, we remember the election shortly after the approval of the Island Plan and many of us have volunteered to take part in committees to enable affordable housing, innovative housing, Homebuy Mark 57 and all that kind of stuff and we have to remember that this sort of co-operative work between Ministers is what we need to see. I hope that this particular scheme today, which is £27 million, somebody said it is an enormous amount of money. In terms of housing projects £27 million is not an enormous amount of money. If you were to break down a million into 4 mortgages of £250,000 it is not that many, it does not go that far, so let us keep this in perspective. The housing estate, I may be right or may be wrong, it has an asset value somewhere in the region of between £900 million and £1 billion, from my last calculation, so £27 million is a slight, slight mark on the fixed asset line. I would like to see this expanded. I would love to see the Minister for Housing and the Minister for Health and Social Services work on the health portion, the residential portion, the 300 residential units that are sitting uncomfortably within the Health Department. It should be taken out and should be treated with this kind of funding to get them into a habitable condition. There is more work to be done. This report and proposition today, in my view, is to be praised, is to be lauded. Let us get it going. Let us get it off the ground and let us move because things get stalled in this Assembly. But today we have a good example of Treasury and Housing making something happen and I am all for that. I will just finish on this, I was elected at the end of 2005, beginning of 2006, that is now coming up to over 6 years ago and people that have contacted me for the Lesquende scheme, for the 2-bedroom flats that were supposedly coming on at Lesquende in 2006, 2007, 2008, 2009, 2010, 2011 and we are now in 2012, some of them have gone into residential care homes and some of them have died; I have taken them off the list. I am ashamed of that. I am really ashamed of that. So 10 out of 10, get it done and you have got my support.

8.1.14 Senator F. du H. Le Gresley:

I think it is very important to remind Members that it was only a few weeks ago that we approved the new Strategic Plan for the States of Jersey. Unfortunately, because we are not allowed to use any equipment in the Chamber, I have not come prepared with the Strategic Plan. But I do remember 2 key things that stood out for me; get people into work, house our community. If ever there was a proposition that was designed to meet the Strategic Plan, and those 2 objectives in particular, I would say this is the one. The Minister for Housing has quite eloquently explained why this is a project to house our community and I do not propose to go over the same grounds. However, get people into work; this is the Back to Work Programme, as most people know, is a project being led by my department and my Chief Officers. Let us be under no illusion that we

have cracked it by any means. I can only say to you that the figures are going to get worse. If we think that 1,800 unemployed people is the nub of the problem, it is not. We are told in this report, and it has been confirmed by members of the construction industry, that if there is no injection of large sums of capital into projects by the States of Jersey about 500 jobs are at risk, 500 jobs. We know the fulfilment industry still has a significant number of jobs at risk and we know that we have school leavers coming out in June/July. We have people who were placed at Highlands College for 2 years, because there were no jobs 2 years ago, who will be coming out. This is the reality of what we are talking about today. We are talking about a potential unemployment figure in the region of 2,500 to 3,000 by Christmas. If Members want to dilly dally and have ridiculous suggestions, such as a reference back on a proposition that injects money into the community, creates jobs, sustains jobs, **[Approbation]** then I am sorry Income Support will have to pay. Eighty per cent of the current people actively seeking work are on income support and that budget will continue to grow. Of the people currently unemployed we have 250 people who have building experience and 80 per cent of those are locally qualified people, which means more than 5 years' residence. We absolutely have to do something about this. The Minister for Treasury and Resources has quite carefully identified that he can make this money available to the Minister for Housing so that we can get on with the job. I urge Members to support this today and not be stuck in a sort of: "Can we afford it and where is this money coming from?" As Deputy Vallois has said: "Where has the Minister for Treasury and Resources suddenly discovered £27 million?" I am delighted he has found it because otherwise he would not be getting on with these jobs. **[Approbation]** Let us be realistic, let us get on with it. There was a point made by the Deputy of Grouville and she said: "Instead of giving money to the construction industry and for stimulating the construction industry, why do we not do something about social security contributions for people starting up a business?" I would remind the Deputy, unfortunately she is not in the House at the moment, that the previous Minister for Social Security, now our Chief Minister, brought a proposition to this Assembly which was approved, that anybody starting up a business now from 1st January this year would have a concession whereby the Class 2 contributions would be based on the estimated income of their new business rather than historical tax returns going back 2 years, when perhaps they were in a highly paid job or had more income. We have taken that step to encourage small businesses. Could I also say that when this suggestion of injecting £27 million was brought to the Council of Ministers, my very first thought was, how are we going to be assured that the people who will be given these jobs, or the companies or the businesses, will employ local staff? I have stressed and will continue to stress in the Council of Ministers and to anybody who wants to ask me that when we allocate jobs for procurement and contracts that we ensure, as far as possible, that the majority of their staff are local staff, or locally qualified as far as the Regulation of Undertakings and Development Law. Also that they encourage the taking on of apprentices or trainees because that is another area where we have people coming out of courses at Highlands who would very much like to join the construction industry and would be looking to do some form of trainee or apprenticeship. I just really feel strongly, and I hope that has come across in my expressions, that this is a proposition to agree. There is no need for further debate. Let us get on with it. Congratulations to both Ministers and they have my full support.

8.1.15 Deputy R.C. Duhamel:

It is a shame to follow Senator Le Gresley because I want to inject a little downturn of a note rather than ending on an upturn; but there you go, it is when you press your button. I just want to really make 2 points, a number of years ago this House decided that it wished to support a number of housing trust bodies, primarily to be set up to find a way for housing to be provided without showing the bank borrowing on the States books. That was all well and good and, by and large, they have been fairly successful in what they have done - although if you speak to some people they have got a different opinion. But, notwithstanding that, one of the queries that I have got at

the moment is that we had a couple of comments from the Minister for Treasury and Resources at lunchtime, suggesting that maybe the days whereby Housing are given monies and those monies are written off, as the contribution towards the capital project, are coming to an end. Perhaps we are moving into a new era where borrowing is going to be the name of the game. There are just 2 points within page 5 in the report that are somewhat contradictory. At the moment we are suggesting that this new way of funding - it is a bit of a financial wheeze if you like - in order to ensure that we are inside the Public Finances (Jersey) Order 2011 Article. But it does state that: "The funding of the £27.1 million will be repayable when the Housing Department or the new body are incorporated on 1st January 2014." It also says, further down, that: "The intention remains that Housing continue to fund their capital programme through identified sales and these sale proceeds will be reimbursed to the Consolidated Fund as they occur." There are 2 different ways of looking at these 2 statements. One is perhaps suggesting that maybe some of these buildings that are being promoted today to be built - and I am in general agreement that they should be built - should be sold perhaps in order to refund the £27.1 million that is being forwarded before we are able to end up with a new Housing-transformed body which can borrow. On the other hand, it is suggesting that perhaps there will be a new organisation set up to allow the borrowing to appear on the States balance sheet. I am not quite sure whether or not all the details have been sorted out as yet but it is a little bit confusing as to which way we are going to go. If this Island is going to continue to proclaim - as we do on occasion - that the Island is generally debt free, that we do not borrow, that we do not have any mortgages or any mortgages in the future for our children without their express permission, then that is all well and good. But if this is a premature debate being put forward in order to tie ourselves into a position where we are forced into borrowing without adequately looking at all the different ways for providing housing across the board, either directly or indirectly, then I think we owe it to ourselves to be up front as to exactly what type of schemes we are considering. The other point has generally been made by others but I think it is worth mentioning again. It is suggested that the Minister for Treasury and Resources be the gatekeeper, so to speak, in terms of when the money is going to be drawn down. There have been some reservations expressed to the extent that if the whole £27.1 million is invested into the construction industry in one large sum then that could have the unintended effect of bringing in a whole load of extra construction workers in order to do the jobs. Part and parcel of this scheme, I think, and it must be restated, is to assist the local companies. While I am generally happy that the Minister for Treasury and Resources does have his hand on the tap, so to speak, in terms of the monies, I would argue that he does not turn the tap on full and he allows it to drip the monies into the economy. To the extent that it secures that the major part that will be undertaken for these schemes is undertaken by the locals within the industry and not by just sucking in extra labour. With those 2 points in mind I think I am generally in support but it would be interesting to hear the Minister sum up.

8.1.16 Deputy R.G. Le Hérissier:

A lot is repetition but I will repeat. I was once privileged to go to a Maltese Parliament sitting and the interesting issue there was that the Maltese road construction industry was stagnant and complacent and, as a benchmarking exercise, they wanted to bring in Italian companies and this is what they approved. I wonder when we go on about local companies and we go on about 25 per cent reductions, whether we should not do that. We did sort of do that when we did Albert Quay, when a French company got in bed with a local company in an attempt to deal with building costs and to bring more innovation to the building industry. The other thing I want to say is I totally approve it. I think the Minister for Housing has got tremendous enthusiasm, drive and energy and is trying to deal with problems that are very embedded. But I would like to see from Senator Le Gresley, a real attempt at training and using local people. We have been led and led and led up the garden path for years. I think there is a belief, rightly or wrongly, that job licences have been given in a very random free sort of fashion.

[16:15]

There has not been the sustainability to building up the industry that time after time we have been promised. We have to remember, like a lot of things on the Island - in fact a lot of things quite frankly in the western economy - that the world is shifting. A construction industry that is being fed by a hyperactive overheated property market is, unfortunately, going to be a very different construction industry as the economy adjusts to the kind of world that we are likely to face in the next 10, 15 or so years. It is a very different world. The idea that we can recapture the world based on a hyper-inflated and a hyperactive property market is fanciful. We have got to try our best but I think we have got to be realistic and, similarly, I support Deputy Duhamel. There was always this notion that in trying to solve the problem of overcrowding and lack of housing the building industry was, in fact, the enemy of that very process because it was sucking in labour and that is despite Senator Ozouf's midnight treks on Victoria Avenue. Again, as to the immigrant status of workers on sites, again, people have got to be reassured that we are developing the local industry, we are developing local training and we are not going for simplistic, quick and easy solutions as we did in the heyday of anything goes. But I totally support it and I congratulate the Minister and the Minister for Housing.

8.1.17 Deputy E.J. Noel:

Firstly, I would just like to thank Deputy Power for saying it much more eloquently than I could, basically what I was going to have in my speech. Having said that I would like just to comment on some of the aspects that other speakers have brought up in the debate. Deputy Young had a concern about selling some of our housing stock. I share his concerns but I see it more that we are selling some of the family silver that is a bit tarnished and replacing this with family gold for longevity. This is about getting rid of substandard stock and replacing it with better stock. It is a swapping of asset, not a selling of an asset. The Deputy of St. Ouen was concerned about building prices in Cornwall being at some £100 per square foot and typically in Jersey it was £200 per square foot. As some Members know I have recently finished constructing a house in the Island and believe me it is substantially below £200 a square foot, substantially below. If you want a price, it is about £150 per square foot for a top-end quality home. The building industry is becoming more competitive. It was not always as competitive but we have seen prices come down. Deputy Higgins was concerned about us propping up building firms that were in financial trouble; even if we are it does not really matter because we are getting good value for money and we are protecting jobs. But in reality if they are in financial trouble then, boy, do we need to prop them up because we need to keep people in employment. Deputy Southern was wondering why we are not proposing to spend the balance on the Consolidated Fund, the £20.1 million that will left on the Consolidated Fund. That is because we listened to the F.P.P., they recommend that we keep a minimum balance on that, at all times, of £20 million. Senator Ferguson wanted to know what Housing were going to do with the £5 million worth of sales that they are going to achieve in 2012. It is quite clear, they are going to repay that back into the Consolidated Fund, less some preliminary expenses, to develop the next batch of projects that they will have coming on line after they have been incorporated. Again, it is a bit like investing to save but there will be substantial returns of that £5 million into the Consolidated Fund. The Deputy of Grouville, I agree with her, we do need to be doing more in all of the areas that she mentioned, in the creative industry, in developing culture, in events like tourism. Social Security, we have already heard, are doing much as she asked. We do need to do those things but we also need to do this. It is not either/or, it is really both. I am sure that in her capacity as Assistant Minister of Economic Development she is pushing her team and her Minister hard to make sure that tourism gets a fair crack of the whip and that is only right. Really just one final plea and that is to Deputy Duhamel; please, Deputy, look at your glass and see that it is half full, not as half empty.

8.1.18 The Connétable of St. Peter:

Interesting probably to follow. The debate is starting to swing more towards fiscal stimulus than protecting jobs in the construction industry. But if I can just, rather unusually, align myself with Deputy Pitman's comments. When he spoke about this is about putting people in homes, it is about putting Jersey residents in homes. This is what this proposition is about. When we look at the headline figure that the Minister for Housing put forward of 869 people waiting, it is actually 869 applicants, 869 heads of household. That could be 2,500 Jersey people waiting to be properly housed. That is what we are debating here today and the Minister for Treasury and Resources has been very generous in saying: "I have got £27.1 million to get this going." By the way, there is an upside to this. While we are doing that we can also keep a lot more of our building staff in employment and support the local suppliers as well. That is why we are here today, to put up to 2,500 people into nice homes and look after people, keep them in jobs and avoid the penalty the taxpayers will have to pay by increasing income support if we do not pass this today.

8.1.19 The Deputy of Trinity:

It is going to be Deputy Pitman's, I think, good day today because I am going to continue the theme that the Constable of St. Peter mentioned. I think what the Deputy mentioned was down to brass tacks of why we are here. He was talking about his constituents in La Collette and the conditions that they have to face each day and every day, especially those over the age of pension age. I mean what really matters, I think, at the end of the day, is making sure that our States tenants, or the Minister for Housing's States tenants, are well housed. From a health point of view if they are well housed and warm, obviously it has a knock-on effect to their health and all these contribute to our ageing population. Regarding the Lesquende site, when I did the Scrutiny review on Overdale we looked at the Lesquende site and it was supposed to be earmarked for a care home or residential nursing home. That was back in the year 1999/2000 and still today it is still an empty site. We need to get on and deliver. We put off and put off and put off, for what? The Minister for Treasury and Resources has got that money earmarked. The Minister for Housing is keen to get going and this is what we should deliver. This is what the whole States Assembly should be backing the 2 Ministers and saying: "Well done, get on with it".

The Bailiff:

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

8.1.20 Senator P.F.C. Ozouf:

Thank you to all Members who have asked questions. I certainly believe that when the Minister for Treasury and Resources stands before the Assembly and asks for £27 million he should be challenged. He should be made accountable. He should answer their questions. I am not going to speak for very long but I am going to answer all the questions that were raised to me because I think that that is what I need to do. I would say that when we get to the point of a debate I should just say that there has been an element of scrutiny before we get here. The Minister for Housing makes a request, it is analysed by the Treasury. We get economic advice. I take it to the Council of Ministers. They bash it around, they give it a good grilling, then it is published and then Scrutiny do their work. There has been a great deal of work, a great deal of analysis. It is not just turning up and just the Minister for Treasury and Resources by himself. But all Members' questions are absolutely legitimate and I am going to also ... I know that Senator Ferguson did not get her reference back. I think this is the first time I have ever sat in 12 years in this Assembly and nobody has voted for a reference back but I am going to answer her questions because I think she deserves it. Deputy Young asked whether or not the split was on the St. Saviour site. I can tell him that it was 100 private cottages, 32 social-rented bungalows, 48 social-rented apartments and a 14-bed care home. It is split and there are going to be 80 social-rented properties which were going to

be bought on the site and 30 which are given to the Parish of St. Helier under a **[Members: Oh!]**... I apologise, I should know better than anybody. **[Laughter]**. I beg the indulgence of the Connétable of St. Saviour. It is, of course, 30 houses that to be are given to the Parish of St. Saviour. If I just may say so, I went around on a little visit this weekend to some housing sites and some Parish sites and I saw the Trinity ones and the St. Martin ones. I am afraid I did not go to any other Parishes but I yearn for a St. Saviour senior citizen scheme such as Trinity and St. Martin and all the other Parishes. This proposition gives and assists the Constable of St. Saviour in getting one and I hope we will deliver all schemes for all Parishes. The Deputy of St. Martin asked for bravery. He wanted certainly bravery in terms of economic activity and fiscal activity and I am going to explain why we are going to be brave and why we need to be brave. He and a number of Members asked about local jobs. We put in place some very strict rules when we put in place the fiscal stimulus, which was approved by this Assembly for local jobs. I can say to the Deputy and say to all the Members that asked me about the local jobs issue, the same rules that we put for fiscal stimulus are going to be put in place for these projects. We are determined that this is money invested to secure local jobs for Islanders. That is the objective. The Minister for Social Security has explained the grave situation that we have in respect of unemployment and I want to save him money. I do not mind giving the Minister for Social Security money but I think that that is a failure if we have to put money in income support, if we could have done fiscal stimulus. Income support is not a failure but we should avoid it if we can and this is what this proposition is about. The Deputy of St. Ouen, a member of Corporate Services, raised the absolutely legitimate question about the cost of homes. I have not visited Deputy Noel's home but I am sure it is very nice. We are work colleagues, not social colleagues but he is right. I like him very much **[Laughter]** but we are too busy working late at the office to socialise. The Deputy of St. Ouen is right to say that there were high prices in terms of construction; luxury homes are going to cost £200 a square foot. I think that the States and the Housing Department probably needs to spend about £100 or £120 a square foot on timber homes. That is the real cost of building homes. When I say that we are going to be tough in relation to buying any new homes, we are going to be tough in relation to that. I would remind Deputy Young, in a former life he and I worked together when I was President of Environment and Public Services. In fact I was an irritating Deputy that came forward with the proposal of the 45-55 planning obligations and he worked on it with me in order to secure, for the first time, a planning zoning that delivered social-rented housing that meant that we were not paying for a land value. He will remember that, we worked on it together. We delivered, for the first time, the purchase of social-rented housing at zero land value or nearabouts. That is what we need to continue to do. We must continue to ensure that with the right to develop comes the responsibility to deliver social housing. That is why we need to work with the new Minister for Planning and Environment in relation to that. We should be getting good value for money, £100-£120 a square foot on buying social-rented housing. I hope it is going to be the St. Saviour site but if it is not there are a number of other Parishes that will do so. Deputy Higgins raised the issue of whether or not we should be bailing out construction firms. No, we should not but we certainly should be avoiding failures if there is not the demand within the economy and that is exactly what we are doing. I do not recognise the issue of Goose Green. I think Goose Green was a good example and while we had some concerns about the Homebuy, they were at the margins and they delivered. I went around to see Homebuy with my Treasury team 2 weeks ago. We went to go and have a look at Goose Green and we were very impressed by what we saw. We need to fund... The economic advice that is being given, when we dealt with ... and I am going to come to Deputy Vallois' very apposite questions in relation to what she asks. We were expecting, 12 months ago and 18 months ago, for the economy to be in the better state than it is now, let us be clear about that. We thought that there was going to be a return to growth.

[16:30]

We thought that there was going to be a return to U.K. growth and other growth. We thought that there would be an end to the eurozone crisis. We have not seen that and that means that we need to act. This Assembly has acted to deal with our deficit and deal with the difficulties that we have. We are now in a strong position to invest. Where I would say that there is a difference, is in relation to investment of some capital projects. All investment in capital is investment but investment in housing is an investment that gets a return. That is what is different about the Housing Department and their request for funding. That is why we need to change the model of housing funding. The former Minister was correct to say there is probably £1 billion worth of social rented housing and I am not against gearing that in some way. That is an investment and finding money for social rented housing, repaying it. The Minister for Planning and Environment is right; the Jersey Homes Trust was a success. It was off balance sheet financing but it worked. I am perfectly happy to have off balance sheet financing or on balance sheet financing if it delivers social rented housing to the appropriate standard so that we do not have Deputy Pitman's and all the other Members' constituents dealing with unacceptable standards of accommodation. We have done a great deal of catch-up and this is a bit more catch-up. It is worth doing and it is good value for money. Deputy Southern, I really want to convince him. I have been following the tweets of David Blanchflower, who I know is his preferred economist. All economists are saying in this difficult time of economic difficulty that we should be investing. The I.M.F. (International Monetary Fund), the O.E.C.D., the European Union, the Chancellor of the Exchequer in the U.K., the opposite number to the Chancellor are all saying that Governments need to balance their books but they need to be focusing on growth. This is part of our strategy for putting money into growth. It is fiscal stimulus not by debt like other Governments have done. It is because we can, because we have made sensible decisions in the past. I agree with him that we should be insulating homes. I have met with the Chairman of the independent group, the Jersey Energy Trust, and I have asked him to bring forward proposals through the Minister for Planning and Environment to see if we can do more in terms of insulating homes. If we can keep people in work by insulating homes, we will do it. We will bring forward a proposal. The Minister for Planning and Environment has £1 million a year in order to invest in that. Let us roll out more proposals for that. We are already doing it. We have already insulated hundreds of homes, which have had also the benefit of keeping people in work. The Deputy of Grouville has asked me about tourism and I repeat again, we did not have any travel-ready projects for tourism and we do not have the T.D.F. approval to put more money in T.D.F. which is going to be beneficial. I yearn for the time that we shall do that. I hope that Corporate Services will come forward under the chairmanship of Deputy Power and they will conclude that it is the right thing to do. I hope that I am not going to break any confidences of the Council of Ministers when I say that we are discussing the M.T.F.P. (medium-term financial plan) this week. We are also discussing the economic growth plan. Senator Ferguson, I am sorry she is not here. I do not seem to please Senator Ferguson very much these days. **[Laughter]** Contingencies are going to become available under the new M.T.F.P. It is not really an issue for today, but she did ask about the issue and her panel has asked under the new Finance Law how we will do 11(8) requests. Well, the first thing is we have put contingencies in the new arrangements. We are putting aside £10 million, £12 million, and £14 million a year for contingencies. That has to be the first call. There can be transfers from other heads of expenditure if we need to, and there will also be the annual growth amount that will be allocatable by this Assembly on an annual basis. Under Article 9(2) of the law the Council of Ministers may lodge a proposition to increase the total of net expenditure in the M.T.F.P. given certain circumstances if the Council of Ministers is satisfied that there is a serious threat to the economic, environmental or social wellbeing of Jersey which requires an immediate response. The proviso is, of course, that the Consolidated Fund does not go into deficit. So there are provisions *in extremis* in future to be able to deal with it. But we are saying we want new discipline. We want to be able to ensure that contingencies mean that we do not do Article 11(8) requests, but we would not be doing this if we had the incorporated housing

body because we would be finding a different way of housing it. So we are solving all of these issues at once. We are cleaning up the way that we make financial decisions and we are putting housing on a more sustainable footing. Senator Ferguson also spoke about the concern that she has about fiscal stimulus. She has been emailing the economic adviser on this and I have the emails about his response on fiscal stimulus. I am delighted that Senator Ferguson ... so I hope I am not breaking Standing Orders, but in fact I have my iPad here. That is the graph that ... I will send it around to Members later. **[Members: Oh!]**

The Bailiff:

I think you are breaking Standing Orders. **[Laughter]**

Senator P.F.C. Ozouf:

I will put it away. **[Laughter]** The fact is that we have been issuing the graphs. The economic adviser has advised Senator Ferguson on why it matters to support the construction industry. The economic adviser has told her that 40 per cent of construction firms are seeing dwindling order books. The economic adviser has explained to her the 4 reasons why construction projects stimulate the economy, and they are the things that all economists agree. First of all, the multiplier effect means that you get money into the economy. It is a greater multiplier than any other of the alternatives. Spending is supporting employment, more than perhaps direct linear supporting of employment of any other sector. The projects that are brought forward are less risky than projects of “grand project” that sometimes politicians do - not offending the Constable of St. Mary who likes the odd “grand project”. **[Laughter]** But indeed the fact is that a “grand project” of a politician is perhaps less beneficial to the economy. The last thing is that the projects, in terms of construction, have the best initiative in terms of leaving a lasting legacy. Senator Ferguson asked about whether or not the fiscal stimulus plan works. Maybe she needs to come round on a trip with me to see the hospice, Durrell, the Beaulieu school proposals, the Beaulieu School new initiative at the top of the school which I had the privilege of seeing, the new arrangements for the special curriculum, the other infrastructure projects. These were beneficial projects of which I am proud, not only keeping people in work but they left a lasting legacy and that is why fiscal stimulus ... I welcome any constructive criticism, any review of the fiscal stimulus plan, because I bet the fiscal stimulus programme that we have put in place will meet the fiscal stimulus rules of any place anywhere in the world and, of course, it was done out of cash, not out of debt. She spoke about why are Sweden and Germany in such a good situation. Well, Sweden and Germany did exactly what we have done. We sorted out our public finances. Sweden went through massive austerity, dealt with their debt and now they are on a path to growth. Germany did the same thing. I would predict that Jersey in these difficult situations, in this difficult time of economic recovery, is going to do better than places that have put off their problems. We are going to be the mini Germany in terms of economic growth, but we have to make it happen. I also do not think that there is going to be a run on our pound, I have to say. I hear that the sales of our £100 note are going quite well. I hear that there are 4,000 notes already ordered and we have not even started orders yet. I do not think there is going to be a run on the Jersey pound and, frankly, in terms of the ... **[Interruption]**. The breakeven point, Senator, through the Chair, is 5,000. I think we will beat that by the end of the week. The fact is that the Currency Fund is a good example of where the Treasurer and I are making the balance sheet of the States work more effectively. £100 million of money, which is never going to be called in all at once, there would need to be a run on the entire currency in circulation. It does not make sense to keep that money entirely in cash, getting half a per cent interest rate. It makes more sense to get that money into the economy and getting it at work. I want to find other ways where I can get pension funds and other things invested in the economy. That is what I want to do. I want to get our money working to get people in jobs without breaking our fiscal rules. I can say that the breakdown of the Currency Fund is 20 per cent equities, 10 per

cent bonds, 10 per cent cash and 60 per cent in alternative assets. If there is any doubt that the States of Jersey cannot come up with £100 million just like that if there is a run on our entire currency with all our other balances, then frankly it is not the Treasury that I recognise in terms of it. It is prudent and it is the right thing to do. I am pleased that the new Treasurer is really, really making the balance sheet work, which means that we have latitude and we have the ability to do things to the interests of our community. I hope that answers all Senator Ferguson's questions because she did ask for a reference back and I think I have answered all her questions. I hope that that avoided the reference back. I will not be very much longer but Deputy Vallois did ask some very important questions which deserve answering. She asked why there was £27 million additional income. Well, I have to say that we were surprised by the income that came in. Of course, income tax settlements are confidential but I understand that there was one very big tax settlement that was achieved by the Comptroller - by the former Comptroller I am sad to say of course - in terms of a piece of work that he had been working on a number of years. Certainly, the profitability of banks was higher than we thought and certainly some of that had to do with the higher population numbers which were running through the income tax forecasting. I am happy to give the P.A.C. and Corporate Services much more detail. We will be announcing the States accounts next week and we will be giving a full breakdown of that. Unfortunately, I have to say that in the short term the money situation coming in is better but because the economic situation is looking more problematic in the longer term, I think that it is only going to be short-lived. But that does not give me any degree of unconfidence or uncomfortableness that we cannot use this one-off money, but of course we can only use it from a one-off. I do not think it is going to be repeated. There is a difference between the issue of sales. I think the Minister for Housing has answered the issue and Assistant Ministers have answered the issue of sales. The housing programme was predicated on the basis of £11 million worth of sales. Because of the credit market and because the market for housing has been poor we have not achieved those sales. That meant that some housing projects could not go ahead. That is the reason why I have been prepared to find some more money for Housing in order to do it. I would ask the Deputy just to reflect on what is in the report effectively. I hope these things are all set out, but if she has any further questions about that I am happy to do it. Is it another £27 million? It is £27 million that will be invested in these projects that otherwise would not have gone ahead as a result of this decision. I hope the various different answers that have been explained have explained that question. Certainly, we have done a lot of work, a tremendous amount of work, on looking at tax forecasting. I am very worried about whether or not we get it right of tax forecasting. £27 million is not bad on £650 million in terms of accuracy compared to some Governments. The Treasurer and I, with advisers, have been looking at the forward projections and it is one of the big things that we are talking at the Council of Ministers about the future projections. But it did come in and we can spend it, but we need to spend it wisely. The Deputy of Grouville, I think I have dealt with her issue. There has been no request for the T.D.F. yet but if there is one then I will give it full consideration. I have discussed the real issue of the difficult economic situation. There is huge concern around the world. The world has changed from when even we debated the budget last year. We are in a strong position and that means that we can act. We need to act boldly in terms of economic growth plans. I am not going to steal the thunder of the Council of Ministers and the economic growth strategy brought forward by the Minister for Economic Development, but this is not even the start of what we intend to do. We intend to be serious about getting people back to work and using the fortunate position that Jersey has in terms of having a balanced budget, having no deficit and having the strength and the confidence to invest in our economy. She is right about the creative industries, she is right about tourism and we need to do that. There is lots of good work being done on that. Apprenticeships; I was at the Skills Executive with the Ministers for Social Security, Education and Economic Development yesterday and again there was a proposal for apprenticeships which is being done by the Skills Board. Really good work for the first time putting back in place

apprenticeships over and above what we have already done. There is a lot of work that is being done. We are taking our responsibilities for growth and getting people back to work seriously and this is an important part. I am grateful for Senator Farnham and Deputy Power. They were absolutely right about the issue of the construction industry. Lots of small firms are now being crowded out by big firms because they do not have order books, and that is having a corresponding knock-on effect, which is the reason why the Minister for Social Security has so many people out of work. This is going to make a difference for the big firms. It is also going to make a difference for the small firms because of all the subcontractors, the plasterers, the bricklayers, the carpenters that are brought in, in terms of that.

[16:45]

The comment that was made about housing; yes, absolutely we need to get Property Holdings and Housing working together on the 300 units of accommodation within Housing. We need to invest in them, we need to make better use of those sites and, yes we are going to do it. That is part of the new working that the Chief Minister and I are trying to put in place with the Corporate Department and we are going to do it. Deputy Noel is doing good work on that, if I may say, following what the Constable of St. Peter said. Deputy Duhamel, I really hope he is going to support me. I hope that he is convinced that this is absolutely important Council of Ministers Strategic Plan investment. This is about jobs. This is about the economy. Yes, we do say we have no debt. Perhaps we should be saying we have no net debt. Perhaps we need to be leveraging our balance sheet to ensure that we do not throw away our prudence, that we use the ability to invest in infrastructure. I am not against borrowing for housing projects that have a return. I am not against helping Jersey Telecom invest in infrastructure, secure a future for digital Jersey. That is not imprudent. That is sensible. There is a difference between having debt ... as I have always said in this Assembly; there is a difference of incurring debt for consumption and debt for investment. Debt for investment that produces a return is good and that is what we are going to be doing more of. I do hope the Minister is going to support it. He has a vital role in providing housing and those sites for housing going forward to assist the Minister and Property Holdings and the Council of Ministers in his job. I very much hope that I have answered all Members' questions. This is a really important project. It meets the Strategic Plan objective. It delivers homes. It delivers better homes. It delivers jobs and it is work that we need to do. It delivers better value for money. I move the proposition and ask for the appel.

The Bailiff:

The appel is called for then in relation to the proposition of the Minister for Treasury and Resources. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 42	CONTRE: 1	ABSTAIN: 1
Senator P.F. Routier	Deputy G.P. Southern (H)	Senator S.C. Ferguson
Senator P.F.C. Ozouf		
Senator A.J.H. Maclean		
Senator B.I. Le Marquand		
Senator F. du H. Le Gresley		
Senator I.J. Gorst		
Senator L.J. Farnham		
Connétable of St. Helier		
Connétable of Trinity		
Connétable of Grouville		
Connétable of St. Clement		

Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. John				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérissier (S)				
Deputy of St. Ouen				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy S.S.P.A. Power (B)				
Deputy K.C. Lewis (S)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy G.C.L. Baudains (C)				
Deputy J.P.G. Baker (H)				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

9. Draft Collective Investment Funds (Amendment and Validation) (Jersey) Law 201-(P.42/2012)

The Bailiff:

Very well. We come next to the Draft Collective Investment Funds (Amendment and Validation) (Jersey) Law, Projet 42, lodged by the Minister for Economic Development. I will ask the Greffier to read the citation.

The Greffier of the States:

Draft Collective Investment Funds (Amendment and Validation) (Jersey) Law, a law to amend the Collective Investment Funds (Jersey) Law 1988 with regard to the publication of fees and to validate fees paid between the period beginning with 4th April 2008 and ending with and including 17th February 2012. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following law.

9.1 Senator A.J.H. Maclean (The Minister for Economic Development):

I fear Members might find this a little dull after the previous projet but hopefully that will not be the case. As the title of this draft law suggests, there are 2 principal purposes to the law, an amendment and a validation. The first is a minor amendment to the Collective Investment Funds (Jersey) Law 1988, which I will refer to as the C.I.F. Law. This allows for certain fees associated with the certification of funds to be published by the Jersey Financial Services Commission rather than prescribed by the Minister for Economic Development. The second purpose is to validate any certification fees which were paid between 4th April 2008 and 17th February 2012. Looking firstly to the amending provisions, there are currently some historic provisions in the C.I.F. Law that require certain fund certification fees to be prescribed by order of the Minister for Economic Development. This is in contrast to all other relevant regulatory and supervisory laws and, indeed, other parts of the C.I.F. Law and this is, therefore, seeking to bring that into line. By way of explanation, under all these laws the fees payable to the Commission are set at levels published by the Commission. This follows consultation in accordance with the process set out in Article 15 of the Financial Services Commission (Jersey) Law 1998. Therefore, this change from ministerial order to Commission publication for the setting of fee levels was made largely in response to a recommendation by the International Monetary Fund following its 2002-2003 assessment of the Island's compliance with international standards. At around the same time that this change was being implemented, a separate decision was also taken to make substantial alterations to the way in which collective investment funds were regulated. For example, at the time the C.I.F. Law required every functionary of a collective investment fund to hold a permit in respect of each fund for which it acted if it was either a Jersey company or it carried out any part of its activities in Jersey. The proposed changes ensured that save for recognised funds which had to retain a separate system the C.I.F. Law would only require that a certificate be issued in respect of any fund managed from within Jersey. The changes were introduced to ensure a substantial reduction in the administrative burden both for the Commission and for industry and not surprisingly enjoyed broad support. It was the coincident timing of these 2 sets of unrelated changes, first the across-the-board amendment of the mechanism for setting fee levels and, secondly, the switch in the C.I.F. Law to fund certification, that was ultimately responsible for leaving an anomalous reference in the C.I.F. Law to certification fees being made by ministerial order. It is this minor anomaly that requires necessary amendment today, thereby bringing the C.I.F. Law into line with other relevant regulatory and supervisory laws. I would emphasise that the amendment makes no change in the amount of fees being charged, merely the fee-setting mechanism. I would now like to briefly comment on the validation provisions. One by-product of the anomaly that I have just described was that certification fees were requested and rendered at the consulted level for a period of time before this level was formally prescribed by order. In view of this, the draft law seeks also to validate the payment of certification fees to the Commission for the period from 4th April 2008, when the changes to the C.I.F. Law came into force, until 17th February 2012, when the fee levels were formally prescribed by ministerial order, namely the Collective Investment Funds (Jersey) Order 2012. I propose the principles of the law.

The Bailiff:

Are the principles seconded? **[Seconded]** Does any Member wish to speak on any of the principles? Very well, all those in favour of adopting the principles kindly show? Those against? The principles are adopted. This matter falls within the remit of the Economic Affairs Scrutiny Panel. Deputy of St. Martin, do you wish this matter to be referred to your panel?

The Deputy of St. Martin (Chairman, Economic Affairs Scrutiny Panel):

No, thank you.

The Bailiff:

Very well. Do you wish to propose the Articles *en bloc*?

9.2 Senator A.J.H. Maclean:

Yes, I propose them *en bloc* if I may and answer any questions that may arise. I think I have covered the key points in my opening remarks.

The Bailiff:

Very well. Are Articles 1 to 5 seconded? [**Seconded**] Does any Member wish to speak on any of Articles 1 to 5? Deputy Higgins.

9.2.1 Deputy M.R. Higgins:

Yes, just to make the same complaint I made earlier. Again, we have an amending law that refers to various Articles and just a phrase here and there but you cannot see it in the context of the primary law that we are amending. I really do think this is a bad way of enacting legislation in this Island and I would hope the Minister ... certainly he agreed to do it with the Gambling Law and I would hope that on all these pieces of legislation he is bringing we get marked up copies in advance or at least if Members do not want to be troubled reading them that they should be at least put online so those who are can see a marked-up copy of the legislation.

The Bailiff:

Does any other Member wish to speak on the individual Articles? Deputy Young.

9.2.2 Deputy J.H. Young:

I feel Article 4 I think, unless I have misunderstood it, is a piece of retrospective legislation and I do not think it should just be rubberstamped without a comment. What troubles me a little bit about the principle of Article 4, if I have understood it correctly, it seems to suggest that where somebody paid a fee which was not in accordance with the law previously that shall now be viewed as if it was correct, whereas a person who did not pay that fee is going to be okay, as it were. That seems to be rather an imbalance and I would like to be assured by the Minister that this is a technicality only and the effect of this in no way prejudices any persons paying fees and that as far as he is aware there are no snags about us doing this retrospective adjustment of a fee because I assume we would not normally do this in non-financial services matters. For example, it would be like resetting the car park fees back 2 years retrospectively and I think that is not a thing we should routinely do without comment.

The Bailiff:

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

9.2.3 Senator A.J.H. Maclean:

Deputy Higgins has raised the point before and he is quite right, we did with regard to the Gambling Law provide that when he was Chair of the Scrutiny Panel. It is good practice and I will seek to ensure that that is done in future. It does provide sometimes some difficulties but it is good practice and we will seek to do it. With regard to Deputy Young, this is effectively a technicality so no, there are no issues arising we have been assured from the law officers and, indeed, the human rights compliance has been checked into as well. That was one of the reasons that this was carried out in the way that it has been. The M.O.J. (Ministry of Justice) has also given their approval from the human rights perspective. So there is nothing to be concerned about as far as we are advised.

The Bailiff:

Very well, all those in favour of adopting Articles 1 to 5 kindly show? Those against? Articles 1 to 5 are adopted. Do you propose the Bill in Third Reading, Minister?

Senator A.J.H. Maclean:

Yes.

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak in Third Reading? All those in favour of adopting the Bill in Third Reading kindly show? Those against? The Bill is adopted in Third Reading.

10. Draft Amendment (No. 19) of the Standing Orders of the States of Jersey (P.43/2012)

The Bailiff:

Then we come next to Draft Amendment (No. 19) of the Standing Orders of the States of Jersey, Projet 43, lodged by the Minister for Treasury and Resources. I will ask the Greffier to read the citation.

The Greffier of the States:

Draft Amendment (No. 19) of the Standing Orders of the States of Jersey. The States in pursuance of Article 48 of the States of Jersey Law 2005 have made the following amendments to Standing Orders of the States of Jersey.

The Bailiff:

Yes, Minister, I invite you to propose the Standing Orders.

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

This is somewhat unusual that the Minister for Treasury and Resources is proposing Standing Orders, but they are, of course, issues that normally fall under Privileges and Procedures. However, because they relate primarily to the Public Finances Law, the P.P.C. agreed that the Treasury should be responsible for bringing them forward. I should say that I think I have the full support of Privileges and Procedures, indeed the Council of Ministers, for doing them. They do relate specifically to the arrangements that Members will be aware in relation to the arrangements for the Assembly of the lodging and debating of the Medium Term Financial Plan and the new-style budget. Members will recall that last year the Assembly considered improved changes to the Public Finances Law where we established radical new ways of deciding and approving our spending. The M.T.F.P. framework was taken to remove procedures associated with an annual lodging and an annual year by year approval of expenditure, moving to a 3-year cycle intended to radically overhaul the way we confirm expenditure. Therefore, giving departments the confidence that they needed to deliver their budgets within a longer timeframe and also give third sector organisations and all those that we provide funding to outside, certainty in a way that had never been done before. The intent was always that the Standing Order arrangements would be brought back within Standing Orders rather than putting in the Public Finances Law. Many of the procedures previously set out in the Public Finances Law are replicated in this Standing Order amendment. We have also ensured that Deputy Southern's proposal to ensure that there was a much longer lodging period for the medium-term financial plan has been included. The proposals will allow for the medium-term financial plan to be lodged for a minimum of 12 weeks in order to give Members the opportunity to consider, scrutinise and, of course, propose amendments. We are proposing a minimum of 2-week lodging period for amendments with a minimum of one-week period for amendments to amendments. Previously, the Chief Minister was able to propose

amendments without notice to the Annual Business Plan. We have incorporated similar provisions in this Standing Order but it also allows for the Chief Minister and Minister for Treasury and Resources to propose late changes to the plan. However, there is now rightly a distinction between the procedures that have been followed for those amendments which are necessary to address a contravention of the Public Finances Law and other amendments. In other words, it has been all tidied up. I am pleased to say that scrutiny have been involved in all aspects of the preparation of the medium-term financial plan and part of this amendment proposes that the existing Standing Order 79, which enables a Member of the States to propose that a proposition is referred to the relevant Scrutiny Panel, does not apply in relation to matters of the medium-term financial plan.

[17:00]

I am proposing that the lodging periods for the new-style budget replicate those previously set out in the Public Finances Law. That is a minimum of 6 weeks lodging and a period of 2-week minimum lodging for amendments and one week amendments to amendments. These times reflect those already set out in Standing Orders for draft laws or regulations. So I hope Members are as enthusiastic as I am about these new changes. I hope that they give Scrutiny the appropriate time to deliver the M.T.F.P. What I will say in conclusion is that these are probably the most important decisions that we shall take. One of the most important decisions of any parliament is that of allocating expenditure. This year we will for the first time be approving expenditure for 3 years and I hope that the longer lodging periods and the availability of early information for Scrutiny, which I am pleased to say they are getting the draft of M.T.F.P. tomorrow at the same time that the Council of Ministers are, I hope that this all means that we will be able to have a properly informed and properly ordered debate in relation to setting public financial amendments. I move the amendments.

The Bailiff:

Are the amendments to Standing Orders seconded? [**Seconded**] Does any Member wish to speak on any of them? Very well, all those in favour of adopting Standing Orders kindly show? Those against? They are adopted.

11. Jersey Employment Tribunal: appointment of Chairman and Deputy Chairman (P.45/2012)

The Bailiff:

Then we come finally to Jersey Employment Tribunal: appointment of Chairman and Deputy Chairman, Projet 45, lodged by the Minister for Social Security. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion - to appoint, further to a process overseen by the Jersey Appointments Commission and in accordance with Regulation 3(2) of the Employment Tribunal (Jersey) Regulations 2005, the following persons as members of the Jersey Employment Tribunal, each for a period of 5 years - Mrs. Nicola Santos Costa, Chairman, and Advocate Claire Davies, Deputy Chairman.

11.1 Senator F. du H. Le Gresley (The Minister for Social Security):

I am pleased to propose the appointment of a new Chairman and new Deputy Chairman of the Jersey Employment Tribunal. The Employment Tribunal deals with employment-related disputes between employers and employees. A panel consists of a legally qualified chairman or a deputy chairman with 2 side members. The current Chairman and the original Chairman of the

Employment Tribunal, Advocate David Le Quesne, will retire on 31st May of this year. I would like to express my thanks to him for his commitment to the Tribunal during the past several years and I wish him well for the future. In order to replace the Chairman, open recruitment and structured interviews took place in October 2011 overseen by the Jersey Appointments Commission. The recruitment panel selected Mrs. Nicola Santos Costa for the position of Chairman. Mrs. Santos Costa has served 7 years as the Deputy Chairman of the Employment Tribunal. She qualified as a solicitor of the Supreme Court of England and Wales in 1985. In order to fill that vacancy, further open recruitment was undertaken and Advocate Claire Davies, a practising litigation lawyer, was selected for the position of Deputy Chairman. I am satisfied that the proposed new Chairman and Deputy Chairman have the required legal qualifications and will bring considerable knowledge and experience to their roles. I ask Members to agree that the proposed candidates are appointed to the Employment Tribunal, each for a 5-year term of office commencing on 1st June 2012. I ask Members to support this proposition.

The Bailiff:

Is the proposition seconded? **[Seconded]** Before opening the proposition for debate, can I remind Members that a delegation from the Isle of Man is visiting today. I am pleased to say that the fog has lifted and they have managed to arrive just before the Assembly rises. So in the public gallery, and we are very pleased to welcome him, is Mr. Allan Bell, the Chief Minister of the Isle of Man, **[Approbation]** and Mr. Eddie Teare, Minister for the Treasury **[Approbation]**, and they are accompanied by the Chief Secretary and the Director of External Relations. As Members know, there is to be a reception immediately following this at which Members will have the opportunity of meeting the Chief Minister and the Minister for the Treasury and the delegation and I hope as many Members as possible will attend that reception, but Members have already welcomed the Chief Minister. Very well, so now we return to the debate. Does any Member wish to speak on the proposition? Deputy Le Hérissier.

11.1.1 Deputy R.G. Le Hérissier:

Very quickly, I wonder if the Minister could confirm that the number of meetings of the panel is, in fact, decreasing, which is in some respects a good thing, and are these 2 officer holders or potential office holders' people who are likely to keep that particular trend going.

11.1.2 Senator P.F. Routier:

In my time as Minister for Social Security we established the Employment Tribunal and I think it would be remiss of us to not recognise the service which David Le Quesne gave to the **[Approbation]** ... He has given exemplary service to the formation of the Tribunal and I wish him well in what he does in the future.

The Bailiff:

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

11.1.3 Senator F. du H. Le Gresley:

Deputy Le Hérissier is absolutely right, the number of Employment Tribunal hearings are on the increase and he may be aware or may not be aware that I have today lodged an amendment to the Employment Tribunal Regulations, which if approved by this Assembly would create a pool of up to 5 Deputy Chairmen in order to speed up the time that people might wait for an Employment Tribunal hearing. We also need to bear in mind that this Assembly instructed the Minister for Social Security to press ahead with drafting an Anti-Discrimination Law. This work is very much in hand and it is intended that the Employment Tribunal will probably expand its role to deal with discrimination hearings as well. So we do expect very busy times ahead for this very important

Tribunal. I thank Senator Routier for repeating the debt that we owe to Advocate Le Quesne for the excellent work he has done as Chairman during his time in office. I ask for the appel.

The Bailiff:

The appel is asked for then in relation to the proposition of the Minister for Social Security. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 46	CONTRE: 0	ABSTAIN: 0
Senator P.F. Routier		
Senator P.F.C. Ozouf		
Senator S.C. Ferguson		
Senator A.J.H. Maclean		
Senator B.I. Le Marquand		
Senator F. du H. Le Gresley		
Senator I.J. Gorst		
Senator L.J. Farnham		
Connétable of St. Helier		
Connétable of Trinity		
Connétable of Grouville		
Connétable of St. Clement		
Connétable of St. Peter		
Connétable of St. Lawrence		
Connétable of St. Mary		
Connétable of St. John		
Connétable of St. Ouen		
Connétable of St. Breilade		
Connétable of St. Martin		
Connétable of St. Saviour		
Deputy R.C. Duhamel (S)		
Deputy R.G. Le Hérissier (S)		
Deputy G.P. Southern (H)		
Deputy of St. Ouen		
Deputy of Grouville		
Deputy J.A. Hilton (H)		
Deputy J.A.N. Le Fondré (L)		
Deputy of Trinity		
Deputy S.S.P.A. Power (B)		
Deputy K.C. Lewis (S)		
Deputy T.M. Pitman (H)		
Deputy E.J. Noel (L)		
Deputy T.A. Vallois (S)		
Deputy M.R. Higgins (H)		
Deputy A.K.F. Green (H)		
Deputy J.M. Maçon (S)		
Deputy G.C.L. Baudains (C)		
Deputy of St. John		
Deputy J.P.G. Baker (H)		
Deputy J.H. Young (B)		

Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

The Bailiff:

That concludes Public Business. There is one matter that has been presented, report 69, by the Minister for Planning and Environment on Environment Department: Draft Supplementary Planning Guidance - Site Waste Management Plans.

ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

The Bailiff:

That brings us to arrangement of public business for future meetings. I invite the Chairman of P.P.C. to address the Assembly.

12. The Connétable of St. Helier (Chairman, Privileges and Procedures Committee):

Public business for forthcoming meetings is as set out under M in the Consolidated Order Paper with the exception of 4 matters to be added to the meeting of 10th July: P.51, Draft Employment Tribunal (Amendment to Regulations) on behalf of the Minister for Social Security, and 3 on behalf of the Minister for Home Affairs, P.52, Draft Petroleum Law (Amendment), P.53, Draft Petroleum Substances Regulations, and P.54, Draft Fire Precautions (Amendment) Law. Those will be added to 10th July. I draw Members' attention to the next meeting on 12th June which has a fairly light agenda, which I gather could become lighter still if P.46 is resolved outside the Assembly. Last meeting I made a request that a matter which was debated this morning need not be taken. I would make the same request to Deputy Southern that Standing Orders (Answers to Questions), Projet 30, is being dealt with very well by a sub-committee on which the Deputy sits and would he be willing to defer that matter?

12.1 Deputy G.P. Southern:

Given the good fortune which went with Deputy Pitman this morning, my answer still remains no, I am not prepared to withdraw it. It needs dealing with.

12.2 Senator L.J. Farnham:

May I seek just a brief point of clarification on P.46? I was under the impression that an agreement had been reached. Perhaps the Minister for Planning and Environment could just confirm his position briefly to the Assembly.

The Bailiff:

Well, that is a matter for Deputy Higgins. You wish to proceed with the matter at the moment, do you, Deputy?

12.3 Deputy M.R. Higgins:

If I could just explain to the House following advice from the Attorney General I have issued an amendment, so that is why it has been put back. It was to avoid a legal technicality preventing the payment. In the meantime, the Council of Ministers have issued a comments paper saying that they are in favour of making the payment. Basically, if the payment is made I am being asked to withdraw the proposition, in which case I would because the whole intention of the proposition was not to score points or to denigrate the Planning Department, despite the fact they need it, [Members: Oh!] but simply to get compensation for Mr. Turner.

12.4 Senator I.J. Gorst:

Perhaps I can help. I spoke privately to Deputy Higgins about this matter yesterday and I see no reason why the payment should not be received by Mr. Turner prior to the next States sitting. Therefore, I hope that we will not need to consider this item.

The Bailiff:

Very well. Well, it clearly needs to be left on at the moment but Members hopefully will not need to debate it. Does any other Member wish to say anything about future business? Very well, do Members agree to take the future business as listed as amended by the Chairman? Thank you very much. Now, before we adjourn there are 2 matters I would like to mention to Members. As Members know, this is the final sitting of the Assembly before the Jubilee weekend so I would like to mention 2 matters. The first one is that I have sent a message through official channels to Her Majesty and I thought I would share with Members the terms of that message, which reads as follows: “The Lieutenant Governor, Bailiff, States and people of Jersey join together to send Your Majesty their most loyal congratulations on the occasion of your Diamond Jubilee and look forward with great anticipation to the events to be held in Jersey this weekend to celebrate this special anniversary to mark 60 years of dedicated service to the people of the Commonwealth. We express our most sincere and devoted affection and pray that Your Majesty will continue to be blessed with good health and happiness in the future.” **[Approbation]** The second matter is just to remind Members of the general plan for events this weekend. They have been publicised substantially recently but, just to remind Members, broadly speaking Saturday and Sunday are given over to Parish events. On Saturday, St. Clement and St. Peter will be holding events and on Sunday St. John, Trinity, Grouville, St. Martin, St. Helier, St. Ouen and St. Brelade will all be holding events. His Excellency will attend those at St. John and Trinity. I shall attend those at Grouville, St. Martin and St. Helier and the Chief Minister will attend those at St. Ouen and St. Brelade, although when I say attend we will not be there the entire time **[Laughter]** but we shall visit each one with great pleasure. Then Monday is perhaps the main day. It starts at 10.30 a.m. with the service of thanksgiving led by the Dean of Jersey in the Town Church, to which all Members have been invited. Then at 2.30 p.m. there is the cavalcade and static display of the Jersey Old Motor Club and there will be a drive past here in the Royal Square and then ending up at the People’s Park. Then at 4.30 p.m. the Jubilee Food Festival will begin in the Jardins de la Mer. That will obviously have food and stalls and also music and entertainment. Then at 7.30 p.m. the Jubilee Concert at Fort Regent will begin. That concert will be broadcast on to the big screen which will be available down at Jardins de la Mer, so those who cannot get tickets for the concert itself will be able to see the concert on the big screen at the Jubilee Food Festival. So we hope as many people as possible will be at one or other of those venues. Then matters will conclude that evening. At 10.10 p.m. there will be a 21-gun salute. At 10.21 p.m. precisely there will be a laser lighting of the beacon on Elizabeth Castle. We are going to be the southernmost beacon in the British Isles and this is all part of a lighting of beacons throughout the British Isles ending up with the lighting by Her Majesty of the beacon in London. There will be a laser display linked to that and then finally and immediately afterwards a firework display from Elizabeth Castle. Tuesday will be a day of rest. **[Laughter]**

The Connétable of St. John:

I did not hear the Parish of St. Peter mentioned. You may have omitted it by any chance?

The Bailiff:

No, I think I mentioned St. Peter, St. Clement and St. Peter on Saturday.

The Connétable of St. Mary:

I feel slightly overlooked. It is not unusual for somebody of my height, but St. Mary will be celebrating on the Sunday as well.

[17:15]

The Bailiff:

Very well. Well, you are not on my list, Connétable. **[Laughter]**

The Connétable of St. Mary:

Well, Sir, if you have not had enough egg mayonnaise sandwiches by then do come along in the afternoon.

The Bailiff:

Very well. So that concludes the business of the Assembly. I remind Members now of the reception next door which we will move to. Although it was listed for 5.30 p.m, I am sure everyone can move straight across there and this will be an opportunity for Members to meet the Chief Minister, Minister for the Treasury and others from the Isle of Man. Very well, the meeting is closed.

ADJOURNMENT

[17:15]