

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 16th NOVEMBER 2010

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[09:30]

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

QUESTIONS

1. Written Questions

1.1 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE MINISTER FOR EDUCATION, SPORT AND CULTURE REGARDING SCHOOL INSPECTIONS:

Question

Can the Minister summarise the current system for inspecting schools in Jersey and why are the results of such inspections (Validated School Self-Evaluations known as VSSE reports) not all made available to the public?

Answer

The current system for inspecting schools has been updated from the VSSE process.

1. The Professional Partner programme was introduced 18 months ago for all States schools. This is a rigorous process that takes place every term. A Professional Partner who is an experienced officer from the ESC department evaluates all aspects of each school's performance.
2. This monitoring by Professional Partners takes into account a range of data including exam results, finance and safeguarding information.
3. External inspectors are also used within a three year cycle, or more frequently if necessary, to independently verify the schools' own self evaluation. Inspections take in to account the Professional Partner's judgements and can be directed by the Minister to cover the whole school or focus on individual subjects such as leadership or financial management.
4. All States schools are required to participate. Currently, private schools are treated with a light touch but have been invited to join in this programme, although not all have.
5. Schools that do not come under the direct control of the Education Department are required to meet registration requirements that set out basic legal obligations, for example in health and safety.

Professional Partner reports and external reports are used by the schools and their governing bodies, who are then responsible for making them available to parents, usually through the school's annual report. Copies are made available to the senior management team at ESC.

In this way the current system for inspecting schools is systematic and rigorous for all States schools. It develops an honest debate with schools and enables good practice to be identified across the island.

The reports are designed to help improve the standard of schools. They are part of an internal professional debate and provide specific technical information and detail for each school. Publication of such detailed reports in the UK has proved to be counter-productive and potentially

detrimental. The confidentiality we offer in Jersey leads to greater professional debate – staff can be open and honest and therefore more effective in improving standards. OFSTED findings shows that published reports tends to make participants less open and for this reason the department does not publish the reports.

1.2 SENATOR B.E. SHENTON OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING PLANNING PERMISSION FOR FIELD 621:

Question

Which Article of the Planning and Building (Jersey) Law 2002 does the Minister rely on in making a decision which represents a substantial departure from the current Island Plan, such as the recent granting of planning permission in respect of Field 621 (Green Zone)?

Answer

Article 19 of the Planning and Building (Jersey) Law 2002 states (in part)

19 Grant of planning permission

(1) The Minister in determining an application for planning permission shall take into account all material considerations.

(2) In general the Minister shall grant planning permission if the proposed development is in accordance with the Island Plan.

(3) The Minister may grant planning permission that is inconsistent with the Island Plan but shall not do so unless the Minister is satisfied that there is sufficient justification for doing so

As such it is Article 19(3) that gives the authority to make a decision that does not accord with the Island Plan.

Article 12 of the Law goes on to state

12 Public inquiries

(1) This Article applies in respect of an application for planning permission where the Minister is satisfied that if the proposed development were to be carried out –

(a) the development would be likely to have a significant effect on the interests of the whole or a substantial part of the population of Jersey; or

(b) the development would be a departure (other than an insubstantial one) from the Island Plan.

(2) Where this Article applies the Minister shall not determine the application until a public inquiry has been held.

This effectively sets a process for determination of applications that represent ‘substantial’ departures from the Island Plan. As I indicated in my written answer to the Senator’s question on 6 July 2010 since I took office in 2005 there have been no planning applications approved for developments that are more than an insubstantial departure from the plan. Consequently there has been no need to convene a Public Inquiry in line with Article 12(1)(b).

The Esplanade Quarter planning application was for a significant development that would be likely to have an effect on the interests of the whole or a substantial part of the population of the Island. Consideration of that planning application was made through the mechanism of a Public Inquiry, under Article 12(1)(a).

As regards Field 621 the process of the granting of planning permission did not follow the normal course of events. A written undertaking to develop a single home on Field 621, Route de Noirmont, St Brelade, was made by the Environment and Public Services Committee in April 2004 at a time

when the site was designated as a Built-up Area in the Island Plan, within which, under Policy H8, there is effectively a presumption in favour of development subject to compliance with a number of listed criteria.

As a result of that undertaking and also on the basis of the (then) Zoning within the Built Up Area, the site was acquired by to the current owner.

This occurred before the Planning and Building (Jersey) 2002 came into force in July 2006.

The planning history of the site is attached to this written answer, and demonstrates why, having consistently accepted the principle of a single dwelling on this site since April 2004, the decision to refuse an outline application for one dwelling which reserved all matters other than the principle of development, became indefensible on the grounds of inconsistency when the applicants lodged an appeal to the Royal Court.

Accordingly I had no option but to concede the appeal. The decision in law was then made by the Royal Court's Consent Order and not by me as the Minister. The Article of the Law under which it was made was Article 113 (3) (b) of the Planning and Building (Jersey) Law 2002

Chronology - Field 621, La Route de Noirmont, St Brelade

July 2002

The States Assembly, in adopting the 2002 Island Plan, placed Field 621 in the Built-up Area, in which proposals for residential development that meet the criteria in Policy H8 will normally be permitted.

September 2003

The (then) owner submitted an application to construct 2 houses on the site

December 2003

Following a site visit, the Planning Sub-Committee refused permission.

January 2004

A 'request for reconsideration' was submitted to the Environment and Public Services Committee together with a petition, signed by 43 neighbours, opposing any development of the site

April 2004

The Environment and Public Services Committee visited the site, and met a delegation of local residents, the local Deputy and the applicant's lawyer. The Committee maintained the refusal of 2 houses, but in doing so agreed 'that it would be appropriate to permit limited and appropriate development of the site.' This decision was conveyed to the applicant by letter dated 7 April 2004, and explained that the Committee conceded the construction of 1 dwelling on the site in principle, with size position and design to be agreed.

June 2004

The site was acquired by the present owner, on the basis of the aforementioned letter of advice. The owner then submitted a new application for 2 dwellings of modified scale and design compared to the previous application.

September 2004

The application was refused by the Planning Sub-Committee, **but not on grounds of the principle of development (for 1 dwelling)**, which had been established in April 2004.

October 2004

A further 'request for reconsideration' was submitted to the Environment and Public Services Committee.

December 2004

The Committee visited the site, but deferred a decision, pending the submission of further drawings.

January 2005

Following the submission of those drawings, the Committee maintained the refusal for 2 dwellings but in so doing maintain the previous undertaking to support the principle of 1 dwelling on the site.

February 2005

Deputy J Hilton lodged a proposition to amend the 2002 Island Plan by changing the designation of Field 621 from Built-up Area to Green Zone.

March 2005

A neighbour submitted a request to the Greffier of the States for a hearing by a Board of Administrative Appeal. The neighbour was advised by the Greffier that it would be logical to await the outcome of Deputy Hilton's proposition. These proceedings did not continue thereafter.

The owner's advocate wrote to the Committee advising them that a new application for 2 houses was about to be submitted, explaining that:

1. The owner had acquired the site on the basis of its Built-up Area designation and the Committee's advice conceding some development on the site;
2. That if the land were rezoned as Green Zone then a substantial claim for the resultant loss in value would be made on the basis of 'legitimate expectation'; and
3. The new application about to be submitted needs to be considered in the context of the existing policy context.

The Committee sought legal advice on the extent to which it was bound by its earlier decision, notwithstanding that the site may become part of the Green Zone.

The new application for 2 houses was received.

July 2005

Deputy Hilton's proposition was approved by the States and adopted by the Committee as an amendment to the 2002 Island Plan.

September 2005

The Committee, having taken note of the legal advice it had sought, refused the new application for 2 dwellings on similar grounds to its decision in January 2005, but **decided to maintain its decision regarding the principle of one dwelling on the site**, based on the advice and notwithstanding the change in the designation of the site.

November 2005

The owner submitted a new application for 1 dwelling.

December 2005

The owner lodged an appeal to the Royal Court against the September 2005 decision of the Committee to refuse 2 dwellings.

The introduction of Ministerial Government occurred.

June 2006

The Planning Applications Panel considered the application for 1 house on the site. Having taken into planning history of the site, **the Panel accepted the principle of 1 dwelling on the site** but refused the application on grounds of unacceptable scale, siting and design. As this decision was contrary to the Department's recommendation, the matter was referred to the Minister under the 'cooling-off' protocol.

July 2006

Planning and Building (Jersey) Law 2002 came into force.

The Minister refused the application on the grounds of unacceptable scale, siting and design, and unreasonable harm to the area, **but not on the grounds of principle of development**.

August 2006

The Royal Court heard the appeal against the September 2005 decision. In submissions to the Court on behalf of the Minister, it was explained that while 2 houses were unacceptable, **the principle of 1 dwelling was supported**.

September 2006

The appeal was dismissed by the Royal Court

March 2007

A new application was submitted for 1 dwelling on the site.

April 2007

Following a meeting with the Minister and his officers, a further set of plans were submitted with the intention of meeting the concerns that had been expressed by the Department. A second set of revised plans were submitted in December 2007.

March 2008

The Planning Applications Panel considered the revised application in a public hearing. Representations were made both against and for the proposal. The Panel deferred the application for further legal advice.

October 2008

The Planning Applications Panel considered the revised application again, having received further legal advice. It decided that it was minded to refuse the application, not only on grounds of scale, siting and design, but also on the issue of principle, now that the site was designated Green Zone. Again the cooling-off period was invoked. The Minister remitted the application to the Panel.

February 2009

The Panel further considered the application, and confirmed its decision to refuse on grounds of scale, siting and design, **but not on grounds of principle given the legal advice and the planning history of the site.** The owner lodged an appeal to the Royal Court shortly thereafter.

March 2009

The owner lodged an appeal to the Royal Court against the February decision.

June 2009

The owner of the site submitted an outline application for 1 dwelling on the site, effectively seeking to formalise the previous undertakings regarding the commitment to one dwelling.

October 2009 and November 2009

The Planning Applications Panel considered the outline application to establish the principle of one dwelling on the site, and decided, at the second meeting, to refuse permission, contrary to every prior decision and advice given.

December 2009

The owner of the site lodged an appeal to this decision, on the grounds that the decision was wholly inconsistent with every previous application decision that had been made in relation to this site vis a vis the principle of 1 dwelling on the site.

Early 2010

It became clear, as the case against the Minister developed, that **given all the background circumstances of this case, the Minister's position in defending the appeal against the Panel's decision of November 2009 was untenable.** Accordingly, he had no option but to concede the appeal. The Royal Court's Consent Order was made on 5 May 2010, and the outline permission was issued on 27 May 2010.

1.3 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE CHIEF MINISTER REGARDING DISCUSSIONS AT THE COUNCIL OF MINISTERS CONCERNING PENSIONS:

Question

As the UK will shortly require all companies to provide a pension for their workers what discussion, if any has taken place around this development in the Council of Ministers?

Answer

Provide for the ageing population is one of the key priorities of the States Strategic Plan 2009-2014. Among the commitments in the Strategic Plan is 'investigating schemes to encourage people to make provision for the future'. However, at the moment the focus in this work stream, co-ordinated by the Social Security department, and working with the Chief Minister's and Treasury and Resources departments, is on proposals to implement a new long-term care funding scheme and to review the age at which the Jersey social security pension is paid. Close attention will be paid to developments in the UK regarding compulsory workplace pension provision and whether there are lessons for the Island.

1.4 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE DEVELOPMENT OF TIDAL POWER AND OFFSHORE WIND FARMS:

Question

What progress, if any, has the Minister made in developing tidal power and offshore wind farms for the future and is Jersey linked into Scottish programmes in these industries and, if so, in what way?

Answer

The Deputy is referred to the recent statement made by Constable Murphy updating the House on the progress the Tidal Power Commission - that he Chairs - is making in investigating the potential for renewable energy from Jersey's marine resources. For convenience the statement is reproduced below.

The question also refers to the work Scotland is carrying out in respect of the development of Tidal Power. The Minister and Assistant Minister for the Planning and Environment Department represents the States of Jersey in the British Irish Council Environment (BIC(E)) Energy sub-group where there is a work stream specifically in respect of renewables. Scottish representatives chair this group and so there is ample opportunity to share knowledge and exchange information with our colleagues at both Ministerial and officer level. In fact on 1 & 2 November an officer from the Planning and Environment Department attended a renewable sub-group meeting of the BIC(E) in the Isle of Man. Moreover, at the recent Ministerial summit in June 2010 of the full British Irish Council in Guernsey the potential for marine renewables featured on the agenda with Jersey's position represented by the Chief Minister and the Assistant Minister for Planning and Environment.

However, despite an opportunity to share knowledge and exchange information within the BIC(E) context the Jersey situation is somewhat removed from the work that is going on in Scotland. The Scottish projects are world-leading in terms of encouraging the research and development particularly of tidal power and has a sub-sea wave hub in order to facilitate developers to carry out research and development in these incredibly energetic waters. This is a multi-million pound project subsidised by the UK Government and the European Union. Such an approach would not be appropriate for Jersey at the moment both because our marine energy resource is of a much smaller scale and our infrastructure entirely different from the Scottish network that has been specifically developed. However our contact through BIC(E) will enable Jersey to take full advantage of the outcomes of the Scottish projects.

Notwithstanding the work in Scotland we continue to develop the potential for renewable energy for Jersey led by the valuable work of the Constable of Grouville and I look forward to receiving the report of the Tidal Power Commission. Any recommended work streams that arise from this report will be progressed by officers from this Department and from the Planning & Environment Department.

Statement on Tidal Power from Constable Murphy (16-09-10)

Chairman of the Jersey Tidal Power Commission

I would like to take the opportunity to update Members about the work that the Tidal Power Commission has been undertaking over the last year.

Members will recall some preliminary work carried out by the Tidal Power Steering Group in December 2008.

We were unanimous then in believing that tidal power could, in the medium term, make a real and increasing contribution to the energy requirements and energy security of the Island for the rest of this century.

We had no hesitation in recommending to the Minister for Planning and Environment that the possibility should be actively pursued.

The Minister agreed and asked for more detailed investigations to be carried out, appointing a Tidal Power Commission consisting of some of the members of the Steering Group with myself as Chairman.

The first key step for us, was to carry out a feasibility study into the area of prime resource, the Le Ruau channel, which is positioned between the north east coast and Les Echreous.

Real-time survey work in the channel was supported by a detailed economic analysis and scoping work in respect of the environmental and economic considerations that would need to be considered.

I'm delighted to report to the House that the initial optimism regarding the potential for tidal stream energy from Jersey waters was not misplaced.

Indeed, the available tidal resource has commercial feasibility with the potential of providing energy equivalent of 50% of Jersey's electrical demand.

However, at the current time to produce this energy would be more expensive to produce than electricity imported from France.

But, we believe that, as the costs of energy production rise there will be a breakeven point in the future at which the generation of renewable energy from local waters will become a reality.

This time could be bought forward significantly if Jersey were to be eligible for the renewable energy subsidies available for European and UK generators.

Our work has also identified a number of steps that need to be initiated before a detailed commercialisation strategy is developed.

These include considerable investigation into the environmental issues associated with the site. As well, it will be important to define the consenting and leasing requirements of any sites of interest.

Many of these initial steps are ‘technology blind’ and allow the emerging tidal stream technology sector to mature.

By providing the legal and consenting framework there is also the opportunity for other renewable technologies such as off-shore wind projects should developers wish to forward an application for this more established technology.

We recognise that these are very early days in what will undoubtedly be a long journey into the generation of renewable energy for Jersey.

There is much groundwork to be carried out especially when we consider that the lead-in times for these large engineering projects are many years.

For any future project to be successful, there will need to be a transparent and consultative assessment involving all the stakeholders and people of Jersey.

Recognising this, the Commission have opened several productive areas of discussion.

Even at this early stage the Commission has maintained a dialogue with the fisheries industry and other stakeholders such as the National Trust and Save Our Shoreline. Of course these are preliminary discussions but they have alerted us to areas of concern that will need to be addressed.

Importantly, we have approached Her Majesty’s Receiver General in respect of the ownership and leasing arrangements for the sea bed to the 12 mile limit.

The Channel Island Renewable Energy Forum has been formed with representatives from all the Islands to discuss areas of commonality and co-operation across Channel Islands.

Already this is proving a very helpful forum and it will be critical for the Islands to work together if we are to be in a position to export energy through the Channel Island Electricity Grid.

Through the Island’s place on the British Irish Council, Jersey has approached the EU to define how renewable energy subsidises may be applicable.

The Commission has also opened discussions with the new Minister for Energy and Climate Change in the coalition government to clarify if Jersey could be eligible for Renewable Energy Certificates (ROCs) if it were to export energy to the UK.

In summary, we believe that if Jersey is to have a truly sustainable energy future with a low carbon energy source and increased resilience from external markets, this work stream must be continued.

The Commission will be providing a detailed report to the Minister by November and I look forward to updating the House of progress in conjunction with the Minister for Planning and Environment.

1.5 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE DEVELOPMENT OF TIDAL POWER AND OFFSHORE WIND FARMS:

Question

What progress, if any, has the Minister made in developing tidal power and offshore wind farms for the future and is Jersey linked into Scottish programmes in these industries and, if so, in what way?

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We recognise that these are very early days in what will undoubtedly be a long journey into the generation of renewable energy for Jersey.

There is much groundwork to be carried out especially when we consider that the lead-in times for these large engineering projects are many years.

For any future project to be successful, there will need to be a transparent and consultative assessment involving all the stakeholders and people of Jersey.

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In summary, we believe that if Jersey is to have a truly sustainable energy future with a low carbon energy source and increased resilience from external markets, this workstream must be continued.

The Commission will be providing a detailed report to the Minister by November and I look forward to updating the House of progress in conjunction with the Minister for Planning and Environment.

1.6 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE PROVISION OF MOTORCYCLE AND MOTOR SCOOTER PARKING PLACES IN ST. HELIER:

Question

Would the Minister confirm whether he is satisfied with the provision of motorcycle/scooter parking places in St. Helier and, if not, what plans, if any, does he have to increase provision?

Answer

I recognise that the demand for parking motor cycles exceeds capacity and that the use of motorcycles with small engines is environmentally preferable to single occupant cars and therefore should be encouraged. Therefore, since taking office as Minister for Transport and Technical Services, I have increased the provision of motor cycle parking in St. Helier from 550 to 682, with a further 50 spaces planned by the end of this year on the Esplanade, bringing the overall total to 732, an increase of 33%.

I have stated in my proposed Sustainable Transport Policy that further on-street space will need to be provided, either in areas where other vehicles would not have enough room to park, or by conversion of a proportion of existing places where appropriate. I have charged my officers to begin this work, reviewing any opportunity to further increase the provision of motorcycle parking.

1.7 DEPUTY P.V.F. LE CLAIRE OF THE MINISTER FOR HOME AFFAIRS REGARDING WORK PERMITS:

Question

Can the Minister provide for members a detailed breakdown (by sector and by country of origin) of those individuals currently working in Jersey on work permits; the number of dependents they have and whether any of those dependents have the right to work by virtue of their relationship to the prime work permit holder?

Answer

Powers conferred by the United Kingdom Immigration Act 1971, as extended to Jersey by the Immigration (Jersey) Order 1993, allow the Minister for Home Affairs to make rules to govern the employment in Jersey of persons from outside the European Economic Area.

The Immigration (Work Permits) (Jersey) Rules 1995 are administered by the Customs and Immigration Service under delegated authority of the Minister for Home Affairs. Work Permits may be issued to a specific employer for a limited period of time where it can be demonstrated that particular qualifications or skills are in short supply from within the resident and European labour market.

Permits may be issued for a maximum period of 3 years in the first instance, with the exception of Doctors employed by Health and Social Services where a period of employment not exceeding 5 years may be authorised.

Work permit holders may be accompanied to Jersey by their dependants only where a work permit is issued for a period of 12 months or more. Work Permit dependants are permitted to take employment in Jersey.

The breakdown, by sector and nationality, of work permit holders and their dependants in Jersey at the beginning of November 2010 is shown in Tables 1 and 2 below:

Table 1 – Number of Work Permit Holders and their Dependants by Sector (1 November 2010)

Sectors	Total No. Work Permit Holders	Total No. Work Permit Dependants
Finance	165	112
Hospitality	70	9
Information Technology	35	16
Health	31	28
Legal	23	14
Other (Education, Sport, Telecommunications, Engineering)	16	20
Total	340	199

Table 2 - Number of Work Permit Holders and Dependants by Nationality (1 November 2010)

Nationality	Number		Nationality	Number
Argentine	3		Malawian	11
Australian	37		Malaysian	12
Bahamian	1		Mauritian	9
Bangladeshi	2		Moroccan	1
Barbadian	1		Namibian	1
Botswana	3		New Zealander	13
Canadian	15		Pakistani	19

Chinese	3		Russian	3
Croatian	1		Saudi Arabian	1
Egyptian	3		Singaporean	2
Filipino	54		South African	48
Georgian	1		Sri Lankan	6
Ghanaian	4		Tanzanian	1
Hong Kong SAR	4		Thais	3
Indian	162		Trinidad/Tobago	1
Israeli	5		Ugandan	13
Jamaican	4		USA	10
Jordanian	2		Zambian	5
Kenyan	65		Zimbabwean_____	10
			Total	539

1.8 SENATOR J.L. PERCHARD OF THE CHIEF MINISTER REGARDING THE ‘EAST OF ALBERT’ WORKING GROUP:

Question

Will the Chief Minister provide the Assembly with an update on the activities of the East of Albert working group, giving details in particular of any proposals and costings associated with the potential relocation of the fuel farm?

Answer

The East of Albert Working Group concluded, some months ago, its initial high level review of development potential for the area. Due to the current economic climate, it is not progressing the project any further at this stage.

In relation to the La Collette fuel farm, its relocation formed part of, and was a critical element of, phase two of the plan for the development of East of Albert and was not scheduled to be considered until 2020-2022. When the project re-commences, more detailed costings and proposals will be developed.

1.9 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR HOME AFFAIRS REGARDING INTERNET ACCESS AT H.M.P. LA MOYE:

Question

Would the Minister advise whether internet facilities are available to inmates at H.M.P. La Moye and, if so, are the facilities in all or selected cells; how is internet usage monitored by prison staff;

how has this been funded and from which vote and does the Minister consider that this is an appropriate use of public money at this time?

Answer

Prisoners do not have access to the internet. They have access to limited information taken from the internet which is loaded on to the Prisoner Network by the Prison Librarian with the same restrictions as apply to the Prison Library. Prisoners cannot use the system either to communicate with the outside world or with other prisoners.

Over the last three years the Prison, in partnership with a UK company, has developed the Prisoner Network, which is available in every normal cell.

The Prisoner Network provides:-

1. Access to the central teaching and training programmes so that prisoners can work on these in their own cell
2. An information link between the individual prisoners and the Prison Management for direct exchange of information in electronic form
3. Access to television channels

The benefits of this being available in each cell are huge both in terms of improving teaching and training and in terms of improved communication between the prison management and individual prisoners with a resulting reduction in the staff costs of running the prison.

Each normal cell has a screen and a built in computer, together with a keypad, a mouse and a biometric reader (to ensure that prisoners can only access their own system).

The central information system was planned in any event. The decision to extend this to each normal cell has involved the purchase and fitting of 162 complete units at a cost of approximately £125,000, or approximately £770 per unit. However, if this had not occurred then the switch over to digital television would have required the purchase and fitting of 162 televisions to replace the existing televisions.

Because the system has been treated as developmental by the partner company, all the hardware and software which has been provided has been provided at cost and most of the development work has been done at this company's expense.

The extension into each normal cell was financed from underspends which were created from a reduction in the number of staff who were recruited and also in overtime payments.

I view this project as a major success. By wisely controlling staff resources a saving has been made which has then been invested in an improvement both to the access of prisoners to training and education programmes and in communications between prisoners and management with resulting further savings in the delivery of education programmes.

This is an example of good and creative management and an excellent use of public money which has been allocated to the prison.

1.10 SENATOR J.L. PERCHARD OF THE MINISTER FOR EDUCATION, SPORT AND CULTURE REGARDING THE PRODUCTION OF A CONSULTATION PAPER ON SCHOOL FEES SUBSIDIES:

Question

To ensure that the consultation process on the future of education is not unduly influenced, will the Minister unconditionally withdraw his proposals to reduce the levels of subsidy to private/fee paying schools during the period of research, publication and consultation on the green paper?

Answer

I do not believe this would be appropriate in the current context because action is needed now to tackle the potential deficit of £100m and fee-paying schools cannot be immune from the process. The proposal to reduce the level of subsidies is an essential part of this.

If the fee-paying schools do not play their part then the burden of savings will be shared unfairly. Savings of an equivalent sum would have to be found from other parts of the ESC budget in order to meet the targets set by the Comprehensive Spending Review. This would be very difficult to achieve without having a major impact on the other services that my department provides.

The Council of Ministers fully support my commitment to finding the savings and have concluded that all areas of States spending must make a fair contribution.

In the longer term I want to ensure that the education service continues to provide the best education for all the Island's children. Detailed analysis and in-depth reviews have taken place and I intend to issue a green paper early next year. This will set the overall shape of Jersey's education system for the future. It will be a strategic document that will help us secure an education service to meet the needs of the whole island in years to come. It will address fundamental issues such as

- Vocational provision for 14-19 year olds;
- Responding to the Skills agenda;
- Special Needs;
- Social Inclusion;
- Funding for schools and higher education
- Secondary education—a review of options, including opportunities at sixth form level.

I should also emphasise that the proposals regarding the level of subsidy of to private/fee paying schools are still proposals at this stage. Over the coming months they will be subject to further investigation and consultation. Members will be aware that I have agreed with the Council of Ministers to allow additional time for consultation with schools, parents and other stakeholders. Any information that comes from this will inform the wider debate.

People should not confuse the two processes. The spending proposals are designed to help the States to balance budgets so that we can continue to provide the services people need now. The green paper is a wider ranging document about Jersey's education provision. It will set the scene

for the future of education in the Island, addressing how the system should be provided for the benefit of all.

1.11 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE TAXATION OF 1(1)(k) CATEGORY RESIDENTS:

Question

Will the Minister clarify the following issues in relation to the 1(1)(k) policy:

1. As the rate of tax required was reduced from £200,000 in the 1990s down to the present £100,000 – will the Minister clarify his justification for not increasing the present rate to more accurately reflect the benefits such individuals gain in being able to avoid the residential qualification period that applies to others?
2. Will the Minister clarify what would be the financial increase in taxation if the rate was to be increased to £150,000 for all new applicants?
3. What factual evidence is there, if any, to support the Minister's contention that an increase in taxation for 1(1)(k)s would result in a mass exodus of such residents?

Answer

1. The figures referred to in the question relate to the minimum contribution – this is not a rate of tax or maximum contribution. When they 1(1)(k)s apply they need to demonstrate to the satisfaction of the Housing Minister that their forecast income is sufficient to ensure they pay a tax liability of **at least** the minimum amount set at the time.

These amounts are a policy decision set by the Housing Minister set at a level to attract a certain number of applicants. As such they are driven by market forces. The amount of tax they actually pay is based on tax law. All pre-2005 applicants pay tax at 20% on all of their taxable income. All post-2005 pay 20% on all of their Jersey source income and differential rates up to 20% on foreign income.

The reason for the decrease from £200,000 in the late 1990s to £100,000 subsequently was that there were very few applicants at that level. Jersey was not competitive and wealthy individuals were choosing other jurisdictions.

The Minister committed in his Budget speech in 2009 to undertake a review of the 1(1)(k) regime and that review is near completion. He is considering a number of options which include whether it would be possible to increase the minimum contribution for **future** applicants and still remain competitive.

2. It is not possible to determine what the financial increase in taxation would be if the minimum contribution was increased to £150,000 for all new applicants as it would depend on how many people decided to move to Jersey. If the level is set such that it is uncompetitive, the number of successful applicants would be minimal, if any, resulting in

negligible increase in tax revenues. As noted above, this is being considered by the Minister as part of the review.

3. The Minister has said in debate that an increase in the tax rate charged to 1(1)(k)s could, in theory, result in a number leaving the island. Logic suggests that highly mobile individuals who can choose where they live will consider the amount of tax they have to pay. If the tax rate for existing 1(1)(k)s was increased above 20%, then it is likely that some would leave the island as there are a number of places which would then be far more attractive. Indeed, while Jersey has great advantages from its location and as a pleasant place to live – which mean it is able to place itself at the more costly end of the spectrum when granting housing consents - it also must remain competitive. Jersey also has no cap on the total amount payable by an individual so, depending on income, the amount of tax actually payable is unlimited. Guernsey and the Isle of Man, for example, *do* have income tax caps and would be a natural choice for someone currently living in Jersey who wants to stay close to the UK for business or personal reasons.

There will be a further announcement made concerning the future of 1(1)(k)s in the budget speech to be made on 7 December 2010.

1.12 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING INCOME FROM AN INCREASED TAX RATE:

Question

Would the Minister indicate how much increased income from taxation would result by increasing the tax rate to those with incomes over £120,000 to 25%; further still, what factual evidence, if any, exists to indicate that such an increase would result in such individuals leaving the Island?

Answer

There seems to be an assumption that an increase in the income tax rate will result in a directly comparable increase in tax revenues. This assumption is fundamentally flawed.

The amount of income chargeable to tax over £120,000 for individuals for the last complete set of assessments i.e. 2008 is £251 million. Assuming an increase to 25% for these taxpayers did not result in a change in taxpayer behaviour, such an increase would yield an extra £12.6 million. But in reality, it is more likely to result in a decrease in tax revenues.

To repeat what I said in the budget launch speech:

“I recognise there is a clear disparity within the population between those who feel that a higher rate of tax will be fair, and those who think it would seriously damage our economy. Those who favour a higher rate of tax believe we can tax the better off significantly more, without any impact on the Island as a whole. This fails to recognise the mobility of international business. If business moves elsewhere, this would result in a loss of jobs and a loss of tax revenue, leaving a higher tax burden for the rest of us. It is now clear that our closest neighbour and one of our competitors will retain a 20% income tax rate.

The Council of Ministers has given careful consideration to the arguments for and against the higher rate of tax - and has concluded that 20% makes a clear statement of stability. 20% has

formed one of the island's key elements of stability and economic success for more than 60 years and I believe the States Assembly should send out a strong and powerful message that Jersey will maintain the 20% rate"

Whilst it is difficult to prove the extent to which individuals affected by such an increase would leave the Island, there is a considerable feedback from the Finance Industry, other bodies and media correspondence that the "headline" 20% tax rate in Jersey remains a significant attraction for businesses and individuals alike. This is a critical time for the Island in retaining its most lucrative businesses and individuals – we must demonstrate that we wish to keep them if we are not to see a drift away of our primary sources of tax revenues. Once lost those individuals and businesses would be much harder to attract back.

1.13 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING THE TERMS OF REFERENCE FOR A REVIEW OF INCOME SUPPORT:

Question

Will the Minister inform members of the terms of reference for the current review of Income Support and when he intends to present it to the States?

Will the review consider the actions on benefits taken by the coalition government in the UK, such as capping the accommodation component of Income Support, or introducing compulsory community work schemes for the unemployed?

Answer

A comprehensive review of the Income Support scheme commenced in July 2010 and will continue throughout 2011 examining both current operations and policy. The review is assessing the present system and proposing further enhancements to ensure that support is available to each vulnerable group specifically tailored to their particular needs whilst providing appropriate encouragement for greater independence.

The review is being undertaken with external advisors providing specialist advice as required to consider the following:

- Interaction between the Income Support system and employment
- Support for individuals with potential or actual long-term medical conditions to remain in or return to work
- The legislative framework of Income Support
- Administration of Income Support, including communications with claimants, other States departments and service providers
- Benefit levels within Income Support
- The interface between social housing provision and Income Support
- Achieving the required savings under the Comprehensive Spending Review.

The review is still in the early stages. Due to the holistic nature of the Income Support scheme it is vital that consideration is given to how any potential future changes may impact on other elements of the benefit.

The housing component of Income Support is currently capped at the lower of the actual rent paid, or the value of the fair rent, up to a maximum amount permitted.

I am watching the UK proposals with great interest and will continue monitoring them closely as they develop.

1.14 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING WAITING TIMES FOR SURGICAL PROCEDURES:

Question

Will the Minister inform members of the current waiting times for patients for the following treatments, broken down by specialism, and state how these times compare with UK averages and targets?

- urgent surgery
- non-urgent surgery
- other non-invasive treatments

Can the Minister further inform members what criteria are applied to distinguish between urgent and non-urgent surgery lists and whether the lists have changed recently?

What measures, if any, has the Minister under consideration to ameliorate this situation and what deadline has she set to meet the targets for waiting times?

Answer

Members will be aware of the current waiting times as these were circulated within the past 2 weeks.

Urgent Surgery

The criteria set for urgent surgery is based upon clinical factors which are determined by the consultants in their own specialities and these will vary between specialities and sub-specialities. For example cancer patients will take priority because it is important for them to be seen, assessed and operated on, if appropriate, within a recommended timeframe. It is not possible to break down these details further - by specialism - as each patient is unique presenting with particular symptoms and different needs that are assessed on an individual basis.

Non Urgent Surgery

Non urgent patients are listed as being 'routine, by the operating consultant or his team as opposed to those considered to be urgent who will always take priority over the routine patients. Routine patients are scheduled for their treatment according to the date on which they were first added to the list. The length of these waiting lists is determined by the number of new outpatient referrals that are received and the number of patients seen who subsequently require surgery. With a growing elderly population this is a significant challenge in some specialities, for example ophthalmology, with increasing numbers of patients waiting for cataract surgery.

Non invasive treatment times

It is well recognised that there is sometimes a place for non-invasive or minimally invasive procedures and this will be determined by the clinician in consultation with the patient. A good example is local initiatives to offer 'fast track' access to physiotherapy services for some patients who would otherwise have waited for orthopaedic assessment in outpatient clinics.

Comparison with the UK

It is not possible, or necessarily meaningful, to seek to make direct comparisons with the UK as local targets are measured on a different basis. The current target waiting time for outpatient assessment in Jersey, following receipt of a GP referral, is 3 months. Should surgery be indicated the patient will be added to the waiting list and, from that point, there is a target wait of up to 3 months before the operation. This does not include urgent patients, such as those with cancer, as these patients are always prioritised and seen and treated very quickly according to their clinical needs.

In the UK the 18 week target is measured from the date that the GP writes the referral to the hospital up until the date of the operation. This target has not been adopted in Jersey and it is not possible, with the current IT systems, to make direct comparisons with the UK. There was very significant investment in the NHS, over a decade, to achieve the UK targets. The new government have recently suggested withdrawing this target as there is a growing recognition that chasing targets, to the exclusion of many other priorities, does not necessarily meet the real clinical needs of all patients.

Local waiting times are tightly monitored within my department.

1.15 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING CUTS IN EDUCATION SERVICES:

Question

Will the Minister explain to members what his position is on cuts in the education service, and whether the Minister for Education, Sport and Culture has his full support in proposing cuts to fee-paying and non-fee paying schools?

Should the Minister for Education, Sport and Culture fail to reduce the subsidy to fee-paying schools, will the Minister insist on further proposals for cuts in education or will he seek to achieve the £65 million target elsewhere?

Answer

The Minister welcomes the question as an opportunity to set the record straight following some media reports, some of which have been misleading.

The Minister for Treasury & Resources has always supported the Minister for Education, Sport and Culture's review of fee-paying school grants, with the specific objective of this making a contribution to the Comprehensive Spending Review.

The Minister for Education, Sport and Culture has now agreed that more time is needed for consultation on this matter. Members will make the final decision on any proposals to change the grants structure in 2012 and beyond, as part of the 2012 Business Plan.

All Ministers have shown determination in the delivery of the Comprehensive Spending Review. All are united in believing that all areas of States spending must make a contribution to the savings target. Neither fee paying nor non-fee paying schools are immune from consideration for savings.

Concerning the 2011 Business Plan, if the review of grants to fee-paying schools does not result in a reduction in subsidies, the Minister for Education, Sport and Culture will still need to meet his department's savings target as proposed and agreed by the States.

This is no different to any other department where the agreed level of savings were approved by the States in the Business Plan. The position of the Treasury & Resources Minister and the Council of Ministers is clear - that this only alterable by the Minister for Treasury & Resources. The Minister has no intention of altering that approval.

Whilst a reduction in the amount of grants to schools is undoubtedly going to be challenging the Minister also wishes to place on record his full support for the independent schools sector. He believes that the Independent schools in Jersey provide a valuable contribution to the Jersey Education system. Whilst a reduction in the grant arrangements is necessary as part of the Comprehensive Spending Review he believes that the review of grants for independent schools can and should be regarded as an opportunity. Out of this review the independent schools will be strengthened by the agreement of a long-term funding model and perhaps recognition of the role that they play in the Island.

The Minister for Treasury and Resources undertakes to work closely with the Minister for Education, Sport and Culture during his review of both the independent schools grants structure and his wider Comprehensive Spending Review reviews.

1.16 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE CHIEF MINISTER REGARDING DIVISIONS AMONGST THE COUNCIL OF MINISTERS:

Question

What action, if any will the Chief Minister be taking following the public criticism by members of his ministerial team of the proposals by the Minister for Education, Sport and Culture to meet the CSR targets for cuts set by the Minister for Treasury and Resources, and what further actions will the Chief Minister be taking to ensure that such divisions in his team do not occur in public again?

Answer

I have spoken to the relevant Ministers and I am satisfied that the reported divisions were more a matter of perception than reality.

The Council of Ministers at our meeting last week discussed this matter and we have confirmed our support for the ESC Minister. The Minister informed us that he is extending the timescale for considering proposals to reduce the subsidies to fee paying schools. He will propose any changes in June 2011, as part of the 2012 Business Plan. This will give States Members the opportunity to fully debate the issue. If there are to be changes in school subsidies they will not be implemented until the 2012 financial year, not September 2011 as originally proposed.

Ministers have agreed that all areas of States spending must make a fair contribution to savings and fee-paying schools will not be immune from this. However, extending the timescale will give sufficient time to ensure that the schools and parents are able to cope with the effect of the savings.

The Council will work with the Minister as he develops his proposals and we are satisfied that we will have sufficient opportunity to fully consider any proposals before they are brought to the States.

The Code of Conduct for Ministers respects any Minister's right as a States Member to express their personal political views, provided that they ensure other Ministers are aware of any comments which relate to their responsibilities. All Ministers are aware of this requirement and I am satisfied that they will respect it.

1.17 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE ECONOMIC RECOVERY:

Question

Does the Minister have any firm economic indicators that the economy is in recovery and if so what are they?

Is he satisfied that the imposition of tax rises in the coming 6 months will not depress the economic outlook further, and if so, give his reasons?

Further, will he consider use of the Strategic Reserve to alleviate conditions for residents when the economy is in a state that he describes as "structural deficit"?

Answer

The Minister has not stated that the economy is in recovery now. However, the Minister does take advice from the States Economics Unit and the Fiscal Policy Panel as to the likely direction of the economy. Both their forecasts are pointing to weak growth next year, albeit with significant uncertainty. The main reasons for these forecasts are:

- the world economy is forecast to continue to recover this year and next and financial markets have stabilised and strengthened since the global crisis;
- the latest market expectations are that interest rates will start to rise towards the end of 2011 (which will start to ease some of the pressure on banking profitability);
- the Business Tendency Survey indicates that the finance sector is already reporting improvements in business activity and is now optimistic about future conditions and business activity;
- improved expectations in the Financial Institutions Survey regarding profitability.

The latest assessment of the Fiscal Policy Panel will be published on 29 November.

The only tax rises proposed for the coming six months are the increase in impôts and International Services Entities (ISE) Fees proposed in the draft Budget 2011 and the Minister is confident that, given the latest assessments of the economy referred to above, such minor increases will not pose a risk to recovery.

The Strategic Reserve, as agreed by the States in 2006, is only to be used in exceptional circumstances to insulate the Island economy from severe structural decline such as the sudden collapse of a major Island industry. This is not what we face now and the Deputy should not confuse major structural decline with a structural deficit in States finances as they are different

things. However, should the economy not recover as forecast in coming years and continue to decline the Minister would take further economic advice and reassess the situation.

1.18 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE RETRIEVAL OF COSTS FROM VISITORS USING THE ISLAND'S HEALTH SERVICE:

Question

Would the Minister state how much money has been retrieved in the last two financial years from persons visiting Jersey who utilised Health services, citing the numbers billed and the numbers who paid for service?

Answer

<u>2009</u>	Apr-Dec	
	No.	£000s
Visitors Charged	131	439
Disputed Amounts	8	10
Actual Amount Collected		429

<u>2010</u>	Jan-Oct		Nov-Dec (est.)		Estimated Total	
	No.	£000s	No.	£000s	No.	£000s
Visitors Charged	201	405	20	40	221	445
Disputed Amounts	35	50	4	6	39	56
Actual Amount Collected					389	

1.19 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF TO THE CHIEF MINISTER REGARDING SUCCESSION PLANNING:

Question

With reference to his written answer on 2nd November 2010, regarding Succession Planning, would the Chief Minister identify the targets against which the success of the Succession Planning programme is judged?

Answer

For a succession planning scheme to be successful, it requires development programmes to be in place. In my answer of 2nd November 2010, I identified the Modern Manager Programme which has demonstrated that of the first 100 employees to complete the Programme, 25% have attained some level of advancement in their career.

An independent evaluation of the Modern Manager Programme, which was commissioned when the first 100 managers had completed the Programme, provided strong evidence that participants had significantly enhanced their knowledge, skills and attitudes, as a result of attendance on the Programme. There was evidence of:-

- A tangible increase in the level of self-confidence and of ‘silo’ thinking being replaced by a more corporate view point.
- Improved skills in leadership, communication, managing people, change and finance, business planning and project management.
- An enhanced awareness of States wide policies and procedures and the need for services to be customer focused.

It can be deduced from these results, that the Programme is enhancing the knowledge and skills of States managers, as well as allowing those who have taken part to compete successfully for promotion. This, in turn, supports succession planning.

The Future Leaders Programme has also demonstrated some success in terms of succession planning as four of the eleven participants have been promoted since joining the Programme.

I believe this information demonstrates that the Succession Planning Programme coupled with development initiatives such as Modern Manager and Future Leaders Programmes are proving to be successful and I am encouraged to see that States employees are achieving promotion across the organisation.

1.20 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING SEVERENCE PAYMENTS:

Question

What severance payments, if any, were made to the departing Senior Executive of Jersey Post tasked with promoting new income streams?

Answer

I require the directors of Jersey Post, as well as other States owned companies, to operate the companies in an efficient and effective manner. The terms and conditions of employment of the company’s staff are a matter for the board, its employees and their representatives.

Each year, as shareholder, I present the company’s annual report and accounts to members of the Assembly. It would not be appropriate for me to report on payments to individual employees.

1.21 THE DEPUTY OF ST. MARY OF THE CHIEF MINISTER REGARDING THE FINDINGS OF THE NAPIER REPORT:

Question

Does the Chief Minister accept in full the findings and conclusions of the Napier report which he commissioned and, if not, would he set out in detail the specific elements which he does not accept?

Answer

Mr. Napier was commissioned to produce an independent report that looked into the suspension process in relation to the former Chief Officer of the States of Jersey Police.

I have accepted the Report as it stands in that it is a comprehensive review of the procedure followed regarding the suspension of the former Chief Officer of Police. The conclusions and recommendations are those of Mr. Brian Napier QC, who is an eminent professional in Employment Law matters.

In his report, Mr. Napier points to several procedural issues in the suspension process that in his view had certain shortcomings. These have now been addressed and I believe that the report has served its purpose and met the Terms of Reference in identifying where there were any failures in the process.

1.22 THE DEPUTY OF ST. MARY OF THE CHIEF MINISTER REGARDING FAILINGS IDENTIFIED WITHIN THE NAPIER REPORT:

Question

Given that the Napier Report states (paragraph 32) “Reports from that group (the Gold Group, on which the Chief Executive to the Council of Ministers had his own representative) tended to indicate that there had been serious failings in the investigation carried out under the direction of (the then Deputy Chief Officer of the States of Jersey Police)”, can the Chief Minister inform members who that representative was and further provide members with any evidence of the reports mentioned in this paragraph?

Answer

The representative of the Chief Minister’s Department on the Gold Group was the Assistant Chief Executive.

The Gold Group, which was established by the Deputy Chief Officer of the States of Jersey Police, received internal reports on the progress of the investigation as part of its role.

1.23 THE DEPUTY OF ST. MARY OF THE CHIEF MINISTER REGARDING THE REPORT FROM A.C.P.O:

Question

Can the Chief Minister explain the inconsistencies between his written answer on 2nd November 2010, in which he stated that there were no notes taken at an informal meeting held on 7th March 2008 when the Home Affairs Minister invited the Chief Minister and Chief Executive to meet two ACPO officers who were undertaking the review of the Police investigation, and the second ACPO

report which states in Paragraph 4 that the said meeting had been convened at the request of the then Chief Minister and a written record of the meeting was available?

Answer

The first question on 2nd November was addressed to me as Chief Minister and the answer I gave was from the perspective of the Chief Minister and the Chief Minister's department. I cannot speak on behalf of the States of Jersey Police or, the previous Home Affairs Minister.

I cannot explain the inconsistency described by the Deputy as I have not seen the first or second ACPO report to which he refers.

1.24 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING ECONOMIC ACTIVITY:

Question

Would the Minister confirm that moving demand/economic activity from the private sector to the public sector, or vice versa is based *inter alia* on the assumption that it –

- (a) has no impact on inflation, assuming that the relationship between demand and capacity in each sector of the economy remains broadly the same?
- (b) has no impact on the total of economic activity in an economy as measured by GVA or GNI or both?

Answer

It is not possible for the Minister to confirm or deny such a theoretical question.

1.25 THE DEPUTY OF ST. MARY OF THE MINISTER FOR HOME AFFAIRS REGARDING THE FINDINGS OF THE WILTSHIRE REPORT:

Question

In the light of the Chief Minister's statement that he believes that the findings of the Wiltshire Report fully endorse the decision to suspend the previous Chief Officer of Police, can the Minister:

- (a) provide members with the press statements released by the States of Jersey Police relating to any one of the major elements disputed during the Haut de la Garenne inquiry, in order, and the full recordings of audio and video interviews?
- (b) provide members with the 93 page statement provided by the former Chief of Police to the Wiltshire inquiry?
- (c) supply evidence for the assertion that ACPO had a "policy of only making recommendations to which [the then Chief Officer and Deputy Chief Officer of Police] had signalled prior approval?
- (d) provide a full and proper audit trail of the emails concerning the finds JAR/6 and SLJ/1?

- (e) provide members with the final version of the Wiltshire Report, redacted as necessary but with as much as possible of the missing 270 pages, which the Minister promised to issue to me by “early September” in his email of 3rd August 2010?

Answer

- (a) I have previously indicated to the Deputy of St Mary that I am not going to do this. The press statements are in the public domain and the Deputy of St Mary should do his own research.
- (b) I would only do this if asked so to do by the previous Chief Officer and even then the statement would need to be redacted to remove reference to individuals who are not public facing.
- (c) I have previously indicated that I will not be releasing the statements of witnesses who were interviewed by the Wiltshire Police or other evidence.
- (d) I do not understand what is meant by “audit trails of e-mails”. However, this appears to also be referring to statements or other evidence.
- (e) I have planned to do this but the task is extensive and has been delayed by work on the CSR process and by other work pressures upon the individuals who are completing the redaction process on my behalf. I have reminded them of this task and will continue to do so. The date of September 2010 was the date given to me but has proved to be unachievable.

1.26 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE CHIEF MINISTER REGARDING INFORMATION ON VOLUNTARY REDUNDANCIES:

Question

Will the Chief Minister as Chairman of the States Employment Board publish for members the following information:

- 1 details of the departments and roles (job titles and job descriptions) undertaken by the 73 public employees whose applications for voluntary redundancy have been accepted; and
- 2 details of the departments the other unsuccessful applicants for voluntary redundancy were drawn from and areas of operation/responsibility they had and indications of the reasons why their applications were unsuccessful?

Answer

It would be inappropriate to publish details, job titles or job descriptions in relation to the 73 employees whose applications for voluntary redundancy have been approved, for reasons of confidentiality.

I am however, happy to publish a table that shows by department the number of approved and rejected voluntary redundancies.

A corporate panel consisting of the Deputy Chief Executive, the Acting Treasurer and the HR Director, met with each Chief Officer to discuss the applications put forward to the Corporate Management Board panel and these were discussed and prioritised.

The Panel's selections were endorsed by the States Employment Board and a second political panel consisting of Senator Francis Le Gresley, Constable John Refault and Deputy Edward Noel who advised the Treasury Minister on the financial aspects of the exercise.

The reasons why applications may have been rejected is that the department may be unable to lose the job, the business case was unclear or the financial payback poor. As the scheme was oversubscribed and funding limited, priority was given to those applicants who were willing to leave the organisation earlier rather than later as this will increase financial benefits for the organisation.

Of the 122 applications put forward to the panel, 49 were refused and 73 agreed. Of the 49 refusals 11 were agreed in principle subject to funding being made available from the 2011 change programme.

Department	Applications received	Applications refused at departmental level	Applications referred to the CMB panel	Numbers agreed at panel level
CMD	5	2	3	0
States Greffe	2	0	2	2
Judicial Greffe	3	1	2	2
Viscounts Dept	0	0	0	0
ESC	40	24	16	7
Lieu Governor	4	0	4	1
Resources - ISD	9	0	9	3
Procurement	1	1	0	0
Social Security	10	6	4	4
Treasury	6	5	1	0
Income Tax	3	3	0	0
P&E	13	7	6	5
Resources - JPH	8	3	5	1
EDD	8	6	2	1
Jersey Airport	7	0	7	0
HA - Police	4	0	4	4
HA - other	17	14	3	2

H&SS	70	46	24	19
Housing	8	3	5	5
H/Resources	7	0	7	2
TTS	57	39	18	15
Totals	282	160	122	73

1.27 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE CHIEF MINISTER REGARDING ECONOMIC GROWTH PLANS:

Question

Does the Council of Ministers have an economic growth plan for 2011, 2012 and 2013 and, if so, will the Chief Minister publish it and would he explain to members where he sees the growth coming from in the economy during this period?

Will he further publish the Council of Ministers' estimates for the percentage level of economic growth in these periods for the economy for a whole and for identifiable sectors of the economy; and estimates of when it is expected that the Jersey economy will reach the overall level of GDP/GVA that existed in the Jersey economy immediately prior to world wide financial crisis and Jersey entering the recession?

Answer

The 2009-2014 Strategic Plan sets out the Council of Ministers approach to economic policy, which is covered largely in Chapter 2: "*Maintain a strong, environmentally sustainable and diverse economy*". The Council of Ministers in response to the forecast structural deficits have committed to a three part plan which includes boosting the economy in order to maximise jobs for Islanders and tax revenues. The Economic Development and Treasury and Resources Ministers have already started work to examine how current policies can be improved to meet this objective and any findings will be published in due course.

The Council of Ministers' estimates for economic growth between 2010 and 2012 are published in the Draft Budget Statement 2011 in Chapter 3: *Economic Outlook*. A further decline in GVA is anticipated this year, followed by weak growth of 1% in 2011 and further moderate growth of 2% in 2012. The assumption for 2013 is that growth will continue in the region of 2%. Given the severe nature of the global recession and its impact on the finance industry the Council of Ministers is not expecting the economy to return to the overall level of activity before the global financial crisis for many years to come.

The Fiscal Policy Panel will publish its latest assessment of the Economic Outlook on November 29 ahead of the Budget debate, which will give their perspective on these issues.

1.28 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE CHIEF MINISTER REGARDING THE STATE OF JERSEY'S ECONOMY:

Question

Will the Chief Minister provide members with the Council of Ministers' assessment of the current state of the Jersey economy and the predictions relevant Ministers are making for the coming year using, but not limited to, the following data:

bank deposits

interest rates

bank profitability

income tax receipts

house sales

retail sales

registered unemployment

financial institutions survey

business tendency survey

public sector spending cuts and job losses

banking lending?

Answer

The Council of Ministers' assessment of the current state of the economy and estimates for economic growth between 2010 and 2012 are published in the Draft Budget Statement 2011 in Chapter 3: *Economic Outlook*.

The Fiscal Policy Panel will publish its latest assessment of the Economic Outlook on November 29 ahead of the Budget debate, which will give their perspective on these issues.

1.29 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE GROWTH IN THE BANKING SECTOR:

Question

Will the Minister explain to Members in which sectors of the banking industry he envisages future economic growth over the next 12 to 24 months, given that the Jersey model is based on bank deposits being streamed up into the City of London at a time when interest rates are forecast to remain low or very low?

Answer

It is clear from discussions with the States' economic advisor and the analysis in the Fiscal Policy Panel's reports that predicting the direction of the economy as a whole is very difficult and particularly so in the current climate. It would be unwise to attempt any forecast of the trends within subsectors of the economy.

This is especially so for banking where, in the wider industry, new business models are still being formulated in light of increased regulatory pressures, new liquidity requirements and capital

constraints. Interest rates are expected to remain low into 2012 and, as such, pressure on banking profitability will no doubt remain. We will obviously continue to monitor closely what is going on with a view to implementing whatever measures are necessary to protect, sustain and grow Jersey's banking sector.

As the recent Business Tendency Survey showed, business activity and optimism are picking up within the finance sector and there are positive expectations around profitability as confirmed in the Financial Institutions Survey. In line with previous Fiscal Policy Panel forecasts I remain cautiously optimistic that the finance sector as a whole will show some positive growth next year.

1.30 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING AN ASSESSMENT OF THE PRIVATE AND COMMERCIAL PROPERTY MARKET:

Question

Will the Minister provide members with his assessment of the current state of Jersey's private sector housing market and give his assessment of future house sales and house building in the next 12 to 24 months for all categories of property, given the current level and restrictions in bank lending, wage growth and state of the economy?

Will the Minister provide members with his assessment of the current state of Jersey's commercial property sector currently and over the next 12 to 24 months, given the current level and restrictions in bank lending, wage growth and state of the economy?

Answer

Both the residential and commercial property sectors are complex markets and it is difficult, if not impossible to predict future market behaviour with any degree of certainty.

However, it is clear that the residential and commercial property markets are influenced by economic conditions. Discussions with the States' economic advisor and the analysis in the Fiscal Policy Panel's reports suggest that predicting the direction of the economy as a whole is very difficult and particularly so in the economic current climate. As such, it would be unwise to attempt any forecast of the trends within subsectors of the economy such as residential and commercial property.

As the recent Business Tendency Survey showed, business activity and optimism are picking up within the finance sector and there are positive expectations around profitability as confirmed in the Financial Institutions Survey. In line with previous Fiscal Policy Panel forecasts I remain cautiously optimistic that the finance sector as a whole will show some growth next year which should help to underpin the residential and commercial property market.

2. Oral Questions

The Bailiff:

Can I just remind Members, we have a number of questions today. Standing Orders do require both the questions - including supplementary questions - and in particular the answers, to be concise. I must urge Ministers to be concise in their answers, not only to the original question but also to supplementary questions.

2.1 Deputy C.F. Labey of Grouville of the Chief Minister regarding written guidelines relating to the taking of notes at suspensions:

Given that during oral question time on 3rd February 2009 the Chief Minister said that he would endeavour to find out whether there were written guidelines or policies relating to the taking of notes at suspensions and the shredding of those notes before the typewritten minutes were agreed, will he inform Members whether such guidelines exist and, if they do not, will he state why no guidelines have been implemented?

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

There were no written guidelines in place at the time of suspension or at the current time regarding the destruction of rough notes taken at a meeting once a properly typed-up version has been produced and agreed. As I have indicated in my comments to Projet 166, general policies exist to ensure that good standards of record-keeping are maintained but that officers are entitled to and expected to use their discretion. I would also point out that if the Deputy is referring to the specific instance of the suspension of the former Chief Officer of Police, those notes were only destroyed after the typewritten version had been checked and agreed with the then Minister for Home Affairs.

2.1.1. The Deputy of Grouville:

The Chief Minister promised that he would circulate what was available to Members - what procedures were available - is he now saying that there are still no procedures available or there are still no procedures in place?

Senator T.A. Le Sueur:

My answer is clear, there were no written guidelines in place at the time or now.

2.1.2 Deputy F.J. Hill of St. Martin:

I would just like to ask the Chief Minister if maybe he could clarify the answer he gave because this is something which the Deputy of St. John managed to get out of the Chief Minister way back on 3rd February. Will the Chief Minister confirm that the written notes were indeed only signed by the Chief Executive and the Minister for Home Affairs? They were not signed by the former Chief Police Officer. In other words, they were really of no use at all.

[09:45]

Senator T.A. Le Sueur:

I do confirm that, yes.

The Deputy of St. Martin:

Sorry, I did not catch that answer.

The Bailiff:

It was confirmed.

The Deputy of St. Martin:

They were not signed by the Chief Officer, thank you.

The Bailiff:

It was confirmed, Deputy. It is not very difficult.

2.1.3 Deputy P.J. Rondel of St. John:

Given that staff in the Greffier's Department historically were to keep all their notebooks and they could be called upon by the committee of the day prior to going to Ministerial government, will the

Minister put in place that all documents for taking of minutes are kept until after the minutes are signed for at least 12 months?

Senator T.A. Le Sueur:

One has to distinguish between formal meetings and informal meetings, and I believe that to keep notes of every informal meeting for 12 months would be counterproductive to an efficient government system. As I said in my answer, I believe in the discretion and the good sense of people concerned.

2.1.4 Connétable A.S. Crowcroft of St. Helier:

Does the Chief Minister not agree that even if it is an informal meeting, if it is one on which your future and your career depends then it is a matter of natural justice that the minutes of that meeting should be agreed by all parties?

Senator T.A. Le Sueur:

I quite agree but it will depend on the nature of the meeting. I was talking about general informal meetings such as Ministers have with constituents and people every day of the week. The question was in general terms, I answered in general terms.

2.1.5 Deputy T.M. Pitman of St. Helier:

In 10 years as a staff representative within education, notes were always agreed by all parties involved. Does the Minister agree that by not having consistency across the board that places too much onus on the manager being a good and effective manager and opens problems that we have seen recently with the Chief Police Officer?

Senator T.A. Le Sueur:

No, I do not. Ideally one would have notes agreed by all parties, if some parties refuse to acknowledge and sign those notes there is nothing much I can do about it.

2.1.6 The Deputy of Grouville:

We have no written procedures then or now, so should we not be able to expect better practice? Should we not be able to expect good practice from the fourth highest paid civil servant in the U.K. (United Kingdom)?

Senator T.A. Le Sueur:

I believe we should aim for good practice and I believe we achieve good practice.

2.2 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Health and Social Services regarding surgeons undertaking private work in public time:

How does the ability of surgeons to undertake some private work in public time impact upon waiting list times?

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

As we only have one general hospital it makes very good sense to use the facilities that we have for the benefit of all patients - both public or private - requiring treatment. Consultants are aware that their Health and Social Services commitment should take precedence over their private practice, including in relation to effective management of hospital waiting lists. They work in partnership with the hospital to prevent any potential conflicts of interest arising. I am satisfied that in most specialities we continue to meet the established targets, that is for patients to wait no longer than 3 months for routine surgery. In reality, this means that the vast majority of patients are seen within weeks rather than months.

2.2.1 Deputy R.G. Le Hérissier:

Could the Minister outline in specific terms what proportion of private time impacts on public time? In other words, what use of private time is there within the publicly-funded time?

The Deputy of Trinity:

It is very difficult to quantify because the consultants are required to participate in on-call arrangements and may be required to attend to hospital to look after patients. So the period of on-call covers evenings, night-time, weekends. The consultant is entitled to time off in lieu. That is determined by the frequency and intensity. In that way he can undertake some private practice within the working week.

2.2.2. Deputy T.M. Pitman:

Following on from Deputy Le Hérissier, could the Minister just clarify for me how, if at all, this can be monitored so she would be aware if there are any problems? Is that possible, and does it happen?

The Deputy of Trinity:

Yes, it does happen. There is weekly ... a waiting list is monitored and managed very closely. That is due to the hard work of all the staff, and the consultants are very much a part of that. It is monitored.

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

Can the Minister tell us what their contracts say? Is it laid down that they do a required number of public hours and private hours, and how does this also relate to the use of hospital facilities? Are they laid down in the contracts?

The Deputy of Trinity:

I do not have the exact details of the contract times, but the standing working week for a full-time consultant is 40 hours and in it can be seen programmed activities, which comprise their weekly working period.

2.2.4 Deputy A.E. Jeune of St. Brelade:

Would the Minister be able to confirm that it is normal practice that consultants are employed on a sessional basis and those sessional bases does allow for some private care?

The Deputy of Trinity:

Yes, I think I have just mentioned that. We have also got to take into account that to attract surgeons of high calibre to the Island they would need to do some private practice. It is very well worked in that it is joint, but the precedent is on the public patients.

2.2.5 Deputy R.G. Le Hérissier:

Can the Minister give a categorical assurance that the news about the u-turn on waiting lists has in no way been influenced by the working of private practice by hospital employed surgeons?

The Deputy of Trinity:

I am not sure what the Deputy means by u-turn. As I have said, the waiting list is looked at weekly. We are very much aware of the waiting lists and we like to keep them as low as we can and within target. We do try that and I think 80 per cent approximately of patients are seen within a 3-month period.

2.3 Deputy T.M. Pitman of the Chief Minister regarding disciplinary action in relation to the Napier findings:

Given that on 12th October 2010 the Chief Minister informed Members that disciplinary action would be dealt with through normal procedures, will he inform Members whether disciplinary action has been taken in relation to the Napier findings, and if so, what has been the outcome?

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

I believe I have already answered this question, or a very similar one, on at least 2 previous occasions. I have indeed carried out and I have now concluded such disciplinary actions as were necessary in respect of the findings contained in the Napier report. As I have previously indicated, the outcome of those findings remains confidential to the parties concerned.

2.3.1 Deputy T.M. Pitman:

Could the Minister then advise whether these disciplinary outcomes will result in anyone resigning or being removed from their post?

Senator T.A. Le Sueur:

I said that the outcomes remain confidential to the parties concerned.

2.3.2 Deputy D.J.A. Wimberley of St. Mary:

Does the Chief Minister not realise that by saying that he can respond to a report that took months and months to write and cost nearly £50,000, and he is telling us that he has done it now, it is all done and dusted and he has done the actions and he has done the response and we can all go to bed to sleep peacefully; does he not realise that this looks very strange from outside the Chamber?

Senator T.A. Le Sueur:

Each person will have his own particular interpretation of how it looks outside the Chamber. I am concerned to do what I believe is the correct thing to do.

2.3.3 The Deputy of St. Martin:

I am very impressed by the speed in which the discipline matter was dealt with. Could the Chief Minister inform Members when, in actual fact, the disciplinary procedures began and when they were concluded in this particular case?

Senator T.A. Le Sueur:

They began very shortly after I received the Napier report, when I read it and decided what actions, if necessary, needed to be taken. It was concluded, I would say, probably about 2 weeks ago.

2.3.4 Deputy T.M. Pitman:

I appreciate what the Minister has said, but does he not appreciate that for the public the big criticism of us as government is no one is held accountable. Does he not agree that the public should at least know who has been held accountable?

Senator T.A. Le Sueur:

As far as I am concerned, the main problem of accountability rests with the person who is responsible for the Haut de la Garenne incident in the first place, and that person is no longer in the employ of the States.

2.4 The Deputy of St. Martin of the Chief Minister regarding alterations to the Napier Terms of Reference:

I would just ask that Members, I know they are entitled to footstamp but could I just ask the footstamping commences after the answer is given, so Members this side of the Chamber are able to hear all the answers. **[Approbation]** **[Laughter]** In his answer to an oral question on 19th October 2010 about altering the Napier terms of reference, the Chief Minister advised that they

were altered when it was established that the previous Chief Officer of Police would fully participate in the investigation, will the Minister inform Members when this willingness was communicated and, if by letter, when was it received?

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

I am advised that Mr. Napier himself contacted the former Chief Officer of Police and ascertained that the former Chief Officer was indeed willing to participate fully in the investigation. He did indeed participate and Mr. Napier has also had access to a copy of the affidavit prepared by the former Chief Officer of Police in connection with subsequent appeals in the Royal Court.

2.4.1 The Deputy of St. Martin:

I do not like to prove that the Chief Minister is not telling the truth in this Chamber, but what I have here is a letter dated 21st April to the Deputy Chief Executive informing the Minister about his ability to take part, however the terms of reference were published in R.39 on 14th April. Can I ask the Chief Minister if he maybe would reconsider his answer, in actual fact that Mr. Napier did not make contact with the Chief Officer of Police before the terms of reference were altered?

Senator T.A. Le Sueur:

The terms of reference are a fluid arrangement. At the time of the agreement in this House of those terms of reference the disciplinary process involving the former Chief Officer was still in place. Accordingly, it was questionable whether the Chief Officer would be willing to participate in such an inquiry. After Mr. Napier had established that the former Chief Officer of Police was prepared to assist in these investigations, that particular aspect of the terms of reference was no longer relevant.

2.4.2 The Deputy of St. Martin:

I find the answer astonishing because quite clearly the evidence I have to hand really shows that the Chief Minister, I am afraid, is misleading the House this morning.

The Bailiff:

Be careful with your language.

The Deputy of St. Martin:

I will, but it is rather frustrating when you have evidence in your hand, and I know the fact that what the Chief Minister is saying is maybe incorrect and I would ask him maybe he would check to ensure that what I have - the evidence that we have at hand - is really the evidence which we should be hearing or study it this morning.

The Bailiff:

That was your question, Deputy.

Senator T.A. Le Sueur:

If the Deputy is prepared to give me the evidence he has, I will investigate it myself. I said in my answer, and I was very careful to say, that I was advised that Mr. Napier had contacted the Chief Officer. I do not have the information first-hand, and I do not have evidence to do that. If the Deputy has evidence to the contrary and wishes to share it with me I will happily look into it.

[Interruption] [Laughter]

[10:00]

2.4.3 The Deputy of St. Martin:

Can I ask the Chief Minister why it was felt necessary to remove part of the terms of reference because the Chief Officer of Police said he was happy to partake? Surely they should have been left in if indeed he was happy to partake. Would the Chief Minister not agree?

Senator T.A. Le Sueur:

It strikes me as being totally irrelevant whether it was left in or not. The fact is that Mr. Napier did have access to Mr. Power, both to ask him questions and to read his affidavit. The whole question of whether they are in the terms of reference as published is totally meaningless when the reality is that Mr. Napier had full access to all evidence provided by the former Chief Officer.

2.4.4 Deputy M.R. Higgins:

Would the Chief Minister be prepared to put his evidence and Deputy Hill's evidence to P.P.C. (Privileges and Procedures Committee)? We obviously have here allegations that the House has been misled and I think it is time that the information is put out by both sides to P.P.C. and be adjudicated on. Would the Chief Minister agree?

Senator T.A. Le Sueur:

I cannot see that this is a matter of relevance to the P.P.C. The question relates to the ability of Mr. Napier to access information from Mr. Power. As I have said, and Mr. Napier has said, he had full access to that information.

2.4.5 The Deputy of St. Mary:

The Chief Minister appears to believe that the truth does not matter too much as long as the right answer comes out ... **[Members: Oh!]**

The Bailiff:

No. Deputy, please do not make improper assertions against other Members of the Assembly, as required by Standing Orders.

The Deputy of St. Mary:

I shall restart, Sir. The question was about whether the terms of reference were altered after the Chief Officer of Police agreed to participate or before and the Chief Minister is then telling us: "Oh well, it does not matter too much because what happened in the end was that the Chief Officer of Police did co-operate with the inquiry." But that is not the point of the question. My question to the Chief Minister is does he believe the process that doing things in the right way, that doing what you said you did, and it is true, matters?

Senator T.A. Le Sueur:

Yes, process is important. But getting information is also important. As I said, the reality of the situation is that whether it was in the terms of reference as published or not, the instructions to Mr. Napier were received by Mr. Napier, acted upon by Mr. Napier, he had access to the information from the former Chief Officer of Police and so whether it was done before or after that, the fact is that the outcome... the reality is that full access was obtainable and obtained.

2.4.6 The Deputy of St. Martin:

Will the Chief Minister accept that the affect of watering-down the terms of reference meant that it narrowed the terms of reference, thereby certain crucial witnesses did not need to be interviewed? Will the Chief Minister agree to that?

Senator T.A. Le Sueur:

No, I do not think that is correct at all. The fact is that the terms of reference referred to access to information. That information was available. If Mr. Napier felt the need to have information from other sources he was totally at liberty to do so.

Deputy T.M. Pitman:

Can I seek clarification from the Chief Minister, Sir?

The Bailiff:

No, I am sorry, Deputy. Not at this stage. This is question time.

Deputy T.M. Pitman:

It would be nice to understand what was said.

The Bailiff:

There will be an opportunity, Deputy, if I may say so; the questions without notice, the Chief Minister will be asked today, and of course Members are free to take up any point then.

2.5 Senator S.C. Ferguson of the Minister for Education, Sport and Culture regarding estimates for future fee increases should grants to fee-paying schools be reduced:

Will the Minister provide all States Members with the department's estimates for future fee increases over a 2, 3, 4 and 5-year period if all of the proposed reduction in grant is passed directly on to parents, and will he also provide a table showing the annual percentage increases in fees for all fee-paying schools over the past 10 years?

Deputy J.G. Reed of St. Ouen (The Minister for Education, Sport and Culture):

The answer is yes, and I will arrange for the information to be circulated to all States Members later today.

2.5.1 Senator S.C. Ferguson:

I wonder if the Minister could explain why it was not possible to circulate these figures before?

The Deputy of St. Ouen:

It has taken a while to ensure that we have got all the information that the Senator requires.

2.5.2 Senator J.L. Perchard:

Has the Minister undertaken any work to determine the effect of the full implementation of his proposal to withdraw 50 per cent of the funding for secondary education on the effects it will have on the amount of children that will leave fee-paying schools and be forced to migrate to alternatives?

The Bailiff:

I am sorry, Senator. I think that is too far removed from the original question.

2.6 Senator F. du H. Le Gresley of the Minister for Treasury and Resources regarding a review of the *de minimis* waiver within 12 months of the introduction of G.S.T:

Given that in February 2008, in response to S.R. 1/2008, his predecessor gave the Assembly an assurance that a review of the *de minimis* waiver would be carried out within 12 months of the introduction of G.S.T. (Goods and Services Tax), could the Minister explain why the subsequent review by H.M.R. and C. (Her Majesty's Revenue and Customs) did not include this within the terms of reference and advise whether this review will now be undertaken without further delay?

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

A post implementation review of G.S.T. was performed by H.M.R. and C. in December 2008, and the report was released in January 2009. The terms of reference issued for the assignment were

deliberately broad so that all aspects of the implementation could be covered. At the start of the review it was made clear that all policy issues were to be covered and this included the *de minimis* limit for imports. The final report lists those people and organisations that were interviewed during the process, and that included the Chamber of Commerce and other business interests. All policy and strategic issues, including the *de minimis* level, were reviewed with stakeholders. Their conclusion, which I consider to be sound advice, at the time was that G.S.T. should remain substantially as implemented and bedded-in for at least a period of 2 years without significant change. Should the Assembly, however, agree to the change in G.S.T. rate and the *de minimis* waiver remains at £12, all goods with a value above £240 imported by private individuals after 1st June 2011 will be liable to G.S.T.

2.6.1 Senator F. du H. Le Gresley:

His predecessor in the response to the same S.R. 1/2008 also said in response to the following statement by the Scrutiny Panel: "Local retailers play an important role in the Island's economy and have a strong case for believing that a high *de minimis* level will give external competition an unfair advantage, which will harm their businesses and ultimately harm consumer interests." Does the Minister agree that this has now happened?

Senator P.F.C. Ozouf:

I do not agree that it has now happened. There was obviously extensive discussion about the *de minimis* level when G.S.T. was implemented. But if the Assembly does agree to the increase in G.S.T. of 5 per cent, and the *de minimis* waiver remains at £12, all import ... effectively the amount of tax free, G.S.T. free limit exemption will be reduced from £400 to £240. So if there is a concern about that then obviously it will be a different situation with respect to a level playing field after the rate increase.

2.7 Deputy P.V.F. Le Claire of the Chief Minister regarding the use of the International Labour Organisation unemployment measures:

Given that there has always been a difference between the registered unemployment figures, which are virtually a claimant count, and the I.L.O. (International Labour Organisation) unemployment measures, would the Minister state what the figure is for July 2010 using these measures, as opposed to those figures published on the gov.je website, bearing in mind that the I.L.O. figures for July 2009 put unemployment at 1,700 against the official level of 940?

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

The International Labour Organisation unemployment rate for July 2010 was published in the most recent report on the Jersey labour market released by the Statistics Unit on 6th October 2010. The I.L.O. unemployment rate in July 2010 was 3.0 per cent. This rate corresponds to approximately 1,700 individuals being unemployed. The I.L.O. rate a year earlier in July 2009 was 2.7 per cent, which in fact corresponded to approximately 1,500 individuals being unemployed at that time.

2.7.1 Deputy P.V.F. Le Claire:

I have with me the public transcript from a meeting the Chief Minister attended with the Head of Statistics, in which the Head of Statistics said a 2.7 per cent level of unemployment in July 2009 equated to 1,700. This morning the Chief Minister is saying 3 per cent compares to 1,700. Has the population decreased that much?

Senator T.A. Le Sueur:

No, I cannot account for what the Head of Statistics said in a public hearing. Clearly the figures we are talking about here are approximations. The rate is clearly 2.7 per cent in 2009 and 3 per cent in 2010. How that relates to the population will vary according to population. The information I have

from the Statistics Unit is that 2.7 per cent represents about 1,500 and 3 per cent represents about 1,700.

2.7.2 Deputy P.V.F. Le Claire:

Because I am quite keen to see a real reflection of the labour market, will the Chief Minister undertake to publish on the website in conjunction with the other figures that are being published, which are claimant counts, the I.L.O. figures, so that people can understand and appreciate the actual level of unemployment or what is close to it?

Senator T.A. Le Sueur:

I am happy to ensure that that is published on the website, if it is not already there.

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

Could the Chief Minister confirm that the I.L.O. rate is included in the monthly report that is issued by the Statistics Department?

Senator T.A. Le Sueur:

I can certainly confirm they are issued on the monthly reports provided by the Social Security Department for statistical purposes. I do not know whether it is on the website at the moment, but it can also be added if needs be. But, yes, I do confirm that.

The Bailiff:

We come next to a question which Deputy Southern will ask of the Chief Minister. No, he will not, he is not here.

2.8 The Deputy of St. Mary of the Minister for Transport and Technical Services regarding urban and residential area speed limits:

Concerning P.167/2010 - Speed Limits: revised policy - can the Minister inform Members what the difference is between “urban built-up areas” and “distinct residential areas”; why he proposes a speed limit of 30 for the former and 20 for the latter and, furthermore, what consideration he gave in preparing this proposal to establishing residential zones similar to Woonerfs in Holland, Spielstrassen in Germany or “home zones” in the UK?

Connétable M.K. Jackson of St. Brelade (The Minister for Transport and Technical Services):

The underlying aim of the speed management policy is to provide a simple to understand safe range of speed limits for use on different road types and in different surroundings. Speed limits should be self-explained and to encourage self-compliance should seek to reinforce the driver’s own perception of what is a safe speed to travel on that particular type of road in that particular environment. The Speed Limits Review Panel working group decided upon the Island Plan’s designation of a built-up area as the definition of an urban built-up area. These areas are clearly marked in white on the Island Plan map, which is available on the States website. Broadly they include the town of St. Helier and its surroundings, the coastal strip stretching from Beaumont to Fauvic, the Parish villages and the larger rural settlements. The group recommended a speed limit of 30 m.p.h. for through roads in these types of areas. Distinct residential areas were not as clearly defined by the group and a commonsense approach is required. I consider distinct residential areas to be road environments with houses on both sides, such as cul-de-sacs or housing estates, and roads in housing areas that are not principal through routes or main roads. These criteria are similar to those used for the residential home zones schemes referred to and will allow such zones to be established in Jersey. The group recommended a speed limit of 20 m.p.h. for local access roads in these types of areas. So the group has proposed a simplified hierarchy of speed limits, which

balances the need for travel and commerce with the safety and comfort for all road users - not just motorised vehicles - as well as residents. When coming to their conclusions the group had the benefit of a public consultation survey, which had 800 replies broadly supporting this approach as well as a submission from the States of Jersey Police. I agree with the working group that a balance of 30 m.p.h. for strategic distributor roads in urban built up areas was appropriate and 20 m.p.h. was appropriate for local access roads in these distinct residential areas. I have submitted their recommendations in their entirety to the Chamber for debate in January.

[10:15]

2.8.1 The Deputy of St. Mary:

The Minister may not be aware but Woonerfs and Spielstrassen have lower speed limits than 20 m.p.h., that is my understanding, and they have a complete package of ways of making interaction between all road users safe. Part of my question was did those zones in the U.K. and in Germany and Holland, were they looked at by the department as a model, and what conclusions did the department draw about that?

The Connétable of St. Brelade:

No, I do not think they were looked at specifically, but having said that, the group did look at areas generally in the U.K. and came to the conclusions that they have and will be debated in January.

2.8.2 Deputy R.G. Le Hérissier:

Is it the Minister's intention to deviate from this highly rational policy he has outlined and, in a personal way, grant Parishes dispensations in line with his own view of their situation?

The Connétable of St. Brelade:

I think there will be dispensations brought by the various Connétales of the various Parishes, and I suspect that St. Peter's is probably a case in point where the 20 miles an hour zone probably does not comply, but in all truth the public have got used to it. I am fully prepared to accept recommendations from individual Connétales.

2.8.3 Deputy R.G. Le Hérissier:

Does the Minister not accept this is going to lead totally back to the patchwork quilt approach to setting speed limits?

The Connétable of St. Brelade:

No, I think the group have proposed 40 m.p.h., 30 m.p.h. and 20 m.p.h. and that seems to be a simplified system. I think there is merit in avoiding disparity on a particular route, shall we say, short distances of different limits. I think that is the confusing area which needs to be addressed.

2.8.4 The Connétable of St. Helier:

Would the Minister explain how it can be fair and right to allow a 20 miles an hour limit to persist in St. Peter's village, which I support, and yet to deny that to the residents of Great Union Road or St. Marks Road or Stopford Road, which have a lot more people living there? **[Approbation]**

The Connétable of St. Brelade:

After the new proposals are put in place, and I hope agreed by the House, I do not think it will be a question of denying anything, and if the Connétable has got any particular areas he wishes addressed, I am sure we can jointly do that.

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

I think my initial question has probably been answered, so if I am to understand that the Minister is saying the 20 miles an hour in St. Peter and possibly in St. Mary, although they would not fit the criteria would, if the Constables make relevant submissions to him, they will be looked on

favourably to be kept. Perhaps he could answer yes or no on that one. My question therefore is how are those submissions are to be made?

The Connétable of St. Brelade:

Those who have read the proposition will note there is an appeal mechanism, which the Connétables are open to take up. So, it does leave the situations open to debate, should they so wish.

2.8.6 The Deputy of St. John:

Will the Minister confirm that this report is evidence-based? I have a couple of concerns given that I see a recommendation for the reintroduction of police motorcycles, and also a concern that under 3.9 on page 22, that it is claimed that it would be difficult to sign or legislate for.. it is 3.9 in the report. Could you tell us if this is evidence-based please?

The Connétable of St. Brelade:

I do recall that Deputy Fox was on the panel, he is not here at the moment, so that may have a connection with the motorcycles. I have to ask the Deputy to remind me what 3.9 was because I do not have the report in front of me.

The Deputy of St. John:

Continue on, Sir. By the time I have found it we will have wasted another couple of minutes.

2.8.7 The Deputy of St. Mary:

The Minister has admitted that there has not been a look at home zones and Woonerfs, and similar zones, can I ask him to confirm that the work that went into this proposition did not either look at research into 20 miles an hour speed limits and their huge impact on killed and seriously injured, and if he did not look at that research into the incidents and the severity of accidents, how can he justify having 30 m.p.h., for instance, on main roads without pavements which we find in many places? How can he in fact justify 30 m.p.h. in urban areas at all, given the huge impact that 20 miles an hour has on accident rates and accident severity?

The Connétable of St. Brelade:

Firstly, I think I must emphasise the point that the group did examine 20 miles an hour limits in detail, and the results and the consequences of the limits, and also of course 30 m.p.h. We are well aware of accident statistics and their results of the report were based on that. I think I must emphasise the point that the speed limits in Jersey have to adapt to not only the car, but also bicycles, motorcycles, pedestrians and residents. Inevitably there is a compromise to be made.

Deputy G.P. Southern of St. Helier:

May I, through the Chair, apologise to the House for not being in my seat when question number 8 came up, and congratulate you on the speed with which you are processing through questions and ask whether I might be allowed to ask my question.

The Bailiff:

Only if there is time at the end, Deputy.

2.9 Deputy M. Tadier of St. Brelade of the Chief Minister regarding whether Mr. Napier was invited to come to Jersey to present his report to States Members:

Will the Chief Minister confirm that Mr. Napier was invited to come to Jersey to present his report to States Members and, if so, will he state when this was and why he has not yet come over?

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

When the publication of the report was imminent I asked the Deputy Chief Executive to ascertain whether Mr. Napier was able and willing to come to Jersey to present it and to answer questions. I can confirm that such questions were put to Mr. Napier on 17th August 2010, and Mr. Napier's response was in the negative. Following subsequent requests from States Members, the question was again put to him in October and again received the same response. Mr. Napier felt that the report speaks for itself and that his presence was unnecessary.

2.9.1 Deputy M. Tadier:

Does the Chief Minister accept that asking to ascertain whether he was able to come to Jersey or not is not the same as inviting somebody to come over to present a report and to address States Members? Can the Chief Minister categorically say that Mr. Napier was invited to come over, i.e. "We want you to come over to Jersey to present the findings of your report and take questions" or was it not done in that fashion?

Senator T.A. Le Sueur:

He was invited to come. In my original answer I said I asked the Chief Executive to ascertain whether Mr. Napier was willing to come to Jersey. He said no.

2.9.2 The Deputy of St. Mary:

Does the Chief Minister believe that Mr. Napier knows the kind of response that his report will get from the authorities? He may have thought: "I do not need to present it because the authorities will take my report seriously. They will write a full response. They will take the necessary action." In fact none of that has happened and perhaps that is why Mr. Napier thought: "I do not need to present the report." Would the Chief Minister now reconsider that in the light of the effective brush-off that his report has had from the authorities?

Senator T.A. Le Sueur:

I am sure that Mr. Napier is well able to make up his own mind, but as I say, I did request that he be asked a second time recognising the concerns the Deputy expresses, Mr. Napier repeated on being asked a second time he saw no reason to come to Jersey.

2.9.3 The Connétable of St. Helier:

Would the Chief Minister agree that in future when a report of this type is commissioned that it should be standard procedure for the Chief Minister to expect that the report writer present his findings or her findings to States Members?

Senator T.A. Le Sueur:

It all depends on whether one wants to get the best person for the job or not. Some people may decide that if they have to come to Jersey to present their report they do not wish to take part in the process. In this case, it was not part of the original terms of reference, and Mr. Napier believes - and I believe it is quite correct - that he is fully entitled to take whichever stance he chooses.

2.9.4 Deputy P.V.F. Le Claire:

Can I ask the Chief Minister, because this Assembly decided not to conduct a Committee of Inquiry, which would have allowed witnesses to have easy access to the people that were inquiring, and also because of the final acknowledgement this morning that the author of the report was unwilling and unable to come over, does he not now consider that perhaps he has chosen the weaker option?

Senator T.A. Le Sueur:

No, part of the terms of reference given to Mr. Napier, and contained in the terms of reference, were that if he felt that there was a need for a Committee of Inquiry he should say so as part of his

report. He specifically addressed that in his report and said that, in his view, there was no need for a Committee of Inquiry.

2.9.5 Deputy P.V.F. Le Claire:

Could that be perhaps that he had nobody to substantiate the evidence that he was informed of and had he have been here he might have had that evidence?

Senator T.A. Le Sueur:

I do not think that is particularly relevant. The report was produced by Mr. Napier and contains his findings to the effect that he did not consider a Committee of Inquiry necessary because all the facts and information had been provided to him.

2.9.6 The Deputy of St. Martin:

Will the Chief Minister confirm, as a result of an exchange of emails between himself and myself, that it was the understanding that Mr. Napier was coming to Jersey and he could not come until 20th September? In other words, Mr. Napier had agreed to come over but could not come over until the 20th. That was in an email to me. Will the Chief Minister confirm that?

Senator T.A. Le Sueur:

I confirm that I sent an email to the Deputy of St. Martin in which I said that Mr. Napier would be unable to come to Jersey before 20th September. I, like the Deputy, also hoped that Mr. Napier would come to the Island to present his report; he has chosen not to and I respect his views. I accept that at the time I was hoping, as was the Deputy of St. Martin, that he would come to do that task.

2.9.7 Deputy M. Tadier:

How persuasive was the Chief Minister or his officers in asking and insisting Mr. Napier come over, and does he believe that if perhaps the Deputy of St. Martin were to extend that offer now for States Members, who wish to be party to that, he would have more success?

Senator T.A. Le Sueur:

That I cannot say. Mr. Napier was quite categorical in his views. I have a copy of the note that he responded to the Deputy Chief Executive, and I have no reason to doubt that he would maintain that view today.

2.10 The Connétable of St. Helier of the Minister for Treasury and Resources regarding the use of the former Le Seilleur workshop in Oxford Road:

Would the Minister explain the terms of the Le Seilleur will in relation to the public's stewardship of the former Le Seilleur workshop in Oxford Road and, given the potential for this neglected building to be refurbished to provide complementary facilities for the Millennium Town Park and assisted employment opportunities, does the Minister consider that the feasibility of such a project should be pursued?

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

May I ask Deputy Le Fondré to be rapporteur for this?

Deputy J.A.N. Le Fondré (Assistant Minister for Treasury and Resources - rapporteur):

The will of the late H.E. Le Seilleur requires that the States of Jersey consult with his executors on the use of the properties - this is the nub - with a particular view that the properties be used for the benefit of aged, infirm and needy residents of the Island. Therefore, any benefit from those properties should be for residents who are aged and infirm and needy. It cannot be for one or the other but must meet all 3 criteria, and that is one of the problems we faced in the history on this

building. There are further features of the consequences that come out of this. The building cannot be handed over free *gratis* as a sheltered workshop, for example, because that would not meet the terms of the will. However, the properties could be used to generate a commercial return, for example, through rental or disposal, and that return can be used for the benefit of the aged, needy and infirm. For example, the property could be sold and the proceeds either reinvested to generate income or used for the benefit of the aged, needy and infirm. To address the issues regarding the Millennium Park, it could only be used to complement the Millennium Town Park if the building was rented or sold at commercial rates, and then the proceeds made available to the trust.

2.10.1 The Connétable of St. Helier:

Would the Assistant Minister explain how he can be so prescriptive about the terms of the will given that the building was offered some years ago, when the Youth Service was being run by the late Peter Gambles... it was offered to the Youth Service for the use of assisted employment opportunities for young people.

Deputy J.A.N. Le Fondré:

I am not too sure how long ago this was, but I do know there was a reference to, I think, it was Social Security at the time - and this is going back a number of years, certainly before my time - were looking into doing something along those lines. My understanding was that it either had to be bought by the States to be essentially taken out of the trust to then be used, which is what we are saying, or alternatively, the legal advice was that it was not permitted under the terms of the will.

[10:30]

2.10.2 Deputy T.M. Pitman:

The Constable has really stolen my question, but I will ask another one. Would it be possible to use economic stimulus money to get this up and running? Is it not a fact that if it is complementary to the park, surely that fits all the criteria the Assistant Minister has mentioned? The needy, the elderly, the infirm, all of those people are going to use this.

Deputy J.A.N. Le Fondré:

I have looked at this from time to time and it is being progressed through the department, who are presently investigating whether we should just be getting a planning permission on the site to then sell and then use the funds. The difficulty we have had, and we have had approaches from bodies in the past, is that if a charity wants to utilise the building for a charitable purpose, unless it is for the aged and the needy and the infirm and it is all 3 ... the trouble is the advice that we have been given is that that is very tight criteria. Generally the purposes of the charities that have come to us have not met those conditions. That is the legal tangle we are in.

2.10.3 The Deputy of St. Mary:

I should point out before asking this question that I happen to have a degree in linguistics. **[Laughter]** When we see “aged” comma “infirm” comma “and needy” in a will, I am astonished to find that the interpretation put on it is that in order to benefit from the terms of that will you have to be both aged and infirm and needy. It is quite astonishing. So my question is, why is the Assistant Minister taking this very narrow and, in my view, perverse view of the reading of this will when I am sure the intention of the benefactor was quite different?

Deputy J.A.N. Le Fondré:

Unfortunately, that is the advice we have been given.

The Deputy of St. Mary:

Could the Assistant Minister say who gave that advice, please?

Deputy J.A.N. Le Fondré:

It is not customary to release legal advice, but that is the legal advice that we have been given.

2.10.4 Deputy G.P. Southern:

Is the Assistant Minister content with his department's stewardship of this property? In fact, is the property wind and waterproof and has it been maintained wind and waterproof over the years or not?

Deputy J.A.N. Le Fondré:

In itself the stewardship is slightly interesting. The ownership of the property essentially rests in the trust. The trust is administered within the Health Department. So it sits between a number of stools. Am I satisfied that the building has sat there for a period of time in the condition it is? No. I would remind the Deputy that it has been brought to this Assembly on 2 occasions and certainly the last one I can recall, in fact I am sure the Deputy will remember, it was brought by the department with a view to disposal. In fact it had been put to tender and a significant sum had been offered for the building. The then former Minister for Health and Social Services stood up and did not support the proposition and the Assembly backed ...

The Bailiff:

The concise answer then to your view of the condition?

Deputy J.A.N. Le Fondré:

The short answer is the department has tried to act to sort the problem out on at least 2 occasions and the Assembly has not supported it.

2.10.5 Deputy G.P. Southern:

Is the Minister aware whether the property has been maintained in a wind and waterproof state or not? Whether it is the Health Department or his department, is that the case?

Deputy J.A.N. Le Fondré:

It is categorically not the case. Certainly in the time I have been in it, it has never even started to be in a wind and watertight condition. So I am unable to comment on whether it was in a wind and watertight condition when it was first passed to the States.

The Bailiff:

There are a number of other questions, but we will only take a few of them.

2.10.6 Senator J.L. Perchard:

Will the Assistant Minister confirm that the Le Seilleur building is an S.S.I. (Site of Special Interest) and that one of the problems with the building is that there are extreme planning restrictions which have been placed on it by the Planning Department **[Laughter]** that make the building undesirable, unwanted and uninteresting.

Deputy J.A.N. Le Fondré:

I will try not to stray into planning matters. Firstly, it is an S.S.I. So, secondly, there are obviously conditions that apply to that. My understanding is that the Minister is open to appropriate design being applied to the building. To say that it is unwanted and undesirable, I would not like to comment on, apart from offering the remark that on the 2 times it has been tendered, tenders have been received. If an appropriate use can be found for it that generates money for the trust, I think there is an ability to sell it.

Senator J.L. Perchard:

Could I ask a supplementary, Sir?

The Bailiff:

Yes.

2.10.7 Senator J.L. Perchard:

Could the Assistant Minister confirm the tenders were received from people under the height of 5 foot 2 inches tall? [Laughter]

Deputy J.A.N. Le Fondré:

Not to my knowledge.

2.10.8 Deputy D.J. De Sousa of St. Helier:

Would the Assistant Minister confirm to the House that he would be happy to see this building used for rental, for possible assisted employment opportunities, i.e. for Mencap or stroke victims and then that money could then be passed on to Health for the criteria of the will.

Deputy J.A.N. Le Fondré:

I think all of us would be delighted to see that building being put to a proper use. There are 2 difficulties with that request. One is the legal definitions, as I said, in terms of the usage. To get out of those legal definitions one needs to be able to generate a commercial return for the trust. If it is to sell, that is not a problem. So if some mechanism is found to put money into the trust on a commercial return and then a use is applied, that would probably work. If it is just a rental and the States maintain ownership, the difficulty is that a significant sum is required to refurbish the buildings. I do not need to reiterate the point about available funds.

2.10.9 Senator S.C. Ferguson:

Will the Assistant Minister confirm that when the States rejected the proposition to sell the property, that in fact the tenders received were in fact prepared to do the restoration work as an S.S.I. with a view to their particular uses?

Deputy J.A.N. Le Fondré:

I cannot confirm from the point of view of a factual response, but that would certainly be the logical assumption, because no one would have offered the amount of money that was offered without being fully aware that a significant amount of work was required on top of that. So it is certainly a logical assumption from that. Possibly the Senator has seen the correspondence and I have not.

2.10.10 The Connétable of St. Helier:

Given that the property was left for the benefit of the Island, does the Assistant Minister not think that a feasibility study should be undertaken, because this surely is a better use of the site, to help those with assisted employment needs rather than this going into the private sector and remaining there?

Deputy J.A.N. Le Fondré:

I apologise, because I think that also means I did not answer the last part of the initial question. I am certainly aware that the Constable has expressed a desire for the Parish to purchase the site workshop, using funds from the town park. What I will say on the feasibility side is that provided that is supported by the executors, I would certainly fully support a feasibility that the Constable's proposals be examined. But it must be very clear that any proposition must fully comply with the terms of the bequest. Secondly, any acquisition must be at market value. To reiterate the point, that is a significant sum. On top of that there is a very significant refurbishment cost for which, certainly within the budgets I am aware of, I have not seen monies available. If the Parish wants to go down that road, I am fully supportive of them. But they need to be very clear of the road that they are going down.

The Bailiff:

Very well, we will move then to question 12.

2.11 The Deputy of St. John of the Minister for Home Affairs regarding internet access available at H.M.P. La Moye to inmates:

Is internet access available at Her Majesty's Prison at La Moye to inmates? If so, is this available in all or certain cells? How are these facilities monitored by staff for misuse? How many computers can be accessed by inmates at the prison?

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

I produced a detailed written answer in response to a very similar written question, in that I have assumed from the wording of the question that this is related to access to the prisoner network. That is an excellent system which has been set up within the prison, which gives prisoners access to a number of things, including full educational programmes in their cells. Prisoners do not have access to the internet through that, although there are certain programmes on that which have been loaded from the internet and vetted by the prison librarian. The prisoner network is available in all the normal cells. In addition to that there are 40 educational computers located around the premises. The prisoner network is monitored centrally.

2.11.1 The Deputy of St. John:

Will the Minister confirm that the law needs to be changed in relation to computers and the like at the prison and that has not happened? Why has he put in place computers within the prison if laws need to be changed, given we are aware and the public are aware that illegal computers are getting into the prison, i.e. by way of Blackberries and mobile telephones, which are in some cases computers, and the like? Will he tell us what action he is taking to make sure that a law is put in place so that prisoners cannot access the internet in any way whatsoever?

Senator B.I. Le Marquand:

This is a different point to how I read the initial question. In my view this is a question which is going into the matter of telephones, mobile phones, potentially with access to internet, *et cetera*, being smuggled into the prison. It is a different issue. There is no need for a law change to allow computer access lawfully in the way that I have described in the answer. In relation to the issue of the unlawful smuggling of phones into the prison, this has been a problem for some time. It has slightly improved in recent times, because of the fact that the outworkers, those who are going outside the prison to work during the day, are now outside the security perimeter. Since that has happened the issue had decreased in importance. But we have been looking for some time at a fairly complex piece of legislation which would enable the blocking of signals from mobile phones into the prison. That is quite a complex issue.

2.11.2 Deputy M. Tadier:

Will the Minister confirm that he believes that many prisoners at La Moye are there because of an educational deficit, for whatever reason, and that providing there are sufficient safeguards in place to make sure that technology is not abused and used for nefarious purposes it is quite right that access to the internet is provided as an education tool which will hopefully lead to lower rates of re-offending?

Senator B.I. Le Marquand:

It is not going to be provided directly through the internet for security reasons. But the Deputy is absolutely right. The level of general education of prisoners is normally very low, particularly problems in relation to reading, writing and basic arithmetical skills. It is for this very reason that we have taken the step of extending the availability of educational stuff into the cells. Frankly, many people who cannot read and write are embarrassed by that fact. To go to educational classes

in which that will become known to their colleagues is deeply embarrassing to them. But to be able to work on that within their own cells - within that privacy - is a major advantage. I believe that this is a major success story and I am grateful for the Deputy of St. John for giving me the opportunity to publicise it.

2.11.3 Deputy D.J. De Sousa:

Is the Minister satisfied that stringent safeguards are in place to ensure against misuse of computers within the prison?

Senator B.I. Le Marquand:

Yes. As I have said in some detail in the written answer, there is no external access. This is purely within the internal system. Indeed people cannot even communicate with each other via it. The communications are to the prison management to and fro. It is an information system as well. But also in relation to the specific programmes for educational purposes which are run through it. In addition to that what they are doing on it is monitored. So there is absolutely no question of security issues here. We would not be running this if there were.

2.11.4 The Deputy of St. John:

Given that this has been funded, could Members be told out of which fund it has come and the cost? Also, is the Minister happy that at a time when the Islanders are being told to tighten our belts we are funding this type of equipment in all the cells within the prison?

[10:45]

Senator B.I. Le Marquand:

Details of that are set out in the written answer. What we have done is put together 3 things. We have put together the central teaching system, the information link and also access to television channels. We were going to have to change televisions in cells in any eventuality and there would have been the cost of that. The cost of extending a new system into the cells for 162 units is £125,000. Against that we would have had costs of fitting televisions in any eventuality.

The Bailiff:

You do not need to go into too much detail on the figures in an oral answer, Senator.

Senator B.I. Le Marquand:

Yes, okay, Sir. This represents incredibly good value, frankly, because of the additional educational benefits. We are trying to work very hard to reduce the prison population through rehabilitation of offenders, which is a key issue.

The Bailiff:

Very well, we will come to the next question.

2.12 Deputy K.C. Lewis of St. Saviour of the Minister for Education, Sport and Culture regarding negotiations with the U.K. authorities to have Jersey students regarded as 'home students' rather than students from 'overseas dependencies':

Further to news that student fees in the United Kingdom may go up to £9,000 a year, will the Minister update Members regarding negotiations with United Kingdom authorities to have Jersey students regarded as home students rather than students from overseas dependencies?

The Deputy of St. Ouen (The Minister for Education, Sport & Culture):

I would ask that Deputy Green acts as rapporteur.

The Bailiff:

Yes, Assistant Minister.

Deputy A.K.F. Green of St. Helier (The Assistant Minister for Education, Sport & Culture - rapporteur):

We do not know yet what affect the U.K. proposals will have on Jersey students. We are in contact with our colleagues in the Isle of Man and Guernsey who find themselves in a similar position. We will be meeting with the relevant U.K. officials and representatives at the end of this month. As the Deputy inferred, Jersey students are currently regarded as neither home nor overseas, because we are neither British overseas territory nor are we E.U. (European Union) members. I think we are sometimes regarded as a Peculiar of the Crown. We negotiate our agreements directly with U.K. universities and U.K. Government agencies. The U.K. Government policy as it stands is that no U.K. university should obtain more or less by admitting an Island student than they would obtain from a U.K. student following the identical course.

2.12.1 Deputy K.C. Lewis:

I think we are all aware of the student unrest in the U.K. at this time. There is a disparity between a U.K. student, an overseas student and a Jersey student. Will the Assistant Minister inform Members how much a U.K. student would pay and the equivalent that a Jersey student would pay? Thank you.

Deputy A.K.F. Green:

Under the current arrangement a U.K. student would pay a maximum of £3,000 and under the 2012 proposed arrangement a U.K. student would pay a maximum of £9,000. A Jersey student currently will pay between £1,500 and £10,500. We do not know what the effect of the government changes will be beyond that. So currently they pay between £1,500 and £10,500. Suffice to say that the Jersey authorities are being charged £6,500 to £23,500 for each course.

2.12.2 Senator S.C. Ferguson:

Given that there has been a change in government in the U.K. and given that students from such places as the Cayman Islands are paying the U.K. rates, will the Assistant Minister give us the assurances that the 3 dependent territories will fight their corner rather harder on this particular aspect of fees?

Deputy A.K.F. Green:

Absolutely. Our aim is to get the best deal possible for students and we will work very closely with our colleagues in the other Crown Dependencies to achieve this.

2.12.3 Senator S.C. Ferguson:

A supplementary. Given that students from such places as the Cayman Islands are paying the U.K. rates and are not paying an overseas rate or a Jersey rate, will the Assistant Minister make sure that these sorts of disparities are considered?

Deputy A.K.F. Green:

I cannot answer for the U.K. Government policy, but I will fight our corner.

2.12.4 Deputy R.G. Le Hérissier:

Would the Assistant Minister confirm whether or not the department is actively looking at alternatives, like European universities and the Open University?

Deputy A.K.F. Green:

We always have an open mind and we do currently fund people not only to U.K., but European, Australian and American universities.

2.12.5 The Deputy of Grouville:

Would the Assistant Minister not say that this raises some constitutional issues, whereby a Crown Dependency is discriminated against and whereby an overseas territory, for want of a better word, is not?

Deputy A.K.F. Green:

I would agree that it does raise some issues that we are treated differently and that we are not treated as an ordinary overseas dependency. However, that is not something that we have total control over. It is set by the U.K. Government. That said, we will fight our corner to get the best deal we possibly can and try and get recognition the same as other U.K. overseas territories.

The Bailiff:

Very well. We come to the next question.

2.13 Deputy P.V.F. Le Claire of the Minister for Planning and Environment regarding the management and disposal of ash water:

In what way has the management of ash water removed from pits in the last 12 months been overseen by the department as the regulator? How is this water disposed of?

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

The disposal of rainwater from the ash cells into the foul sewer network and the sewage treatment works is regulated at the moment through trade effluent consents issued under the Drainage Law by Transport and Technical Services. The ash cells, the water contained within them and the monitoring of the surrounding area will be managed in the future through a waste management licence applied for by T.T.S. (Transport and Technical Services) and to be issued according to Waste Management (Jersey) Law 2005 by the Planning and Environment Department. Any pollution arising from the ash cell water can be investigated by the department under the Water Pollution (Jersey) Law 2000. Additionally, in the meantime, the department are able to view all trade effluent consents issued by Transport and Technical Services that discharge into the sewerage works. The department has also requested that T.T.S. test the discharge water from the sewage works for heavy metals. The department continues to monitor for the bioaccumulation of heavy metals in the marine environment.

2.13.1 Deputy P.V.F. Le Claire:

What I have just heard the Minister say is that the ash water is being put into the drains and then put into the environment and in the future there will be a management of that under a discharge permit and tests could be done in the future, if not now, from his department. Is he now saying then, quite clearly, to States Members and the public that the discharge of ash water is going into St. Aubin's Bay? As a matter of water pollution, this is not the proper way to discharge that water.

Deputy R.C. Duhamel:

The waste management licence quite clearly is designed to prevent pollution to the environment. That pollution can include the introduction directly or indirectly into the environment of any substance or energy if its introduction results in any harm to any living resource or ecosystem. It goes on to refer to any hazards to human health or food or water supplies. The key issue is whether or not its introduction is or would be the only contributing factor to that hazard, harm, damage or interference. Quite clearly, the Waste Management Licensing Law is designed to deal with pollution in the wider context. The Drainage Law at the moment is designed to ensure that any effluent that is sent to the treatment works is able to be incorporated within that process in a non-detrimental environmental fashion. Quite clearly it would be a nonsense if one could introduce things which would kill all the bacteria which do the work of the sewage treatment.

2.13.2 The Connétable of St. Helier:

Does the Assistant Minister not agree with me that the whole issue of a long-term storage of toxic incinerator ash on La Collette needs examination and that the current system is neither financially nor environmentally sustainable?

Deputy R.C. Duhamel:

This House will recall when we were discussing the waste management strategy that indeed a suggestion was made that the treatment of ash would be such that the practice of incorporated ash into ash pits and having the ongoing expense to deal with waste wasters that are passing through those sites would be undertaken in a different fashion. Unfortunately the Transport and Technical Services Department have decided that there are no monies to deal with the bottom ash, or indeed the fly ash, in perhaps a more sustainable environmentally friendly way.

The Connétable of St. Helier:

Is that a yes?

Deputy R.C. Duhamel:

I think it probably is. There are better ways to deal with the ash and if this Island chose to spend its monies perhaps more wisely then indeed more benefits could flow.

2.13.3 The Deputy of St. Mary:

I just wanted to clarify from the Minister, he seemed to be suggesting that the rainwater from the ash pits - what he calls the rainwater from the ash pits - goes via the drains to Bellozanne. Can he confirm that it is tankered to Bellozanne? Can he also tell the Members of this House where the analyses of that water are that were promised, I believe, in the last sitting? Can he further tell us what the additional costs incurred at Bellozanne are when this toxic water goes through the system there?

Deputy R.C. Duhamel:

I do not think I am able to answer all of those. The Drainage Law regulates trade effluence can be put into the foul sewer network or indeed transported by tanker and put into the sewage treatment works at Bellozanne. It is my understanding that the waters at the moment from the ash cells are being tankered to Bellozanne. In terms of the analysis, my department have asked for this work to be undertaken. It is being undertaken and I will be happy to report to this Assembly when the results are made known. In terms of the costings, I am told and I think it was reported in a previous question by Deputy Le Claire to the Minister for Transport and Technical Services, the overall cost for the year to date, the beginning of the year to September, was of the order of £13,000. Quite clearly that would not necessarily - in fact it probably does not - include any costings for clean-up or further treatment other than what I have been given. I think that was the tankering charge only.

2.13.4 The Deputy of St. Mary:

Can the Minister confirm he has no idea of how much it costs to clean the toxic metals, or whatever is in that water, out of the system before it goes into the sea; he has no idea of how much that might cost?

Deputy R.C. Duhamel:

If indeed the waters are added to the sewage treatment process then there will not be a separate cost and the cost will be part and parcel of the running costs of the Bellozanne sewage plant.

2.13.5 Deputy T.M. Pitman:

I apologise to the Assistant Minister if I misunderstood, but if he is saying that money is the reason why we cannot have a better system in place, are we not then just storing-up dealing with this for future generations and does he feel that allowing money to override this is not a responsible attitude for something so important?

Deputy R.C. Duhamel:

I think that the difficulty with all of these things is that there is a waste management hierarchy in terms of environmental interventions, which inevitably have to be costed. While it might be my own personal preference to be at one particular end of that hierarchy or spectrum, it is indeed a democratic process to determine where the Island, as such, wishes to be. The Assembly has spoken and decided that it would wish to be where it is.

2.13.6 Deputy P.V.F. Le Claire:

The Minister has given us a great explanation as to the hierarchy and to the laws. However, he has not reassured me one iota that his department is protecting the environment and the humans that come into contact with it. Will he please circulate to Members, when he gets it - because I know he has not been able to - his department's report on this, which will demonstrate the best practice is not in place and the environment is not safeguarded by his department through T.T.S.?

Deputy R.C. Duhamel:

I am certainly happy to forward the report when it lands on mine or the Minister's desk. As to the reading of the report and the working out of what is in it, I will leave that to Members once they have read it.

The Bailiff:

We come next to question 15 which the Deputy of St. John will ask of the Minister for Education, Sport and Culture.

[11:00]

2.14 The Deputy of St. John of the Minister for Education, Sport and Culture regarding support for young carers within the community:

Would the Minister confirm whether there are children within our schools who are carers within their families? If so, will he advise how many children are known to have this responsibility outside of the classroom? What school support, if any, is at hand to help these young people in this position?

The Deputy of St. Ouen (The Minister for Education, Sport & Culture):

We know that there are indeed a number of young people in our schools who act as carers within their families. Schools provide as much support as they can. Exact numbers are hard to determine, because many young people choose not to share their circumstances with us. This presents a particular challenge for those responsible for pastoral care within each of our schools. The situations of individual carers are unique and the support needs to be tailored to help each student. All young carers are offered support with attendance and homework issues to alleviate the demands placed upon them. Schools also liaise closely with all outside agencies, especially St. John Ambulance and a local charity called Support for Young Carers. Furthermore there are now community social workers in each States secondary school, who co-ordinate and monitor the support given to those in need, including the young carers. Thank you.

The Deputy of St. John:

I am pleased to hear the Minister for Education, Sport and Culture. I was pleased to speak to him just before the Assembly this morning when he confirmed that reviews are ongoing. These young people, and I am sure the Minister will agree, are unsung heroes among their fellows [Approbation] within their schools. I am not going to go in great depth, but I needed to raise the profile of this, so the young people and the schools can put things in place to make sure we are doing that much more for these families. Thank you.

2.14.1 Deputy A.E. Jeune of St. Brelade:

Is the Minister aware that Soroptimists International in Jersey set up J.A.C.I. (The Jersey Association of Carers Incorporated) many years ago? Three or 4 years ago it identified that there were a number of young carers in the Island who were unrecognised. They have been doing a lot of work, in particular with Le Rocquier School who have been excellent in the way they have dealt with it and they would like to do further better work with other schools. So would he enhance the other schools to do the work that Le Rocquier has been doing with the Young Carers Association? Similarly, does he have the same understanding as I have that Health and Social Services were to introduce 3 social workers to work with this group, I believe, last September?

The Deputy of St. Ouen:

Much work is already being done. I recognise the efforts of many organisations and individuals, whether it be in the State system or outside. I fully support the need to provide the necessary care and support, not only to the young carers, but also their families. The social workers are in place within the schools and they are there not only to support the young carers but all individuals who require support.

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

How is this support publicised to the student body? As the Minister will be aware that if not proactively explained to students such support might not be claimed. How is this support publicised to the student body?

The Deputy of St. Ouen:

The first point of contact for any child is the form teacher. They are well aware of the support and the provision of services available to the young people. We also have a multi-agency support team that again are linked to each individual secondary school. They provide this wrap-around care that the individuals and the families need.

2.14.3 Deputy T.M. Pitman:

Obviously my information is 2 years out of date, but could the Minister clarify whether the Youth Service is still involved in that multi-agency approach, because often we did pick up a lot of such cases? I have to say there is nothing worse than seeing a 10 year-old who sounds like a 35 year-old, because of the work they are undertaking. I congratulate him on the social worker move.

The Deputy of St. Ouen:

As the name implies it is a multi-agency approach and all those agencies are involved in providing the necessary support on an individual basis.

2.14.4 Deputy M. Tadier:

Does the Minister acknowledge the negative impacts on the affected pupils that it can have on their work and on their punctuality? Does he think it is satisfactory that children, often at primary school age, are put in this position of being carers? How does he think that the proposed across the board cuts and future cuts will affect vulnerable families in this particular case?

The Deputy of St. Ouen:

As a member of the Children's Policy Group both myself, the Minister for Health and Social Services and indeed the Minister for Home Affairs are absolutely committed to providing the right type of support for all young people. The Deputy will see that as we develop the Children and Young Persons Plan these issues will be picked up and funds will be prioritised to ensure that the right form of support is provided.

2.14.5 The Deputy of St. John:

I would like to thank those Members who have spoken on this one and put questions. The final question I would like to put is about respite for these young people; given they take on an awful lot of responsibility, what is in place, i.e. for holidays or to give them downtime when they can go and enjoy life as young people should be enjoying it?

The Deputy of St. Ouen:

I am not aware of all the support, but I do know that a particular local charity group called Support for Young Carers provides funding for age appropriate activities for the young carers. A recent activity weekend was planned in London for some of these youngsters.

The Bailiff:

We come next to a question which the Deputy of St. Martin will ask the Chief Minister. Deputy.

2.15 The Deputy of St. Martin of the Chief Minister regarding allegations made against the former Chief Officer of the States of Jersey Police:

In view of the fact that during oral question time on 30th June 2009, the Chief Minister agreed that States Members should apologise when they make allegations against individuals that are not substantiated, will the Chief Minister inform Members whether he has asked the Minister for Home Affairs to apologise for allegations made against the former Chief Officer of the States of Jersey Police? If not, why not?

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

I am not clear what allegations the Deputy is referring to. I am not aware of any matters whatsoever which might require an apology from the Minister for Home Affairs. Accordingly I have made no such request of the Minister. If the Minister is aware of any such matters and feels the need to apologise, I can assure the Deputy that I have full confidence in the Minister's judgment in this matter.

2.15.1 The Deputy of St. Martin:

Could I help the Chief Minister? The Minister for Home Affairs had, for several months, an opportunity to arrange a discipline hearing to put the allegations to the Chief Officer that he eventually made at the end of July. Does he not think it is not good government for these allegations to be made public on the day when the Chief Officer is retiring and then withdrawn? So in other words allegations were made and were not substantiated. Therefore if the Chief Minister would be consistent an apology should be forthcoming from the Minister for Home Affairs.

Senator T.A. Le Sueur:

There are 2 issues there. Firstly, as I say, I have full confidence in the Minister's judgment in this matter. If the Minister made allegations against individuals, he no doubt did so because he believed that they were substantiated.

2.15.2 The Connétable of St. Helier:

Does the Chief Minister agree that the disciplinary investigation that we were referring to was not complete and therefore that in Jersey a person is still innocent until proven guilty?

Senator T.A. Le Sueur:

Yes.

The Bailiff:

We come next then to the question which Deputy Southern will ask of the Chief Minister.

2.16 Deputy G.P. Southern of St. Helier of the Chief Minister regarding the total number of public sector posts lost in C.S.R. Stage 1:

Will the Minister detail for Members by department and by job title the total number of public sector posts that will be lost in the C.S.R. (Comprehensive Spending Review) Stage 1 through voluntary redundancy and the non-replacement of posts through retirement or when vacated, and indicate whether these losses will be classified as efficiency savings or reductions or cessation of service?

The Bailiff:

Are you really wanting the Chief Minister to read out the list?

Deputy G.P. Southern:

I would just like him to answer the question about categorisation of them. If he has such a list, I hope he produces it in writing, rather than read everything out.

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

I am not prepared to give details of voluntary redundancies approved by job title, because of reason of confidentiality. But I would refer the Deputy to numbers of departments contained in my response to a written question from Deputy Higgins for today's sitting. I am just trying to find that one, but I am sure Members can find that among their bundle of answers; number 26. I am not able to give details of posts lost through natural turnover as this is a highly fluid and tenuous situation. All departments are being asked to carefully decide whether it is necessary to replace a departing member of staff. Every opportunity is being taken to redeploy staff into key posts where appropriate. Members will have noticed the reduction in the number of States job vacancies which are being advertised in the *Jersey Evening Post* over recent months. Had this been a written question rather than an oral question I could have given detailed figures, which show that the number of local jobs advertised has fallen from just under 60 in January to just under 20 in October and continues to fall. In nearly every case voluntary redundancies and non-replacement of leavers could be classified as efficiency savings rather than reduction or cessation of service. We are seeking to avoid the impact on frontline services.

2.16.1 Deputy G.P. Southern:

The total number of job losses is, I believe, the critical figure. The Chief Minister has just refused, I think, to give those figures. Will he undertake to research those figures? In particular, it is important to know whether there are reductions in services taking place. For example, the E.S.C. (Education, Sport and Culture) figure, given in response to question 26, says that 7 voluntary redundancies were agreed. I believe it is important to know whether any of those were frontline teachers. Will he undertake some research as to what he is proposing and what is happening is about reductions of service or efficiency saving?

Senator T.A. Le Sueur:

It is always quite difficult to distinguish between what is a reduction in level of service and what is efficiency. It may well be that one or more of that 7 contained in the Education, Sport and Culture number refers to teachers. That may well be because of the differences in class sizes, class structuring arrangements. There are a whole variety of reasons. I think the important thing for the Deputy and Members to understand is that before any of these voluntary redundancies were accepted they were rigorously examined under strict criteria to see their suitability. Only under those circumstances were the applications for voluntary redundancy approved.

2.16.2 Deputy A.E. Jeune:

Could the Chief Minister assist Members in how we will be able to identify in the future where new jobs are created when we do not know which jobs went? Therefore it would be possible to change the job title and reincarnate the position. Thank you.

Senator T.A. Le Sueur:

As I say, applications for voluntary redundancy are only accepted on the basis that the job is no longer required. If the job is replaced by a totally different job that is a matter of clear-cut acceptability, if the matter is just a re-badging of an existing job that is not what would be accepted in voluntary redundancy and should not happen. How one can monitor that in the future is very difficult when we have something like 6,000 States employees. Certainly I understand that Deputy's concerns. I am sure that in looking at future job advertisements we will want to ensure that the arrangements are not a replication of one job with another. I would point out, in further elaboration, that of course when that post goes under voluntary redundancy, the funding for the department also goes. So if they were to try to reinstate the post they would have to do that with no additional funding. They might find that difficult.

[11:15]

2.16.3 Deputy M.R. Higgins:

Will the Chief Minister agree that the Corporate Management Board minutes for the reviews of these applications should be published? They are supposed to be published anyway, but we can never get access to them. Secondly, does he also accept that looking at the numbers from the department, it appears that in some departments, especially the smaller ones, there does appear to be a morale problem, judging by the number of people wanting to go?

Senator T.A. Le Sueur:

Firstly, can I correct the misapprehension? The review was not done by the Corporate Management Board, it was done by a group of senior officers. It was then reviewed by senior Ministers and further reviewed by a panel of non-Ministers. As far as the morale in the services is concerned, I believe that we should always be striving for good morale. In the applications there were a number of applications for voluntary redundancy. As Members can see, the majority of applications were refused. Of the 282 applications received only 73 were accepted in this first round.

2.16.4 Deputy M.R. Higgins:

Just to follow up, would the Chief Minister then not accept that his written answer to me where it says applications referred to the Corporate Management Board is highly misleading?

The Bailiff:

Is incorrect.

Senator T.A. Le Sueur:

No. The applications were put forward to the Corporate Management Board, but as the answer says the panel, consisting of the Deputy Chief Executive, the Acting Treasurer and the H.R. (Human Resources) Director, discussed the applications put forward to the Corporate Management Board. The sentence in that answer is perfectly clear to me.

2.16.5 Deputy M.R. Higgins:

Are you prepared to release the minutes of those meetings?

The Bailiff:

I am sorry. You have had 2 questions, Deputy.

2.16.6 The Deputy of St. Mary:

I am struggling with this. The Chief Minister has given us 2 versions. The first is, in nearly every case - and I quote him - these can be classified as efficiency savings and not cuts in services. Then he said it is quite difficult to distinguish between what is a reduction of service and an efficiency saving. I would like him to tell us which one it is and, secondly, specifically with reference to housing, we were billed as a mean, lean department and they have just shed 5 posts out of, I believe, 30.

The Bailiff:

That is covering 2 completely different topics, Deputy.

The Deputy of St. Mary:

Can he possibly explain this?

Senator T.A. Le Sueur:

One has to appreciate that the applications for voluntary redundancy are put in and accepted on the basis that the service is no longer required or can be delivered in a better way. It may well be that the service is no longer required and that would then be a cut in service, or it could well be that the service can be delivered in a more efficient way or it could be a combination of both. In my answer I am not trying to be obtuse or trying to suggest giving 2 different answers, the fact is it is not a clear-cut one or the other.

2.16.7 Deputy G.P. Southern:

Does the Chief Minister accept that the high ratio of applications to redundancies accepted 4:1 or thereabouts is in some part due to the incentive over the potential for non-voluntary redundancy? Will he accept that in future, from next year, since the terms of voluntary redundancy and non-voluntary redundancy are going to be identical, such demand will not occur in future?

Senator T.A. Le Sueur:

I accept that demand for voluntary redundancy is inevitably being driven by the terms on which voluntary redundancy is offered. The terms currently offered are extremely generous and that may well account for the relatively large number of applications in this case. So I agree with the Deputy that if one lowers the terms for redundancy it may well be that the number of applications would be reduced.

2.16.8 Deputy G.P. Southern:

Final supplementary if I may, just for clarification. Will he seek to build-in some incentive into the voluntary redundancy scheme he proposes for 2011 in order that he should achieve some voluntary redundancies and not have to resort to compulsory redundancies?

Senator T.A. Le Sueur:

That is a matter which the States Employment Board has already considered.

The Bailiff:

Very well. Then we come to the next question which Deputy Trevor Pitman will ask of the Minister for Treasury and Resources.

2.17 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding the proposed increase to 5 per cent of G.S.T. and its likely impact on 'middle earners':

Given that the Minister has repeatedly resisted implementing a progressive taxation system, whereby those who have a greater income would also be subject to a further increased rate, will he clarify his justification for this, particularly in the light of the proposed increase to 5 per cent of G.S.T., and its likely impact on middle earners?

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

I think I need to correct the perhaps misinformation that is in the question. Our income tax system is progressive. Those on lower incomes pay a lower proportion of their income than those with higher incomes, which is the definition of a progressive tax system. In fact, the Independent I.F.S. (Institute for Fiscal Studies) Review by Sir James Mirrlees, advised last week it is the whole

taxation system that needs to be progressive, not every single tax. The full package of measures in this year's budget is also progressive, with the inclusion of a proposed new rate of social security contributions above the earnings limit. I am afraid to repeat again G.S.T. is much less regressive than the Deputy often accuses G.S.T. of being. My research indicates that Jersey G.S.T. is closer to being proportional. G.S.T. has a number of advantages as a fiscal measure. It is paid by everybody. It is wealthier people paying more, because they spend more and it does not undermine the competitiveness of the economy. Those who favour a higher rate of tax believe that we can tax the better off without any impact on the Island as a whole. I believe that this fails to recognise the mobility of business. We are in an increasingly competitive world. If businesses moved elsewhere then there would be a loss of jobs and tax revenue, which would leave a higher tax burden for the rest of the Island.

2.17.1 Deputy T.M. Pitman:

Perhaps we need a definition of progressive from the Solicitor General. Most middle earners are very happy that they pay tax while those at the bottom do not. Does the Minister not agree that it is time in that same spirit of fairness that those who earn a great deal pay a little more also? Because there is absolutely no evidence that they will all leave the Island. No evidence. Does he agree?

Senator P.F.C. Ozouf:

The Deputy asks questions very regularly in question time about this issue of a progressive tax system. He again in his supplementary indicates that Jersey does not have a progressive tax system. I urge the Deputy to read the data that has been published within this year's budget and previous budgets which shows clearly that Jersey does have a progressive tax system.

2.17.2 Deputy G.P. Southern:

Does the Minister fully support the graph produced by the Council of Ministers on page 9 in response to my proposition P.154, which clearly shows a reducing rate of total tax paid for those earning over something like £43,000 per year? How can he justify the statement that we have a progressive tax situation when for those earning that much it is clearly not according to his data.

Senator P.F.C. Ozouf:

The data is clear. I have supplementary information from my own budget which shows the progressive nature of Jersey's tax system. I am not aware of the immediate graph that he is talking about. In any event, he should be supporting the budget measures, which have a contribution for incomes above £44,000, which makes an already progressive tax system more progressive.

2.17.3 Deputy G.P. Southern:

Supplementary? In that case, is the Minister completely unaware of the paper produced by the Council of Ministers? Presumably he was there, he signed-up to it; it must be the research of his department. I will refer him further to page 7 which again shows a reducing rate of tax for Jersey.

The Bailiff:

No, no. A brief supplementary, Deputy. Deputy, if I do interrupt, please stop speaking. That is what Standing Orders are about.

Deputy G.P. Southern:

I do apologise, Sir.

The Bailiff:

Can you just keep your question down to the supplementary of what it was before.

Deputy G.P. Southern:

I was just getting there, Sir. How can the Minister for Treasury and Resources repeatedly assert that we have a progressive tax system when the figures clearly show otherwise?

Senator P.F.C. Ozouf:

I am looking at the graph myself and I, of course, have been part of this research, because it is a Council of Ministers' comment and indeed I was delegated to sign-off the comment. I will study the graph, but it quite clear of exactly what it means. I am not immediately jumping to the conclusion of it. Basically our tax system is progressive. He is using his opportunity for a graph, which is being made ... I think the difference is the fact that it includes social security contributions, to some extent. I will come back with a proper answer to the question. I maintain the position that Jersey's tax system is progressive.

2.17.4 Deputy M.R. Higgins:

The Minister gave the impression that he has done additional research over and above what he has supplied to Members with the budget proposals, would he share all that written extra research about the progressive nature of the tax system with Members?

Senator P.F.C. Ozouf:

I would encourage the Deputy to read all of the documentation published in the ...

Deputy M.R. Higgins:

I mean in addition to. You have indicated there is more that you have done.

Senator P.F.C. Ozouf:

I have nothing further to add, apart from the information which is fully and completely put into the public domain. I would also encourage the Deputy to read the Sir James Mirrlees report on the principles of taxation and these issues which we are discussing, which back absolutely the Treasury's position in relation to issues like exemptions of G.S.T. and the rest of it.

2.17.5 The Deputy of St. Mary:

The Minister constantly makes reference to this notion that higher earners will leave the Island in droves if the tax system is adjusted to extract a bit more tax from them. Can he tell us how this could be so, in the light of the fact that Jersey has one of the lowest tax burdens in the world?

Senator P.F.C. Ozouf:

I respect the Deputy's view that he believes in a higher rate. He believes that there would not be an impact on the Island's economy. I would argue that our financial services industry which employs about 12,500 people pays for the large proportion of public services needs to be competitive. Competitive jurisdictions, such as Guernsey and the Isle of Man, do not have high rates of tax. If we introduce one - and if I may say if there is continual speculation of this Assembly introducing one - we will lose business. We will undermine the competitiveness of our economy and we will all end up paying higher tax.

2.17.6 The Deputy of St. Mary:

Supplementary. I was not talking about the financial service industry, I was talking about individuals. His claim is that the individuals will leave the Island. **[Approbation]** The fact is that all other jurisdictions, including Switzerland and Luxembourg, have far higher rates of national wealth given to public sector expenditure. So his claim is hard to justify and I would like him to justify it.

Senator P.F.C. Ozouf:

The financial services industry which I referred to is the economic generative area of the economy. It is that which is most sensitive to international comparison and competition. I understand the

Deputy's comments in relation to Luxembourg and Switzerland, but those are not our direct competitors in terms of the offshore world. Our direct competitors are Guernsey and the Isle of Man and jurisdictions such as that. They have no plans, there is no discussion that I am aware of, of introducing a higher rate of tax, which I repeat I believe would be damaging Jersey's interests.

2.17.7 Deputy M. Tadier:

There seems to be a certain amount of cognitive dissonance coming from the Minister for Treasury and Resources. Does he accept that in his own consultation report he did say that G.S.T. was regressive, but he said mildly regressive, but regressive nonetheless? To solve the confusion that seems to be prevailing in the Assembly as to what the meaning of the word progressive is, will the Minister for Treasury and Resources tell us what he means by progressive in the context of taxation?

Senator P.F.C. Ozouf:

Since the publication of the report in the summer where we consulted on tax - and I have been watching very carefully the debate in the U.K. - the independent I.F.S. report indicated much about G.S.T. and Value Added Tax. I have drawn from that in terms of their own recommendations. Indeed that report last week, issued to the U.K. Government and other governments, suggested that the U.K. should do away with exemptions and instead put the income into the income support system. This is what we are already doing. The income support benefit which is being put forward in the U.K. is a copy of what we already have in Jersey. That is the definition that I use of progressive. I would urge, quite seriously, the Deputy and other Members to read that report.

2.17.8 Deputy T.M. Pitman:

I will try again really. Could the Minister tell me what evidence he has got that if we increase the tax rate slightly high earners would leave? Because in my recollection he has already stated in the States before that there is no evidence. Could he please answer that question and tell us where that evidence is?

Senator P.F.C. Ozouf:

The evidence, I would argue, is in simple judgment of the reality of the situation. The Deputy wants me to say: "Yes, it would be fine to introduce a higher rate of tax and that our economy, particularly financial services, would not be affected." I am afraid the Deputy and I are going to have to agree to disagree. I take feedback. I listen to the industry. I look at international comparisons and my judgment is a high rate of tax would lead to a loss of business and a detrimental effect to the Island economy and I am sorry but we are just going to have to agree to disagree on that.

The Bailiff:

Very well, then we come to the question that the Deputy of Grouville will ask of the Minister for Transport and Technical Services.

[11:30]

2.18 The Deputy of Grouville of the Minister for Transport and Technical Services regarding the percentage of works put out to tender by the Transport and Technical Services Department and undertaken by outside firms:

Would the Minister state, of all the design, building and engineering works that need to be carried out by the Transport and Technical Services Department, what percentage of works is put out to tender and what proportion is undertaken by outside firms?

The Connétable of St. Brelade (The Minister for Transport and Technical Services):

While it is difficult to give a meaningful answer to this question without spending an inordinate amount of time analysing information, I would answer in general that all capital and engineering works are undertaken as efficiently as possible with due consideration to the risk, time factors, quality and whole-life costs of a project or scheme. The majority of capital works are undertaken by external companies and if we possess the sufficient skills and capacity within the department then those are utilised. Any expenditure has to conform to Treasury financial code of directions, including 5.6, which is a control of capital expenditure and 5.7 which is the purchasing of goods and services. I am happy to pass those on to the Deputy. These include mandatory tendering requirements which set out the specific levels and actions required to make sure value for money is obtained.

2.18.1 The Deputy of Grouville:

The Minister said in his answer that works that can be carried out by the department are carried out as efficiently as possible. How can he say that if the work does not go out for tender; he has got no comparisons, therefore, we do not know if we are getting value for money?

The Connétable of St. Brelade:

I think it depends on the nature of the work. Very often my department will do the work if we have spare capacity with the department or if we have the specialised knowledge to deal with it. There seems little point in tendering outside contractors where we have got the ability to use our own staff, and that is usually our preferred course.

2.18.2 Deputy R.G. Le Hérisier:

Would the Minister answer whether there exists what might be called “invisible barriers”, for example, a company needing a certain type of equipment needing a certain kind of spares backup, and that when these conditions are applied, it makes the tendering field much different to what was originally envisaged?

The Connétable of St. Brelade:

Clearly, in order to provide the public with value for money, there has to be a certain degree of confidence in the contractor and, in the larger contracts, there will be bond required from those tendering and that is normal contractual practice, so we do adhere to that.

2.18.3 The Deputy of Grouville:

I am concerned with this situation; that just because the department has spare capacity that it is just assumed that the work is carried out by that department. There can be no benchmarks doing it this way. There is a hungry marketplace out there and would the Minister consider that this might be a matter for the Public Accounts Committee to see if we are getting value for money in this area?

The Connétable of St. Brelade:

I see little point in my department paying the staff to sit about doing nothing while someone else carries out the contract but, having said that, I am perfectly happy for the Public Accounts Committee to look at any area of my department.

The Bailiff:

Very well. We will come to the next question, which Deputy Le Hérisier will ask the Minister for Health and Social Services.

2.19. Deputy R.G. Le Hérisier of the Minister for Health and Social Services regarding I.T. links between G.Ps and the Health and Social Services Department:

When does the Minister anticipate that I.T. (information technology) links between G.P.s (general practitioners) and the Health and Social Services Department will be fully operational?

The Deputy of Trinity (The Minister for Health and Social Services):

A secure network known as GPNet is already in place and has been in place for a number of years. This allows for the secure exchange of information between G.P.s and between G.P.s and States departments. I understand that the GPNet is currently used by G.P.s to send billing information to the Social Security Department. GPNet is also being used for a trial project to facilitate the delivery of results from the hospital's pathology service to Island G.P.s subject to the successful completion of this trial. It is hoped that we will then be in a position to start developing the roll-out plan during 2011.

2.19.1 Deputy R.G. Le Hérisier:

Would the Minister acknowledge that this project has perhaps taken longer than the building of the pyramids and when would she identify it as having started and as being fully completed?

The Deputy of Trinity:

The actual GPNet has been in place for many years, as I have said in the answer to the oral question, what the Deputy might be also mentioning is the G.P. Server Project which is also I.T.-linked. That has been with the Health and Social Services; it is not related to our department but is sponsored by Social Security and that is part of the Health Insurance Fund. Importantly, it will enable G.P.s to connect with each other and that is especially important, for example, in G.P. out-of-hours service.

2.19.2 Deputy A.E. Jeune:

Given that the Health Department has been working on computerised links with G.P.s since the 1990s, would the Minister be willing to provide Members with the cost to date of this project, what the outcomes have been, and to identify whether it would have been more cost-effective to have outsourced this work.

The Deputy of Trinity:

I just want a bit of clarification; is the Deputy talking about the GPNet or the subsequent G.P. Server Project? We have also got other projects like the RIS/PACS and the Pharmacy System, which is another I.T. system; I just want a bit of clarification.

2.19.3 Deputy A.E. Jeune:

I am happy to do that; it is the integration and interfacing of G.P. systems to the Health Department Systems.

The Deputy of Trinity:

That is GPNet.

The Bailiff:

So, what is the answer to the question?

The Deputy of Trinity:

Yes, if it can be worked out, because, as I said, it has already been in place for quite a number of years and I will see if that can be done.

2.19.4 Deputy G.P. Southern:

Can the Minister explain to what extent I.T. changes are reliant on linking fully with the Population Register with its unique identifier, in order that it may successfully deliver the promised improvements to primary healthcare by 2012?

The Deputy of Trinity:

As I understand it, part of the migration policy is that there will be information being made available - secure information about people's details - so that we would know exactly how many people can be registered within G.P.s. But the G.P. Central Server project is vitally important because it will allow G.P.s to liaise with each other by computer, so that they will know exactly how many patients are on the system within each surgery and, hopefully, the different chronic diseases.

2.19.5 Deputy G.P. Southern:

Can the Minister give assurance to this House that such links will be in place by May 2012, with the new system of delivery of primary care?

The Deputy of Trinity:

With the G.P. Server project and within May 2012; I certainly hope so. As I said in last week's debate; it is a very tight timescale that this project is being sponsored by Social Security Department input.

The Bailiff:

I think you are saying, you hope so; is that right?

The Deputy of Trinity:

I hope so. I live in hope.

2.19.6 Deputy R.G. Le Hérisier:

An integral part of the system is the unique identifier. Can the Minister confirm that the Health Department owns the unique identifier? Secondly, will G.P.s on the out-of-hours service, now get full medical records of people they are about to visit.

The Bailiff:

Those are 2 separate questions; so just one.

Deputy R.G. Le Hérisier:

Full medical records.

The Deputy of Trinity:

That is part of the G.P. Server project, which hopefully, as I say, is coming next year. That is important, because if you are a G.P. out-of-hours, you need to have some liaison back to the surgery.

The Bailiff:

Very well. We come to the next question, which Deputy Tadier will ask the Minister for Treasury and Resources.

2.20 Deputy M. Tadier of the Minister for Treasury and Resources regarding previous assurances that G.S.T. would not be increased:

Given that during questioning on 11th December 2008, when he was appointed, the Minister stated: "I can give the Assembly a categorical assurance that I will not bring any proposals to increase G.S.T." would the Minister explain why he has now gone back on this undertaking?

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

I welcome this opportunity of answering this question. I stood as Minister for Treasury and Resources after extensive research into Jersey's public finances. I studied the Independent Fiscal Policy Panel's latest report when the forecast indicated that we would be returning to balanced

budgets within 3 years. I used this information to make cost savings as my principal policy in standing for Minister for Treasury and Resources. However, as things turned out, we not only had to cut costs - which I have been clear from the start of my tenure - but also the deterioration in our income meant that we need also to raise additional revenue through taxes. As soon as I became aware of this development, I was clear with both this Assembly and the public. I have expressed regret and apologised for this change in position. I would say in my defence that, during the great depression, after changing his position on monetary policy, John Maynard Keynes said: "When the facts change, I change my mind. What do you do, Sir?"

2.20.1 Deputy M. Tadier:

He may change his mind but he certainly does not change his spots. The Minister surely will be aware that the question was a qualified one. The question from Deputy De Sousa was about what happens if the economy really does slow down. The Minister will be aware that the question took place 2 months after Lehman Brothers collapsed, when there was widespread concern about the state of the economy. Does he now acknowledge that at a time when the FTSE100 is back up to a level which it was before the actual crash, that in fact this is complete scaremongering; that G.S.T. does not need to go up, that we do not have any deficit and that the Minister can quite happily stand by his election promises and the promises that he made to this House, and that there is no need to increase G.S.T. at this time?

Senator P.F.C. Ozouf:

The Deputy is against the increase in G.S.T., probably for different reasons than I was at the time. The world has changed dramatically since I stood for Minister for Treasury and Resources. Economies around the world have taxation systems in absolute tatters. We are seeing some of the issues in terms of the Irish economy and others. I do not believe anybody in this Assembly could have forecast the deterioration in public finances; the fact that we have seen the great recession over the last few years. I am quite serious; when the facts change, when evidence changes, sometimes politicians need to change their position in the public interest. I believe that putting Jersey's public finances back into balance is the right and responsible approach for me as Minister for Treasury and Resources, and I express again regret that I have had to change my position. Yes, I believe in low taxes and, yes, I would not want to put them up but I am doing so because I think it is the right thing for the long-term interests of the Island.

The Bailiff:

Very well. I am afraid that brings questions to an end. We now move on to questions without notice and the first period is to the Minister for Home Affairs.

3. Questions to Ministers without notice - The Minister for Home Affairs

3.1 Deputy K.C. Lewis:

In earlier answers to questions, the Minister for Home Affairs mentioned he was considering installing a blocking device to block signals to unauthorised mobile phones held by prisoners at Her Majesty's Prison La Moye. Much as I sympathise with the Minister, is he aware that under present laws it is illegal to (a) make an illegal transmission, and (b) to interfere with the telecom signals. It could also interfere with nearby estates. The Minister has my sympathy, but how will he achieve this?

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

As I said before, in answer to questions, this is technically slightly complex, because it is contrary to law to seek to interfere with transmissions. Therefore, we have to achieve an amendment to law in order to enable that to happen. The relevant law is the Wireless Telegraphy Act; it is a U.K. Act which is extended to us, which even makes it slightly more complex. Having said that, there is also

then a technical issue as to how you achieve it without causing problems thereafter, although I am told that that can be achieved relatively simply.

3.1.1 Deputy K.C. Lewis:

Briefly, will the Minister ensure that nearby estates are unaffected?

Senator B.I. Le Marquand:

Yes, indeed, we will.

[11:45]

3.2 The Deputy of St. Martin:

On 9th March this year, the Minister informed Members that the Discipline Code would be amended before a successor to the current Chief Officer was appointed and at that time we were anticipating him being appointed in July. Will the Minister inform Members whether the Discipline Code has, in fact, now been amended?

Senator B.I. Le Marquand:

The position is that work has been done on this by the Law Officers Department. I have not, in fact, seen the fruits of their labours but clearly there will need to be a new Disciplinary Code in place for the new Chief Officer of Police. In addition to that, the Deputy of St. Martin will be aware that I have been looking at a piece of paper in terms of amendments to the law, because my view is that disciplinary matters in relation to the Chief Officer of Police should not be solely the province of the Minister for Home Affairs but there should be a different system and, indeed, the advisory group which I have convened will be assisting me in looking at that issue.

3.2.1 The Deputy of St. Martin:

I am aware of the law, because we are working together on that and I am appreciative of it, but are we in a position, then, to say whether, in actual fact, the Discipline Code or the amended Discipline Code will be in place before the new Chief Officer will be appointed in January?

Senator B.I. Le Marquand:

Yes; indeed it will have to be in place for that.

3.3 Deputy D.J. De Sousa:

Will the Minister give a categorical assurance that he will work with the charity 'Prison! Me! No Way!' and ensure that it is maintained for the future?

Senator B.I. Le Marquand:

This Minister does not give categorical assurances because circumstances can change. The position in relation to 'Prison! Me! No Way!' is that this Minister has been working with them to ensure that they could continue to operate as in the same way as in the past for the year 2011. That, I am seeking to do but thereafter the position as to how it will operate is quite uncertain. There were originally 4 sources of funding of which Home Affairs via B.A.S.S. (Building a Safer Society) was only one, and it is clear that we are about to lose other sources of funding. I am in discussions with the lady who runs 'Prison! Me! No Way!' as to what could happen as an alternative, because there are some things which are done through 'Prison! Me! No Way!' which need to continue in some form but it is most unlikely that they will continue in the present form due to funding issues.

3.3.1 Deputy D.J. De Sousa:

Does the Minister not consider that this is an invaluable process that sticks in the minds of children? I have children at school that did this several years ago and it is still prominent to them. Does he not agree that it would be a false economy to lose this in any way?

Senator B.I. Le Marquand:

There are some aspects of what is done through ‘Prison! Me! No Way!’ which will need to continue in some form. Some are educational and some are by way of information coming from Home Affairs-based organisations, such as the prison, police and so on, in to the schools. We need to continue doing this in some way but we will not have £60,000 available to do that, as we have had in the past. Clearly the methodology is going to have to change but I am committed to working with ‘Prison! Me! No Way!’ and also particularly with the Minister for Education, Sport and Culture to see what we can do.

3.4 Deputy M.R. Higgins:

Can the Minister bring the House up to date on Operation Blast and advise us whether anyone has been disciplined and, if so, an indication of the type of disciplinary action that has been taken in this case?

Senator B.I. Le Marquand:

I can indicate that disciplinary action has been taken but I am not going to indicate the details of that because that is always confidential and I am never going to be doing that. I can also indicate that following the recommendations contained in the Wiltshire Report there has been a review in relation to information held by the police and the ways in which they deal with information more generally. That was partly to check that there were no other skeletons in the cupboard which were going to come up, and I am informed there are not, but there are issues in relation to management of data which need to be addressed in terms of changes of process.

3.4.1 Deputy M.R. Higgins:

Could the Minister indicate how many people were disciplined then, even if you will not say the nature of the discipline? How many Police officers were disciplined, even if you will not tell us the method of discipline or the disciplinary action that was taken against them?

Senator B.I. Le Marquand:

I am trying to count.

The Bailiff:

Yes, but we do not want question time to count down while you do it. [Laughter]

Senator B.I. Le Marquand:

I have had no notice of this, so it is quite difficult. I think the answer is 2 but I am not 100 per cent sure of that.

3.5 The Deputy of St. Mary:

The interim report of the Metropolitan Police, which arrived on the then Deputy Chief Officer of Police’s desk on 10th November 2008, draws the attention of the reader to the interim nature of the report, to the fact that it is concerned to highlight initial findings and areas of concern and that key individuals have yet to be interviewed. It expressly states that: “Any observations in this report may be subject to amendment.” Can the Minister give us his view on the fact that the then Deputy Chief Officer of Police referred to that report, relied on it in his letter to the Chief Executive and yet omitted any mention of the fact that the report was extremely qualified, only interim and had not yet been completed?

Senator B.I. Le Marquand:

It is my understanding that the then Deputy Chief Officer of Police’s understanding was that there was only one further witness to be interviewed in relation to the matter before the full report was produced. It is correct that the report was qualified and, indeed, in his letter that was written to the

Chief Executive of the States, he indicated that it was an interim report but he did not set out the details of the qualifications.

3.6 The Deputy of St. John:

Within the prison and the computer system that the Minister has spoken of this morning; is he aware that you can purchase a dongle no bigger than this or a pen, that you plug into the back of a computer and it will pick up a signal no matter whether you are near a computer base or not? If he is not, will he make sure that these types of dongles that they have are neither available nor even brought into the prison, because they are a piece of equipment that will bypass anything; I have one myself.

Senator B.I. Le Marquand:

I was not aware of that technical capability but the prisoners do not get access to the computer mechanically because of the way that it is placed within the cell.

3.6.1 The Deputy of St. John:

Prisoners are, I am sure, much brighter than a lot of us give them sense for. I know they are in prison but you do not have to get hold of a computer mechanically; this just plugs into one of the portals on the side and I am sure those portals are exposed. Could the Minister confirm that he will double-check all this, please?

Senator B.I. Le Marquand:

It is my understanding that portals are not exposed.

3.7 Deputy T.M. Pitman:

It is good to know that nobody's dongles are exposed, I think. Could the Minister clarify why the identity of the proposed new Police Chief was revealed on the Voice for Children Citizen Media site some weeks before it was announced? How could that happen within the process?

Senator B.I. Le Marquand:

I believe that there was a leak of information in relation to this, which was probably caused by one of the other candidates before they were interviewed and who seems to have indicated who was the preferred candidate. I was aware that information had got out in relation to that and somehow found its way on to the particular blog site. I was not going to make any statement or announcement in relation to this until such time as we had received satisfactory references in relation to the preferred candidate. Notwithstanding the fact that I knew there was a leak, it would not have been right for me to have made a formal announcement at an earlier date.

3.7.1 Deputy T.M. Pitman:

Could the Minister clarify, when he said "the preferred candidate," how would another candidate know that there was a preferred candidate or had a decision already been taken and a candidate selected? I am not clear on that.

Senator B.I. Le Marquand:

It was indicated to the candidates on the same day as the interviews had taken place as to who was the preferred candidate of the board. We had a process over 2 days in which those who had got to the interview stage were moving around to different interviews at different places and they clearly would have come across each other during that process. Also, it is quite likely that they may have returned to the U.K. on the same flights, which is a further complication but that is my understanding that that is how information got out; by one of the other candidates.

3.8 Deputy M. Tadier:

Just returning to the issue of computer and internet access at the prison; will the Minister undertake to provide information as to whether, as I suspect is the case, U.S.B. (Universal Serial Bus) ports, which are required for dongles to be inserted into, are probably not available at the prison and so that there is unlikely to be a risk of dongles being used either in cells or elsewhere in the prisons where prisoners have access to computers?

Senator B.I. Le Marquand:

Yes. I would gladly explain why these are hopefully dongle-proof. The reason is because the computer unit is behind the television screen and there is some kind of metal screening in front of the television screen so that physically you would have to break through that metal and through the television screen in order to get at the computer. That is why I am saying that it is not accessible to the dongles.

3.9 Deputy A.E. Jeune:

Just listening to what the Minister is saying there; would it not be better if they had networked systems so that they only had the screens and keyboards in the area that they were working in?

Senator B.I. Le Marquand:

No, I do not agree with that. We have that also; we have the network with - I mentioned - 40 screens available elsewhere in the prison but there is a great advantage to having accessibility to the system in their own cells because of issues which I referred to, such as embarrassment in terms of educational difficulties, but also it creates a situation in which prisoners can access the system at any time. They can be working at it at night time. It reduces the need to be moving prisoners around the prison to access things at different places.

3.9.1 Deputy A.E. Jeune:

Surely it would be just as easy for them to have that in their cells but they would not necessarily have to have the actual computer?

Senator B.I. Le Marquand:

I have been asked, I think, the question as to why an individual computer is required behind the television screen in each cell as opposed to a different system. I am afraid I do not know the technical answer to that but I am assured that that is a significant improvement to the system and is part of it.

3.10 Deputy K.C. Lewis:

Further to the Minister's answer regarding Operation Blast; does the Minister now consider this case closed and, if so, what is to become of the files?

Senator B.I. Le Marquand:

I think the case is effectively closed. As I said, we still have some work to do in improving management systems and the way in which the police handle information and sort it and so on. I cannot personally see any reason why the files should not now be destroyed but I will need to consult with the police leadership in relation to that as to whether there is a particular reason.

The Bailiff:

Very well. That concludes questions to do with the Minister of Home Affairs; we move now to questions to the Chief Minister.

4. Questions to Ministers without notice - The Chief Minister

4.1 Deputy G.P. Southern:

Is the Chief Minister still of the opinion that it is provident to be putting money into the Strategic Reserve and the Stabilisation Fund to act as a buffer against any major downturn and the downswing experienced in an economic cycle, as he stated in the Financial Report and Accounts 2006, and does he agree that using the Strategic Reserve now, during the current downswing, is consistent with the reason for their establishment?

[12:00]

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

I do believe that it is sensible and prudent and, in fact, economically beneficial to put money into the stabilisation funds in the good times so that we have resources to support the economy in the bad times. The economic situation would undoubtedly be worse today if we had not taken this action. The States agreed in 2006 that the Strategic Reserve is only to be used in exceptional circumstances to insulate the Island economy from severe structural decline, such as the sudden collapse of a major Island industry. That is not what we face now and we should not confuse major structural decline in the economy, for example, ongoing and extensive decline in the finance industry with a structural deficit in States finances as they are different things. However, should the economy not recover as forecast in the coming years and continue to decline, it would be necessary to take further economic advice, including that of the Fiscal Policy Panel.

4.1.1 Deputy G.P. Southern:

A supplementary, if I may. May I push the Minister, then? The Minister has changed his opinion because those words in 2006 are very different to the structural decline that he now refers to. Is it the case that the Chief Minister has changed his mind?

Senator T.A. Le Sueur:

No. It may well be that the words used in 2006 did not make my thoughts sufficiently clear. I have always been of the consistent opinion that the Strategic Reserve should only be used in exceptional circumstances of major structural decline and if I have said or written anything to the contrary, that was unintended and unfortunate.

4.2 Deputy J.M. Maçon:

As Chairman of the States Employment Board, has a clause been inserted into the contract of the new Chief Officer of Police which allows for an amendment to the disciplinary code which is a change to the law and what other clauses have been inserted from the lessons learned over the disciplinary treatment of the Chief Police Officer?

Senator T.A. Le Sueur:

It is quite difficult to hear the question with the background noise, but the fact is that the States Employment Board has no remit in the appointment of the Chief Officer of Police, which is a matter for the Minister for Home Affairs. The Minister for Home Affairs has already dealt with the question of the code in answers earlier this morning, and I think he has explained that very clearly.

4.3 Deputy T.M. Pitman:

When telling us earlier that the terms of reference are apparently fluid, the Chief Minister stated that Mr. Napier had access to all evidence. Could he please clarify whether or not Mr. Napier had access then to the discussion about the alleged plot to remove the Chief Police Officer, stated as being overheard by Deputy Le Claire, as would have been the case for the committee of inquiry?

Senator T.A. Le Sueur:

I am not sure what evidence, in the strict sense of “evidence”, exists for that alleged plot. One can talk about rumours or allegations; I think it would be more sensible to talk about hard facts and hard evidence.

4.3.1 Deputy T.M. Pitman:

Supplementary. Surely, with due respect, if a States Member says he is willing to give evidence to a court that he overheard such a conversation, that is evidence; it should be taken into account. Does the Minister not agree?

Senator T.A. Le Sueur:

One has to consider whether that comment is relevant to the suspension process, which is what, in fact, Mr. Napier was investigating. I am not convinced that that comment was relevant to the suspension process.

4.4 The Deputy of St. John:

Two weeks ago this House agreed to pay Reg's Skips some £207,000. As of yesterday, having spoken to Mrs. Pinel, she has not heard from any department whatsoever as to this and, given that this family have their back to the wall, could the Minister instruct his Minister for Treasury and Resources to make the necessary payment that this House agreed over 2 weeks ago?

Senator T.A. Le Sueur:

I believe that the payment has been authorised by the Minister for Treasury and Resources but the payment is, in fact, made by the Minister for Planning and Environment. I understood that a cheque had been issued to the company, Reg's Skips Limited, at the end of last week. If it has not been received by the company, or by Mrs. Pinel, I am disappointed. To say that there is a cheque in the post may sound trite but I am sure that that is indeed the case.

4.5 The Deputy of St. Mary:

In his written answer to question 21 today, the Chief Minister wrote about the Napier Report: "I have accepted the report as it stands." He also then writes in a following sentence: "The conclusions and recommendations are those of Mr. Brian Napier Q.C. (Queens Counsel), who is an eminent professional in employment law matters." Is the Chief Minister telling us that the conclusions and recommendations are not accepted by him even though he has written: "I have accepted the report as it stands?" Does the Chief Minister accept the conclusions and recommendations?

Senator T.A. Le Sueur:

I think this is really a question where the Deputy may be in danger of confusing 2 very different matters. The Napier Report was concerned with the suspension process and I am quite satisfied that the suspension process did not conform fully with the policies and procedures laid out in the disciplinary code. However, I remain absolutely satisfied that suspension was the correct action for the then Minister for Home Affairs to take and I see nothing incompatible between those 2 comments.

4.5.1 The Deputy of St. Mary:

A supplementary. I am asking the Minister to sort out the confusion in his reply. He says: "I have accepted the report as it stands" and he then writes: "The conclusions and recommendations are those of Mr. Napier." Are the conclusions and recommendations accepted by the Chief Minister?

Senator T.A. Le Sueur:

Again, I see nothing incompatible with that. I accept the findings of Mr. Napier and I am stating that they are his opinions.

4.6 Deputy M. Tadier:

Earlier in question time the Chief Minister said he agreed with the principle of being innocent until proven guilty in Jersey and in common law, I guess, as a principle. Will the Minister, therefore, confirm that as Mr. Power has not been found guilty of anything that he is, in fact, innocent?

Senator T.A. Le Sueur:

It depends on how one describes the term “innocent”, in that it is certainly the case that he has not been proved guilty. He has not had the chance, or no one had the chance, to determine that situation. On the basis that until one is proven guilty one remains innocent in law, then clearly Mr. Power, the former Chief Constable of Police, was, on that basis, innocent and is.

4.6.1 Deputy M. Tadier:

Given the fact that we have heard from the Chief Minister that he was and is innocent, will he be asking the Minister for Home Affairs to make an apology, or will he be making an apology, to an innocent man?

Senator T.A. Le Sueur:

No.

4.7 Deputy D.J. De Sousa:

Just how bad does the economy have to get before the Chief Minister would consider using, in exceptional times, funds from the Stabilisation Fund, bearing in mind that this is one of the worst recessions in our lifetime?

Senator T.A. Le Sueur:

While the economy is certainly not in as healthy a time as it has been in years previously, it is not, in my view or indeed in that of the Fiscal Policy Panel, in such a dire strait as to require the injection of funds from Strategic Reserve. One has to distinguish very carefully, as I said in an earlier answer, between a decline in the economy and a failure by the States to balance its books.

4.8 Deputy M.R. Higgins:

Following on from the last question; the Chief Minister in his written answers to me today has indicated that he expects a further decline in G.V.A. (Gross Value Added) this year followed by weak growth of one per cent next, moderate growth of 2 per cent in 2012 and 2013 at 2 per cent. The economy is going to be stumbling along at the bottom essentially; does he not think, therefore, that he will have to call upon the Strategic Reserve to shore-up the economy. The Minister for Economic Development has also indicated that banking is under new pressures, liquidity requirements, regulatory pressures and so on and that he will have to use the Strategic Reserve over the next few years?

Senator T.A. Le Sueur:

No. I am surprised by the Deputy and his comments because he admits that after a slower rate of decline this year, there will be slow but modest growth in future years. That strikes me as hardly compatible with the words “serious structural decline”. What, I think, the Deputy again is getting confused about, is whether the States’ finances are in a fit state to see the Island through going forward and that is a matter for us in determining our policies; it is not a question of the international or even the local economic conditions, which are, as the Deputy himself has said, destined to grow in 2011 and further beyond that.

4.8.1 Deputy M.R. Higgins:

Does the Chief Minister not accept that finance being the main driver of our economy, it is the one that is probably going to take the longest to recover as this is a financially-induced recession? If past history is anything to go by, then we will be in the doldrums for some time.

Senator T.A. Le Sueur:

No. If the Deputy and other Members care to look at the business tendency survey, which is published every quarter by the Independent Statistics Unit, they will see that of the various sectors of Island industry, the finance industry was the first to take action and the finance industry is the

first to show signs of recovery. Yes, the level of growth and activity and profitability in that industry will take a long time to get back to previous levels but it is not a sign of ongoing decline; it is a sign of realism in the current financial international market.

4.9 Deputy A.E. Jeune:

We have heard this morning mention of changing of minds but would the Chief Minister agree that responsible persons take on board current situations and it is a strong person who can say, in the light of the current situation, I must change my mind, alter my words, in the interests of the future of the Island and its people?

Senator T.A. Le Sueur:

I am not sure if the Deputy had anything particular in mind when she said that but, yes, responsible people take a current view on a situation and one should never be so inflexible and dogmatic as to say that situations can never change. I believe that I will continue to take a responsible attitude and base my decisions on the best needs of the Islands now and for the future.

4.10 Senator F. du H. Le Gresley:

Further to the question of the Deputy of St. John concerning Reg's Skips, could the Chief Minister confirm that for the £50,000 compensation payment to Mr. and Mrs. Pinel, the cheque has also been issued and from whence the money has been taken?

Senator T.A. Le Sueur:

It is certainly my understanding that the payment made to Reg's Skips Limited and to Mr. and Mrs. Pinel has been made by the Minister for Planning and Environment and that that money comes out of the budget of the Planning and Environment Department.

4.11 The Deputy of Grouville:

On 19th July this year I asked a question about the sculpture known as Flight that used to be situated at the airport. I asked it of the Minister for Economic Development. I was alarmed to hear he had been grateful to the Minister for Health who had agreed to house it in a poky courtyard at the hospital. I am given to understand that the Chief Minister knows of the updated position in this regard; could he enlighten us, please?

Senator T.A. Le Sueur:

I certainly know something of the updated position in that I have had discussions with the Assistant Minister for Economic Development responsible for the airport, with a view to reinstating that sculpture at some location in the airport perimeter. At this stage I believe that discussions are still ongoing with the Airport Authority as to the most suitable location for this to take place but I can confirm that there is significant progress in reinstating that sculpture at some place in the airport perimeter.

4.11.1 The Deputy of Grouville:

Would it also be accessible to the public, because the surrounding area used to collect quite a bit of monies for charities in the wishing well?

Senator T.A. Le Sueur:

That will be a matter for the Airport Authority to determine, in conjunction with any other matters of passenger safety or security or whatever. I think, for me, the important thing is to make sure it is on public display and publicly visible; if one can collect funds in it as well, that is a bonus, but to me the more important matter is being able to see it.

The Bailiff:

Very well. I am afraid that brings questions to the Chief Minister to an end. That concludes questions. There are no personal statements under J.

STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY

The Bailiff:

The Chairman of the Health, Social Security and Housing Scrutiny Panel will make a statement regarding the review of the Draft Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 201-, P.125.

[12:15]

5. Statement by the Chairman of the Health, Social Security and Housing Scrutiny Panel regarding the review of the draft Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 201- (P.125/2010)

5.1 Deputy G.P. Southern (Chairman, Health, Social Security and Housing Scrutiny Panel):

Following brief but intensive consultation with stakeholders, the Health, Social Security and Housing Scrutiny Panel has decided that it will not call-in P.125/2010 - Draft Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 201-, in accordance with the panel's powers under Article 72 of Standing Orders. The States have already agreed, in P.36/2010, Draft Health Insurance Medical Benefit (Amendment Number 3) (Jersey) Regulations, that there is a need for modern systems to underpin better-organised primary healthcare and that it was appropriate to use the Health Insurance Fund monies in the short term to fund progress in this area. The panel fully supports compliance with the General Medical Council's requirement that General Practitioners are properly registered, regulated and validated. The panel is aware that there is little time left to scrutinise the proposals in P.125/2010 without endangering the G.M.C.'s (General Medical Council) deadline of May 2012 to have the necessary structures in place. Although the panel has certain reservations (explored below), it believes that no value would be added by delaying access to the necessary funding to deliver what is outlined in Article 3 of P.125/2010. The panel has, however, noted the issues brought up by several Members during the debate on 2nd November 2010. In its brief examination of P.125, the panel has recognised the following areas of concern. The Minister for Health and Social Services does not have an over-arching strategic health plan. The panel considers that this is long overdue and questions how, in the absence of a strategic healthcare plan, any informed decisions can be made with regard to delivery, not only of primary care but of all aspects of healthcare. The Assembly has been given no definition of primary care, nor have we been provided with evidence of what services and treatments would be moved from the general hospital to general practitioners. In adopting the U.K. model, it must be recognised that we have a barrier to accessing primary healthcare in that, unlike in the U.K., a visit to the G.P. in Jersey normally has a cost. At this stage, it is unclear whether the cost of accessing previously free primary care at the hospital will be met in part or wholly by the States or by the patient attending the G.P. P.36 and P.125 are not explicit in requiring the States to approve an ongoing annual £200,000 for manpower, although the reports do refer to this requirement. The financial and manpower statements in both of these propositions are at best ambiguous and at worst misleading. In the absence of a strategic healthcare plan, no clear funding mechanism for changes has been identified. The inclusion of a requirement for £4.9 million within P.125 was not contained within P.36. References to this first appeared in the 2011 business plan, which in turn referred to P.125 that was lodged during the time that the period of the business plan was being debated. This £4.9 million has no clear connection with the requirements of P.36 but is a means to avoid serious cuts to frontline services at the hospital as a direct result of the C.S.R. The panel has heard conflicting evidence on the development and use of the proposed medical database, giving concern as to whether it will be fit for the purpose in the timeframe available. The panel considers that the

inclusion of £4.9 million of additional funding in P.125/2010 is inappropriate. The panel considers it was a direct response to budgetary pressures, which required additional funding to avoid frontline cuts to the Health Service. The result is a lack of clarity over what the Ministers were trying to deliver and confusion on the part of Members. The result, we believe, was bad practice and a precedent that must not be repeated. The panel will be monitoring the development of a strategic plan for the Health Service and its impact on the business plan for 2012.

The Bailiff:

Very well. Does any Member wish to ask any questions?

5.1.1 Senator S.C. Ferguson:

Before I begin, I must congratulate the panel on the summary; I could not have put it better myself. Did the panel get any idea as to when some sort of strategic plan for primary and secondary healthcare would be brought in?

Deputy G.P. Southern:

Our understanding is that we will be seeing the bare bones of such a plan in the first quarter of the new year.

5.1.2 Senator J.L. Perchard:

The Chairman lists an impressive list of concerns that he has over P.125 and he also mentions in his statement that the additional £4.9 million is inappropriate to sponsor this P.125 initiative. Could he then tell the House why he is not calling it in?

Deputy G.P. Southern:

Fundamentally, in response to the Senator, I have to say that the House, I believe, and this body, have been somewhat held to ransom over the timescale of what has been proposed. The fact is that these propositions, whether it be P.36 or P.125, and the rolling of them into the C.S.R., has been a very late development in the process. Of critical importance, I believe, has been the desire of the panel not to interfere with the first part - Article 3 of P.125 - which delivers the moves towards a better-funded primary healthcare system by objecting to the additional elements that appeared in P.125 at the last minute in order that serious cuts were not taking place in the rest of the Health Service. So, the fact that several items were bundled together at the last minute is the objection. To object strongly and at length would mean that the important and vital part of that may not get through and that was what we were concerned not to do.

5.1.3 Deputy I.J. Gorst:

I wish to thank the panel for their preliminary work that they undertook when they met with officers at an officer level. While I would not necessarily share all the Panel's concerns, I am grateful for the action that they are taking and I look forward to working with them in the future to address some of their concerns, and to working towards a more sustainable and a new approach to healthcare and health provision within our community for the benefit of the whole of the community.

The Bailiff:

Your question is?

Deputy I.J. Gorst:

I thank the Chairman and I ask that he will be prepared to work with me and with the Minister for Health and if he will just confirm that?

Deputy G.P. Southern:

I am, as ever, always willing to work with any Minister who comes within my remit. Can I just take the opportunity to point out to the Minister that, in fact, what I believe was fundamentally wrong with what occurred was that the financial and manpower implications were not fully explored. There were no direct implications, and that statement was made, however, we were told some time down the line there will be manpower and financial requirements and, I think, on 2 occasions that was not made clear and the House, myself and our panel missed that implication and we should have picked them up on it. So, there is a default where Ministers are getting away with saying: “We will bring the financial and manpower consequences later.” It is almost like saying: “Do not worry your little socks about it” in principle. I would draw attention to all Ministers that their financial and manpower statements must be accurate and must contain as much as possible and not leave them to a future decision.

5.1.4 The Deputy of St. Mary:

Can I thank the Chairman for a very clear statement which has certainly put the issues very nicely? I want to ask him about the last bullet point; about conflicting evidence on the development and use of the proposed medical database, giving concern as to whether it will be fit for purpose in the timeframe available. I am very concerned about this I.T. project and I would just like him to expand a bit on that last point, please?

Deputy G.P. Southern:

We heard from the G.P. involved in primary care - who is responsible and seems to have steered the process of bringing the new I.T. system to a head and putting it in place - and we also heard from an officer at the Social Security Department and there are appeared to be some differences between their 2 versions of what was going to happen and when it was going to happen. That is the concern and that was the problem that we had there. It is not, at this stage, clear how that database is going to be delivered and we will be following that particular aspect as a matter of some urgency as we develop this through the coming months.

5.1.5 The Deputy of St. Mary:

Excuse me if I am being obtuse, but do you know how long this database has been worked on; when was it started in terms of terms of reference and framing the scoping and so on?

Deputy G.P. Southern:

The need for a G.P.s database has been, I believe, around and a matter of concern for at least a decade. The issue that I think we may have a problem with is linking it to the new Population Register which has the unique identifier which then enables G.P.s to say: “I am treating this person and this person is not on anybody else’s database,” so that a G.P. can say: “I am delivery primary care to this person and not elsewhere.”

5.1.6 Deputy A.E. Jeune:

Can the panel’s Chairman confirm that his panel has received the project plan from Health, identifying timescales in order that his panel can monitor the strategy for primary care?

Deputy G.P. Southern:

It is always the easy questions at the end that catch you. No, I cannot confirm that, however, I will take a look and ensure that we have it and if it is in the system and we have not got it, I will get hold of it.

5.1.7 Senator P.F.C. Ozouf:

Just for the avoidance of doubt; the statement is clear that the Chairman is not calling-in the legislation, but will he be voting in favour of the Articles?

Deputy G.P. Southern:

My individual conscience will dictate to me which way I vote on anything. **[Approbation]**

5.1.8 The Deputy of St. John:

Given that the Chairman and his panel were only given, shall we say, in principle information, in future will he insist in having the meat on the bones before he has to look at things?

Deputy G.P. Southern:

I will do my best to endeavour to make sure that the meat is on the bones in any proposition that comes from the 3 panels that have serious, heavyweight legislation before me at all times.

5.1.9 The Deputy of Trinity:

I, too, like the Minister for Social Security, thank the panel for their very swift response to looking at the P.125. One thing I would just comment on, the Deputy's last sentence: "The panel will be monitoring the development of a strategic plan for the Health Service and its impact on the business plan" can I just ask, does that mean that he will look at the strategic plan right from the start or just in relationship to the impact on the business plan, because I would like to think that the scrutiny panel is alongside us as we develop the strategic plan? As I said before, it is a very important issue, not only for Health and Social Services but for the Island. So I just want clarification on that last sentence.

[12:30]

Deputy G.P. Southern:

My panel will be examining the strategic plan just as soon as it is laid in front of us. However, we will not be developing the strategic plan but we will be scrutinising the strategic plan. I would like to make that clear at the very beginning.

The Bailiff:

Very well. I am afraid that brings questions to the Chairman to an end. We then have another statement; this time from the Chairman of the Privileges and Procedures Committee regarding States Members remuneration. Chairman?

6. Statement by the Chairman of the Privileges and Procedures Committee regarding States Members remuneration

6.1 Connétable J. Gallichan of St. Mary (Chairman, Privileges and Procedures Committee):

On 21st October 2010 in adopting paragraph (a) as amended of P.127/2010 lodged by Senator Ben Shenton, the Assembly voted by 28 to 12 with 5 abstentions to request the Privileges and Procedures Committee to request the States Members Remuneration Review Body to review its recommendation for an £800 increase in remuneration for elected Members from 1st January 2011 as set out in R.93/2010. The States Members Remuneration Review Body had already indicated to P.P.C. before the debate that it was not willing to reconsider its recommendation and the review body's view was relayed to Members in P.P.C.'s comments on Senator Shenton's proposition. Nevertheless, in light of the States decision, P.P.C. considered that it was appropriate to comply with the request from the Assembly and I wrote to the Chairman of the S.M.R.R.B. (States Members Remuneration Review Body) on 25th October 2010 to make the review body aware of the request from the Assembly. P.P.C. has now received a reply from the S.M.R.R.B. in the following terms: "Thank you for your letter of 25th October 2010 which the review body considered carefully at a recent meeting. As I indicated in my letter of 14th October 2010, we made our recommendation for 2011 having regard to all relevant factors in accordance with our terms of reference and since the publication of our recommendation we have received no representations from the public or from any States Member. The relevant factors we are required to

consider have not changed since we made our recommendation and we are agreed that it would be improper on our part as well as inappropriate were we now to revisit it. We are, moreover, firmly of the view that were we to do so as a result of circumstances such as have arisen it would be open to being seen as compromising our independence. We completed our review in June and the States Assembly has effectively accepted our recommendation in accordance with our terms of reference as no proposition to challenge that recommendation was lodged within one month of its publication. If any States Member wishes to draw a lesser amount than that then that is of course entirely a matter for her or him acting either privately or publicly. We note with interest from your letter that you intend to remind Members of this. We will meet again in early 2011 to begin to consider our review for 2012 and beyond and we intend to seek the views of all States Members as part of the public consultation process.” In the light of the S.M.R.R.B.’s view before the debate I was not surprised by this response. As indicated in our comments on P.127/2010, P.P.C. is disappointed that the recent proposition from Senator Shenton and his earlier amendment to the Annual Business Plan have sought to bring back to the Assembly discussions about Members remuneration when the whole purpose of establishing the S.M.R.R.B. was to prevent this happening [Approbation]. I would like to reiterate my thanks to the members of the S.M.R.R.B. who work on an honorary basis and who have shown again this year that they are willing to undertake their very difficult task in a careful, well-researched and reasoned way and in accordance with their terms of reference as agreed by this Assembly. As indicated in the letter from the Chairman of the S.M.R.R.B. it is entirely a matter for each Member to decide whether he or she wishes to draw the £800 increase from 1st January 2011. If any Member feels it is inappropriate to take the full sum available at any time, all that is required is for the Member concerned to write to the States Treasury and indicate the lesser annual sum that he or she wishes to receive. P.P.C. believes that this is a far more appropriate way for Members to deal with this matter rather than seeking to undermine the independent and objective work of the S.M.R.R.B. through debates on remuneration in this Assembly.

The Bailiff:

Does any Member wish to ask a question?

6.1.1 Deputy G.P. Southern:

I am drawn in particular to the independence of the States Members Remuneration Review Body. Will the P.P.C. now proactively promote and maintain the independence of the States Members Remuneration and Review Body?

The Connétable of St. Mary:

I believe that the independence of the body has never been anything but maintained by P.P.C. It is precisely for that reason that we have at all times laid their findings before the Committee in accordance with the system agreed and have never attempted to interfere with their deliberations.

6.1.2 Senator B.E. Shenton:

Given that the review board have never been allocated an overall budget limit and that States Members pay currently operates on an open chequebook basis in budgetary terms, what controls are in place to ensure prudent financial management on a total cost basis?

The Connétable of St. Mary:

The review body independently assesses the level of remuneration which it considers appropriate. In doing so it weighs-up all the necessary external factors. Having said that, it is highly unlikely that an increase out of kilter with prevailing economic trends would be suggested by the board although of course I am not able to influence their decisions in any way. If a Member considers that constraints need to be tightened-down when a recommendation is made by the board in future, they must within one month lodge a proposition that this matter be debated. Ultimately the States

of Jersey sets the budget for the States Assembly into which remuneration comes and in that way there is not an open chequebook. There are limits as on every other department.

6.1.3 Senator B.E. Shenton:

There is no limit. That is a very misleading answer. The remuneration board has no limit. They can come up with any figure they want.

The Connétable of St. Mary:

Firstly, the Assembly is not under any obligation to accept blindly the recommendations. However, I would say that the States Members Remuneration Budget is set within the States Assembly. No amount can be given that is outside that budget without this Assembly having agreed that.

6.1.4 Senator A. Breckon:

In the statement the Chairman of P.P.C. has quoted the letter from the chairman of the review body. He said: "We will meet again in early 2011 to begin to consider our review for 2012 and beyond. We intend to seek the views of all States Members as part of the public consultation process." Can the Chairman of P.P.C. give this House an assurance that she and the Privileges and Procedures Committee will indeed encourage Members who wish to do so to make submissions to this body rather than make political football of it in this House?

The Connétable of St. Mary:

Members of this Assembly are always encouraged to give their views to the remuneration board. In January 2009 prior to consideration of the 2009 to 2011 pay structure, there was a discussion document issued by the S.M.R.R.B. detailing exactly what the terms of reference were, what various parameters there were for review and setting out precisely how members of the public and anybody generally could contact the board. I know for a fact that certain States Members did attend public meetings *et cetera*. All I can say is that I am sure something in a similar format will be issued again. At that time I am sure that P.P.C. will make sure it is brought to the attention of Members.

6.1.5 Deputy T.M. Pitman:

Following on from Senator Breckon really; I was one of those Members who made a submission to the review board. Is it possible to change legislation or Standing Orders so that if Members do not act within that month then they cannot come back at a later date perhaps when there is an election looming and they are getting desperate to bring something forward like this?

The Connétable of St. Mary:

The procedure as set down at the moment is an automatic acceptance provided that nothing is made within the month. But politicians are by nature of the fact politicians [**Laughter**] and will undoubtedly seek to treat things in a way that they can make political stances at various times in all manner of things. Perhaps that is not the job of P.P.C. to limit that but rather of Members to make their own thoughts felt at the correct time and during the right timescale.

6.1.6 Senator J.L. Perchard:

I am inspired to ask the President of the P.P.C. to consider more carefully her response to Senator Shenton about whether there should be an overall limit on the budget for States Members remuneration so that the review body would work within that limit. Will she at least rather than dismiss, as she just did, the suggestion, take it to her committee to consider whether there should be a proposal from P.P.C. to introduce an overall limit for States Members remuneration; a maximum so that proper budgetary controls can be used as an example to other States departments?

The Connétable of St. Mary:

Firstly, I should clarify I was asked whether there was an open chequebook for States Members remuneration. I answered there was not because it falls within the budget of the States Assembly. That is the question that I was asked previously. The States Members Remuneration Review Board are given terms of reference. They have terms of reference to adjudicate the appropriate level of remuneration. They are tasked to do that independently. I have not received any detailed requests from Members to have their terms of reference changed. I think in light of the current terms of reference the remuneration body do exactly what they are tasked to do. To set an overall limit might be to impede their actions. I would certainly not be prepared to make any comment on that off the cuff.

6.1.7 The Deputy of St. Mary:

Can I thank the Chairman for an excellent statement including the text of a letter written to the committee? I think that is a very good precedent. She once more confirmed that she and her committee will resist attempts by some Members of this Assembly - they are still at it - to remove the independence of the board [**Approbation**] by tying them up and making very, very precise definitions whereas in fact their terms of reference are perfectly adequate.

The Bailiff

What is the question, Deputy?

The Deputy of St. Mary:

Will she confirm that she will continue to resist attempts by some Members of this Assembly to remove the independence of the board and try to make political capital?

The Connétable of St. Mary:

Yes, I think the independence of the board is paramount. There was previously an old saying: “Donner et retenir ne vaut.” You cannot give something to someone and keep hold of it yourself. I think tasking the States Members Remuneration Review Board to act independently in this way is a decision this Assembly took some time ago. I see no reason not to reinforce that decision.

The Bailiff:

An impressive knowledge of ancient Jersey customary law, Constable.

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

If a Member wishes not to take the increase that is proposed for next year, could the Chairman advise what happens to these funds seeing as they have already been agreed in the budget?

The Connétable of St. Mary:

They are shown, therefore, as an underspend in the budget of the States Assembly.

The Bailiff:

Does any other Member wish to ask any questions? Very well. That concludes questions then.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

Probably it is a convenient moment to adjourn. Before doing so, I have received information that Clarence House has this morning announced the engagement of His Royal Highness Prince William to Miss Kate Middleton [**Approbation**]. I am sure from that Members will wish to offer their congratulations. I would certainly propose on Members behalf to write a letter of congratulations to His Royal Highness [**Approbation**]. Very well. The Assembly will adjourn then until 2.15 p.m.

[12:44]

LUNCHEON ADJOURNMENT

[14:16]

The Bailiff:

We then move on to public business.

Deputy G.P. Southern:

If I may, Sir, could I give notice to the Assembly that I intend to withdraw P.154 - Social Security: A New Method of Funding? In the light of amendment 19 to the Social Security Law I think it will be inappropriate to bring it at this time. It will appear again in another form.

The Bailiff:

Just so I am clear, Deputy, you are withdrawing the proposition not just deferring it? Thank you.

Senator F.E. Cohen:

May I make a comment in relation to a matter raised this morning and confirm to the House that I have received confirmation that Mr. and Mrs. Pinel have received their cheques today.

Deputy I.J. Gorst:

Could I just thank Deputy Southern for that? I look forward to his changes in due course.

PUBLIC BUSINESS

The Bailiff:

Very well. Then we move on to the first item of Public Business which is Social Security Scheme: Amendments, P.117/2010 lodged by Senator Breckon. It is a very long proposition. Are Members content to take it as read or would Members like the proposition read out by the Greffier? Members agree to take it as read then.

7. Social Security Scheme: Amendments (P.117/2010)

7.1 Senator A. Breckon:

I will refer to parts of it in what I have to say. Hopefully that will refresh memories as we go on. The first thing I would like to say to the House is to look at the date I lodged this proposition. It was 20th August this year so it is before shenanigans about Social Security giving money to Health and before the Minister for Treasury and Resources lodging his budget. In other words, I was looking at the social security system as opposed to taking money out of it for other purposes. This is really the core of the proposition in the 6 parts that I have got there. It is I believe getting back to basic principles. What is the Social Security Scheme about? It is not about giving money to the Minister for Health and Social Services to make the budget up or giving money as a form of 2 per cent tax to the Minister for Treasury and Resources. It was not about that at all when you go back to the original principles. It was about collecting payments from employees and employers and the States making a contribution. It was a tripartite arrangement based on what was after the war in the U.K., the Beveridge principles. The scheme does make payments to those who have contributed on various scales. Again this is at the core of what I am proposing because if people have an accident or if they are sick and in old age it does provide for them. There are a range of other benefits, some of which are funded from taxes. But in general terms, the funding, the process is enshrined in law. They are ring-fenced and protected for a very good reason. Cheques, as Members who have made them out will be aware, are not made payable to the Treasurer of the States. They are made payable

to ... it used to be the committee - it is now Social Security - and they are separate in general terms from States funding. The reason for that is because we are seeing now that the Minister for Social Security has a tea chest and he has a method of raising funds and others, the Minister for Health and Social Services and the Minister for Treasury and Resources, are now his very good friends - they probably were before - but they are also a source of funding. That is not where my proposition is coming from. My proposition is saying if we are going have this funding, it is ring-fenced and it is used for the purposes that people pay into and not for somebody else to have discretion about. Perhaps the reason for that is it does not suffer from political interference. Having said that, there are plans afoot to change this because the law must go back to Privy Council for change so it is not easy to do. It has been described I think as cumbersome to do that but again it is there to give that protection. It is only a couple of weeks ago that we discussed the Health Insurance Fund. That is coming back maybe later today or tomorrow. Also the Minister has something in mind in P.163 which has been lodged. It has this to say: "The purpose of this draft law is to allow changes to social security legislation to be made in a timely manner. The Social Security (Jersey) Law 1974 is nearly 40 years old and its construction is now outdated. All amendments to the Social Security Law must be approved by the Privy Council before they can be brought into effect. This leads to significant delays between the approval of a policy and its implementation." I have tried to think but I cannot readily think of one that happened recently. It goes on to say: "The need to allow for the possibility of collecting contributions above the current earnings ceiling in accordance with the budget proposals is the specific trigger for this amendment." So that amendment is designed to allow the Minister for Treasury and Resources to, in effect, tax high earners at a certain rate from a benefit that was not created for that purpose. It goes on to say: "But the opportunity has been taken to include additional areas covered by the Social Security Law to facilitate other changes that are planned over the next few years." Some of this may make sense but it still needs checks and balances. It goes on to say: "The cumbersome timetable associated with law changes under the current system is frustrating." It might also, I would say, be frustrating for the people if somebody was dipping into their money for purposes that it was not intended to do. This amendment does not remove any power at all from the States Assembly but it does allow for changes to be made in the Social Security Law in a timely fashion so the benefits and contributions legislation can be kept up to date. Finally in that paragraph it says: "It is vital that the integrity of the Fund is maintained and this amendment seeks to strike the correct balance between creating a more flexible legal structure and maintaining the ultimate decision making power of the States Assembly." In view of the discussion and debate we had a couple of weeks ago, that sent alarm bells ringing for me about where that accountability will be if it becomes a *fait accompli*. I think some of the change that has been proposed by others is being driven by what I have touched on there. But if we come back to the basic principles it was a 3-way agreement. I have to question if the benefit changes being proposed benefit the people or benefit the Treasury, because what people are paying in for is not Treasury benefits, that is tax. What they are paying in for is ring-fenced benefits that will safeguard them for health, old age, infirmity and the like. It is the people's money. The health budget is another issue and if there are issues then we should address them as a House and it should not necessarily be down to this Fund although it can be with the right conditions. However, my amendments are different from raiding the Fund. They propose increasing contributions but they are for improvements in benefits that can be seen and felt by the people who need them and there is evidence to say that they need them. Sometimes especially the elderly will suffer in silence. Sometimes they cannot afford things so they will do without. There is evidence of that in the *2009 Annual Social Survey*. What it said in there, chapter 12, was: "Respondents were asked how much they paid the last time they saw their G.P. For those whose last visits were surgery appointments, the average median paid was £32. For home visits, the average median paid was £55. In terms of opinions of the cost of visiting a G.P., fewer than 1 in 20 - 4 per cent - feel that it is 'good value for money'. Under one-sixth - 15 per cent - indicated that it was 'about right' while over half - 51 per cent - reported that the cost of visiting a G.P. was 'expensive and, therefore, I only go when I really have to'. For nearly a tenth - 8 per cent - the cost of visiting a G.P. was 'so expensive that it stops

me from going'." There is some evidence that some people are not visiting a G.P. - and that is independently done by the Statistics Unit - because of the cost. I am not saying necessarily that we should give more money to G.P.s. What I am saying is if there are issues out there where people do suffer that hardship then we should be looking at it and perhaps giving some assistance with that. Also in the *Annual Social Survey* it also mentioned on page 82 of that report, other health professionals: "Respondents were asked to report how many times they had visited various health professionals over the previous 12 month period. The responses have been grouped into frequencies as show in table 11.2. Over one-third - 35 per cent - had not visited the dentist in the previous 12 months with nearly half, 46 per cent of those aged 16 to 34, being in this category." There might be a reason for that. They might be dentally fit or they might not. It does not say that. Finally, from the *Annual Social Survey*, the question was asked: "Summarise the responses to questions around the cost of different healthcare types. Does the cost of these types of healthcare concern you and stop you from going?" With the dentist, the concern was 85 per cent, stopped from going was 51 per cent. An optician; concerned you was 38 per cent and stopped you from going was 19 per cent. My reason for saying that, in the original 1974 law I think there was what might have been called a hanging clause that was left that would allow at a later date, after general practitioners, for other benefits, especially dental and optical. There is perhaps a need for that for the elderly who will not ask for it. My reason for wanting to increase the funding is so that this can be done. I believe that there is a proven need for some targeted benefits. These are not universal. These are targeted benefits. The other thing from the proposition, something else I want to touch on, is prescription charges. There has been great play made recently about who said what to who, who was consulted, timely, whatever. But the question I want to ask Members is who was consulted when prescription charges were scrapped?

[14:30]

Senator Le Main was. That is who it was. **[Laughter]** Somebody was consulted and that is who it was. I have wondered. I did not know until now so I am grateful indeed to the Senator. Of course it was leading up to an election that that was done. At the time we were told about means testing. There was a rumour about means testing the Christmas Bonus. A very generous gentleman in Grouville was giving money to pensioners over the age of 70 when we were talking about means testing the Christmas Bonus. With prescription charges what I am saying at paragraph 5 of my proposition is that: "Prescriptions charges shall be reintroduced from January 2011 at a level of £3 per item excepting those residents in receipt of the Jersey Old Age Pension, children under the age of 16 and those in receipt of income support." There are exemptions there. The other thing regarding prescription charges, in the Minister for Social Security's annual report and accounts for 2009 ... if Members have not read them I can recommend that they do because there are some interesting things in there. In there there is a paragraph about prescriptions. It says: "The cost of subsidising prescriptions increased during 2009 to £16.5 million, in 2008, the sum was £15.6 million, as a result of the increase in the number of prescriptions from 1.347 million to 1.59 million in 2009." It says: "The department continues to work with general practitioners on prescribing protocols and the selection of cost effective products." There is a significant sum there that could be clawed-back that would go into the Fund. When prescription charges were abolished they were £2.10. What I am proposing is to go back at a bit higher but then there would be exclusions. The increase in numbers year on year was 252,000 more prescriptions. I know Deputy Martin was somebody that questioned this a couple of weeks ago. Is this more prescriptions because they are free? There was some transfer from the general hospital, I think. Others with more knowledge may wish to comment on that. The other thing that I have mentioned in the proposition is pensions. Surely Senator Le Sueur when he was president then of the Social Security Committee will remember there was a road show, Continuity and Change, that went and did about 6 or 8 venues. What came out of that was a very, very clear message that the public out there value their social security pension and indeed they were willing to pay more to protect it. We must remember that some people do not have index-linked occupational schemes. All they have is what

they fall back on from the States. It is about £80 more than the basic level in the U.K. It is something that people said they were willing to do. The question is do we need to pay more into the pension fund? I do not know if any Members have, but those Members who have read the report and accounts for 2009 will see that on a number of areas on recommendations of others there are signs and signals there that schemes need more money. With long-term schemes it is no good waiting until you need it and getting into a pay-as-you-go and a deficit; you need to plan ahead. This is where I think we should be going. That is why we should be increasing contributions very soon. In the Minister's report and accounts for 2009 it says this: "The performance of the Social Security Reserve Fund in 2008 was disappointing but not unexpected given the turbulence of the world's financial markets. The first quarter of 2009 saw a further reduction in the value of investments held against the 2008 year-end. However, the fund recovered well during the remaining 9 months of the year ending 2009 £145.3 million higher at £711.9 million. The Social Security Reserve Fund now holds more than 5 years worth of pension payments from the Social Security Fund and the current pension payments are secure. The U.K. Government Actuaries Department published their report on 25th September 2009 following their actuarial review of the Social Security Fund as of 31st December 2006." I would ask Members to take note of that because there is a lead lag-time in looking at something and acting. It goes on to say: "This concluded that the Fund's outlook remained healthy in the short term. But in the longer term assets may need to be drawn down from the Reserve Fund to meet any shortfall between income and expenditure. Inevitably contributions will need to be increased in order to maintain the value of the social security pension. The Government Actuaries Department reported that the Reserve Fund is expected to be extinguished by some time in the 2030s. The exact year is very sensitive to the assumptions made. It should be remembered that the Reserve Fund is a buffer to deal with the longer term funding of social security pension payments and as such the value of assets can fluctuate from year to year without effecting those payments." Again in technical terms the investment has been made by others but I would suggest we must protect it and indeed enhance it now. That is why within there I have proposed increasing contributions. Also in the annual report under pension costs it says this: "Pension costs increased by 5 per cent to £131.6 million and in 2008 there was £124.7 million." That is an increase of £6.9 million year on year. The increase was driven by 2 factors: the increase in pensioner numbers from 2008 to 2009. The increase was 573 from 24,894 to 25,467. If there are more pensioners, we have been told there will less people making contributions. That is why I believe additional funding is necessary now. Again from the Minister's report it is saying: "The U.K. Government Actuaries Department carried out their review of the Fund on 31st December issuing a report." They repeated that there and they say in there that the shortfall needs to be looked at in the future and investment policy and increases in contributions are required. As I said, many people do not have occupational pension schemes. What I am proposing is to agree to increase funding for the Social Security Fund for pension purposes by increasing social security contributions by 0.5 per cent for both employer and employee in January 2013 and by 0.5 per cent from the employer in January 2014 and to maintain these levels of contribution annually thereafter. That is only a small amount but I believe something now will possibly avert more radical action in future. Coming to the last but not least part is the establishment of a long-term care insurance fund. I should say many years ago when I was chairman of a scrutiny panel looking at this issue, we were criticised at the time. They said why are you looking at this? It is not a policy. We said it is a policy. We are always saying as a government we want to do more for the elderly. We want to provide services and do all of these things. Elderly Care was an issue on the funding. We looked at the Guernsey system which is produced in one of the appendices at the back of the report. I do want to say this is a very emotive area; very emotive indeed. I have been fortunate - or unfortunate, if you like - to visit and see a lot of the work that is done at Overdale and the facilities at St. Saviour and some private provisioner care, the excellent work that is done by the Jersey Alzheimer's Society and family and friends as carers. There are many people out there in the community working to help others. What I think they need is I think they need our support. I think this proposition is part of that. It was, I would

remind Members, before budgets and before other things. This is here for the principle of providing for elderly care. The reason why there is a 1 per cent employer and employee... is we are still told even in the budget this time there is a certain leakage by companies who are not contributing their tax but then we will look at that later. This is about the fifth year we have been told this. I think there is a duty on employers, as indeed there used to be ... I used to work for a company that was very benevolent towards its employees, especially elderly ones, and others did the same. But maybe we have lost some of that ethos so we can get some of that back. I do not think there is anything wrong with employers contributing towards this. At the levels I am suggesting, I think it would be self-funding. I propose that there be a buffer so that there is no draw... I think with the wherewithal things could be put in place. It is a case of these other things have emerged; the Minister for Treasury and Resource's proposals, Social Security have come forward, Deputy Southern. Things can be done. They can be co-ordinated if we want to do it. I know some of these things take time but hopefully the House will view this in the right light and we can move on together. I hope Members have read the report attached. It is one of those cases where you can write a book about it or you can be fairly short. I have tried to get a balance in between. Again, as I have said before, this is not about raising money for the sake of raising money for other purposes. It is clearly defined. It is about protecting the old age pension, a dedicated elderly care scheme and access to doctors, dentists and opticians. I have looked at the Guernsey system which has been in operation since 2002. I would implore this House, we can do better. We can do better. But if we look at this in 2012, 2013, we are 10 or 11 years behind. I would suggest we have some vulnerable people out there society. I know because people come to me. It is upsetting for them and their families in some of these circumstances. It is about the availability and the cost. They do not know because they do not have any experience of the scheme. Again my principal reason for bringing this is to give this some focus and get it to the top of the agenda. It is no good making it an election promise; yes, we will do it in another 15 years. It needs to be done because, as I say, it is a very sensitive area. Interestingly, I remember when it was the responsibility of the Parishes. I remember attending a Parish Assembly at St. Saviour. I must say the estimates were usually very, very accurate. In this particular year they were not. The question was raised, what went wrong? What went wrong was that they had 6 elderly people that they had to provide care for and it was a significant amount of money that could not be foreseen. I know with a change in the system it was of concern then to the Parish Connétables about how they would deal with the care of the elderly if the financing came to them. I would ask the Connétables to give that some consideration with this proposition because we have moved on and I really do believe we need to move on again.

[14:45]

The other thing that is important, as I say, fortunately or unfortunately, I have dealt with quite a few cases where people have come to me about elderly care and costs. What they have said is that they would pay in retirement as an insurance-based scheme. They see that as a cost. If it was £1,000 a year and they could afford it, if you look at the figures that is about a week's care if you can get it for that price. Again in Guernsey the system is based ... there is an assessment panel who would make an assessment of the person and then they would be funded and hopefully given the level of care. That is basically the outline of that. The other thing I remember - and Senator Le Main will remember this and hopefully Senator Cohen - when we were talking about the elderly, when we met in Guernsey with the scrutiny panel at the time, they had an elderly persons housing officer. They were not employed by Housing. They were not employed by Planning. Their prime concern was how can we house the elderly better and what do they need? It was States-led and they were using their sites; it was not developer led which is the difference we have. It is not over 55s housing. This is dedicated housing for people, lifelong homes. Real lifelong homes. There are some excellent models in the U.K. with Rowntree and others. Again we have probably missed a trick here. I am just thinking... I am grateful to the Constable of Trinity, I have seen that scheme, they have got an excellent scheme. I know the Constable of St. Peter is working on something.

This is what it is about. These things need funding. Not that many years ago - back to the Treasury - they could have got money at 4 per cent, matched funding or whatever it was. That has gone. We are failing the Parishes in that respect. The former Minister for Housing went to the Parishes and said what are you going to do? When it has come to the crunch, I am afraid financially we have walked away. But having said that I do compliment ... I know St. Ouen are working on something and others as well. I know in St. Brelade ... Again I think the Connétables are doing their bit but there is a very real funding issue for some of these things. This is one of the things that I believe could help it. I think it is joined-up government and it is what we should be doing. With the current round of proposals about raising taxes and charges, if people are going to get something back I do not think they mind paying. If there is an insurance-based scheme - and who knows what care you will need and when - and nobody wants to fall back on this, but then if we think of the social security system, it is not what that is for. It is the backstop. It is the safety net. This would be a ring-fenced fund. To me this is commonsense. We would all have to contribute but then with any insurance-based collective scheme there are winners and losers. I could not really say I am a winner if I need to draw on this because obviously if that is the case then I have some particular problems. But then we have always been mindful of this in society and treated people fairly and humanely. We must continue to do that. But when we look at some of the numbers that are in here, they are fairly frightening. This was from Social Security's own report. I forget when it was. They talked about some big numbers in there. It was over £100 million I think a year. At the moment we are looking at about £55 million a year. But anyway some big numbers. The idea of this, from the accountants' point of view, if we have a fund then some of the cost of care will come from the fund as opposed to coming from the States, from income support, from Social Security. There is a start-up, there is a build-up period but I think it is well worth doing. There are some figures somewhere. That is right. The other thing with it, we have over 1,000 people in care homes at the moment. As I mentioned before, that is a tremendous responsibility and duty for those people who provide that care. In the main it is done to a very high standard. Again what we are talking about is we are funding this on a proper basis. That is where the figures are. The total amount spent on long-term care in Jersey at the moment is around £55 million a year. The States spend £30 million providing care services and helping Islanders with the cost of care fees. It is estimated that individuals spend another £25 million paying for care themselves. If we think of that, if we have dedicated facilities - we have places perhaps that we could use - it is a career and an industry, if you like, for people to do that. There is a cost but there is also a benefit for others that we can provide respite. There are all sorts of benefits that flow from that. From their own figures as well, from Social Security, they say - which is probably true - "People are living longer. The number of people aged over 80 in Jersey will double between 2006 and 2026 and will continue to rise for another 20 years. Long-term care is expensive and we need to decide how this extra cost will be met for all Islanders' futures." Those are the words from Social Security but I hope I am suggesting something that can do that. They say: "The States are already spending £30 million a year towards the cost of long-term care and this amount is going up each year. This will put on pressure on States budgets." Perhaps what I am suggesting might take some of that pressure off. "The total cost of providing care is likely at the very least to double by 2026 to about £110 million a year [that is at 2009 prices] and continue to rise to about £155 million by 2036." I would suggest to Members doing nothing is not the answer. Having more consultation is not the answer. We did not get the consultation on prescriptions. We need to do something and we need to agree it now so that the Minister and others can move on. The other question they asked was, are there any other reasons for changing the system now? There are. I think I have demonstrated that. They are saying that there are different ways to get help from the States but we really need to do something that is more all-embracing. That is really what this proposition is about. It touches on a number of things. I hope I have covered them. I hope that Members have got the gist of it because I think what my proposition seeks to do is bring forward a number of measures. The reason I am doing this is I did not see anybody else doing it. I think it is too important just to sit on the sidelines. Yes, it does raise contributions not for tax, not for general revenue but for ring-fenced

funding which is what social security is about. It is the safety net. It will protect and improve benefits. Again, I hope I have touched on that in enough detail to do that. It will protect vulnerable people and those of limited means. It will not prey on house owners. In fact they will be hopefully within some scheme. I have not gone into a great deal of detail on that because that is something that the Minister can do. Finally, I just say this to Members. Yes, we are in difficult times and people are not keen to pay any extra, whether it is in school fees or taxes or G.S.T. or whatever it may be, but if there is a tangible benefit that can be seen that gives some protection when people are having difficult times with health or old age, I think people will sign-up to that. They have already said that by the consultation that was done earlier with Social Security. I think these measures bring forward things that do that which are aside from what the Ministers might have been doing about taxes and about health and about something else. This is not about any of those. What it is about hopefully it sweeps-up what we need to do. I hope Members will give it very serious consideration. Just for procedure, I would say that where they are not consequential I would think it sensible to split-up the vote in conclusion when we get to that stage. I would ask if you just give that consideration while the debate takes place because I would like to do that. With that, as I say, I would just ask Members to consider this carefully and think about the people outside; how they view it and how indeed they value the social security system. I know there are other challenges to this. Other things have been lodged. This was lodged on 20th August and the other things I would say were not in sight at all. The reason for doing it is I did not see where else it was coming from. I make the proposition.

The Bailiff:

Just in case it is of any help, Senator, looking at it I would have thought that if you want to take them separately, paragraph 1 can be voted on as a whole, (a) to (f) of paragraph 1. Paragraph 2 (a) and (b) go together so that paragraph 2 can be done separately, as can paragraph 3. Then I think 4, 5 and 6 I think are consequential and can be taken together probably. Paragraph 5 could be separate, yes. Very well. Is the proposition seconded? **[Seconded]**

7.1.1 Senator T.A. Le Sueur:

The Senator raises some important issues here. It is perhaps fitting that I respond straightaway since I was, as the Senator says, the President of the Social Security Committee in the 1990s when we had a major review of the whole of the social security system and the publication of the document *Continuity and Change*. I have not I hope forgotten all that I learnt in those days. I hope that Senator Breckon who served on the committee with me at Social Security also has not forgotten some of the messages from *Continuity and Change* because the proposals before us today, just as they were in the 1990s, are wide-ranging and comprehensive. They speak about the Social Security Scheme, the Health Insurance Fund and separately a new long-term care scheme. I go back and I shall keep coming back to this question of consultation because, as an example, long-term care funding has been the subject of considerable review and consultation. Some may say for too long. I think I would probably say that myself. But nonetheless it has gone through a clear process. The Minister published a Green Paper, to which there were numerous responses, as a result of which he has recently published a White Paper reflecting the views of the community on what might be put forward. That to me is an example of proper consultation, of proper research and proper planning. But as the Senator rightly says, one of the selling points of social security over the years has been the fact that it is effectively paid for by the contributors for the contributors. I would remind the Senator and other Members that *Continuity and Change* took at least a year to prepare and then another year on which to consult before any funding changes were brought forward. We did that knowing that we were planning at an early stage for the future. We did it I believe clearly and wisely. We took the public with us because they understood what we were proposing. Now I feel the Senator is proposing contribution changes to the basic social security scheme with virtually no consultation whatsoever.

[15:00]

Indeed I have to say I am slightly confused by the Senator's approach. It is not so long ago that I heard him siding with those who were saying that we should not be adding to the economic burdens at a time of economic downturn. Now without any consultation he is suggesting that we add a cost of £80 million to £90 million a year over the next few years. I think that if he were to engage in that proper consultation process, if he were to stop and think out clearly the implications of what he is proposing, he might have second thoughts because who do his proposals hit? Not those above the earnings ceiling. These proposals do not mention any change to the earnings ceiling. Not the very well off certainly who he often accuses of not contributing enough because although his proposals will affect some of those, the effect on a person with income of £50,000 a year is exactly the same as the effect for a person with income of £250,000. Is that a fair or is that a regressive arrangement? Part 3 of the proposition asks us to put more money into the Social Security Fund in 2013 and 2014. That may be a good idea. It may not. At this stage I just have no idea and I suspect that the Senator has no clear idea, and probably even the present Minister for Social Security at this time has no absolutely clear idea, about the overall extent of our future funding requirements. When I proposed increases back in 1998, I did so after taking 2 important steps. The first was to take up-to-date actuarial advice on future funding needs and the second was to consult both with contributors and beneficiaries, and only after that had been done and completed, and I had taken economic advice from the States Economic Adviser of the day, did I then bring proposals to the States. Proposals which by then had been fully evaluated, fully discussed and fully agreed with all the stakeholders. In contrast, these proposals have no consultation, no evaluation, no actuarial advice. They are in my view premature and may well be wrong in approach, I just do not know. But I do know that a new up-to-date actuarial report is due next year and I am sure that the Minister for Social Security will be awaiting that with interest, in order that he can have fuller and more up-to-date information. Because any solution to the long-term funding of Social Security has to take into account a number of factors. These include the level of contributions, the proportion of contributions to be paid by employers, employees and the States, the age and conditions by which pensions and other benefits should be payable and the size of those benefits. Only after considering all of those options and maybe others, should a decision be made. I repeat, those proposals are premature. Only recently I raised the suggestion that maybe the pension age would go up in years to come. That, for example, is one of the options which also needs to be considered but is not factored-in to any of these discussions. I am so sorry, I will go back to the long-term care funding issue, because for that too, the Senator is proposing increasing contributions from employers and employees, but once again only up to earnings thresholds. Only for people who earn about £45,000 a year. So I ask is that a sensible way to proceed? Meanwhile, his proposal also suggests that the States would pay for the contribution of those below some threshold level, as yet undetermined. In other words, we get the States to pay even more towards the long-term care costs, rather than the better off tax-payers. Where do the States get that money from? Surely not from an extra rise in G.S.T.? I do not know, the Senator does not say. His proposition does not say. So I remind him of the benefit of the approach of taking a Green Paper and, if need be, a White Paper in consequence, some total and open form of consultation with those who own the scheme. Then, almost as an afterthought, he proposes the re-introduction of prescription charges. Well, at least he is on safer ground there, surely? After all, the Minister for Social Security himself is also looking at the issue of prescription charges. But then you look at the reasoning for reintroducing the prescription charge. He says it is to put more money back into the Health Insurance Scheme, and part 2 of the proposition also asks us to increase contributions to put more money back into the Health Insurance Fund. He reminded us of the published accounts of that Fund. Are we putting this money in because the Fund is going broke? Well, not exactly. There is something like £60 million or 70 million in that Fund at the moment. Money is coming in already faster than it is going out. It does not need any more money at present and yet the Senator wants to put more money into the pot. Who from? Those earning up to £45,000 a year. Once again, the well off pay no more than the people on lower and middle incomes, so why is he asking us to put more money into the pot? Well, so that we can spend more. We can spend the extra money on dentists and opticians, on

chiropractors and so on. Or we can use it to provide some income support to those less well off and of course, also for those better off, people who, perhaps like myself, might not need the extra money, or children of wealthy parents. It sounds nice, but really what are we looking at? Will this stand up to scrutiny? The Senator himself talked about the different philosophy of Social Security and that it was ring-fenced for the benefit of contributors. In other words, it was not intended as an income support system. It was intended as a fair system for everybody, but I thought that we had recently agreed that our priorities now should be to try to reduce public spending, and to keep tax increases, or charges on tax-payers and contributors - they are the same people, as low as possible? Yet here we have got proposals which I am sure, with the best of motives, when you strip them down to bare essentials, what they are doing is seeking to spend more and tax more. Not only that, it focuses those revenue measures on people of lower and middle incomes, leaving the wealthy person relatively untouched. So what sort of social security scheme do we want? Is it going to be the present scheme where people are entitled to benefit if they contribute or is it going to be a way of collecting revenue to provide income support? The Senator seems to want to have it both ways; when it suits, one way, and when it suits, the other way. I think that these proposals are ill-considered or maybe not sufficiently well-thought through. Certainly, I do urge the Senator to remember his old days at Social Security, when we did consult widely before we embarked on any major changes. I urge him to remember that, to put into practice what worked then, and what in my view works now. These proposals have been brought forward without sufficient thought and I urge members at this stage, despite some of the attractions that they may see in them, that they are not properly thought out and should be rejected.

7.1.2 Deputy P.V.F. Le Claire:

I have sympathy for Senator Breckon. I may even vote for him if he can tell me through the course of this debate how he is going to address the comments of the Chief Minister, because for many years we have often stood up and bashed the Executive for not having done their consultation. They did listen eventually and they went out and started to consult properly. I can understand the Senator's frustration when you look at what is on the list to do, and I just wrote down a very brief list to do: "United Nations Convention on the Rights of the Child, Air Quality Strategy, Primary Healthcare System, Licensing Review, Migration Laws, Private Pensions, Maternity Laws, Healthcare Review, Eradicating Poverty, Energy Policy, Transport Strategy, Island Plan, Green Paper on Education, Freedom of Information Law," and it goes on and on. What is striking is that we are not doing very much. In fact, as Senator Ozouf takes his chair at a very opportune moment for me to make this remark, Senator Ozouf is a consummate economist. He is very keen on looking at those things, as he has told us on many occasions. He is certainly more adept at doing that type of work than I ever will be. An interesting quote came the other day: "The art of being an economist is that of saying nothing, or having said nothing" and it seems the art of being a politician, on the opposite shoe, is doing nothing. I made this remark recently in reviewing the Air Quality Strategy which was 10 years ago, in the minutes of the Health and Social Services Committee. We do not keep minutes anymore because they are just embarrassing for the public. We are able to see that the same things were kicking about there as they are now and the reality is that the States of Jersey as an entity does not really want to do too much at all because it will just put itself out of work. So, I can understand the frustration that he has had in producing this comprehensive proposal. He has brought forward something, as he said quite rightly, tabled in August, which has drawn upon the work of our sister island Guernsey, in addressing the issues that need to be addressed and we in Jersey are sitting back and waiting as usual, for another election to pass us by, so we can get on with what we want to do personally in politics and never address the issues that need to be addressed until the next election, when we promise they will be addressed next time around. If you look at that in relation to my written question to the Chief Minister in relation to pensions today, I highlight the fact that the United Kingdom is shortly to require all companies that employ people, that they must have a pension. I asked the Chief Minister: "As the U.K. will shortly require all companies to provide a pension for their workers, what discussion, if

any, has taken place around this development in the Council of Ministers?” The answer I get back: “Provide for the ageing population is one of the key priorities of the States Strategic Plan 2009-2014. Among commitments is the Strategic Plan” - that was a good one, I remember that one - “Investigating schemes to encourage people to make provision for the future, however at that moment the focus in this work-stream, co-ordinated by the Social Security Department and working with the Chief Ministers and Treasury and Resources Departments, is on proposals to implement a new long-term care funding scheme and to review the age at which the Jersey Social Security Pension is paid. Close attention will be paid to developments in the U.K. regarding compulsory workplace pension provision, and whether there are lessons to be learned.” Everyone in the Chamber is saying yes, yes, yes. What I read is that we are doing the same as usual. We are just putting off the things that we should be doing and should have done already, and should be looking at now because it is just too much to take on. Interestingly, I attended a meeting with the former Chief Officer, Mr. Colin Powell, who is now involved with the Childcare Trust, recently to address some issues about childcare provision in Jersey, and the investment which has been highlighted recently, and the provision for that. It was pointed out to me that 2 Ministers were not aware of the fact that there is no maternity leave in Jersey, in the private sector, yet they have got maternity leave, and paternity leave, throughout Europe. Throughout Europe, even Romania. I am quite willing to have a discussion with Members in the coffee room, but I would rather, through the Chair, not have to engage with them on the floor while I am trying to make my point. My point is really made, as it was when I highlighted with Senator Ferguson the waiting disparity between the United Kingdom and Jersey’s healthcare systems - 26 weeks in Jersey and 18 weeks in the United Kingdom.

[15:15]

Because we are light years away from doing things in this Island in social areas that we need to do and we need to get on with doing. Because the business focus on this Island and the political lead and the political makeup of the States of Jersey is focused on the light touch. The neo-liberal approach, and it is the neo-liberals that have been running Jersey. It would seem to me if we were to put a party in power, it would be neo-liberals who have been running the Island. I would say that, while having circulated an email to all States Members on the recent highlighting review on television of the £4.8 trillion of British debt, we do need to... and I accept the comment from the *J.E.P. (Jersey Evening Post)*, it is fair comments, I used to think we could be splitting Ministers up and hiving-off some jobs to elected Members, but Ministers would rather give that to some non-accountable board and pay them instead. So, my point is this. If Members had watched that video and they had taken on board the things that that video puts across, smaller governments ... look at Hong Kong for example, the Scottish civil servant that went to Hong Kong was told to do nothing. He went there, he eradicated income tax, he increased tax in the Treasury, he ensured that there was less bureaucracy wherever possible and the outcome has been high levels of employment, high levels of success, high levels of social care, high levels of hospital care, high levels of education and low levels of governance. It seems to me whenever something comes across this Assembly that looks to shortcut some of the work, as Senator Breckon has produced today, as I produced recently in a work permit proposition, it may be 100 per cent agreeable, but the executives throughout the States as an entity roll-out the argument over and over again: “We are doing it, we are doing it. It is coming. It is coming in a couple of years. It is just a couple of years away.” That is where I sense perhaps Senator Breckon’s frustration has kicked-in. I must confess, I am concerned about the implications that have been highlighted by the Chief Minister in relation to who and where this burden as proposed would fall. So, I am unlikely, I am afraid, to support Senator Breckon today, but I certainly empathise with his feeling of frustration about sitting around for ever and a day, waiting for the Council of Ministers and their predecessors - so it is not all of them but their predecessors as well - to get their departments to do the work that our sister islands have been doing - including the Isle of Man - for the last decade.

The Greffier of the States (in the Chair):

Does any other Member wish to speak? Senator Ferguson.

7.1.3 Senator S.C. Ferguson:

Deputy Le Claire mentions maternity leave. Bigger companies over here with U.K. rules are providing it, I think, but 70 per cent of our businesses are small businesses and frankly, a small 2 or 3-man business cannot afford to take on someone who may, once they are trained, take a considerable amount of paid time off, but anyway that is not part of the discussion today. I merely make the comment. According to the Minister for Social Security's comment - and I await his contribution to this debate with interest - Employment and Social Services are already dealing with the items on Senator Breckon's list. I ask the Senator what discussion did he have with the department prior to putting together this proposition? Surely, that would have been a sensible step, in order to find out the exact state of play. For example, no means test for free prescriptions. Well, there are a few in this house with their free bus passes and it is entirely fair that they should pay for their subscriptions, not looking at anyone in particular. **[Interruption]** I have not given way. With regard to the long-term care scheme, this was something that the first Health and Social Services Committee on which I sat was enthusiastic about and the president then was meant to be working on it, but it has taken until now, sadly, but it is on its way. The current Minister for Employment and Social Security is bringing a proposition to the States. Why are we going through all this, when the proposition will be with us reasonably shortly? The Senator mentioned Beveridge. Sadly the principles of Beveridge have been rather expanded on his original principles. I do not recall all of them at the moment but I was reading them the other week and it was interesting to see how much the whole system had expanded. This particular proposition merely asks the Minister to bring forward measures on which he is already working. From that point of view it is somewhat, if I can use the phrase, tautological. I will be glad to spell it for people afterwards. The financial aspects have not been thought through, for instance the pension implications are significantly more complicated than set out. I really do not feel that the House can support this and I certainly will not be.

The Greffier of the States (in the Chair):

Senator Shenton, I had seen your light. Is that a...? Does any other Member wish to speak? Deputy Southern.

7.1.4 Deputy G.P. Southern:

Here we go again and I crave the indulgence of the House, and Deputy Le Hérissier in particular, by pointing to the fact that I have withdrawn a proposition today, so do indulge me, Sir, if I do speak on this particular proposition. When I say: "Here we go again," what I am referring to is what seems to be outright condemnation of a Back-Bencher initiative, and probably in fact, in this case, an initiative coming from our most experienced Member of the House, whether a Back-Bencher or not. What it seeks to do is to try and get things moving. Already we have heard a speech from the Chief Minister who produced a very convoluted argument to say that we should not do anything because we have to consult first on everything. We have to consult and consult again if we do not get the right answer, and then consult some more and we might sometime in the next decade, do something. This, as Deputy Le Claire suggested, was a short-cut proposition to get things moving and as such is absolutely valid. Is it completely a surprise that any of these factors should be in there and swept into what is quite a broad-ranging proposition? It can come as no surprise to anybody in this House that these issues should be presented here because they have been hanging around like a bad smell for an awfully long time. Long-term care insurance fund; we have been playing around this for years. Senator Breckon has consistently and persistently brought the Guernsey scheme to our attention and said: "Look, we could be getting on with it, it is not that difficult. Let us do so," and in fact this is the culmination of those repeated urgings. Good grief, Senator Breckon has stopped doing his beloved scrutiny work in order that he can do this. He said: "I have run out of patience with this House and these Ministers, because they sit on their bottoms

and do nothing when we should be acting.” The fact is it can be done very, very simply. So, the first one, long-term care insurance fund, absolutely recognised throughout the House; a necessity; needs to be got on with but all of a sudden, when a Back-Bencher brings it: “Oh, we cannot possibly do that.” It has not been consulted enough. It has not been well-researched enough according to the Chief Minister. There was a certain amount of ironic laughter from my colleagues alongside me, when the Chief Minister managed to conflate 2 issues, which are: what do we do about Social Security Fund and the ceiling on it - which means that it is woefully regressive in that the more you earn the less you pay proportionately, into the Social Security Fund - with the issue that we should not be paying more? Tax and spend, he called this. Tax and spend for an identified clear need that we need to get on with, we need to be funding. Enough of the words, we should be acting, we should be doing it. Then he talked about the Health Insurance Fund and said: “Well, it is growing like topsy. It does not need any extra contributions at all.” Really? Take a look at it? What do we use it for? There are 4 items which we can use the Health Insurance Fund for, according to the law, although that has recently been added to in a one-off by the Minister for Social Security because the Minister for Health wanted to raid it. They are medical benefit, your visit to the G.P.; pharmaceutical benefit, the cost of drugs and your prescription; dental benefit, never been enacted despite the vast cost of dentistry on the Island; and ophthalmic, so, your glasses, never enacted. So, it has been building-up because we are only using it for half of the purposes for which it was set up. Plus the actuary has said, while at the moment it appears to be doing well and looks healthy, actuarially within the next decade we are likely to see that Fund peak and then start to decline. It is possible that he needs to do something about that in fairly short order before it starts to run out too. Senator Breckon has addressed that and suggested that early, before it becomes a crisis and before Ministers get around to doing something about it, along with all the other things that they are busying themselves with, we could and should take a measure here. Look and behold what that says: “To expand the scope of Health Insurance Fund to include more financial support for the elderly, children and those of limited means for (1) visits to the doctor and (2) a new benefit to provide financial assistance towards the cost of dental, optical and foot care.” Again, in an ageing society, issues that need to be addressed. One has to look at when we most need visits to the doctor. We have all, I think most probably, most people have seen the C-curve of demand which says as a child you need lots of healthcare and you have high demand, and as an elderly person you need lots of healthcare, an increasing demand on healthcare, visits to the doctor, *et cetera*, as you get elderly. Now, we know we are an ageing society. We accept that and it seems to be, the thing is what do we do about it? Do we wait? Because we have got this crisis coming in funding and then once again, I am hearing today a Chief Minister saying, not researched enough, not consulted enough, wait, wait, wait. Do not move, do not budge.

[15:30]

Why? What is the danger? The evidence is there. We know it. What is wrong with 2 in the Health Insurance Fund? Moving on to 3 and we come across here that marvellous piece of far-sighted legislation, brought in at short notice without consultations of anybody in an election year, to scrap prescription charges. What a wonderful idea that was, and what a shame Senator Routier is not in the Chamber at the moment. As I say, what a wonderful move that was to ensure that Ministers up for election that year got in. Look we have given you free prescriptions, and yet even at the time, and certainly since the vast majority of the population of this Island, rich or poor, have said: “What a stupid idea that was. I can afford my prescriptions. I am quite happy to pay for my prescriptions.” I have yet to hear anybody, apart from some with a cynical look in their eye as they speak to me about prescription charges and say what a wonderful move that was in an election year. But nobody... and I do not believe there is anybody in Chamber, can find someone who is likely to say: “What a good idea that was. Prescriptions should be free, must be free, and, even though I can afford it, I am really glad that I am saving £3, or £5, or £2 every time I get my prescription. I love it.” It does not happen. At last, despite again: “Wait for it, wait for it; we will get around to doing it sometime in the New Year. First quarter, maybe second quarter, we will get around to scrapping

that or maybe, depending on how we feel and how the wind is blowing, we will wait until the far side of the next election and then we will scrap it.” I do not know what is going to happen. Nobody else does here. Here is a pre-emptive strike, if you like. Certainly on this particular one we ought to be going for that and saying: “Look, we are sick and tired of waiting for something to be done about it, despite all the nice words, comfortable promises and assurances, whether categorical or otherwise, but something is going to happen.” No, the issues are clear. The issues have been widely consulted on, widely debated. This is a direct attempt to make sure this House does something about issues that need to be addressed and could most usefully be addressed now instead of doing the Ministerial 2-foot shuffle, sit down and wait that normally happens when anybody else suggests that they get up and do something and act on things that they know full well need doing. I will be supporting this in its entirety and I suggest Members do likewise.

7.1.5 The Deputy of St. Mary:

I am puzzled by this proposition, by the previous speech and the Chief Minister’s speech and indeed the proposer’s and I just hope the proposer can answer a few questions so that I can be satisfied because I am in 2 minds on this. The first question seems to be the urgency question and the comments of the Minister for Social Security that he produced 2 days ago, which is a bit unfortunate, again, because this has been lodged for a long, long time and it would have been nice to have been able to look at the 2 arguments side by side with some more time. But there you go. The issue is the urgency and the Minister is adamant that there is plenty of money in all the pots; that we do not need to rush; the consultation process is proceeding; we are on to the White Paper now and so on. So the proposer really does have to justify the: “Do it now” tone of his opening speech and of his proposal. On the other side there is the demand curve that Deputy Southern mentioned, about how in childhood and in old age the demands rocket, and, of course, we are into an ageing society and we cannot afford to be caught out. We cannot afford to do this too late. That is that issue. My second point is the Chief Minister, I thought, was quite impressive. It sounded like he was on his home turf and, in a way, he is more at ease with Social Security. In fact I went to one of his presentations way back in 1999, I think, it was - about fair play and so on - and he was quite at home there and maybe he is not quite so at home with issues around employment and Chief Officers of Police. But that aside, he mentioned actuarial advice, consultation and economic advice and I do again ask the proposer just to tell us how substantiated, how solid, this proposal is. I know he is a Back-Bencher. I know it is difficult. He has not got a department. So there are issues there. The third point is this table on page 5 of Senator Beckon’s proposition and that is disturbing in the light of what I said about urgency because what it shows is that Jersey, in terms of social security contributions, pays less than any other jurisdiction. We pay less than Guernsey who are always, of course, held up as our comparator, our competitor and so on. You know, everyone will rush to Guernsey if we put anything up. But in fact the Guernsey rates go up higher. They are the same rates as ours but the ceilings are much higher, both for the employee and even more so for the employer. The Isle of Man must have a completely different system. They must be getting more out of their pot because their rates are far higher than ours and there is no ceiling for the employer at all. I just mention that because it does look as if we are out of kilter and I wonder why. Perhaps the Minister could comment on just why those figures are so out of line and whether there are benefits that others get in other jurisdictions that we do not and so on. A word of explanation would be useful and it does feed into that question about urgency. Maybe we are way out on this and that is worry because, as I said, with the ageing population it is not something that we can leave until too late. A detailed comment on the prescription charges; the Minister says there is no justification for the choice of exempt groups. That is a statement that he makes and I would welcome the comment of the proposer on that. Is it true that the 3 groups that he has chosen are correctly chosen or should it have been more nuance? But, again, that comes under the comment of... the poor proposer has had one day to look at the comments but I hope he totally does not use that as a defence. Finally, the most important thing, I think, I want to say is this. On page 7 of Senator Breckon’s proposition there is something that really should alarm all of us and that is in the

middle of the page where he says: “The total cost of providing care is likely, at the very least, to double by 2026 to at least £110 million a year at 2009 prices and continue to rise to about £155 million [that is a year] by 2036”: £155 million a year; I make that about a quarter of our tax take and that is a huge amount. What I do not see, either in the proposition or in the Minister’s comments and in this whole debate, is enough emphasis on how we can reduce that colossal cost. We really ought to be focusing more effort in all our policies on a healthy and fit retirement so that these costs are not incurred and that is a whole range of policies. We do not seem to have a firm view, a firm grip, of this. We need, for instance, environment aspects so that we do not suffer from ill health due to lack of clean air or lack of clean water and so on. We need an emphasis on diet, for goodness sake, and some proactive action, as we have done with tobacco, on the aspect of diet and good food. Then there is active: active travel, active lifestyle. How much are we spending on keeping ourselves healthy and then keeping the whole population, as it ages, healthy so as to reduce this massive, massive burden? I have heard little from either the proposer or the Minister on that and I would welcome their comments on that also. Thank you.

7.1.6 Senator F. du H. Le Gresley:

When I first read this proposition, which was many months ago, I was quite minded to support the majority of it. But, of course, as the proposer has said, things have moved on considerably in many quarters. What concerns me - I don’t know if people have done the mathematics - is the actual contributions go up significantly over the 3 years from 2011 to 2014. An employee contribution will go up by a total of 2 per cent, taking the employee contribution to 8 per cent from the current 6 per cent by 2014. For an employer it will go up by 3 per cent by 2014, taking their rate to 9.5 per cent from the current 6.5 per cent. These are significant increases and we are now aware, of course, that the budget is proposing an extra 2 per cent for employee and employer over the ceiling for higher earners. So we are placing an enormous burden, it seems to me, if this was approved today, on both employer and employees to fund the Social Security Fund and Health Insurance Fund. The proposal also will mean that the Health Insurance Fund, which is currently funded to the extent of 2 per cent by employer and employee contributions, will increase to 3.5 per cent. I have some concerns as to whether that level of contribution is required at the moment, having read the comments of the Minister to this proposal. We are also told, of course, by the Minister that in monetary terms - I have talked to you about percentages, but in monetary terms - this will seek to raise in excess of £84 million a year from local residents and employers by the beginning of 2014, at a time when we are trying to reduce costs and not place the burden of our deficit on the man in the street, shall we say. This seems very much will be what will happen. But I have to say I was - and I am sure other Members were - surprised to hear the Chief Minister say that the wealthy should pay more. Now, this is quite a turnaround for our Chief Minister because I am sure I have heard him say in this House that he does not agree that the wealthy should pay more, certainly by way of higher income tax contributions. So it is very interesting that he has changed his mind on these issues and now says that Senator Breckon’s proposition is not fair because the wealthy should pay more. So I am quite interested in that change in his views on these matters. Dealing with the matter of prescription charges; quite clearly this matter has to be addressed and, again, we hear from the Minister for Social Security that within 2 months we are going to get his proposition on prescription charges. But where I have some concerns is the number of groups that the proposer wishes to exempt from prescription charges, and I would read those: “Those in receipt of Jersey old age pension, children under the age of 16 years and those in receipt of income support.” I would have liked some numbers to support that request because without numbers I am afraid I am completely in the dark as to who will be paying for prescription charges and whether so many people should be exempted. Perhaps the proposer could give me some idea of the numbers if he has them. I would also comment on the proposer’s speech when he was talking about section 2 and the need for the elderly in particular - he did mention the elderly - to have more help with the cost of going to the doctor, optical, foot care, dental, *et cetera*. What he failed to mention, of course, is we do have the 65+ Health Assist Scheme which is to help pensioners on low incomes cope with a

lot of these types of bills. So I think that should have probably been mentioned at that time. In general, I support a lot of the aims of this proposition but unfortunately the detail is not there and I would have difficulty supporting it in total. Thank you.

[15:45]

7.1.7 The Deputy of St. John:

I must say I was taken aback when the Chief Minister claimed that there was plenty of money. We are in a time of real constraints. We saw probably a fortnight ago that we had to dip into the Health Insurance Fund for £6 million-odd this year and, again, another £6 million-odd next year to assist the Health Department. These funds are entrenched. He is telling us there is plenty of money. At the speed that the Chief Minister would like to dip into these other funds there will be nothing there at all in 5 years; nothing at all. I honestly do not know if he is getting senile. I am sorry. **[Members: Oh!]** But to make those types of comments in his position is a real worry. We are in a time of deep recession and we are getting a comment from the Chief Minister to that effect. I have several concerns and I will look at the proposition itself. In general, I cannot thank the proposer enough because it is only by a Back-Bencher doing what he has done that is making the Minister for Health and Social Services react. We should not have to make the Ministers react to a proposition that has been on the table since August for them to bring something forward. They should be bringing things forward and we Back-Benchers should be bringing amendments, not the other way around. Under (d) I am a little concerned that yet again it looks as if we are looking for means testing. If the proposer is wanting to go down the road of an equal amount for all, I am reluctant to support anything to do with means testing because you pay for what you get. Everybody pays the same at the moment for your old age pension and other health benefits and we all get the same out of it. If you want a bit more you go in the private sector. For somebody to have to pay over and above, if I am reading this correctly, i.e. by means testing, then I think it is wrong because they will still only have the same benefits as others; i.e. whatever the figure is to go into a home at £1,000 a week instead of the one at £1,400 a week, they will still only have the same benefits. Therefore, I hope that the proposer can put my mind at rest on that one. That area is of concern because when social security, in the bigger picture, was brought about by Philip Le Feuvre and Senator Venables of the day, it was you all paid the same and you all got the same out of it. That is basically what I would like to see in anything that gets put in place for elderly care. But I cannot thank Senator Beckon enough for galvanising the Society Security Department in bringing something forward later in the year or early next year for us to debate. Unfortunately I do not think he will make this today but, if nothing else, he will be getting my support in most of it because it is good to see a Back-Bencher coming forward after having done all this work - a considerable lot of work - to bring this together. He has not got the officers and the like to assist him to do all the work that goes on in bringing a proposition together so, therefore, I will support most of this. Thank you.

7.1.8 Deputy T.M. Pitman:

I will not go over any of the same points. Last week my beloved Constable asked me to go to Denmark and, much to his disappointment perhaps, I came back. But, nevertheless, speaking to some people over there, including former Ministers, they are very surprised at how little we contribute. Although it might be correct to say that it is a big hike for the man in the streets, some things have got to be done, I think, if we are thinking long-term, and not have that awful shock when we all reach old age, which thankfully is many, many, many, many years ahead for me. I really am grateful that Senator Le Gresley is so diplomatic because, having spoken already, I too was going to stand up and - if I was a Senator and allowed to say such things, which obviously I am not - I probably would have questioned whether the Chief Minister's sudden concern that it was so unfair that someone who contributed £50,000 would be the same as someone who earned £250,000... being unfair. I mean I may have asked if that was ideologically schizophrenic but I am a Deputy so I will not say that because I will get into trouble, again. What really gets to me is some

things you just have to grasp and ask ourselves: “Are we doing enough?” Countries like Cuba, with all their problems - all the sanctions, all the difficulties over there - they can still do better than us when it comes to free dental care and healthcare for the elderly. How can that possibly be? Go to Cuba. Well, there we go. I do not support the Cuban system. Perhaps some people should go to 1930s Germany, I might add. I am making a point that is important; how some people can do so much with so little. So really I wish some people would grow up. I wish you would be a bit stronger sometimes in the Chair. Fair comment. I think Senator Breckon has put in an awful lot of work on this. Why penalise and find excuses for not supporting something when the Senator is suggesting we do something that should have been done many years ago? Is this system not perfect? Well, maybe it is not perfect. However, he has got up and he has done something. He has done quite a lot of research. He has put forward some suggestions. Perhaps Members cannot support every one of them but I think the general thrust of what Senator Breckon is doing deserves absolute support and, if nothing else - as has been said by the Deputy of St. John - he is pushing the Ministers to get moving. This should not be left until after the next election and I think he deserves our support and I applaud him for it. I will support this.

7.1.9 Deputy A.E. Jeune:

I really felt I needed to respond to something that the Deputy of St. John said when he suggested that the Minister for Social Security was reacting to this proposition when in actual fact the Green Paper came out ages ago. This is not something new and I am really quite disappointed that Senator Beckon felt the need to bring this when he knew the work that was going on. I can remember, before I even decided to stand for the States, the concern that was held by Deputy Breckon and Deputy Le Hérisser when they held a meeting at Haute Vallee School, concerned that we needed to bring forward long-term care. The Minister for Social Security and the staff at Social Security have worked very hard to get to the point where we are today. They have done their work in a structured, researched and well-informed basis and that takes time, but we are almost there. I would ask Members who are really pleased that the work is being done that when the Minister for Social Security brings his proposition in the not too distant future, Members will all give their full support to that proposition. Thank you.

7.1.10 Deputy I.J. Gorst:

As Minister for Social Security it is my responsibility to plan not just for one or 2 years ahead but for decades. I take this responsibility very seriously and my department devotes considerable resources to this long-term planning. The Minister and presidents before me have taken regular independent advice from the actuary - we use the U.K. Government Actuary's Department - to make sure that the funds that we manage, we manage in a sustainable and an appropriate and a balanced way to protect Islanders' contributions and, therefore, benefits for the future. It is a job in which I work closely with the Minister for Treasury and Resources. It is the Minister for Treasury and Resources who has responsibility for investment decisions for the reserve funds. It is also appropriate that the Social Security Department works closely with Treasury and Resources to ensure that any increases in contributions are brought forward in a co-ordinated way with other changes that might need to take place with regard to taxation. Senator Breckon's proposition today covers many of the areas that require this long-term detailed planning and I have got to say, as I said in my comments, that all of the issues identified by Senator Breckon are under active consideration by me and my department, obviously in co-ordination with other Ministers as well. These overall aims are publicly documented in the Strategic Plan and individual actions are included in the Annual Business Plans both of Social Security and of the Health and Social Services Department. I met with Senator Breckon at the end of September to discuss his proposition and I explained then why I could not support the proposition. I felt then and I feel now that it ties the hands of the States to specific increases in contribution rates on specific dates without having cognisance of the appropriate independent actuarial advice, as the Chief Minister spoke of in his opening comments. Having said that, I agreed with Senator Breckon at that meeting that

these issues and areas were, and needed to remain, under active consideration over the next years ahead and I was able to reassure him that that was the case. I had, at one point, considered amending the proposition but I felt then that it would just have turned into perhaps something even more meaningless and it was more appropriate if I, in due course, brought forward appropriate propositions rather than seeking to amend this one. As I said in my written comment, the cost to individuals and local businesses of these proposals is a total of £84 million per annum from the year 2014. As I have just said, it is true that these issues need to be reviewed (pensions, primary healthcare) and I have had a number of propositions before this Assembly outlining the need to take action in these areas. Thankfully, Members have approved those propositions and hopefully later in this sitting we will approve another one to say that, yes, we will be dealing with those health-specific issues during the course of the next 2 years. Difficult decisions will need to be made as to whether to increase contribution rates or to restrict benefits in some way. However, as the Chief Minister said, both the Social Security Reserve Fund and the Health Insurance Fund currently collect more money each year than they spend. The additional contributions are being saved to help deal with the cost of the ageing population in the coming years. These reserves may be called upon as part of a long-term strategy to adjust the way we pay for and receive pensions and health benefits in the future but only upon appropriate actuarial advice and appropriate modelling, and appropriate decisions taken by this Assembly with the full and independent advice in front of them.

[16:00]

I am afraid it is not correct to suggest that increases are needed as a matter of urgency. They are not. They will be in the medium term but not as a matter of urgency, as detailed by the last - now somewhat out of date - actuarial review. I am not going to comment on all the problems that I see with Senator Breckon's proposal in detail but it is only right for me to make a few specific points on the separate parts of the proposition. Only yesterday I lodged the White Paper on long-term care, setting out the proposals for a contributory benefit and a new ring-fenced fund to deal with long-term care, which I hope that Senator Breckon will be able to support. I am not, unlike Senator Breckon, proposing that employers pay into that fund. I am proposing, however, that employees and self-employed people and those outside of work, in effect, pay throughout our lives rather than just at a period when we are in employment. I was somewhat surprised to hear Senator Breckon's rationale that he was proposing a contribution upon employers to correct the unfairness in the Zero/Ten regime. I can understand his desire to wish to correct that unfairness but I do not for a minute believe that the social security scheme or a new benefit - the long-term care benefit scheme - is the appropriate place to do that. I know that the Minister for Treasury and Resources is committed to trying to address that particular issue going forward. This is not the appropriate place to address that nor, I believe, an appropriate rationale for saying that employers should contribute to such a scheme. Senator Breckon also requests that contributions should be collected from January 2012. It is difficult for me to say, because I have to face 2 ways on this issue. I have a public facing face, whereby I have to be realistic about what is achievable and timetables that are achievable by my department and I have an inward facing face, whereby - I have to be careful of the phrase I use - I am constantly pushing my department to move things forward and ensure that they produce work in a timely manner to meet the requirements of this Assembly. I have got to say that knowing what I do, and the conversations that I have with my officers, the timescale that Senator Breckon is proposing is completely unrealistic. I will have law drafting for the beginning of next year. The primary legislation for the long-term care scheme will be brought to this Assembly for debate before the summer recess next year, but that will then need to go to Privy Council for approval. While that, of course, is taking place my officers will be working on the detailed regulation and a number of other areas which will need to be considered at that point. But with the best will in the world approving the primary legislation, getting it approved by Privy Council, working on the regulation, getting agreements with care homes, working on IT systems, it is unrealistic, I am afraid to meet the timescale that Senator Breckon proposes. I hope Members will not take that as me sliding out of a commitment because that is not what it is. I have a duty to

say to Members what is achievable and what is not. Having said, of course I ensure, and I will continue to ensure, that my department works in an appropriate way towards what are the requests and demands of this Assembly and of the political leadership of the department. Senator Breckon then goes on to suggest that the States will pay contributions for those of limited means. I am afraid I do find that slightly strange that we would want to set up a new system whereby that was the case. He will see, if he has had time - which he might not have had - to look at the White Paper, what I am proposing is residency requirements rather than necessarily contributory requirements. If we then move on to the proposal to increase the Health Insurance fund by 1.5 per cent. The current contribution to the Health Insurance Fund is 2 per cent, so we are being requested today to increase that by a 75 per cent raise of contributions in the Health Insurance Fund. Again, it is likely that there will need to be an increase in health insurance contributions but it seems very unlikely at this stage that they will need to be as large as Senator Breckon suggests. Having said that, an actuarial review of the Health Insurance Fund is taking place as we speak, as is one of the pension fund. They will be available within the next, I think, 4-5 months. I really do not think that we can make a decision which says: "This is quantum that we need to increase contributions by" without that expert independent advice which looks at appropriate modelling and directs us to the way in which we should go when it comes to protecting not only contributors but beneficiaries of the Fund as well. He also suggests that benefits from the Health Insurance Fund should be based on a means testing system. I do find that somewhat contradictory to the other arguments that the Senator has put forward through the course of his proposition. He has rightly noted that he believes that ring-fenced funds and the funds administered by the Social Security Department are held in high regard by the public. Some of that, of course, is because of the processes that we go through before we increase contributions and before we change benefits. But also I believe it is fundamentally because there is a link between contribution and benefit received from that contribution. If we were to move to a means tested system within a contributory fund, that link would be broken and therefore I believe that we would be undermining one of the fundamental reasons why those funds are held in high regard. People know if that if they make the appropriate contributions over the appropriate time period then they will be entitled to a pension at the end of that timescale. They also know if that if they make contributions into the Health Insurance Fund they are entitled to a rebate for their visit to the G.P. because they have made those contributions. They know that they are entitled to sick pay because they have made appropriate contributions in the appropriate time period. If we start to say they are not entitled to those benefits, despite the fact that they have made the contributions, because of their means then we break that link and it is a fundamental link and I believe that in that instance we break it at our peril. Under (4) the Senator asks for proposals contained in the above paragraphs to be given immediate priority in the legislation programme. As I have just said, I can confirm that the long-term care law, the Health Insurance Law and changes to social security legislation are all included in the 2011 legislation programme, and that was published as part of the Annual Business Plan earlier this year. So now we move to (5) prescription charges. I must say that one or 2 Members, perhaps chiefly led by Deputy Southern, were somewhat unkind about the previous Minister and probably somewhat inappropriate. The previous Minister knows well why he made the decision that he did about prescription charges and there has been much comment about that decision. However, Deputy Southern said he did not know of anyone who felt that it was a positive move. I have got to tell him that since I announced, or it was reported in the paper, that I intended to bring back prescription charges I have had a large number of emails from those individuals suffering from chronic conditions who asked me not to reintroduce prescription charges. It was in their mind one of the best decisions of the previous Ministers - I am not sure what it says about his other decisions - and they were extremely grateful that they were able to have the appropriate medication for their condition without having to worry about the cost. Why do I raise that? I raise it because reintroducing prescription charges is not as straightforward as some Members would have us believe. I have said in my comments that I will be bringing forward a proposal by the end of this year but within that proposal it will be cognisant of those with chronic conditions because I

understand that it is a cost for them. We do not want to put anything in the way of them having and using the appropriate medication and I have got to say, unfortunately, that Senator Breckon in his proposal makes no allowance for those with chronic conditions, he just has a group of people which he wishes to exempt. This is a difficult debate for me, and I finish where I started. I believe that it is my responsibility to plan for the decades rather than just the one or 2 years. A lot of these work streams are in progress and I believe that we, as an Assembly, should wait for the appropriate independent and the actuarial advice before we make decisions of this magnitude. We are talking about £84 million by 2014. I am afraid, to my mind, we have not at this stage been presented with the appropriate evidence upon which we would make a decision of that magnitude and therefore I really do urge Members to reject this proposition. They have seen what I am proposing with regard to the long-term care scheme and I will welcome Members' comments upon that. With regard to the other elements, I ask that Members wait until they have seen those actuarial reviews, until they have seen the evidence, and then they are able to make an informed and appropriate decision. Thank you.

7.1.11 Senator J.L. Perchard:

Can I congratulate the Minister on his contribution just now, on his line by line dissection of the proposition in his typically Crippen-like fashion. It is absolutely spot-on and I think there is little else to say other than ... I just want to just talk about the general proposal. Here we have a proposal to increase the costs of employing a person by 3 per cent, increase the contribution that an employee will make by 3 per cent. I would like to know what the proposer thinks the consequences of such a dramatic proposal would be. We have got 1,300 on the unemployment list now; how many more people would join that list as a consequence of this? How many more businesses would just be tipped over the edge? Members must not ... I can see the Deputy of St. Mary looking at me suspiciously; he must understand business in Jersey at the moment is in a very fragile, insecure position. Businesses throughout the United Kingdom and Europe are in a fragile, insecure position. Any new taxes on businesses will cost jobs. Be under no illusion, we must be very careful before we start downloading extra costs on business. So much so do I believe this that I am seriously thinking of considering Deputy Southern's proposal to freeze G.S.T. I think we have got to be very careful. I know this proposition is coming up in a month's time but we have to be very careful about the extra costs we unload on business and the community. I know many business people, as we all do, operating on the Island, some of them pretty longstanding businesses under extreme pressure. We cannot, at this time, be unloading extra costs on business and employees.

[16:15]

It is tough enough as it is. We have got to be very careful. We missed the boat; we should have done this 10, 15 years ago when the economy was booming. That is the time to set money aside and to try and extract money from people who are doing very well, not when the chips are down. I think I have said all I want to say, and just to echo the final remarks of the Minister for Social Security who said there is a lot of working being done here, there is a White Paper which we have got on our desks now which covers all these points and we all want to ensure that this provision for long-term care is taken seriously. This is not the document we should adopt. We need to be looking carefully at the White Paper and supporting the principle behind the Minister's proposals which will be, I understand, due for debate if not the end of this year certainly the beginning of next.

7.1.12 Deputy R.G. Le Hérisier:

Just very quickly. It gives me great pride to be allied with my fellow reformer, Senator Breckon on this. I just wanted to say I think the Minister for Social Security gave a masterful speech dissecting in a cryptic way - not a Dr Crippen way - the speech. But I think he was a little unfair because his paper does contain a proposal on long-term care which is a mix of means testing and contributory solutions; his option 2. I think that undermines the point he was making that if we are going to

have an insurance scheme, we have got to be faithful to the purity of the scheme. I will take no interruption, thank you. **[Interruption]** He has got to be faithful to the purity of the scheme. I think the issue with this has not been, unlike what Deputy Jeune was intimating that Social Security has been working at this, it has been working but it has taken an enormous amount of time. As Senator Routier knows, during the period of income support a lot of this work was put in abeyance because of all the work on income support. I think Senator Breckon is to be praised for having focused our thinking, for having pushed it forward, because this has taken far, far too long. It is a scheme that's been in place in Guernsey for years. Yes, we can improve it and we should improve it, but it does not negate the point that we could have introduced it years and years ago.

Deputy I.J. Gorst:

I must just correct a statement of the Deputy because he, inadvertently I am sure, misspoke. The scheme I am proposing does not include means testing within the scheme. There is a means testing with regard to the long-term care benefit but that is outside of the scheme. Thank you.

The Bailiff:

I now call on Senator Breckon to reply.

7.1.13 Senator A. Breckon:

I thank everybody who has made a contribution, especially the speeches of the 2 Ministers, the Chief Minister and the Minister for Social Security. Janice Turner was writing in the *Times* last Saturday and she had this to say: "The coalition has cleverly wrapped its economic measures in the language of national emergency so that any alternative view is dismissed as dangerous, even unpatriotic." I would address that in particular to the Ministers. In other words they have minds, they have opinions, the rest of us are not quite so smart perhaps. I was very interested in what Senator Le Sueur had to say, especially some of the about-turns and somersaults and whatever else. I was thinking he mentioned at a least a dozen times the word "consultation". Where was the consultation, as I said at the start, when we removed prescriptions? Where was the actuarial review when we removed prescriptions? There was not one. If there was it was not shared with anybody. Who was asked, do you want this? It is £2.10, no means test, nothing at all. So again we have double standards. We are consulting here to the umpteenth degree and on the other hand we do something, you hear it on the news. That is where we heard it, most of us, we heard it on the news. We did not get any advance notice or anything like that. The other thing I was interested in, and a couple of Members said this, about how much this is going to cost. The Minister for Treasury and Resources has been silent. He has been silent because he, in the budget, in cahoots with the Minister for Social Security, is proposing to raise 4 per cent on people above a certain threshold which has got nothing to whatsoever to do with social security and benefits. Now, there are the same Members in here who have said: "You are doing this without notice." Where was the consultation about doing this? About putting 2 per cent on that. It was in some Ministerial huddle. It has not been out there in the public domain, people earning above £43,000-odd, whatever it is, will have to pay this extra money. Where did this come from? This came in under the radar.

Senator P.F.C. Ozouf:

Would the Senator give way? It may be inadvertently but I think he is misleading the Assembly. There was a substantial consultation running through the summer on the fiscal strategy review of which levy and contributions above the cap was part of the contributions. A public consultation.

Senator A. Breckon:

The Minister has raised a point there, could he say how many people were in favour of it?

Senator P.F.C. Ozouf:

It was not a referendum, it was a consultation.

Senator A. Breckon:

So the answer is none. So the consultation - no, I am not giving way - counts for nothing when it is not appropriate. We will consult with you, you did not say you wanted this but you are going to get some of it. We have got the blunt instrument, which is the social security system, to do that. So in a month's time, 3 weeks' time, whatever it is, when we come back, I want those same Members that stood up and said: "You cannot take this money out of the economy" as Senator Perchard has just said: "It is a tax on people, it is a tax on the economy" I want them to say the same thing, because they have to be consistent. That includes the Chief Minister. He said we cannot target people who are better off; that is what that does. It is not fair for them to pay. The thing I did not go anywhere near was the ceiling, because that complicated this issue and I can see that - and others might have a view on that - but when I lodged this proposition on 20th August, I ask Members not to forget, this was not an issue. It was not on the radar but it is obviously now. So the thing is, with this I would suggest, get this out of the way and then we will get what we want and perhaps take as long as we want. That is not where we should be. We are failing people by not having some of these systems in place. In case the Chief Minister missed it, I quoted earlier about the 2009 report and accounts from social security and it talks in there, and I mention it a number of times, about the U.K. Government Actuary Department's published report from various years. Those documents are in the public domain, I do not have access to other information. I can tell Members it is difficult to get any sort of meaningful statistics from Social Security. It is. I think the Deputy of Grouville has had the same experience recently, asked for information ... and I did send the Minister and the Chief Officer an email on another issue about 4 weeks ago and I have not even had a response. So the statistics are not clear. So what do you do? Do I produce the equivalent of War and Peace with all this stuff: "Oh, page 79 is a bit dodgy, that will not work"? What do you do? The devil is in the detail but where do you get the detail. Generally what is in the report is information that is in the public domain. Indeed some of that ... somebody else questioned about the figures of ... I will come to the Deputy of St. Mary in a minute but he mentioned some of that but these figures were in the Social Security's own consultation document. That is where they were. The other thing that the Chief Minister mentioned was about not factoring-in the increase in the pension age. I do not think in general terms the population have an appetite for working any longer. If you get people who have been working in manual jobs physically it is not possible to work until you are 70; if you are digging roads up and things like that. Sometimes it is just not possible. So you have to bear that in mind. The question is who wants it. Maybe we do but that is another story. I think if we increase the contributions that negates the pension age. Senator Routier will remember, with the former Social Security Committee, we went through this exercise before. I was a member of that committee, Deputy Duhamel, former Deputy Troy was - I cannot remember who else. The thing was we sat around the table and what we said is: "This is a good idea, put your hand up if you want to work longer"? People started looking out of the window or whatever around it. The fact is some of this extending the pension age is a myth. If you are going to do that then I hope the same people that been crying: "Consultation, consultation, consultation" are going to go out to the general public and say: "Would you like to work until you are 70?" Simple question: yes or no? No need to dress it up, it is a simple question, easy done you can got out in the streets and do it now. You might get the reaction you probably deserve. The other thing that the Chief Minister mentioned was the States pay for some long-term care and it is more cost. I would say the reverse might be true. In fact there should be less cost. If you have fund that you can draw on that funds some of the care, then the States do not carry the whole burden; they will still fund many people, including those people you cannot afford it and they still may make some contributions, but at the same time the cost could be less or certainly not increasing because Social Security's own figures have shown that. Again, the Chief Minister mentioned about the Health Insurance Fund and we do not need to accumulate any more. I have not said that. What I have said is perhaps we could pay more benefits to people who need it, instead of accumulating it and waiting for the Minister for Health and Social Services to raid it. What we could do is ... and it was shown

by evidence in the annual survey that many cannot afford some health costs. G.P.s, dental and optical. The facts are there independently. The Deputy of St. Mary asked a number of questions and he asked about actuarial advice and economic advice. Only what is publicly available, you cannot make guestimates of that. The other thing he mentioned about the table of contributions. Again, that is evidence; that is fact. What is happening in Guernsey and the Isle of Man, came from a Treasury consultation paper and that was the pre-cursor to where the Minister for Treasury and Resources is coming from now about what the increase in contributions are. They are lower than Guernsey, the Isle of Man and indeed the U.K. and not graduated in such a way. The Deputy of St. Mary also mentioned where did I get the costs of up to £155 million in 2036. That was in the Social Security consultation document and it said: "Total cost of providing care is likely, at the very least, to double by 2026 to about £110 million a year" that is at 2009 prices "and continue to rise to about £155 million by 2036." The source of that was from the Social Security's information which was widely publicised. The other thing, while I am on the consultation, we talk about that but how many Members of this House contributed to the consultation on elderly care? I wonder if any did. The Minister, the Assistant Minister and I did. Senator Le Gresley did but he was not Senator Le Gresley then so he did it from wherever he was at the time. Deputy Southern also mentioned, as did a couple of other Members, about the Guernsey scheme. Indeed, it is in place and at the last count I think it was in surplus. That is really where we could be and there are lots of things we could do in long-term care and elderly care if we had a fund. That is the idea of this. I have noticed that all sorts of things have emerged while this proposition has been there.

[16:30]

So, if nothing else, it has brought everybody out to play, as it were, and things into the public domain. The other thing is things have been said: "This will be done then." There is no timeline in it but, if nothing else, that is good that it has flushed it out. We heard from Senator Ferguson she said she was on a Health and Social Services Committee, I am guessing that must have been around about 2005, and what was said about the elderly care scheme: "It is on its way." It is on its way. What we are being told now is: "It is on its way." Well, that is wonderful. So there we are. That goes back 5, 6, 7 years, it is on its way. We have been told the same today. So the Minister is now hopefully going to put some timelines into some of this and do that. The other thing is, I do not know why, but I did not receive the comments. I did not realise until somebody said to me they had not been very complimentary. I said: "Who is that?" and they said: "Social Security." So I must confess I have not had time to give it a great deal of detail. But I will go back to it, especially as there is information in there that is going to hold them to account because that is what it is about. There are people out there in the community who do need some of these services and they do not need it in 13 years' time, they need it now. So these are some of the issues. The other thing the Deputy of St. Mary mentioned and somebody else mentioned as well, about targeting prescriptions. That is something that can be done within the department. If they wanted to tweak that a little bit I am not fussed if there was more people included at all, that is not the object. But you have to draw the line somewhere and, again, numbers are something that Social Security have got and are probably only known to themselves. I am not sure they have even got them but then again they need to do some work there. Again it was something that Senator Le Gresley mentioned about not enough detail but I am not sure what else I could have done with some of this about ... and I am aware of the assistance for people over 65, the scheme, but again there are some caps on that. For example, if somebody had some assistance for false teeth then they cannot claim again for so many years. There are some financial limits on it as well so it is not quite an all-embracing scheme. The Deputy of St. John mentioned about the means-testing of the thing, and he mentioned paragraph 1(d) in particular. The only thing I would say is that at the moment we have a supplementation scheme for general and social security which tops-up the contribution - and currently the States contribution is about £65 million - and the idea is if people were of means who could not afford to contribute to the scheme then that is what paragraph (d) is about. So people who might be retired, who only have a state pension who do not have anything else, would not be able to afford

something. That is a judgment in the detail and it happens at the moment with supplementation. I was interested in what Deputy Jeune, the Assistant Minister for Social Security, said, she said: "Social Security were reacting." They were reacting to this, they were doing things and whatever else. The praise for the officers and staff. That is not an issue. The only thing is if you look what we are talking about here, we are talking about £1 billion. If that was me and there was some pressure on the department, some tension, I would bring somebody in. We have a massive fund there and if we need to accelerate things then we could do that. With income support there was a scrutiny adviser who was very helpful to the department. With elderly care I know of a very able external adviser who could give this some focus very quickly. The other thing as well, when the Minister spoke, if I said he cannot do attitude that is probably not where he is but that to me is what came across. I think that came about because he talked about it was all in the Business Plan. We have heard about strategic plans and business plans and there is quote from these but what needs to happen, of course, it needs to translate into action. He talked about active consideration in the years ahead. Wow, active consideration in the years ahead. Where is that going? I am not quite sure. That sounds a bit like a delay to me or a trip to Guernsey or something. What is achievable time-wise? We have an issue about law drafting and things pinging and ponging and where are they going and whatever else but I will share this with Members. I was a member of a Home Affairs Committee years ago and there was a real issue of bringing in some terrorism law and legislation. We were meeting 3 times a week and I think we turned this around in 3 months. It was fast-tracked through all the systems. That is an extreme situation but we do not want to use other people's part in the system to slow things down. Things can happen quicker, I am sure. I think it came from the Justice Committee report; it said that perhaps with the Privy Council Jersey can do things in another way. The Minister himself has something to come before the House about the Social Security Law in itself, about how things may be done perhaps more by regulation but with the permission of this House. I think I have covered most things that Members have said so, in conclusion, I would just say that part of the reason for bringing this is I did not see some of the evidence that is before you now. I did not see anybody getting proactive on the issues, even with some of the scrutiny process questions: "Well, it is in the Business Plan, it is encompassed with this, it is doing this" and I did not see the things emerging. So if nothing else this has put this on the agenda, information has now gone into the public domain but what has to happen, if not today then very soon, these things have to be in place and there can be valuations, there can be reports, there can be consultation but people want this because it is their base line. Their pensions are of concern, their health service is of concern, how we pay for our elderly care is a very real concern. Quality, availability and affordability are of real concern, especially to Jersey's elderly people, and we owe it to them not to play political football with it but to get on with it. That is where this proposition is coming from. With that I will just say I maintain proposition. I would ask, Sir, your guidance, I would take it in parts, one, 2 and 3, 4 might fall depending on whatever, and then 5 separately.

Deputy A.E. Jeune:

May I correct something that Senator Breckon just said? He suggested that when I spoke I said that Social Security were reacting. In fact what I said is I stood in response to what the Deputy of St. John had said when he suggested that Social Security were reacting and in fact were not. Thank you.

The Bailiff:

Is the appel called for? Yes, the appel is called for then in relation to Projet 117. I invite Members to return to their seats. The first vote will be on paragraph 1, which includes (a) to (f) of paragraph 1. So the Greffier will now open the voting on paragraph 1.

POUR: 11

Senator A. Breckon
Deputy of St. Martin

CONTRE: 37

Senator T.A. Le Sueur
Senator P.F. Routier

ABSTAIN: 2

Deputy of St. Mary
Deputy M.R. Higgins (H)

Deputy R.G. Le Hérisssier (S)
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy of Grouville
Deputy P.V.F. Le Claire (H)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)
Deputy T.M. Pitman (H)
Deputy D.J. De Sousa (H)

Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Senator S.C. Ferguson
Senator A.J.H. Maclean
Senator B.I. Le Marquand
Senator F. du H. Le Gresley
Connétable of St. Ouen
Connétable of St. Helier
Connétable of Trinity
Connétable of Grouville
Connétable of St. Brelade
Connétable of St. Martin
Connétable of St. John
Connétable of St. Saviour
Connétable of St. Clement
Connétable of St. Peter
Connétable of St. Mary
Deputy R.C. Duhamel (S)
Deputy J.B. Fox (H)
Deputy of St. Ouen
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy J.A.N. Le Fondré (L)
Deputy of Trinity
Deputy I.J. Gorst (C)
Deputy M. Tadier (B)
Deputy A.E. Jeune (B)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)
Deputy T.A. Vallois (S)
Deputy A.K.F. Green (H)
Deputy J.M. Maçon (S)

The Deputy of St. John:

Could you tell me whether or not my button was recorded?

The Bailiff:

No, I am afraid not, Deputy.

The Deputy of St. John:

I did press pour but there was so much paper on here. **[Laughter]** Could I have it recorded on the Hansard, please?

The Bailiff:

I am afraid we cannot change the vote, Deputy, but you could try and move some of your paper for the next vote. **[Laughter]** Very well, we move then to a vote on paragraph 2 (a) and (b). So paragraph 2, the Greffier will open the voting.

POUR: 10

Senator A. Breckon
Deputy of St. Martin
Deputy R.G. Le Hérisssier (S)

CONTRE: 38

Senator T.A. Le Sueur
Senator P.F. Routier
Senator P.F.C. Ozouf

ABSTAIN: 3

Deputy of St. Mary
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)

Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy T.M. Pitman (H)
Deputy D.J. De Sousa (H)

Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Senator S.C. Ferguson
Senator A.J.H. Maclean
Senator B.I. Le Marquand
Senator F.du H. Le Gresley
Connétable of St. Ouen
Connétable of St. Helier
Connétable of Trinity
Connétable of Grouville
Connétable of St. Brelade
Connétable of St. Martin
Connétable of St. John
Connétable of St. Saviour
Connétable of St. Clement
Connétable of St. Peter
Connétable of St. Mary
Deputy R.C. Duhamel (S)
Deputy J.B. Fox (H)
Deputy of St. Ouen
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy of Trinity
Deputy I.J. Gorst (C)
Deputy M. Tadier (B)
Deputy A.E. Jeune (B)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)
Deputy A.K.F. Green (H)
Deputy J.M. Maçon (S)

The Bailiff:

Then we move to paragraph 3. I invite the Greffier to reset the machine and the Greffier will open the voting on paragraph 3.

POUR: 9

Senator A. Breckon
Deputy of St. Martin
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy T.M. Pitman (H)
Deputy D.J. De Sousa (H)

CONTRE: 40

Senator T.A. Le Sueur
Senator P.F. Routier
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Senator S.C. Ferguson
Senator A.J.H. Maclean
Senator B.I. Le Marquand
Senator F.du H. Le Gresley
Connétable of St. Ouen
Connétable of St. Helier
Connétable of Trinity
Connétable of Grouville

ABSTAIN: 2

Deputy of St. Mary
Deputy M.R. Higgins (H)

Connétable of St. Brelade
 Connétable of St. Martin
 Connétable of St. John
 Connétable of St. Saviour
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Mary
 Deputy R.C. Duhamel (S)
 Deputy R.G. Le Hérisssier (S)
 Deputy J.B. Fox (H)
 Deputy of St. Ouen
 Deputy of Grouville
 Deputy of St. Peter
 Deputy J.A. Hilton (H)
 Deputy P.V.F. Le Claire (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy of Trinity
 Deputy I.J. Gorst (C)
 Deputy M. Tadier (B)
 Deputy A.E. Jeune (B)
 Deputy A.T. Dupré (C)
 Deputy E.J. Noel (L)
 Deputy T.A. Vallois (S)
 Deputy A.K.F. Green (H)
 Deputy J.M. Maçon (S)

The Bailiff:

Paragraph 4 falls away, Senator, so we move on then to paragraph 5 and the Greffier will open the voting on paragraph 5.

POUR: 16

Senator A. Breckon
 Senator F. du H. Le Gresley
 Deputy R.G. Le Hérisssier (S)
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy of Grouville
 Deputy S. Pitman (H)
 Deputy of St. John
 Deputy M. Tadier (B)
 Deputy of St. Mary
 Deputy T.M. Pitman (H)
 Deputy T.A. Vallois (S)
 Deputy M.R. Higgins (H)
 Deputy A.K.F. Green (H)
 Deputy D.J. De Sousa (H)
 Deputy J.M. Maçon (S)

CONTRE: 35

Senator T.A. Le Sueur
 Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator T.J. Le Main
 Senator B.E. Shenton
 Senator F.E. Cohen
 Senator J.L. Perchard
 Senator S.C. Ferguson
 Senator A.J.H. Maclean
 Senator B.I. Le Marquand
 Connétable of St. Ouen
 Connétable of St. Helier
 Connétable of Trinity
 Connétable of Grouville
 Connétable of St. Brelade
 Connétable of St. Martin
 Connétable of St. John
 Connétable of St. Saviour
 Connétable of St. Clement
 Connétable of St. Peter
 Connétable of St. Mary
 Deputy R.C. Duhamel (S)
 Deputy of St. Martin
 Deputy J.B. Fox (H)
 Deputy of St. Ouen

ABSTAIN: 0

Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy of Trinity
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy A.E. Jeune (B)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)

The Bailiff:

Then the final paragraph, paragraph 6, also falls away. That completes Projet 117. We come next to the Draft Policing of Parks (Amendment No. 2) (Jersey) Regulations 201-, Projet 135 lodged by the Minister for Transport and Technical Services. I will ask the Greffier to read the citation.

8. Draft Policing of Parks (Amendment No. 2) (Jersey) Regulations 201- (P.135/2010)

The Greffier of the States:

Draft Policing of Parks (Amendment No. 2) (Jersey) Regulations. The States, in pursuance of the Order in Council of 26th December 1851 and Article 9 of the Road Traffic (Jersey) Law 1956, have made the following Regulations.

8.1. The Connétable of St. Brelade (Minister for Transport and Technical Services):

This proposition is the result of the Parish of St. Martin having developed a village green on an area of land to the south of the Public Hall and the Connétable has requested that the area should be included under Part 1 of the Policing of Parks (Jersey) Regulations 2005. The drawing is attached to the proposition and I therefore propose the regulations.

The Bailiff:

Are the principles seconded? [**Seconded**] Does any Member wish to speak on the principles? The Constable of St. Martin.

[16:45]

8.1.1. Connétable S.A. Yates of St. Martin:

This village green project started about 4 years ago and at that time, about 2006, we had quite a large area of land. It was heavy clay soil, it had been a field and we deep-ploughed it, levelled it, de-stoned it, graded and seeded it and we started to grow a crop of grass. I would like to thank all the volunteer workers who helped us on the agricultural side of the levelling and deep-ploughing and we had great support from the Parish on this. Over the last 3 or 4 years we have developed a lovely grass surface and we have planted quite a lot of trees. We have got a wildlife and nature corner and we have put a perimeter path, 2.5 to 3 metres wide, right around this area which provides an ideal training ground for kiddies on their tricycles or kiddies on their first bikes where they can practice to learn to ride without being on the road. We have also this year developed a 3-rink petanque pitch. So things are looking up. It is getting very popular. We can have summer fetes and car boot sales and lots of family activities and sports training and such like, but now it is getting popular so we would like to be able to control it. We would like to put regulations in place where we could control the use of the village green for dogs and we would like to be able to say: "Do not break the trees" or: "Do not damage the plants" and also for anti-social behaviour, we would like legislation, as can be made for parks and gardens, that we can do this. Also we have got

to designate various areas where we can do certain things. I would like to say that we have developed a really lovely facility for the Parish and I hope that this proposition will be supported by all in this House. Thank you.

8.1.2 Deputy R.G. Le Hérisier:

Just 2 questions of the Minister. Could he confirm the rumour it will be called the Constable Silvanus Yates Commemorative Park, and secondly will there be a speed limit for tricycles?

[Laughter]

8.1.3 The Deputy of St. Martin:

Yes, just joining my Constable's thanks to those who have given so much time to make it really an excellent car park. We are very proud in St. Martin to have that. In fact the educational ... sorry, car park and park. [Laughter] It is unfortunate the Minister for Education, Sport and Culture is not here because we would like to remind him in St. Martin that really what has happened, we have now provided a first class car parking area for those mums and dads, *et cetera*, who bring their children to school. We would have been delighted to have some funding from Education to pay for that. The Constable of St. Martin and I are both in agreement, we would have liked to have some but the Education have not done it so it is has just been paid for out of the ratepayers' money. What it will do, it will ensure that those people who wish to leave their cars over weekends or maybe going away on holiday, the Honorary Police will have some authority to move them if they need to. I am sure people will support this proposition and, again, we thank all those that have made it possible.

The Bailiff:

Could we have a bit of quiet, please, it is very difficult to hear the speaker. Senator Le Gresley.

8.1.4 Senator F. du H. Le Gresley:

I would like to ask the Minister when he responds, in response to what I listened to from the Constable of St. Martin, whether the park would allow for the creation of a full-sized football pitch on this green, given the size of the land in relation to field 327A, which is currently used as a football pitch, and could potentially be the site of the new St. Martin school. I would be grateful if the Minister could advise whether there is a possibility for that football pitch to be transferred to the village green. Thank you.

The Bailiff:

Does any other Member wish to speak? Deputy Le Claire.

8.1.5 Deputy P.V.F. Le Claire:

Occasionally I, living in town, put my child in his car seat with the trike in the boot and I trundle off to St. John and make good use of the facilities in St. John. I must confess I have not gone to St. Martin but I am very much looking forward to going to try out their cycle route. I do hope that I will be welcomed there as the people from St. Martin are welcomed into town, and I would like to congratulate the Constable and the Parish of St. Martin for providing an excellent facility for the people of St. Martin in the main, which I hope they will not mind people from town on occasion who have difficulty finding open space themselves from coming to visit and marvel at it. But to be honest about this, without detracting from the debate, I think the Constable and the Parish need a good pat on the back for a job well done, so I would like to congratulate them.

8.1.6 The Deputy of St. John:

As the Scrutiny Panel with the responsibility for the environment I am just looking for a nod from my fellow members of the panel whether or not we call this in. [Laughter] I am pleased to say that the answer is no and therefore we are fully supportive of this.

The Bailiff:

Very well, I call upon the Minister to reply.

8.1.7 The Connétable of St. Brelade:

I would respond with regard to the naming of the park, I think it is a matter for the Parish of St. Martin and I am sure they can deliberate in a Parish Assembly on that and let me know in the fullness of time. Deputy Le Hérisssier remarked upon tricycles and I would suggest if he refers to Part 6 of the Law, the Policing of Parks (Jersey) Regulations 2005, Article 6(2) refers to several Articles, 22, 23, 25, 27, 33, 36, 48, 49, 51, 52, 74 of the 1956 Law which will apply to pedal cycles ridden on a cycle track established under this Law. **[Laughter]** In terms of a football pitch, referring once again to the Law, I would suggest to Senator Le Gresley that as long as the football pitch does not contravene any Articles in paragraph 3 it would be clearly up the park authority which would be the Parish of St. Martin in this case. I propose the Law in the Second Reading.

The Bailiff:

All those in favour of adopting the principles, kindly show. The appel is called for in relation to the principles. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 50**CONTRE: 0****ABSTAIN: 0**

Senator T.A. Le Sueur
Senator P.F. Routier
Senator P.F.C. Ozouf
Senator T.J. Le Main
Senator B.E. Shenton
Senator F.E. Cohen
Senator J.L. Perchard
Senator A. Breckon
Senator S.C. Ferguson
Senator A.J.H. Maclean
Senator B.I. Le Marquand
Senator F. du H. Le Gresley
Connétable of St. Ouen
Connétable of St. Helier
Connétable of Trinity
Connétable of Grouville
Connétable of St. Brelade
Connétable of St. Martin
Connétable of St. John
Connétable of St. Saviour
Connétable of St. Clement
Connétable of St. Peter
Connétable of St. Mary
Deputy R.C. Duhamel (S)
Deputy of St. Martin
Deputy R.G. Le Hérisssier (S)
Deputy J.B. Fox (H)
Deputy J.A. Martin (H)
Deputy of St. Ouen
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy J.A.N. Le Fondré (L)
Deputy of Trinity
Deputy S. Pitman (H)

Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy of St. John
Deputy M. Tadier (B)
Deputy A.E. Jeune (B)
Deputy of St. Mary
Deputy T.M. Pitman (H)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)
Deputy A.K.F. Green (H)
Deputy D.J. De Sousa (H)
Deputy J.M. Maçon (S)

The Bailiff:

I think I know the answer to this one, Deputy, **[Laughter]** but under Standing Orders I must ask you, do you wish it to refer to your Scrutiny Panel?

The Deputy of St. John:

No, Sir, I congratulate the Parish on achieving what they wanted to achieve.

The Bailiff:

Very well, do you propose Regulations 1 and 2 together and the schedule.

The Connétable of St. Brelade:

Yes, Sir.

The Bailiff:

Are they seconded? **[Seconded]** Does any Member wish to speak on the individual Regulations? All those in favour of adopting the Regulations and the schedule; kindly show. Those against? The Regulations are adopted. Do you propose the Regulations in the Third Reading, Minister?

The Connétable of St. Brelade:

Yes.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak in Third Reading? All those in favour of adopting the Regulations in Third Reading; kindly show. Those against? They are adopted in Third Reading. We come next to Income Support: mortgage payments, Projet 149, lodged by Deputy Southern and I will ask the Greffier to read the proposition.

9. Income Support: mortgage payments (P.149/2010).

The Greffier of the States:

The States are asked to decide whether they are of opinion (a) to agree that the list of the expenses in relation to which special payments may be made under Regulation 3(1) of the Income Support (Special Payments) (Jersey) Regulations 2007 should be extended to include mortgage payments made in respect of a dwelling owned and occupied by the claimant as his or her principal residence, provided that the maximum amount of a special payment made in relation to a mortgage following this amendment shall be a sum equivalent to the rate payable under paragraph 4(2) of Schedule 1 to the Income Support (Jersey) Regulations 2007 for the type of dwelling concerned, with the sum

payable weekly for a maximum of 6 months; (b) to request the Minister for Social Security to bring forward for approval the necessary legislation to give effect to the proposal.

The Bailiff:

Before calling on Deputy Southern, can I inform Members that the Constable of St. Mary has lodged a third amendment to Project 104 - Sustainable Transport Policy - which no doubt will be available for Members. Deputy Southern.

9.1 Deputy G.P. Southern:

Thank you. We seem to have developed a head of steam in the second half of this afternoon so I will try not to slow us down too much, however there are some important points to be made about this relatively simple and straightforward proposition. The first is that we make a clear distinction under income support between those who pay rent and those who have a mortgage. My concern is that in the case where the main breadwinner, let us just say, is made redundant that if that person pays rent then they have a straightforward and obvious mechanism by which they can receive some support through income support, they go down to social security and explain their situation and they will receive some support to maintain them in their house. They will not become homeless as a result of it. However, if they happen to have a mortgage and are having difficulty meeting those payments because of the redundancy, or for other circumstances, for example marriage break-up, they can go down to the Social Security Department and they will, at the front desk, ask what is available for them, whether they can receive any help to tie them over this temporary position and they will be told no. They will probably go away, rend their clothes, tear their hair out and may well end up in difficulty. They may be able to get themselves together to go to their mortgage company and arrange for a temporary expedient to cover them for some while but they will not get any help from the States. Or they will be certainly told that. Certainly I know of 2 cases where a mortgage holder has come to me after having visited the department to be told that there is no help available. The end result of that may well be that in order to say money in the short term we build-up a problem in the long term. If the end result is that a person is made redundant and ends up losing their house then where will they turn to be housed in Jersey. They will end up on the door of the Minister for Housing - unfortunately he is not here today but his Assistants are here - to be greeted by his Assistants and request housing, probably through the States because they will be in need. At some stage, when they have got themselves back on their feet, of course any help that has been given under this scheme proposed here on special payments may be repaid. Arrangements will be made to put in place in a repayment scheme and that money will be recovered. So while there is a cost to this scheme initially, it is definitely one that I believe is one that can be categorised as spend in order to save in the long term. Much is made in the response from the Minister that this is a very minor problem and that he has only come across 3 applications for assistance with mortgage payments, all of which he says he met. Members have the choice in terms of the extent at which this proposition may come into use either it will only ever be a very small number of cases that will come forward to need help and therefore the financial implications are relatively minor, or they may take the attitude that I have that I fear that there may well be certainly substantial redundancies still in the pipeline.

[17:00]

We know we are aware of public sector redundancies about to occur and there may well further mortgage problems in the pipeline. Things will not automatically be getting better, they may be getting worse. I cite what is going on in the U.K. as an example. I read from the newspaper *The Guardian* of Saturday where it says, on page 21: "Thousands of unemployed homeowners could be forced out of their homes in the next few months following cuts to Government support for mortgage interest payments. The payment rate for support for mortgage interest, S.M.I., a benefit paid to people on income support, jobseekers allowance or pension credit and with mortgages of a certain amount was almost halved on 1st October and the debt advisory charities are reporting that

borrowers are falling behind with their payments as a result.” Now, I know the situation in the U.K. in terms of the housing market is far worse than it is here. Nonetheless, I believe that with the number of redundancies - not only in the private sector but I believe in the public sector - that we know of, this problem may well increase over the coming year or 2. What I am concerned with is that we have a clear provision and a clear position on that potential problem to deal with it over the coming year or 2. I say so in the light of evidence, I think. For example, we have just seen the figures 73 redundancies, voluntary redundancies, from the public sector in recent weeks that have gone through. Note, they are all voluntary redundancies, anyone tempted by that voluntary redundancy scheme with a substantial mortgage will not volunteer and presumably did not volunteer. Nobody would do that. What we are about to see in the coming year is that voluntary redundancy scheme terms are to be very much reduced and will still contain no incentive over the terms of compulsory redundancy in the States sector. We are told by the Minister for Treasury and Resources and others that a large part of the measures proposed in terms of redundancies is to target senior and upper management, people who may well have a family and a mortgage to support. The next wave of redundancies, I believe, in the public sector are going to be compulsory redundancies, because if there is no difference between volunteering, jumping and being pushed in terms of redundancy then everyone, senior management or otherwise, is going to sit tight, stay in place and wait for the black spot to come, wait for the axe to fall. These are going to be compulsory redundancies and therein lies the rub. Senior management losing their jobs through compulsory redundancy and possibly being placed in a dramatically bad position in terms of their mortgage payments, in terms of maintaining a house, a roof over their heads. So redundancies, I believe, are going to increase and the danger of people being made homeless through this will also increase. So the 3 cases that we have seen so far, and only 3 cases ... I would suggest we have only had 3 cases, why? There are 2 things that are required, one has to know that help is available, that publicity for that help has not been widespread. We all know that one of the major faults in any benefit system is not necessarily that it is subject to cheats and fraud, but that the reach and the extent of that benefit system is not made public knowledge so people do not know that they can claim. This is spectacular when people turn up with a mortgage problem and are told: “No.” But it certainly has not been widely spread that help is possible. So the 3, I believe, is the tip of the iceberg, I believe there are far more potentially out there and far more in the future. This is, in fact, a revival of an amendment that was brought when Income Support was first brought in by Deputy Martin back in 2007. We said at the time that we ought to have something properly in place and widely publicised to say that not only those in rental accommodation, but those in mortgage accommodation, could seek help and might get such help when they are in dire straits. At the time we suggested that 12 months would be a suitable period for which that protection should be in place. I believe that back in 2007 that 12-month period was seen by many in this House to be too long and that a shorter period, had it been brought, might of well received acceptance of the House. This proposition suggests that any such payment, any such support, should be restricted to 6 months in order either for people to get that new position and sort themselves out or to, in a regular way, sort their circumstances out by getting other accommodation, so the 6 month limit I think is appropriate in this case. For those who may have paid attention to the comments, in particular at the foot of page 3, where the Minister objects to the whole principle and says that it will not work within the regulations. I do not believe that is a valid objection because part (b) of the proposition says: “To request the Minister of Social Security to bring forward for approval the necessary legislation to give effect to the proposal to give limited support to mortgage owners in the case of redundancy or other life changing disaster.” I believe it is already catered for in (b). Members will have seen that in the financial and manpower statement that the amount of support is limited to that which is payable in a rental situation, so it is no greater than, we are not talking about large sums on enormous mortgages, it is limited to the amount that is payable and it is equally limited to a 6-month period. Anyone with a 4-bedroom house with a mortgage could get support of around £6,500 over that 6-month period in order to tide them over the worst crisis, probably, that will impact their lives at that time. So it is limited, I believe it is safe, I believe it is something that we

should do and we should widely publicise in order that we can cope with any rise in the circumstances that this is designed to deal with. I think this is a reasonable position to take and I think it is one which Members should support. I maintain the proposition.

The Bailiff:

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

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

If I have understood the proposal correctly, what he is asking the States to agree to is to extend the regulations to include mortgage payments for anyone who is made redundant, I believe, who do not have to be a low income support household as a result of the redundancy, if he could just clarify that for me.

Deputy G.P. Southern:

Yes, they do not have to qualify under the financial regulations, obviously that is a crisis, that they are obviously better off than that, but if they cannot maintain their mortgage payments they are likely to lose their home and that would be disastrous.

Deputy J.A. Hilton:

Thank you for that. The difficulty I have with this proposition is that I believe it leaves it, in my opinion, too generous. You could possibly have a joint ownership, you might have a husband and wife team where one person is made redundant and I think, under the proposition that the Deputy is asking us to support, that in effect that person could qualify for the payment but they could have a partner who is earning ... he is saying: "No", but earning a lot of money and is fully able to make the mortgage repayments themselves. So personally, as a taxpayer, I would object quite strongly to agreeing a proposition on that basis. I think if a household is able to meet their mortgage payments I do have a problem with that. If I have understood correctly I believe that is what the Deputy is proposing and I simply cannot agree with that because you could have a household where despite one person being made redundant there may be a salary of £50,000, £60,000, £70,000 coming into the household. I will give way.

Deputy G.P. Southern:

If the speaker will give way, reading of the first 2 lines of the proposition will, I believe, allay her fears: "To agree that the list of expenses in relation to which special payments may be made under Regulation 3.1 'may' [not 'shall be'] made." It is not compulsory, everyone can get it, may, if the circumstances ask for a special payment, require it.

Deputy J.A. Hilton:

I think I will probably rely on the Minister for Social Security to cover this point for me because I do not fully understand it and I am sure he will be able to put it into context for me.

Deputy I.J. Gorst:

Perhaps if the Deputy would give way, there does appear to be arising a little confusion here. If I am to do, or the States agree with Deputy Southern to do, as the proposition requests, there will be as I understand it no "may" about it. If the person falls within those regulations then they will be entitled to the payment. However, there is some confusion because the Deputy is suggesting that I can make special payments outside of that Regulation 3.1 which allows for the normal income to be taken into account and means testing to apply to special payments. So I am not sure quite exactly what it is the Deputy is suggesting in his proposition, it is perhaps something different from what he is saying in his speech.

Deputy J.A. Hilton:

I think I will stand by what I have already said. I am satisfied that the discretionary powers of the Minister who is able, and who has in the past, made payments to those people who are quite obviously in dire straits financially through redundancy or whatever. I think I am quite satisfied in those circumstances to allow that to continue so I do not believe I will be able to support the Deputy in this proposition.

9.1.2 Senator F. du H. Le Gresley:

When I first read this proposition I was quite keen on it but then I realised that the schemes that are comparable in England only refer to interest on mortgages, not capital repayment. There is no division in the proposition between capital and interest and I am sure it is a principle of a benefit system that we do not repay loans, certainly capital on loans. For that reason I think the proposition will probably not be acceptable to many Members of the States. I would go on to say though that, we always go back to our past, in a time past when I was a lending banker certainly we never allowed mortgages without mortgage payment protection insurance. Consequently, one of the conditions for making a claim under mortgage payment protection insurance is where you have been made compulsory or voluntary redundant. Now, I would suggest that many people in Jersey who have mortgages would have such a policy and that would be the first port of call to check with their lender if their policy or the insurer covers them for certainly the repayments for a limited period while they are seeking work.

[17:15]

Another effect of this proposition, if we were to accept it, is that as far as taxation is concerned, some people are entitled to mortgage interest relief as part of their tax benefits or allowances. Now, this is something that would have to be also considered because if we are going to be paying a benefit to pay interest and then the recipient also puts in a claim for the interest in their tax return, which is a different department, we could find that we have paid the interest and they are claiming it against their tax bill. So I think that is another area to look at. Those are my 2 main concerns and I hope the proposer will address them in his reply.

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

Yes, it does seem not that many years ago that I stood... and it was for a year, and at the end of the debate I remember many of the Constables coming up to me and saying to me: "Deputy Martin, if you had have gone for 6 months we would have probably supported it because we can see the argument." Obviously I would have liked to have known that before the debate, I could have perhaps amended it, or it would have been very kind of the Constables ... which could have carried it because I think I did get quite a bit of support on this one of my many amendments brought to income support. I do not understand what problem Deputy Hilton has, and the Minister which he again was being cryptic when he replied, because he says in his own comments at the bottom of page 3: "Special payment regulations only apply to households who qualify for income support or who have a household income that is no more than 10 per cent above the income support level." It actually says that. Now, the Minister for Social Security in this House I have asked him many a time when is he going to be talking to Housing, when is he going to bring this forward? Deputy Southern makes a good point, I do know people who get to the front desk and it is only when, if they contact the likes of myself or other Members who are sympathetic to their calls, who can get to the Minister that the discretion is used. People walk away from the offices, the computer says: "No, we do not pay anything to tide you over." Again, it is an absolutely barmy that you will then say: "But you can go and live in a States 3-bedroom house which is £250 a week, when your mortgage is only £180 or £200." But they will not do it. So, to me, I think the Minister for Social Security well milked it earlier about why he could not possibly support Senator Breckon's because they were already doing something. Well, I am sorry, the Minister for Social Security here is already doing nothing, because I have asked him and asked him to bring this. He also says that he only knows of a few cases. Well, even if it is one or 2 cases, if at certain times in your life you

have lost your job, you have lost your partner, you are left with 2 or 3 children, either man or woman, you need the help of the State. The last thing you do not want to do is lose your house. It is not financially onerous. I am surprised at Senator Le Gresley... I mean, from his past profession he has come across these people across the counter who are losing their home. After everything else they have been through they are losing their home. He said: "Well, they should go and check that they have got insurance." Do you think these people are silly? Of course they are going to check, of course Social Security going to say to them: "Are you not insured? Is this not insured? Is there nowhere else you can get this payment? Is there nowhere else?" So it is not the first port of call, as the Senator said, it will be the last port of call for people in need. It will not be above the rental is already paid on the houses, it is certainly not, as I say, going to cost a lot of money if the Minister is true in his figures. Is it though that he only knows of the 3 and, as I say, how many more people have been turned away at the door because it is not in the law and it is discretionary? A lot of people will not come and ask their Deputy or their Senator or their Constable. So this just crosses all the 'T's and dots the 'I's and I am absolutely amazed that this Minister for Social Security who is, as he said earlier, a 'can do' is a 'cannot do' in this. To me, and I am sorry to say it, it is because Deputy Southern is bringing it. If the Minister was bringing it ... well, not Deputy Southern, that came out wrong, not Deputy Southern bringing it, it is not an idea from the Minister. The Minister is not bringing it and of course now it has always got to be the Minister. We have asked, Deputy Southern has asked, we have waited. Nothing has come. So a Back-Bencher brings it but I really did not mean that about personalities at all, it is because it is a Back-Bencher. It will get worse before it gets better and we are in that game at the moment, the prices are just staying there, people are there, we are not into negative equity, but we do not know what is over the bridge. This just gives the people out there 6 months. I said a year because if anyone has ever had your family split up or suddenly a partner die and, you know, you have got to take a bit of time to even come to terms with that. I thought a year would be okay but I could live with 6 months. But, no, the Minister for Social Security cannot. I am very, very disappointed in him and I really wish he would rethink. He even says in the last bit that we should not overburden people with unnecessary legislation that is unlikely to be used. It is a couple of lines to be changed in the regulation of the Income Support Law. A couple of lines. He has already got all this legislation time to bring in long-term care. Half an hour, that is all it will take and he knows that. Unburden, no, release this, make it law and you will not get people walking out of Social Security and down to where the Senator used to work who is now getting the people down there saying: "Social Security will not help me with my mortgage payment." I think it is a no-brainer, I fully support the Deputy and I really hope people think about this. It is a very sensible, sensible proposition. Thank you.

9.1.4 Deputy P.V.F. Le Claire:

Deputy Martin knows that I am one of the Members that are sympathetic to people's needs and I do trundle along to the Social Security Department on occasions and the Housing Department to represent people's needs. But I think there is a difference in what I would say are people's needs and people's responsibilities and, as quite rightly pointed out by Senator Le Gresley were points I was going to make: this does not just cover the elements of interest, it goes into buying the house, to a certain degree. There is no proposal for that to be a loan that will be repaid to the States once that redundancy is over. There is no cognisance otherwise of the redundancy cover that one would expect to get with a mortgage and also if one is taking on board one's responsibilities in society, as I have done recently with my wife having a new son in our family we have taken out life insurance which also covers us to certain degrees. You can take out greater forms of life insurance to cover yourself in those eventualities. There is a global downturn in finance. There are going to be occasions when obviously people are going to face difficulties in meeting their mortgage payments, it has happened all over the world that people have lost their houses ironically because the banks have been irresponsible in lending to them, but the banks have been the ones to take those houses back off them and sell them on again. If we want to spend more time drafting regulations then I would suggest that we would be better off focusing on the banks and what their activities are, rather

than what the Minister for Social Security is doing. The Minister for Social Security, if he could speak, if he has not already spoken by his interjection, if he could allay my fears and address one other issue then I think I will be able to go with the Minister for Social Security and not, I am afraid, with Deputy Southern. In his comments on page 2 at the bottom of the paragraph "Introduction" it says: "In addition to the special payments regulations the Minister has discretionary powers to make payments to individuals in exceptional circumstances." I have raised this before with the Minister and constituents who I have asked the Minister to consider ... and I must be fair with Deputy Martin here, I have also sat in the offices at Social Security and watched the Social Security officers punch in the information to the computer until they get no and then sit there like stuck robots. I have made this in other speeches, when I have asked for those other policies and what they were and the Minister knows full well I have been asking these things, they should be quite clear if the Minister can say that he is able to make these payments in exceptional circumstances then it should be in every publication that the Minister pays for and quite clearly laid out in the Social Security hallway as people walk through the door, that aside from all of the things that people are eligible for, in exceptional circumstances the Minister has the right to make discretionary payments based upon an appeal system, and the mechanism for how that appeal works. If that does not exist and if there are areas within the law in this particular instance where the Minister would not be able to do that, then I will support Deputy Southern. So I am waiting for that guarantee from the Minister and also requesting him if he could help us all put this debate into where it belongs, which is sorted, get some stickers in the department or some information on the walls about what people's policy rights are and then Deputy Martin and myself will not be sitting there banging our heads against the wall when we are faced with, as the civil servants are and the people who are listening to them, the inevitable: "Well this is where the law is silent and this is where the law stops and this is where we cannot get help." I am not dismissing or trying to demean in any way or belittle the issue about people that may face a position in their life when they become scared of losing their property. I know what that means. But I do think if we have got this covered already we do not need to go this far. If the Minister can give us the assurance then I think I am sorry to say Deputy Southern does not have my vote on this.

9.1.5 Deputy A.K.F. Green:

Much of what I was going to cover has been covered but I would just like to make a couple of points. I am going to support this proposition. I know the Minister is very helpful, I have to say that every time I have taken a social security problem to the Minister it has always been sorted out very quickly to my satisfaction. But we should not have to depend on the discretion of a Minister. The next Minister may not be quite so helpful. Do you know how demeaning it is to have to beg for something a bit different at a time when you have lost your job and maybe lost your family? I find that totally unacceptable. The other reason why I am going to support this is I do not believe it will be a financial burden as others have said, and also I thought we were in the world of encouraging people to make arrangements for themselves, to stand on their own 2 feet, to buy their own homes, but when it goes wrong: "You are on your own, Jack." I do not think that is right and I will be supporting this proposition.

9.1.6 Connétable P.F.M. Hanning of St. Saviour:

Really it is just a simple question for the proposer. I wonder if you could clarify for me whether this support would kick-in automatically if somebody did have insurance to cover their loss of income?

ADJOURNMENT PROPOSED

The Bailiff:

The adjournment is proposed. Do Members agree to the adjournment? Very well then, we will reconvene and continue the debate on this proposition at 9.30 a.m. tomorrow morning.

ADJOURNMENT

[17:29]