

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 1st MAY 2012

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[9:30]

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

QUESTIONS

1. Written Questions

1.1 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE CHIEF MINISTER REGARDING 'ZERO-HOURS' CONTRACTS FOR STATES EMPLOYEES:

Question

Will the Chief Minister inform members how many States employees, by department, are currently employed on temporary contracts and how many of these are employed on 'zero-hours' contracts?

Will he further inform members of the reasons given by departments for the levels of temporary employment revealed and in particular of the justification for the use of 'zero-hours' contracts?

Does the Chief Minister condemn the use of 'zero-hours' contracts in both the public and private sectors and, if so, will he agree to work with his Minister for Social Security to eliminate their use?

Answer

Temporary fixed term contracts of employment are used to cover various operational requirements such as:

- To cover a permanent member of staff who is absent because of a period of sickness, maternity, or special leave;
- To cover seasonal resourcing requirements – ie the requirement does not exist at another time;
- Due to the fluctuation of pupil numbers and demographics within schools and colleges;

Temporary Fixed Term Contract Employees as at 31.03.2012	
Department	
Chief Minister's Department	18
Department of the Environment	1
Economic Development	1
Education, Sport & Culture	120
Health & Social Services	98
Home Affairs	7
Housing	3
Jersey Airport	4
Jersey Car Parks	2

Jersey Harbours	3
Non Ministerial States Funded	12
Social Security	2
Transport and Technical Services	5
Treasury and Resources	7
Grand Total	283

States of Jersey Zero-Hours Employees paid during the month ending 31.03.2012

Department

Chief Minister's Department	2
Education, Sport & Culture	582
Health & Social Services	545
Home Affairs	17
Department of the Environment	3
Social Security	2
Transport and Technical Services	1
Non Ministerial States Funded	3
Jersey Airport	2
Grand Total	1157

Within the States of Jersey, Zero-Hours contracts meet the organisation's need to provide a flexible pool of labour where additional work is required. Generally zero-hours contracts are used to cover ad-hoc short term absence and to provide additional employees to meet other unforeseen demands. For example within Education Sport and Culture zero-hours contracts are used to employ Supply Teachers, Lecturers, Teaching assistants, cleaning and caretaking staff to cover absence due to training courses, sick leave, or short term vacancies. Similarly within Health and Social Services zero-hours contracts are issued to Bank Nurses and Health Care Assistants. Within the Home Affairs Department Tutors, Administrative support staff and Translators are also employed on a Zero-hours contract basis.

The appropriate use of Zero-Hours contracts in both the private and public sectors are essential and have the benefit of offering flexible working opportunities that employees appreciate.

1.2 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE CHIEF MINISTER REGARDING TAX INFORMATION EXCHANGE:

Question

Does the Chief Minister welcome the resolution of the European Parliament to call on EU member States to take action on tax avoidance and evasion (which condemns tax competition; demands better company registrars and registers of trusts; demands full country-by-country reporting; demands more resources for tax authorities; condemns the use of tax havens and in particular highlights the need to generalise automatic information exchanges and to extend the scope of the Savings Taxation Directive in order to effectively end banking secrecy)?

Will he inform members what actions, if any, he will take to demonstrate his willingness to cooperate with such initiatives?

Answer

Jersey has long had an excellent reputation for complying with international standards and initiatives whether they be in respect of tax, financial regulation or anti-money laundering. That reputation is well founded on third party assessments by the OECD Global Forum of Transparency and Exchange of Information for Tax Purposes, the International Monetary Fund and the Financial Stability Board which are seen by the G20 as the key bodies in promoting essential international cooperation in dealing with the current global issues.

I am determined to maintain and enhance that reputation and Members can be assured that, as and when the measures the European Parliament has referred to in its resolution become an international standard, our declared policy of compliance with such standards will be as actively implemented in the future as it has been to-date. Indeed independent assessments have shown that we compare favourably with the EU Member States and G20 countries in the application of international standards such as the recommendations of the Financial Action Task Force on anti-money laundering, and particularly those relating to the availability and accessibility of information on the beneficial ownership of companies and trusts to which the resolution refers indirectly.

There is a further dimension to this policy when it comes to the European Union and that is what can be described as our 'good neighbour approach'. This is most clearly reflected in the voluntary support we have given the EU Member States in their application of the EU Directive on the Taxation of Savings Income. In the regular discussions that my officials have with officials of the European Commission it is always made clear that we are committed to maintaining that support, in partnership with the other non-EU territories who are similarly involved, once the EU Member States reach agreement among themselves on the adoption of the proposed extended scope of the Directive to which the European Parliament's resolution refers.

We will continue to follow closely developments in the European Union including the response of the EU Member States to the European Parliament's resolution. In our discussions however with many of the Member States, and particularly those that we join with in the OECD Global Forum Peer Review Group of which we are a vice-chair, we have found their focus is not on tax havens as in the resolution but on uncooperative jurisdictions. This is evidenced by the fact that, within the French administration, the French Chair of the Peer Review Group is from the General Delegation

on non-cooperative countries and territories. In this context Jersey is seen by all members of the Group and beyond as a cooperative jurisdiction accepting fully the importance of the effective application world-wide of the standards set by the Global Forum. We are determined to protect our present high standing in this respect and we will do so by continuing to respond appropriately and positively to both existing and new international standards and initiatives.

1.3 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING AN INVESTIGATION INTO EFFECTIVE TAX RATES:

Question

Will the Minister provide the results of his investigation into effective tax rates by quintile and inform members what these reveal about the progressive nature, or otherwise, of the Island’s Income Tax system?

Answer

The Minister has provided below comprehensive data which illustrates the progressive nature of Jersey’s Income Tax system. In summary:

- An analysis of individual (married and single) income levels and effective tax rates shows that the top 20% of earners pay 70% of all personal income tax.
- Those with income levels in the top 5% pay 34% of all personal tax, and the top 10% pay 47%.
- This analysis also shows that the bottom 40 % of earners pay less than 2% of all personal income tax , due to their tax exemptions.
- Furthermore, 17,000 individuals (married and single) (approximately a quarter of all income earners in Jersey) do not pay any income tax because of their personal exemptions.
- We already have an income tax system which results in those who earn more paying more, and those who have low incomes being protected by their exemptions.

The following tables give three alternative presentations of information by quintile:

Derived from 2009/10 Household Income Distribution Survey and individual taxpaying population who completed a 2010 tax return

Quintile	Income charged to tax on each individual	Number of taxpayers	Average Tax Effective Rate	% of total individuals tax revenues
1	<=£21,500	11,885	7.33%	3.5%
2	£21,501 – 34,050	11,728	10.90%	9.9%
3	£34,051 – 50,000	9,075	12.89%	13.6%
4	£50,001 – 75,812	6,873	14.68%	17.4%

5	£75,813+	6,862	17.59%	55.6%
Total		46,423		100%

Derived from individual taxpaying population who completed a 2010 tax return

Quintile	Income charged to tax on each individual	Number of taxpayers	Average Tax Effective Rate	% of total individuals tax revenues
1	<= £18,894	9,285	6.78%	2.1%
2	£18,895 – 28,322	9,285	10.20%	6.3%
3	£28,323 – 40,355	9,285	11.78%	10.4%
4	£40,356 – 63,919	9,284	13.84%	18.3%
5	£63,920 +	9,284	17.02%	62.9%
Total		46,423		100%

Individual means a single person or a married couple.

In addition to the 46,423 individuals who paid tax for the year of assessment 2010, approximately a further 17,051 individuals were not liable to tax because their total income was below their personal exemption threshold. 10,438 of these had completed a 2010 tax return.

All individuals (married and single) from Taxes Office data base. Year of assessment 2010.

Quintile	Income charged to tax on each individual	Number of taxpayers	Average Tax Effective Rate	% of total individuals tax revenues
1	< Exemption threshold	12,695	0%	0%
2	< £17,999	12,695	4.35%	1.7%
3	£18,000 – 30,899	12,695	10.24%	9.0%

4	£30,900 – 52,588	12,695	12.71%	18.5%
5	£52,589 +	12,694	16.30%	70.8%
Total		63,474		100%

Analysis of number of taxpayers

Liable to pay tax and completed a 2010 tax return	46,423
Not liable to pay tax and completed a 2010 tax return	10,438
Not liable to pay tax and not required to complete a 2010 tax return	<u>6,613</u>
Total	<u>63,474</u>

1.4 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING ‘ZERO-HOURS’ CONTRACTS:

Question

Will the Minister advise members what information, if any, he has on the extent to which ‘zero-hours’ contracts are used by the Island’s employers by sector and explain why such contracts are used?

Will he inform Ministers how such contracts interact with the Income Support system and whether they cause particular problems for its administration?

Will he further state whether he considers the use of ‘zero-hours’ to be harmful to employees and, if so, what steps, if any, will he take to discourage their use?

Answer

My department does not hold specific information on the prevalence of zero-hours contracts, however departmental inspectors will examine employment contracts and wage information during regular survey visits.

Zero-hours contracts are used to meet requirements for casual or irregular work where no particular number of hours or times of work are specified and there is no guarantee of work. They are useful when an employer needs a bank of ‘casual workers’ including recruitment agencies, bank nurses and supply teachers. In a zero-hours contract, there should be no obligation on the part of the employer to offer work and no obligation on the worker to accept. Zero-hours contracts may be used, for example, to cover ad hoc shifts, holidays, sickness and seasonal upturns in certain industries (particularly fulfilment, agriculture, hospitality and retail).

If an Income Support claimant is working sporadically under a zero-hours contract, their Income Support claim will be reviewed frequently to ensure that the benefit amount is adjusted in line with actual earnings.

Depending on the number of hours actually worked, an Income Support claimant may also be required to undertake job-seeking activities in order to find more regular employment.

There are no specific problems identified with the administration of an Income Support claimant with a zero-hours contracts per se. If an individual has earnings that fluctuate considerably from day to day or week to week, this will result in extra administration but this could be due to short-term temporary contracts, overtime, commission income and casual work or zero-hours contracts.

Genuine zero-hours contracts are necessary and appropriate, for both employers and employees.

The existence of a zero-hours contract does not, of itself, absolve the employer from any responsibilities under the Employment Law. If an employer/employee relationship is in fact created, the Employment Tribunal will consider this and apply the Employment law accordingly

Since March 2011, the Jersey Advisory and Conciliation Service (JACS) has included the following advice on its website discouraging employers from inappropriately using zero-hours contracts:

“We are concerned that some employers are using zero or variable hour contracts in circumstances that may not be appropriate and they may, therefore, be susceptible to successful Tribunal claims. Where we think problems do arise is when an employer uses zero-hours contracts for work that is regular because the employer believes it protects them from claims of unfair dismissal, the need to give notice or, in future, from the obligation to make redundancy payments. The question arises as to whether an employer/employee relationship is created but, in our view, it is probable that a relationship does exist where a mutuality of obligation arises i.e. there is an expectation by the employer that the individual will be available for work and by the individual that work will be offered. In such circumstances we believe that such employees would be entitled to the same employment rights as 'permanent contract' employees. While it is for the Employment Tribunal to determine the facts in any such case, we caution employers to be careful that they use zero or variable hours contracts appropriately.”

2. Oral Questions

2.1 Deputy G.P. Southern of St. Helier of the Minister for Treasury and Resources regarding the stimulation of the Jersey economy:

In the light of the news that the U.K. (United Kingdom) is officially in recession and that the leading cause is a 0.1 per cent drop in the finance sector, which accounts for 29 per cent of the U.K. economy, what evidence, if any, does the Minister have to suggest that Jersey is not in recession and what further measures, if any, will the Minister take to stimulate the Jersey economy?

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

The leading cause of the fall in U.K. G.D.P. (Gross Domestic Product) is not the 0.1 per cent fall in the finance sector. Most economists see the sharp fall in the construction sector within the United Kingdom as being the main cause and even then, the figures published last week are the provisional figures. G.D.P. figures are notoriously almost always revised with accurate information later on.

The Deputy is aware that a recession is normally defined as 2 consecutive quarterly falls in real G.D.P. or equivalent measure of overall economic activity. We do not have quarterly figures and what G.V.A. (Gross Value Added) data we do have relates to the activity in 2010. However, the latest business tendency survey does suggest that conditions are weakening in the economy in 2012, both in Jersey and elsewhere, with business activity falling at a greater rate but 8 of the 10 indicators remained essentially at the same level as the previous quarter. It is because business conditions remain difficult for local businesses and unemployment is rising that the Council of Ministers has responded by tasking the Minister for Economic Development to bring forward his economic growth plan and in the medium-term financial plan funding appropriately for that, bringing forward £27 million of social housing projects supporting the construction industry which then supports the rest of the economy. In addition, the spending of £40 million of 2011 carry-forwards this year to support the economy and we are also supporting and considering other measures of support to support the economy over the coming months.

2.1.1 Deputy G.P. Southern:

Never mind quarters' recession. Does the Minister accept that the figures for the last 3 years, 2007-2008 were a 3 per cent drop; 2009 a 6 per cent drop in G.V.A. and 2010, another 5 per cent drop? What estimate does he have for the drop in G.V.A. at constant values for 2011 and does he accept that we are in deep recession?

Senator P.F.C. Ozouf:

No, I do not, and I refer the Deputy to the estimates compiled by the independent Economics Unit and overseen by the F.P.P. (Fiscal Policy Panel) which stated that the economic situation of Jersey was likely to be within a range but was probably around zero or slightly positive. I do not think that G.V.A. numbers in themselves are the actual barometers that we should be looking at. Certainly I agree with the Deputy that it is the issue of unemployment that is immediately the issue that the Council of Ministers is dealing with and we are responding proactively because we can, unlike some other governments, to key projects such as bringing forward social housing. I am not going to steal the thunder of the Minister for Economic Development's economic growth plan but certainly there have been discussions with Ministerial colleagues only yesterday about the latest draft of it and that is going to be bold and it is going to be positive in its outlook attempting to do the very best we can in what is clearly a very difficult economic situation.

2.1.2 Senator S.C. Ferguson:

The Minister has said that the recession in the U.K. is driven by the construction industry and given that the construction industry has been driven by overheating of the housing demand, is the same factor not applicable in Jersey?

Senator P.F.C. Ozouf:

I think the factors are quite different. I think it is important to understand the role that the construction sector has in the economy and what I would say to the Senator is that I believe that the economic situation of Jersey would have been far worse had we not engaged the Fiscal Stimulus Plan with the various initiatives in terms of capital infrastructure and housing projects. They made a real difference, not only to our infrastructure, but the third sector too and they kept people in work. That is one of the principal endeavours of the work that the Minister for Housing and myself have been doing in terms of stimulating order books for the construction sector which employs so many local people are very low and we are seeking to get good value for housing projects and we are seeking to get also projects such as the police station up and running, keeping people in work in an situation which would otherwise definitely lead to job losses.

2.1.3 Senator S.C. Ferguson:

Given that we were putting money into the construction industry, has that fiscal stimulus not, in fact, stimulated the immigration over the last 2 years?

[9:45]

Senator P.F.C. Ozouf:

On the contrary, I think that the Senator will be aware in her position as Corporate Services Scrutiny Panel Chairman that the rules surrounding fiscal stimulus were only “local employment” and I have said before on my feet in this Assembly that I myself went in the middle of the night to check on projects such as at Victoria Avenue to ensure that it was local labour together and I saw myself that that was the case. We delivered local labour for those projects and it was the right thing to do.

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

Does the Minister not accept that the fall in G.V.A. from 2008 to the present time, let alone this year’s figures, means that Jersey will not even get back to the level it was at in 2008 probably for another 5 years because the recession was that deep and the impact on the economy? Does he not think that having put all our eggs in one basket over the previous years of concentrating on one industry at the expense of all others has cost this Island dearly?

Senator P.F.C. Ozouf:

The Deputy and I often stand across this Assembly and disagree on what is optimistic about Jersey. Our industry, our engine of the economy, is financial services. The Deputy will be aware that last week I had the privilege of representing Jersey in Abu Dhabi. Abu Dhabi is one of those areas with the growing areas of the world, 13 per cent of our deposit base now coming from the Gulf Region, having added £1 billion worth of deposits on our Jersey deposit book over the last 12 months since we opened the Jersey Finance Office. We are concentrating our endeavours in the growing areas of the world where we enjoy a good reputation, where we can provide good quality financial services and we will continue to do so. I hope the Deputy believes, as I do, that we have a great future in providing quality financial services in the growing areas of the world and that is going to help make sure that we do diversify financial services quite apart from what we are doing in the digital economy.

2.1.5 Deputy M.R. Higgins:

I agree with the Minister that the finance industry is our main industry and we have got to keep it to save other jobs and to keep the Island where it is but does he not agree that the failure of previous governments was to concentrate on one industry at the expense of others, which means that the Island economy is vulnerable to shocks and we know that this recession was caused by financial services’ abuse and that we are all suffering as a result of it.

The Deputy Bailiff:

Deputy, if I may say so, you have got a question on almost exactly the same point coming up later.

Senator P.F.C. Ozouf:

I think the Deputy is simply wrong. The recession has been caused in the world by poor financial regulation in some countries and overspending by governments. That is why governments are, in the western world, in so much difficulty and while we have been chilled by these effects, and yes we have been affected by them, we have positioned Jersey to be in a much stronger position to seize opportunity and seize growth as other places cannot. The failure is not concentrating on financial services or overspending in this jurisdiction.

2.1.6 Deputy M. Tadier of St. Brelade:

I will not ask the Minister for Treasury and Resources whether he thinks that this position is the ultimate point of capitalism as that would be too much fun. The question I do have is does the Minister for Treasury and Resources agree with the comments of the former Chief Minister in March 2009 which said that there is no Plan B if there is a structural downturn in the finance industry? If he does not, does he agree that diversification is the real key to sustainably stimulate the Jersey economy going forward?

Senator P.F.C. Ozouf:

I agree that absolutely we must diversify. We must diversify the financial services industry from a product base and also geographically. It is important that we do recognise that that ensures that all our eggs are not in one basket. The drivers of different elements of financial services are different. Some are delivered by legislation, some by other factors. That is a key part of diversification and I agree with the Deputy that we do need to step up further our attempts to diversify into other service elements of the economy and I believe that the digital economy and I.C.T. (Information and Communication Technology) endeavours could present an important area of our economy in the future which Gigabit Jersey - which Jersey Telecom with the Treasury support - is now driving and now supported by the Digital Jersey Group which is the replica of Jersey Finance. This will deliver jobs and we are positioning ourselves well and we are going to put more effort and resources to deliver those jobs for people in Jersey.

2.1.7 Deputy M. Tadier:

The Minister for Treasury and Resources almost fell into the trap of simply talking about diversification in the finance industry. Will he talk about whether real diversification is possible at all when we have one high network in this industry which is capable of the cuckoo-in-the-nest phenomenon which makes all other industries too expensive and not worthwhile investing in, as we have seen this very previous Government taking money away from tourism and giving it to finance which is more than capable of funding itself?

Senator P.F.C. Ozouf:

It is important that we promote the Island and that is what we do and I would remind the Deputy that the allocations within Economic Development's budget - and it is almost as though the Minister for Economic Development should be answering these questions but I think we are absolutely united on our view - is that there has been a direction; he has maintained the support for the tourism and agricultural industry and, yes, we have been putting more in financial services and I do not agree with the pessimistic view that the Deputy has. I think that we have a great future in financial services, properly regulated, properly marketed, with all of the attributes of the way that we do things in Jersey perhaps unlike some other offshore centres which are receiving international attention and rightly so.

Deputy M. Tadier:

A point of order. Can I ask the Minister for Treasury and Resources not to attribute any views, pessimistic or otherwise, to me without a firm basis for doing so?

The Deputy Bailiff:

I do not think that is a point of order.

2.1.8 Deputy R.G. Le Hérissier of St. Saviour:

Notwithstanding the Minister for Treasury and Resources' optimism, and indeed the cautious optimism of many of us, would he accept the view stated by the departing Guernsey Minister for Treasury and Resources that the economy has to radically reposition itself in Guernsey because it is on a false basis essentially?

The Deputy Bailiff:

Deputy, is this not a question that can be put later on? Question 10 is precisely on this issue.

Deputy R.G. Le Hérisier:

Can I ask another, Sir? [Laughter]

The Deputy Bailiff:

Deputy, for you, anything. [Laughter] [Members: Oh!]

Deputy R.G. Le Hérisier:

Thank you, Sir. Would the Minister for Treasury and Resources consider whether or not the plans he is putting forward, particularly for construction, are sustainable plans? Is he, for example, convinced that proper apprenticeship schemes, proper training schemes, proper recruitment schemes, are in place as opposed to the almost hysterical and unconditional expansion of the industry which has occurred in recent years?

Senator P.F.C. Ozouf:

The construction industry is an important part of the economy. It employs hundreds of local Islanders and when order books, because the credit squeeze happens... those people find it difficult to find work and large contractors go out of business. We need to avert that happening and there is an alignment of objectives. The Minister for Housing and some other Ministers have a backlog in maintenance which needed to be sorted out and we have used the downturn to get good value for money for housing projects, Pomme d'Or Farm, Miladi Farm, all the others are now building new social housing for the benefit of our Island community. Yes, he is right; there has been some necessary improvement in terms of apprenticeships that need to happen with the construction industry. He is Assistant Minister for Education. His Minister sits on the Skills Board and there has been good work done on apprenticeships and other things. There has been a lot done but there is more to do.

2.1.9 Deputy G.P. Southern:

Could I repeat my question? Does the Minister have an up-to-date estimate of the G.V.A. figures for 2011 and 2012 and, if so, will he give them?

Senator P.F.C. Ozouf:

I have not got an update of where G.V.A. is compared to the Economics Unit and I honestly do not think that it would be a good use of the Economics Unit to update those figures at this time. The Chief Minister has said very clearly that the major objective of the Council of Ministers is to tackle unemployment and frankly, working out theoretical numbers, which are notoriously revised when the actual numbers come in, I think is a waste of resources. We need to tackle urgently our growing unemployment. We need to create the conditions for economic growth. We need to put public spending in order to ensure that there are opportunities for growth creation that otherwise would not happen and we need to be thinking about the long-term growth strategy, which the Economic Adviser is working on. There are many debates in many parliaments about G.V.A. numbers. It is short-term politics. It makes good media fun but I think it is short-term and we need to be thinking about the medium and the long-term, not just having a "yah boo" in relation to numbers across this Assembly.

2.1.10 Deputy G.P. Southern:

May I have a point of clarification from the Minister since he went on to employment? Will he detail for Members the £67 million he quoted earlier and state how that £67 million is going towards creating how many jobs in the economy as of now?

Senator P.F.C. Ozouf:

I will give a consideration to answering that but, of course, the £40 million is the underspend from last year which departments are being allowed to spend, which itself is a stimulus to the economy, which means otherwise jobs and other procurement and people kept in work and the £27 million of the construction industry working with the Minister for Housing is going to create jobs. If he wants the number of it, I will try and do my best to estimate but it is quite clear that that scale of investment in the economy makes a difference.

The Deputy Bailiff:

All right. Can I just inform Members that we took 15 minutes on that question and it is not a debate; it is question time and so I am sorry that some Members will be disappointed that their questions were not answered but we must get on with question time.

2.2 Connétable P.J. Rondel of St. John of the Minister for Transport and Technical Services regarding the total cost of the remediation at Beauport to deal with potato leachate:

Would the Minister advise the Assembly the total expenditure from 1992 to date on the remediation at Beauport to deal with potato leachate, provide an estimate of the ongoing costs and give details of the lessons learned? In asking the question of the Minister, can I say that this question, as far as I was concerned, should have gone to the old Agriculture and Fisheries Committee which would now be Planning and Environment but for some reason, it has been passed to T.T.S. (Transport and Technical Services).

Deputy K.C. Lewis of St. Saviour (The Minister for Transport and Technical Services):

The Constable of St. John is absolutely correct on that point. Responsibility for dealing with the leachates at Beauport has rested with a number of States departments over the years and precise costs are difficult to determine with accuracy, given the extended period over which remediation has been necessary. The total expenditure for dealing with the liquid leachate emanating from Beauport since 1992 is estimated at £300,000. Between 1992 and 2006, the leachate was transported via tankers from a holding tank located in Beauport Car Park to the Bellozanne Sewerage Treatment Works in order to receive treatment. The associated cost of this process was approximately £20,000 per year. In 2006, the odours associated with the leachate had significantly reduced, which enabled it to be connected directly to the foul sewer system without the risk of the leachate affecting nearby residents connected to the mains drainage system. Subsequently, costs were reduced to approximately £500 per year. With regards to lessons learned, waste management practices have evolved significantly over the last 20 years, making a recurrence of this type of incident highly unlikely. The disposal of potatoes in 1992 predated the current laws designed to protect the environment. The Water Pollution (Jersey) Law 2000 and the Waste Management (Jersey) Law 2005 administered by the Minister for Planning and Environment would absolutely prevent a recurrence of this type of disposal practice.

2.2.1 The Connétable of St. John:

Given the ongoing cost, although it be very limited, over the years has the T.T.S. Department and previously Public Services been refunded for the money that their department has spent from the department who were responsible for doing the damage?

Deputy K.C. Lewis:

Not to my knowledge but I will get back to the Constable on that.

2.2.2 The Connétable of St. John:

Therefore, if the department has not been refunded, will the Minister be taking action to get that funding transferred from the Planning and Environment Department?

Deputy K.C. Lewis:

I am more than happy to look into that.

2.3 Senator S.C. Ferguson of the Minister for Health and Social Services regarding the provision of over-60s with a free 'faecal occult blood test kit' at 2-yearly intervals:

Would the Assistant Minister advise Members whether the Health and Social Services Department plans to follow the National Health Service's example and provide the over-60s with a free faecal occult blood test kit at 2-yearly intervals and if not, why not?

[10:00]

Connétable J.M. Refault of St. Peter (Assistant Minister for Health and Social Services - rapporteur):

Health and Social Services Department does not have plans to introduce faecal occult blood testing otherwise known as F.O.B.T. We are instead introducing a bowel-screening programme in 2013 based on the use of a procedure known as FlexiSig. FlexiSig is a simple version of a colonoscopy where there is a direct view of the entire inside of the bowel. Clinical evidence shows that one-off FlexiSig screening could reduce colorectal cancers by 20 per cent whereas F.O.B.T. testing at 2-yearly intervals may only reduce the result by 4 to 8 per cent in reduction of colorectal cancers.

2.3.1 Senator S.C. Ferguson:

But surely does the Assistant Minister not agree that prevention is better than cure and by adopting a prevention strategy, moving something into the primary care sector, the hospital consultant concerned with treating bowel cancer is less likely to have a long waiting list of patients anxiously waiting to receive his urgent attention?

The Connétable of St. Peter:

Of course it is always proper to avoid people becoming ill in any form and any procedure that does that is seen as the right way to go. I think Members must understand that the faecal occult blood testing is looking for microscopic elements of blood within the faeces of the person being tested. However, blood in faeces is not necessarily of itself an indicator of cancer. There are many other causes. Even as simple as taking too many aspirin can produce that same result. So it unfortunately produces quite a large range of false indicators which creates a lot of stress as well for the people having to go through other procedures which end up with them having to go in at the moment for colonoscopies in any case.

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

I am sorry if I missed it. Obviously, people must come before cost, but could the Assistant Minister give any indication of what the costs involved would be?

The Connétable of St. Peter:

For the average group, that is round the age of 60, the cost would zero because they will be targeted and invited in by the hospital for testing on the FlexiSig programme. Other people who wish to have a test done ... there will be a charge for people who are voluntarily coming in just to see if they can be checked outside the target age range.

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

Could I ask the Assistant Minister whether there will be any consideration for people that have diseases such as ulcerative colitis or Crohn's disease because they have a higher likely chance of cancer than normal?

The Connétable of St. Peter:

The Deputy is absolutely correct. They are a higher risk group and they would be covered by the new FlexiSig procedures.

2.3.4 Deputy M. Tadier:

The Assistant Minister spoke about the various success rates of the 2 programmes, one at 60 per cent, one at 48, but will the Assistant Minister comment on the reach of both programmes and whether a blood test as proposed by the Senator is more likely to reach more people than those who perhaps have to come in for scans where they may not wish or otherwise be disposed to come into the hospital?

The Connétable of St. Peter:

I do not see there is going to be an issue with the reach because the same people will be targeted. The people who are currently targeted by the F.O.B.T. testing are the same people who will be targeted by the FlexiSig testing.

2.3.5 Senator S.C. Ferguson:

Surely the Assistant Minister understands that having sigmoidoscopy or colonoscopy or C.T. (Computed Tomographic) colonography, anybody having those would far prefer the choice of performing a painless test in their own bathroom which does not involve a 3-day clean prep diet. Does the Assistant Minister not understand this and agree?

The Connétable of St. Peter:

I certainly do understand it. I think unfortunately the Senator does not recognise the fact that a positive test done in a bathroom will result in a colonoscopy or a FlexiSig procedure. That is what will happen, whether, in fact, it is an indicator of cancer or not, whether they are taking too many aspirin-type potentially inflammatory drugs will involve them having a colonoscopy in the hospital if it comes as a positive out of an F.O.B.T. testing.

2.3.6 Senator S.C. Ferguson:

Yes, but that would be controlled, in fact, by the G.P. (General Practitioner), which is the way that primary care should work. Surely that is the whole idea. Move this sort of testing out into primary care, co-ordinated by the G.P.

The Connétable of St. Peter:

I appreciate the Senator's comments and certainly there is a great move within Health and Social Services at the moment to look at primary care delivering far more services reducing the pressures on the hospital but what we really want to be doing is increasing the preventative options of the FlexiSig, which will identify much earlier problems than the current F.O.B.T. testing will do.

2.4 Deputy M. Tadier of the Minister for Health and Social Services regarding organ donation:

Will the Assistant Minister outline whether information and application forms regarding organ donation are readily available at the General Hospital and if not, where can this information be

obtained and will she consider a move to make the organ donation scheme in Jersey opt-out rather than opt-in?

Deputy J.A. Martin of St. Helier (Assistant Minister for Health and Social Services - rapporteur):

Sorry, there are 4 so we have got 2 each and I thank the Deputy for his question. Yes, unfortunately at the moment, Jersey does not have an equivalent database to the U.K. and the N.H.S. (National Health System) and the hospital. The clinicians work on a one-to-one with families to ask whether they give permission and also do they know the patient's wishes. This is very similar to the scheme in the U.K. whereby even if people carry a donation card - that they are willing to be a donor - often they may not have them with them at the time. It is only whether they have spoken to their family and their wishes are known and, if they are not, sometimes the family override even and it may be found out later that the person did have a donor card. On the second part, my personal is yes, I think an opt-out scheme really needs a good debate. It is not in Health's plans for 2012 but with all the different things coming in like the population card and registration card and things like that, where there is a card where there needs to be questions asked we could include that, but it needs to be a debate because apparently you know it is very emotive for some people.

2.4.1 Deputy M. Tadier:

Just a supplementary on the first part. The reason I have raised this question is because a constituent of mine said he has considerable difficulty in finding information and forms at the General Hospital. This may well be an isolated incident but I would like the Assistant Minister perhaps to take a personal look at that, a cursory look, just to make sure information is readily available. I think that is all I have got to ask for the moment. I just thank the Assistant Minister for her answer.

Deputy J.A. Martin:

I am not sure what the Deputy ... I think the Deputy may be alluding to the ...

The Deputy Bailiff:

The question is asking is if you would take a personal interest in having a look.

Deputy J.A. Martin:

Yes, I take a personal interest. Is he asking ... I have already said we do not have an actual registration form so if he is asking me where does the person register, he would probably just need to let the family know and I think with us in ... I think it may be just an English thing, we do not talk about death and we do not talk about what is going to happen after and that is another thing that we should be encouraging.

Deputy M. Tadier:

Could I reiterate the question?

The Deputy Bailiff:

The Deputy can think about his final supplementary in due course. Deputy Le Hérissier?

2.4.2 Deputy R.G. Le Hérissier:

Could the Assistant Minister inform the House, given the parlous state of the system as outlined by her, is the department prepared to undertake a review into this situation and put some proper alternatives in front of the public?

Deputy J.A. Martin:

I think I have already said we will need a debate - an in principle debate - some time on whether we do go for opt-out. I have said it is emotive and I have been told it is on a religious basis but it works well in Spain and to me it is a very highly Roman Catholic country, so you know; but if we go down this route, firstly we have the in principle debate and then we decide which and how we get people on the register, and I do not think that would be too hard with all the different forms and different cards we already carry - driving licence and the population card. So it can be done.

2.4.3 The Very Reverend R.F. Key, B.A., The Dean of Jersey:

Would the Assistant Minister take it from me that there are many of us as religious leaders who would love to see an opt-out system on the very sensible ground of love thy neighbour and when I do not need my kidneys any more, I am not going to need them in Heaven either, somebody else is very welcome to them. Would she accept that from me?

Deputy J.A. Martin:

I accept anything from the Dean. He knows that [Laughter] and I thank him for his donation.

2.4.4 Deputy M. Tadier:

I think from the clarification that the Assistant Minister has given, it is slightly concerning to know that we are very far from an opt-out because we have not even got a functioning opt-in system yet. So will the Assistant Minister give urgent attention to making sure that both information about organ donation and perhaps application forms should be readily available, if not promoted, at the General Hospital and other health outlets throughout the Island?

Deputy J.A. Martin:

Yes, I will look into this and see where we are.

2.5 Deputy R.G. Le Hérissier of the Chief Minister regarding health and criminal checks as an integral part of an immigration policy:

Would the Minister state whether there is any legal issue in Protocol 3 or other relevant legislation which prevents health and criminal checks being carried out which are customarily seen as an integral part of an immigration policy?

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

I would like to ask my Assistant Minister with responsibility for the Migration Advisory Group to answer this.

Senator P.F. Routier (Assistant Chief Minister - rapporteur):

Performing health or criminal background checks which resulted in nationals of the European economic area being prevented from entering and remaining in Jersey would generally be incompatible with the provisions of the Immigration Act 1971 and Jersey's Protocol 3 obligations. Nevertheless, alongside the introduction of the new Control of Housing and Work Law, we are also considering additional controls on nationals of the European economic area, for example, around the 5-year qualifying rule. Also how migrants gain access to some public services and the use of criminal record checks when it comes to the ability to work. If the Deputy would like to assist us in this urgent work, we will report our findings to all Members as soon as we have them.

2.5.1 Deputy R.G. Le Hérissier:

Would the Assistant Minister not concede that the current so-called substitute for an immigration policy has been a catastrophic failure over the last 10 years and would he not accept that a so-called immigration policy which sets up a system of first and second-class treatment once people have

arrived is not the way to go? Proper control at the point of entry is the way to go. Would he accept that?

Senator P.F. Routier:

I think Members recognise that our existing legislation needs quite a considerable overhaul and we have decided to do that. The existing legislation does have its flaws, there is no doubt about that, and that is why we have brought forward the new Control of Housing and Work legislation which is a lot stronger than the current legislation. It does allow us to record people's names and addresses and to keep knowledge of where they are working and where they are living. You will have to remind me on the second part of the question, I do apologise.

Deputy R.G. Le Hérissier:

Would he accept that the policy has been a catastrophic failure? That was the first part.

Senator P.F. Routier:

No, I do not, certainly not.

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

Without commenting on the advisability of health checks or not, could the Assistant Minister note, speaking from personal experience, when I worked in an E.U. (European Union) Member State on a work permit, I was required to have a health check so the question is why does it work one way but not the other?

Senator P.F. Routier:

Yes, certainly if you are on a work permit that is possible to have a health check. The original question which was laid, I did speak to the Deputy about the difference between migration and immigration because the immigration policy that we currently have, which is controlled by the Minister for Home Affairs, does give discretion for an Immigration Officer to ask for a health check or a criminal record check so that already exists in the case of those work permits which are already issued.

2.5.3 Deputy J.A.N. Le Fondré:

The point is if somebody going from here working in the European Union is treated one way, can we not apply that principle coming back into the Island?

Senator P.F. Routier:

I would need to seek advice from the Solicitor General on that. I would certainly find out and come back to the Deputy.

2.5.4 Deputy M.R. Higgins:

The Assistant Minister mentioned about carrying out police checks on people coming into the Island. As Members may be aware from an answer given by the Minister for Home Affairs in the last sitting, on a question I asked about police checks, currently there is no way that we can conduct police checks on European Union citizens or people from Eastern Europe. One of the criticisms I have of that is the fact that local residents applying for work are being told by their employers they must get a police check and yet people coming in from outside the Island are not subject to the same check. They are getting the jobs and our people are not. How are you going to do those police checks if there is no mechanism?

[10:15]

Senator P.F. Routier:

I think the Deputy is mixing up 2 issues here with regard to an employer who has asked for a police check, which is quite within their rights to do that, every employer can seek a police check for any potential employee. What the legislation is focused on is presently the work permit system does allow the discretion of the Immigration Officer to seek a criminal records check but, as identified in the answer which was given previously by the Minister for Home Affairs, the people within the E.U. economic area that is not the case. That does not apply at the present time. It is down to each employer if they wish to have a criminal record check, they can do that.

2.5.5 Deputy M.R. Higgins:

Does that mean that the Customs Officers are going to be stopping everyone when they come into the Island and if they have not got their letter showing they have not got a criminal record, they will be refused entry?

Senator P.F. Routier:

That will be a matter for the Immigration Officer to make any decisions that they wish.

2.5.6 Deputy C.F. Labey of Grouville:

The Assistant Minister keeps on referring to the names and address register as a form of control. Does he still not accept it offers no control whatsoever? It is, as the name suggests, a names and address register that anyone and everyone can put their names to.

Senator P.F. Routier:

The Deputy makes a fair point that the names and address register on its own is not a control mechanism. It is working in conjunction with the Control of Housing and Work legislation where the control comes about. The information which the names and address register provides and with all the other information which is collated from the manpower returns, that is where when a decision has had to be made by an applicant to come into the Island or to set up a business, that is when the control is put in place with all the information that will now be available which has not been available in the past.

2.5.7 Deputy J.A. Martin:

I have just come back from the U.K. I spent 10 days there and the moan is and it is what I would say to our Chief Minister, and say again, a plea. The U.K. is who we are attached to through the E.U., are the softest touch in Europe and they have been for years and everybody is fed up with it. I think when we negotiated our deal, at the time it was good but we have attached our horse to this cart and it is not working. We need to renegotiate because, as Deputy Le Fondré says, it does not work both ways. The U.K. is a soft touch and by that makes us a soft touch. Does the Assistant Minister not agree or can he please look into this?

Senator P.F. Routier:

Certainly, the Deputy raises a fair point about the soft touch culture which may be seen to be an issue in the United Kingdom. We also in Jersey, as I said in my initial answer, need to look at the access to services within our Island because people come to the Island for varying economic reasons. It may be because we have a good education system. It may be because we have a good health system and they do come and use those services. We may need to toughen up on our access to those services and our benefit system. That is part of the work. It is separate from the work that is happening with the new Control of Work and Housing legislation but, as a separate piece of work, we need to seriously look at the access to our services. I think that answers the question.

2.5.8 Deputy M. Tadier:

I am concerned that the Assistant Minister has given inadvertently incorrect information when he says any employer can get a criminal background check. Does he not mean that he can make it conditional on a job offer but if a potential employee does not want to get a background check for whatever reason that the employer, unless it is for certain categories of job, cannot insist on that taking place?

Senator P.F. Routier:

I think the Deputy has a fair point.

2.5.9 Deputy M. Tadier:

If we are talking about an even playing field for local workers versus those who may come from the U.K., with regard to criminal background checks, there is no requirement in Jersey for the police and no ability for them to be able to give a résumé of criminal acts including spent items, so spent items for Jersey people would appear on the background check which the employer has no business asking for whereas somebody in the U.K. could benefit from that not being on their background check. So will the Minister undertake to look into that with data protection because I know it has been raised as an issue in the past?

Senator P.F. Routier:

I think that question would be far better answered by the Minister for Home Affairs than myself but certainly I will discuss it with him and see where it takes us.

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

The Assistant Minister stated earlier on that his department was considering additional controls for E.U. citizens. How confident is he that these controls will comply with Protocol 3 when health and criminal checks do not?

Senator P.F. Routier:

We will obviously look at all the issues with regard to whether things are feasible or not but I think, from the general mood, there is a need to look at what other controls we can put in place. Whether it revolves around really access to services in Jersey and access to benefits is why people come to the Island that may, in combination with our Control and Housing Work legislation, be the way that we address the issue.

2.5.11 Deputy R.G. Le Hérissier:

It is partly a repeat of our last session. Could the Assistant Minister confirm whether or not the work and residential permit system operated by Guernsey is compatible with Protocol 3? Has he managed to research that issue?

Senator P.F. Routier:

I have not but I know it has been challenged in the European Court a few times over recent years but I cannot recall the outcome of that, but I know it has been challenged.

2.6 Deputy J.A. Hilton of St. Helier of the Minister for Health and Social Services regarding referrals by ante-natal services staff to third sector agencies or other agencies for support and guidance:

Can the Assistant Minister explain whether as part of antenatal services offered by her department, teenage mums and/or those with drug/alcohol problems, are automatically referred either to third sector agencies or other agencies for support and guidance and if not, why not?

Deputy J.A. Martin (Assistant Minister for Health and Social Services - rapporteur):

Yes, any women accessing maternity service who require additional support are always offered a referral to the most appropriate agency. This may be either in Health and Social Services or in the third sector. This will be offered on an individual basis and some women will choose to take up the offer and some women will not. The question itself does not determine between teenage mothers and/or on drugs and alcohol problems which are 2 totally different categories. Some teenage mothers - I mean those of 17, 18 or 19 - will not be able to cope on their own. Some will be in very good relationships and have good support from their extended family.

2.6.1 Deputy J.A. Hilton:

In answer to my question, the Assistant Minister referred to individuals who require additional support. The whole reasoning behind my question is that I feel that there are vulnerable people slipping through the net because there is no one single agency picking them up and no one single agency taking responsibility, and it seemed to me that all pregnant mums have to go through antenatal services and to me it seems that this was the best agency to deal with those mums. So I do not accept that all those who require additional support are getting it and, with the best will in the world, I do not understand how anyone could think that a teenage mum ... I accept that some teenage mums might have supportive families behind them but with the best will in the world we all know that the best outcomes are achieved by positive intervention at the time of birth and I think it is very important that Health and Social Services pick up on this. I have been told that Health and Social Services are intending to do this in 2014 so my question to you is why cannot this be brought forward to now?

Deputy J.A. Martin:

Well, hopefully the Deputy and everyone else who is attending the White Paper presentation this afternoon at lunchtime will hear this and the Deputy has been told I am sure it is going to be early intervention and it will be before birth. Again, it will be through Health but it will be involving ... we need more input from health visitors, more input from G.P.s, we are working with the J.C.P.C. (Jersey Child Protection Committee) to put this in train but again I may differ to the Deputy's view. I think that there are some very capable teenage mums out there and some 30 year-old mums who are not as capable. It is everyone who needs the ... every individual case... and I am sorry if the Deputy feels that people are slipping through the net. I work very closely with Brighter Futures and they go out to some of these mums and it takes about 6 or 7 sessions and not always do they get them into the unit. The help, I think, is there and we monitor it and obviously if there is any concern over child protection that then becomes a totally different issue and we try not to get to that point.

2.6.2 Deputy M. Tadier:

Would the Assistant Minister comment on I think the underlying premise of this question which deals with to what extent should the State get involved in individuals' lives, so can the Assistant Minister comment perhaps on the policy of the department about the difficulties of intervening in the private lives of individuals and in which cases it is appropriate to do that?

Deputy J.A. Martin:

Personally, I have no problem in intervening in anybody's life if they need the help or the department or the G.P. or whoever the professional is thinks they need the help. As I say, you can point people in the right direction, you can help as long as they need it and you can give them all the support. I do not have a problem with doing that but I do not agree, as referred to in even the question, all teenage mothers would need to be referred to an outside agency. I do not agree with that.

2.6.3 The Deputy of St. Ouen:

Is the department confident that they are able to identify all those in need who would benefit from support and guidance?

Deputy J.A. Martin:

As I think I said in an earlier question, people may not be picked up – teenage or 20, 21, people having their first child at 30 or older may not be picked up antenatally. It is afterwards some suffer with post-natal depression so it is all people that come into contact with these people - i.e. as I said, midwives, health visitors - we need to work and we will be introducing this programme, early identification and directing people to the right help whatever age and whatever their problem is.

2.6.4 Senator S.C. Ferguson:

But is this something that ... the Minister keeps talking about this is something being done by the department. Surely this is something that comes under primary care and should be dealt with at the primary care level, co-ordinated by the G.P.?

Deputy J.A. Martin:

I did say that if... the Senator obviously may have missed me, but I said we do need to really work. Some people who are working only come to antenatal at the hospital for scans. They choose because they go to their G.P. for the rest of their check-ups. Now, we need to get all the G.P.s on board, which we are working with, and the G.P. has probably known that patient since they were a baby so if anyone can identify that there could be a problem they are the ones to do it and I do not have a problem with that. We are just working towards that.

2.6.5 Deputy J.A. Hilton:

I think with the best will in the world, a professional working in the Antenatal Department would have to have their head stuck in the sand in dealing with some individuals who present themselves who very obviously require some outside assistance. The Assistant Minister's own department has recognised the value of positive intervention and intends introducing this wide scale in 2014. What I want to know is will the Assistant Minister urge her department to introduce this as soon as possible and include it in the medium-term financial plan for next year?

[10:30]

Deputy J.A. Martin:

Well, the medium-term financial plan covers the next 3 years and it is in the plan. It is about recruiting, making sure we get the right systems out there and that some are done in small places, some are done in very large places but with outlying communities. I want, and I know the Deputy wants, the best scheme for early intervention that will work in Jersey. So I will try and see if we can bring this forward and do it properly because we do not want another thing that is not right for the Island, but as the Deputy says, we do not want to miss anybody.

2.7 Deputy G.C.L. Baudains of St. Clement of the Minister for Transport and Technical Services regarding the provision by the new contractor of buses that are suitable for the Island's narrow roads:

With the present buses often driving over the centre white line, will the Minister be requiring any new bus contractor to comply with local legislation and provide buses that are suitable for the relatively narrow roads that exist in Jersey?

Deputy K.C. Lewis (The Minister for Transport and Technical Services):

I am pleased to confirm that my officers have been working closely with the preferred bidder for the 2013 bus-operating contract and, within the last 2 weeks, have met with potential vehicle suppliers. At least one vehicle design has been identified, which provides a reasonable passenger capacity without requiring exemption from the Jersey rigid vehicle size limits.

The Deputy Bailiff:

Supplementary?

Deputy G.C.L. Baudains:

Merely, to thank the Minister for that helpful reply.

2.7.1 Deputy M. Tadier:

The question relates to the white lines. It seems to me that anyone who has driven along the inner road, especially coming from town to west, will know that it is not simply buses that cannot get past without going over the white lines. Any cars have to constantly go over the white line in order to pass the traffic. Can I ask the Minister, whether it is a bus or whether it is a car, is there any liability for the department or for the authority, which may be the Parish, in ensuring that cars do not park in such a way where all the traffic is likely to have to cross the white line and make themselves liable in terms of an accident?

Deputy K.C. Lewis:

Yes, anyone crossing the white line would be liable but this is something we are working on to streamline traffic.

The Deputy Bailiff:

The question for the Minister was whether the department would be liable?

Deputy K.C. Lewis:

Not in my opinion.

2.7.2 Deputy M. Tadier:

What steps is the Minister taking to specifically deal with the question on the inner road where there is not enough room where people are parking? What steps will the Minister take to resolve that issue?

Deputy K.C. Lewis:

We are looking, again, at parking on the inner road and possibly moving the central line over and possibly moving the parking spaces.

2.8 Deputy T.M. Pitman of the Chairman of Privileges and Procedures Committee regarding lessons to be learnt from the higher electoral turnout in the recent Guernsey elections:

What lessons for Jersey, if any, can be learnt from the higher electoral turnout in the recent Guernsey elections where electors vote for a single class of States Member?

Connétable A.S. Crowcroft of St. Helier (Chairman, Privileges and Procedures Committee):

This is a matter for the Electoral Commission to consider as part of its work. It would not be appropriate for me to make assumptions at this stage as to how electing a single class of member might impact upon voter turnout. Percentage turnout should always be considered in the context of the number and proportion of people who are eligible to vote and who have registered to vote. The

Electoral Commission will no doubt wish to examine these areas and to make comparisons between Jersey and Guernsey and any other jurisdictions that are considered to be relevant when it begins its work.

2.8.1 Deputy T.M. Pitman:

I am sure the Chairman is not opting out of his responsibilities, but could he say whether, as Chairman of the Privileges and Procedures Committee, he will be making these thoughts known to the Electoral Commission, that surely this evidence suggests that a single-type member constitution and getting a system where a person's vote is all worth roughly the same as opposed to the situation in Jersey where the country Parish is obviously worth more than an urban vote? Is he going to make those representations from the Privileges and Procedures Committee's perspective?

The Connétable of St. Helier:

I hope that the Deputy and any other Members of the States and members of the public will make these kinds of points to the Electoral Commission. We hopefully will be choosing the members at the next meeting and the Commission, I know, is eager to begin work.

2.8.2 Senator S.C. Ferguson:

Has the Chairman of the Privileges and Procedures Committee been in contact with Guernsey, because I understand that they have a new electoral register and the registration was a great deal lower than they anticipated, therefore it looks as if it has gone up, but has it really gone up compared to the old register? Has the Chairman of the Privileges and Procedures Committee spoken with them?

The Connétable of St. Helier:

I have not, myself, spoken with Guernsey other than to congratulate a few members on their recent re-election. However, we have a Sub-Committee working, as the Senator knows, on the electoral system in Jersey and I would hope that that Sub-Committee, which is being ably chaired by Deputy Martin of St. Helier, will indeed be looking at the lessons we can learn from Guernsey.

2.8.3 Connétable L. Norman of St. Clement:

Is the Chairman aware that registering to vote in Guernsey is voluntary while in Jersey it is compulsory? Those most likely to register in Guernsey are those who are more likely to vote and therefore there is bound to be a significant difference in voter turnout in percentage terms.

The Connétable of St. Helier:

Another interesting observation and question, which I am sure the Electoral Commission will take on board.

Deputy T.M. Pitman:

I am always happy to give way to the Minister for Treasury and Resources, Sir.

The Deputy Bailiff:

Well, there you are. There is a first time for everything. **[Laughter]**

2.8.4 Senator P.F.C. Ozouf:

Does the Chairman of P.P.C. agree with me that polling cards are one of the key issues that could drive up future increases in electoral turnout?

The Connétable of St. Helier:

Yes, indeed, and with my other hat on as Connétable of St. Helier, in fact we did issue polling cards for the General Election and they did make an appreciable difference. We did not issue them for the Procureurs election recently, which had a very low turnout and that may indeed have had a role, but as I say, I do not have any hard and fast views. I think it is entirely right if the Election Commission approaches this with a blank canvas and takes views from the House as well as from members of the public.

2.8.5 Deputy T.M. Pitman:

Could the Chairman just confirm, which I am sure he will, that working towards measures where we can increase turnout is absolutely essential and that will then form ongoing discussions within the Privileges and Procedures Committee?

The Connétable of St. Helier:

I am happy to confirm that.

2.9 Deputy M.R. Higgins of the Minister for Treasury and Resources regarding a move away from reliance on finance and greater support of industries such as tourism:

Does the Minister consider that the views expressed by the retiring Guernsey Minister for Treasury that Guernsey urgently needs to reposition itself as a different kind of economy, move away from its reliance on tax loopholes and support the more traditional industries such as tourism, should be extended to Jersey, given that we share the same world economic and political climate and, if so, what action does he plan to take?

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

I have spoken and exchanged messages with both my former colleague in Guernsey and spoken to the former Chief Minister in Guernsey to understand the context of his remarks. Not everything that is written in a newspaper, of course, is accurately positioning and can completely position remarks. So Jersey and indeed Guernsey have, in the past, always evolved and changed to the international situation. Our success is based upon continuing to reposition ourselves to this changing global environment, and that is what we need to continue to do in subsequent and future years. What we can say is that the new economic growth and diversification strategy, which will be brought forward by the Minister for Economic Development, will set out our role and what we think we in the States can do to help create that environment for constant change for businesses to adapt to this ever-changing world. The focus on encouraging innovation and improving our Jersey international competitiveness, growing the financial services sector, its capacity, its performance, its profitability in terms of geographic diversification, creating new businesses and employment in new high value sectors, raising the productivity across the whole of the economy and reducing reliance on inward migration. I, for my part, am going to ensure that the medium-term financial plan does its best job to ensure that funding initiatives, for these objectives, are appropriately taken part in that plan. Tourism has a key role to play and it will continue to be supported with resources linked to delivering growth and creating employment for local people and if we are to continue to fund public services to the standard that people expect, we have to develop. We have to increase productivity, we have to encourage the development of high value industries and we have to continue to nurture and improve our financial services industry.

2.9.1 Deputy M.R. Higgins:

I wish I could have the same confidence of the Minister in their ability to generate the growth and the prosperity he is talking about, especially bearing in mind the written answer that I received today from the Chief Minister, which shows that on the C.S.R. (Comprehensive Spending Review)

policy, which has been lauded by the Minister for Treasury and Resources, a total of 104 jobs were cut as part of the C.S.R. process and yet in the same department, 128 jobs have been created. So if you are going to have that sort of success with our economic policy, I think we are in dire straits. Does not the Minister for Treasury and Resources accept that we are facing some serious challenges and the announcement of HSBC is only one of a number of banks that are cutting back and that therefore we need to take positive action, not just spin.

Senator P.F.C. Ozouf:

I think the Deputy and I should go and have a chat on how to be more positive and optimistic, because I think we should be. The C.S.R. was a decision of this Assembly and the C.S.R. made cuts in terms of back office inefficiencies and the talk of the increase in jobs is about nurses and education. He cares for the social fabric of the Island. We are investing in the front line services in Education and Health. I would say it is a good thing that we have taken back office functions and improved the efficiency of the States. I do not agree that there is a pessimistic future for our economy. I do not believe that the history books will say that the last 10 years have been a failure. In fact, we have not wasted this crisis. We have ensured that our public sector becomes more efficient. We have positioned Jersey to be a quality financial services industry player in the world. We are succeeding in places like the Gulf. We are going to succeed in the growing areas of the world in Latin America, in Asia and the rest of the growing areas of the world and we are going to have a positive future if we work together.

The Deputy Bailiff:

Perhaps when you go off and have your discussion, you can also discuss how to ask and how to answer a question crisply. **[Laughter]** **[Approbation]**

2.9.2 Deputy T.A. Vallois:

Would the Minister not agree that changes in our tax system over the last 6 years has contributed to the economic downturn and further restricted our ability to grow the economy?

Senator P.F.C. Ozouf:

I will try and be crisp, Sir. Yes, of course, taking money out of the economy has reduced spending power, but of course we also needed to ensure that we balance our public finances. One of the reasons the world is in such difficulties is Governments have spent too much, they have stored-up debt, they have not dealt with the deficit. We have and that is why we are in a stronger position. But I understand the Deputy's point, of course that has had an effect on Islanders and that is why we must be vigilant to the decisions that we make in this Assembly and carefully balance them.

2.9.3 Deputy T.A. Vallois:

Could the Minister for Treasury and Resources confirm whether he will be looking at reducing any of the tax areas over the next 3 years?

Senator P.F.C. Ozouf:

I would align my politics to Boris Johnson. I would like to cut taxes but I believe that one has to be responsible in finding the appropriate level of spending for areas such as Education and Health. Health is in a big difficulty, we know that. It was a department that did not have the investment that was required over a long period of time. We are correcting that but of course we have to collect the taxes to pay for it.

The Deputy Bailiff:

Deputy Vallois, you were too quick for me. That particular question was certainly out of order in the sense that it does not arise out of this question. Can I say to the 7 Members who want to ask

questions on this subject that the question is about industries, other than, in shorthand, the tax loopholes industry. There are tax questions that come up later on.

2.9.4 Deputy T.M. Pitman:

I am sure I will get a crisp answer to this one. Does the Minister for Treasury and Resources not agree that really, this situation could have been foreseen with the Oxera report back in 2002 and the reality of why we and Guernsey are in this situation is the fact that we are in the death throes of the disease called free market capitalism.

Senator P.F.C. Ozouf:

No.

2.9.5 Deputy G.P. Southern.

I am sorry, Sir, I did not hear you. I quote from Deputy Parkinson in Guernsey who says that he believes that: "Facilitating aggressive tax avoidance, as George Osborne put it, could be applied to Guernsey." Does the Minister think it could be applied to Jersey?

Senator P.F.C. Ozouf:

I have said previously that I agreed with the Chancellor of the Exchequer, who I have met on a number of occasions, that the future for the Islands is not exploiting kinks in the tax curve. That is what he said and I think that that is an interesting statement, which we need to take account of. There is a vigorous debate internationally about tax avoidance, what is appropriate and what is not appropriate. Clearly there are aggressive forms of tax avoidance and I would remind the Deputy that we ourselves take action for domestic tax avoidance. The stamp duty arrangements that the U.K. put in place in the last budget, we did so in Jersey 2 years before. This is a continuing debate, there is going to be a continuing evolution of international debate on tax avoidance and we need to align our financial services with quality, well-regulated business which we are increasingly doing.

[10:45]

2.9.6 Senator L.J. Farnham:

In the event that the Minister for Treasury and Resources suddenly saw the light, possibly on the advice from the Economic Adviser, and decided that it would be wise to double or treble or even quadruple the contribution to G.V.A. from tourism, how would he go about achieving that?

Senator P.F.C. Ozouf:

I think I am a realist. Tourism is important, but of course it is, relatively speaking to some other high value industries, not as economically generative as some others. It is important in terms of what it produces for Jersey. It is important in jobs and it makes the Island the great place that it is, but I think we have to be realistic. If we are going to grow the economy, we need to be focusing on looking after our historic industries, but also looking to the high value areas of the economy such as the digital economy and I think we can do both with carefully judged decisions.

2.9.7 Deputy R.G. Le Hérissier:

The Minister referred to the conversations he had had with the former Guernsey politicians in order that he might familiarise himself with the context and then he launched into a list of his own achievements. Could the Minister announce what conclusions he drew from these conversations he had and why they should force us to look at these comments in a different light, as he was implying?

Senator P.F.C. Ozouf:

My comment with the former Chief Minister of Guernsey, and I have had many conversations of course over the last years about the whole zero-tax issue, is that we both agree that tax neutrality is absolutely vital to the fundamentals of our financial services industry and that is different. We expect people to pay tax on the way in and we expect them to regularise their tax on the way out. We deliver tax neutrality; there is an alternative approach of dealing with tax neutrality by having a network of double-tax treaties. We are doing that too. That is what former Deputy Parkinson believed and that is a different way but, we agree, and I do not believe there is virtually any difference in the conclusions of where we both think we should be ending up in terms of our financial services industry in the Islands.

2.9.8 Deputy M. Tadier:

Boris Johnson is often described as a rich Tory who is disconnected from the everyday struggles of ordinary people, so it is interesting that the Minister for Treasury and Resources seeks to ally himself with that particular Tory politician in the U.K. and before I ask the question, can I ask that I do not have any nonsense about pessimism of Jersey's economy? I am pessimistic about this current Administration's ability to act in a sustainable way when it comes to the economy but the Minister for Treasury and Resources seems to put too much emphasis on high values and he mentioned that twice, at least, in his previous answer. Does he not think that it is important, as I believe the outgoing Guernsey Chief Minister recognised, that we need to invest energy and finance in low and medium-value sectors such as tourism, such as agriculture, which simply cannot compete on their own with such high value sectors, which do have problems such as being inflationary and often not being sustainable.

Senator P.F.C. Ozouf:

We will see what the electors of London have got to say about their choice of London mayoral candidates. The issue about investment in low and medium economic contributed industries such as tourism and agriculture, well, that is happening, of course, because the allocations that the Minister for Economic Development makes to those sectors are greatly bigger than the areas of financial services and I think we are going to have to step-up our activities across the board if we are to take our unemployment numbers down. We need to encourage people to work in all sectors of the economy, including tourism and agriculture. I met, together with other Ministers, last night, some young people. A young person, who has now been recruited by one of our leading hospitality sectors, talking about setting up his own restaurant - fantastic. That is the kind of message that we need to do and we are going to be working with Education to ensure that there are appropriate jobs for people who do not want to be part of financial services and we need to give them every encouragement to do so.

2.9.9 Deputy J.H. Young of St. Brelade

The Minister said that in our quest for diversification of our economy we have not wasted this crisis. What I would like to ask the Minister is whether he agrees that we have been talking about the opportunities for making Jersey a centre of high tech industries, including media, communications, film and I.T. (information technology) itself. But for many, many years, in fact for 2 decades, will you not agree, we have been talking about it? Can you be confident now that we are going to convert this into some reality?

Senator P.F.C. Ozouf:

I think it is very true to say that in the boom years it was more difficult to deliver diversification. It was more difficult and before the financial services crash, where basically all attention was on financial services. I remain optimistic of financial services, but it must geographically diversify. I do believe that there is a strong opportunity in I.C.T. I was struck by my visit to Malta, to see how that has developed and how they have developed their I.C.T. businesses. Gigabit Jersey, which I

am grateful for Members' support of that, is going to drive that. The setting up of Digital Jersey is going to do more and we are going to put also an emphasis on e-government to centre ourselves, because we have got to practice what we preach. I am optimistic that the time has come for the digital era and it has got cross-Council of Ministers and I believe cross-Assembly support for doing so and we are going to make the best of the opportunity.

2.9.10 Deputy M.R. Higgins:

After listening to the Minister, I would like to know how he is going to achieve some of this diversification and encouragement for young people who want to set up businesses when we know that one of the biggest drawbacks to anyone starting up in business is getting finance from the banks. Is the Minister prepared to come up with some form of States funding or support to ensure that they can set up these new businesses which may employ many of our unemployed?

Senator P.F.C. Ozouf:

I am sure that my friend the Minister for Economic Development is bristling because these are questions that are rightly addressed to him; but it is difficult, there is a joint responsibility for this. The Deputy asked whether I will. I will not do anything, it is a team that is doing it. It is the Chief Minister with his Back to Work initiatives, it is Education, it is Economic Development working together. It is "we" with cross-bench support from the rest of this Assembly. That is how we are going to do it and, yes, the economic growth plan and the medium-term financial plan is going to be bold in terms of giving every Islander the opportunity to get a good job and to create a good business, if they want to do so. We are going to align the skills and the opportunity and we are going to work hard on this together over the next few months.

2.10 Deputy G.C.L. Baudains of the Minister for Home Affairs regarding the recent deployment by the States of Jersey Police of semi-automatic rifles on the streets of St. Helier:

Does the Minister believe that the recent deployment by the States of Jersey Police of semi-automatic rifles on the streets of St. Helier was an appropriate reaction to the incident and does he stand by his statement that this incident reinforced the need for the police to be provided with Tasers?

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

At the risk of over-crispness, the answer to both questions is yes.

2.10.1 Deputy G.C.L. Baudains:

It does seem to me that policing is something of an art and I am concerned that police officers who overreact to an incident do untold harm to the image and public confidence. Surely responding to allegations of assault should not require armed police breaking down doors to question a suspect that may have stabbed somebody with a screwdriver. So would the Minister explain precisely what serious threat to public safety justified armed officers breaking into a private residence? Or was this merely an attempt to try to justify the use of Tasers?

Senator B.I. Le Marquand:

The current policy of the States of Jersey Police, in relation to deployment of guns, follows that of U.K. forces. Guns may be deployed where a senior officer has reason to suppose that officers may have to protect themselves or others from the following subjects: (a) a person who is in possession of or has immediate access to a firearm or other potentially lethal weapon, (b) a person who is otherwise so dangerous that the deployment of armed officers is appropriate. I approve of those criteria. Those criteria were carried out where followed in this particular case. This involves an ongoing investigation, which is likely to lead to criminal charges and therefore I do not want to go

into too much detail, but the information, as I understand it, which the States of Jersey Police had, was that a person had been stabbed in the face in St. Helier in broad daylight and they reacted to that information in accordance with the criteria which I have set out.

2.10.2 Deputy J.A. Martin:

The Minister just mentioned the U.K. police. I would just like to remind him, when I stood against him for the Ministry and a lot of other Members supported me for one reason, that I said if I had the job, I would send our police to inner cities and see how it is done there and *vice versa*, only maybe over small amounts of time. Has the Minister progressed this, because we are deploying armed officers to one incident when in the U.K. they are dealing with demonstrations and everything armed only with CS gas, at the moment and not Tasers and not anything like what we do. Is the Minister for Home Affairs absolutely sure that our police are up to date, on the ball and are using good initiatives in all sorts of crime and will he look into sending them away?

Senator B.I. Le Marquand:

I thank the Deputy for telling me what she said during a previous occasion when I, of course, was not here and I was unaware that she had said that, but I can assure the Deputy that the police are trained to a very high level. I can also assure you that in our current police chief, we have one who worked not very far from the centre of London, in the city of London, and had to deal with issues related to gun crime and other such issues, and so he is very much up to speed with that. I have full confidence in our officers, both senior level and in relation to, I understand, 31 trained firearms officers.

2.10.3 Deputy J.A. Martin:

I understand. Does not any form of training, does the Minister not agree, need renewing and it needs looking at in other contexts, in other areas? Jersey is very isolated and insulated and we have small amounts of crime and, like the incident the other day, I say we overreact very often and will the Minister not reconsider? It is always keep on training, keep on looking at best practice in other places just across the water.

Senator B.I. Le Marquand:

I do not agree that there was an overreaction recently. I would remind Members that we are still only less than 9 months since a tragic event in which 6 people were stabbed to death. The police must be prepared to act appropriately. Now, the current policy of the States of Jersey Police is to use minimum force in order to effect safety. But public safety is absolutely paramount and if the police receive information of a stabbing in the face in St. Helier, in broad daylight, they must react in such a manner as will ensure public safety.

2.10.4 Deputy T.M. Pitman:

Much along the lines of my colleague, Deputy Martin, it is probably unfortunate that the Chief of Police used an example of: "No one would have expected someone to walk down the street in Guernsey with a samurai sword." The last individual who walked through Jersey with a samurai sword had his case thrown out and dismissed. So rather than this, should the real emphasis not be on training for the police to make sure a proper case is made and people are brought to justice or given the help that they need?

Senator B.I. Le Marquand:

I do not think it is factually correct that in the incident the Deputy is referring to the person walked through St. Helier with a samurai sword. He took items to police headquarters and surrendered them. But the issue as to that particular case, in which I continue to be in correspondence with the

individual victim, those issues are not policing matters. The police investigated that properly, it was a matter for prosecutors and for the courts as to how it was then dealt with.

Deputy T.M. Pitman:

Can I just correct the Minister, because the gentleman walked through town and tried to get a lift from a motorist armed with a Katana sword and 2 throwing knives.

2.10.5 Deputy R.G. Le Hérisssier

Would the Minister outline what alternative strategies were considered short of sending in the armed unit?

Senator B.I. Le Marquand:

No, I will not. This is an operational matter and I am not going to delve into operational matters in detail, particularly when we are dealing with a current investigation which is likely to lead to criminal charges. It is totally inappropriate for Members, with respect to the Deputy, to be asking me questions which would delve into those sorts of details.

Deputy R.G. Le Hérisssier

Can I object? Would the Minister not acknowledge that knowing the policies in place is a matter of public importance and that he does not have to conflate that with dealing with a particular incident?

The Deputy Bailiff:

Deputy, if I may say so, you asked a question as to what alternatives were considered in that particular case, which is not a question of policy, that is an operational matter.

[11:00]

2.10.6 Deputy M.R. Higgins:

On the question of proportionality, I would ask the Minister for Home Affairs whether he thinks it was a proportionate response to send officers with automatic weapons as opposed to, let us say, a pistol. Surely automatic weapons are more appropriate for, say, an armed robbery or an act of terrorism?

Senator B.I. Le Marquand:

These are the standard weapons, as I understand it, which would be deployed by the States of Jersey Police on which they are trained. Pistols are notoriously far less accurate as weapons and I certainly would not want them to be deployed in response to incidents.

2.10.7 Deputy G.C.L. Baudains:

In relation to the Minister's last comment, all I can say is do not stand in front of me if I am using a pistol. I happen to be a rather good shot. It seems to me the Minister believes that an armed response to an allegation of assault is best done with Tasers rather than guns. Presumably he is suggesting it is preferable to be shot dead with electrical charge rather than a bullet. Would he agree that the belief that Tasers are less harmful than firearms means that they are in fact more likely to be used at the outset rather than as a last resort?

Senator B.I. Le Marquand:

If Tasers had been available in this particular case, then I am informed by the police that they would have deployed both Tasers and guns in response to this particular case. I am very much in favour of the police having the lower degree of lethality, if that is good English, of weapon available to deal with an appropriate incident and it is for that reason that in cases like this, cases which involve a knife, in particular or bladed weapon or something of that nature, it is highly

desirable that the police deploy a lower level of force. Now, there is a category of cases, a matter which has been looked at by a Scrutiny Panel but I believe that there is a category of case where it would be appropriate to deploy Tasers where it would not be appropriate to deploy guns. But I do not accept that that, thereby, would make police officers more trigger happy and I have an example from Guernsey where I understand that they deployed Tasers on 60 occasions but only fired once, and that is the sort of ratio that I would also expect to happen in Jersey.

2.11 Deputy T.M. Pitman of the Minister for Education, Sport and Culture regarding the dismissal of staff convicted of sexual assaults on children:

Would the Minister confirm that any member of staff convicted of sexual assaults on children would be instantly dismissed from his department and would not be allowed to “resign with dignity” and carry on teaching during the period of notice?

Deputy P.J.D. Ryan of St. John (The Minister for Education, Sport and Culture):

I can confirm that any member of staff convicted of sexual assaults on children would be dismissed from my department and would neither be allowed to resign with dignity nor carry on teaching during the period of notice. Furthermore, any dismissal of this type would be reported to the U.K. Independent Safeguarding Authority that determines who should be barred from working with children.

2.11.1 Deputy T.M. Pitman:

I thank the Minister for his answer and it is reassuring. I use that term “resign with dignity” because it is a quote from the Sharp Report from a U.K. child abuse website. Could the Minister also confirm that given those words were used by a then vice-principal of a school, that adequate training is in place so that such an outdated attitude to child abuse would never happen today.

The Deputy of St. John:

In my answer I have stated what the current Education Department’s policy is and that is quite clear. I do not intend to comment on past policy, only current or future policy.

2.12 Deputy J.A. Hilton of the Minister for Social Security regarding work experience placements of Jersey Employment Trust clients within government departments:

Can the Minister advise how many clients of the Jersey Employment Trust have been placed within government departments on work experience placements and, how many, if any, of these placements resulted in permanent part or full-time employment?

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

As Minister for Social Security, I am responsible for providing an annual grant to the Jersey Employment Trust and my Assistant Minister sits on the board. In answer to this question, I have requested information from J.E.T. (Jersey Employment Trust) as my department does not have any operational responsibility for the Trust’s activities. J.E.T. has advised me that there are currently 8 clients working in States departments, 4 in full-time employment and 4 part-time. There is currently one person on work experience and J.E.T. has had 6 people on work experience in the recent past.

2.12.1 Deputy J.A. Hilton:

Notwithstanding him not being responsible for operational matters at J.E.T. it is very disappointing to note that so few people employed at J.E.T. or under the help of J.E.T. have been offered any help

at all, and in our Strategic Plan we talk about an inclusive society and everybody being offered equal opportunities. I do find it extremely disappointing that in fact, I believe that barring the 6 placements that the Minister has just referred to, that there have been no work placements at all barring one in 2010. I find that very, very disappointing indeed and of one job that I was told of, offered to a client, which he had for 2 years at T.T.S., was withdrawn this year, which again, is extremely disappointing. I do not believe, as a Government, we are doing enough to help these people. Can the Minister confirm that he will do anything he can, within his power, to ensure that government departments do their fair bit by those clients of J.E.T. with special needs?

Senator F. du H. Le Gresley:

I do share the Deputy's concerns about the employment of people with disabilities. I am pleased to inform the House the J.E.T. board are working with the States Employment Board and Human Resources to produce a good practice guide on employment and people with a disability or a long-term health issue. This guide will, I believe, be released in May and will encourage not only the States of Jersey, as an employer, but all employers, to employ people with a disability or long-term health issue.

2.12.2 The Deputy of St. Ouen:

I would like to ask the Minister, what commitment will he make to ensure that the States and government departments seek to provide work for these individuals?

Senator F. du H. Le Gresley:

It is not my responsibility to provide work. My responsibility as Minister for Social Security is to encourage employers to take people on who are currently unemployed, whether they are unemployed because they have recently lost their current employment or whether they are long-term unemployed because of a disability or a long-term health issue and we are working very much with employers and the States of Jersey, as I said before in my previous answer, has a role to play here. Certainly with work placements to give people the opportunity to have some work experience from which they can hopefully lead to permanent employment.

2.12.3 The Deputy of St. Ouen:

The Minister spoke about encouraging, you also spoke about discussions and actions being taken between J.E.T. and the States Employment Board to provide more opportunities for these youngsters to be employed within the States system. I ask the Minister, what encouragement in particular he is going to do, what he personally is going to do as a trustee and responsible for J.E.T. to ensure that these individuals are able to access work within the States system?

Senator F. du H. Le Gresley:

I suppose, in answer to the Deputy's question, I would have to say that I feel that as Minister there is a conflict of interest between my role as involved with J.E.T. and also the fact that we provide the main funding for J.E.T., and this is an issue that I am going to be looking into further and that is the reason why I have asked my Assistant Minister to sit on the board, rather than myself because I do believe there is a conflict of interest. However, that apart, I have already stated that I believe there is more opportunity for the States of Jersey to work with J.E.T. and Workwise from my department, to place people in the States departments and I will press that. I do want to see as many people taken on as possible but there are only a limited number of people that the States of Jersey is able to employ.

2.12.4 Deputy J.A. Martin:

It probably is not just directed at the Minister for Social Security, but he does, as he says, supply money to J.E.T. I sit on the J.E.T. board and I know it took over a year to get Human Resources to

sit down and talk to the J.E.T. board and there is a system, the Minister for Social Security has just said. The States has a role to play and also encourage other employers to take on people from J.E.T. or people with special needs. Does the Minister not agree we do not have a part to play, we should be leading the way. The States of Jersey employ thousands of people and, in his own figures, 8 of those people have come from J.E.T. or have learning disabilities. That is a woeful number, does the Minister not agree?

Senator F. du H. Le Gresley:

Yes, I do agree.

2.12.5 The Deputy of St. Ouen:

If the Minister believes that he is not the correct person to champion the cause and the needs of this particular group of people who does he believe should do the job?

Senator F. du H. Le Gresley:

The issue about employment of people with a disability or a long-term health issue is a matter for the States Employment Board and that comes under the control of the Chief Minister.

2.12.6 Deputy J.A. Hilton:

I thank the Minister for his answers. I believe I am just looking for a confirmation from the Minister now that he will take this issue back to the Council of Ministers and impress upon every Minister and Assistant Minister that they support the initiative to get people with special needs into work placements within States departments. Do not expect the private sector to do it all for you.

Senator F. du H. Le Gresley:

Yes.

2.13 Deputy M.R. Higgins of the Minister for Treasury and Resources regarding the introduction of a tax system where all citizens and businesses bear the costs and burden of the recession:

Further to his retiring Guernsey Ministerial counterpart's statement in relation to the Zero/Ten tax system that: "We pay an increasing price for the 0 per cent tax rate", does the Minister consider it is time for Jersey to introduce a fairer tax system where all citizens and businesses bear the costs and burden of the recession not just middle and low earners?

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

Firstly, I acknowledge that the combination of tax competition, imprudent spending by governments in the eurozone and in other countries and poor financial regulation in some countries within the eurozone has had a significant impact on the Island economy and on Islanders. It would be wrong to say that we are simply able to insulate Islanders from these effects, which are outside of our control, however, I would like the Deputy to look at some facts and I would encourage him to look at question 3 of the written answers that I have published this morning. The Deputy in his answer refers to middle and low earners. The Deputy will see from that written response that a quarter of Jersey households pay no income tax at all. Middle and low earners from these figures by quintile pay just a tenth of personal income tax - there is a figure that I think is extremely competitive compared to other places - but the top fifth of earners pay 70 per cent of all personal income taxes. Let us look at the facts when we talk about fairness in our tax system. So I recognise that many people, as I do, want to see companies making a greater contribution to States revenues. I have spoken on numerous occasions about the need to do this without damaging our fragile recovery and also, crucially, to make sure that we do not lose even more jobs. I am going to

immediately seek to meet my new colleague in Guernsey and my Isle of Man counterpart to see whether this time we can take a joint approach to dealing with this difficult issue that we have inherited as a result of European decision-making.

2.13.1 Deputy M.R. Higgins:

I think the Minister has missed the point. What I am coming to is the whole Zero/Ten question. As a result of the Zero/Ten policy that has been introduced, no businesses other than financial services firms and also utilities are paying any tax.

[11:15]

As a result of that, the burden is being put on to individuals. My point is that we need to have a tax system that is fairer to all. That includes recovering money from firms that are owned outside of the Island and are paying no tax in the Island and the Minister has repeatedly told us he is going to bring in measures to deal with this. My question is, when are you going to do that and when are we going to have a fairer tax system?

Senator P.F.C. Ozouf:

This is a constant refrain from the Deputy and others and it is a matter that has commanded the attention of this Assembly on numerous occasions since we started needing to deal with the Zero/Ten requirements because the Isle of Man went first back in 2004. I would love to say to this Assembly that I can put in a new tax raising measure on companies but I also will not do so if I risk losing jobs. A question was asked earlier about HSBC's decision last week. We are seeing the effect of the financial crisis. I do not want to exacerbate a further drive of business outside of the Island. It is not just the Crown Dependencies, having been in Dubai last week; the Dubai International Finance Centre is back with a vengeance. Zero-tax regime. Other jurisdictions compete on tax just as the U.K. is and cutting their headline corporation tax and doing things like putting a 12.5 per cent tax on patents. He must be realistic when he says, and he promises or he gives the impression that somehow we can get more tax in companies without a devastating effect on our local economy.

2.13.2 Deputy T.M. Pitman:

I expect I will get another crisp response and that will be fine. Can the Minister at least agree that ultimately no one wins in a race to the bottom and this is why the Deputy keeps bringing up this issue, because it really does need to be looked at in the long term?

Senator P.F.C. Ozouf:

If we were at the start of the race, then I would agree with him but we inherited a situation where Zero/Ten - and I do not criticise them - was brought into the Isle of Man and effectively we then had to replicate it. I have said that we should be working together with our Crown Dependency colleagues and I will, but together we must also have an eye to the other areas of the world that do compete on tax competition. We deliver tax neutrality: that is our common platform, that is what we must continue to do and we must be alert to the competitive threats around the world. Many small jurisdictions want our financial services business and we must ensure that we keep it.

2.13.3 Deputy M.R. Higgins:

Obviously what is at the base of my questioning is quite simply I think our tax system in Jersey is unfair and because of that I would like the Minister to bring forth, a genuine - I mean genuine, rather than the sort of things we have been having - where we have a proper debate on what taxes should be in the Island with full facts made available to the entire public, so we can all see. If the Minister is correct in saying his way is the right way forward, once we have had the facts, been able

to examine them and debated that, they might accept his argument. Bring forward that totally independent review.

Senator P.F.C. Ozouf:

We have had these debates and we must turn our attention, in this Assembly, to growing the economy, reducing unemployment rather than going back and re-opening the issue of our tax debate again. This is not a good, productive use of our time, I say to the Deputy, and I would ask him to reflect on the figures, which have never been published before, I think, in terms of fairness of our taxation system. I would ask him to look at the chart. Let us look at the quintiles and see the effective tax rates of different quintiles of people. Look at that and say to me whether that is not a fair taxation system in terms of higher taxes for higher earners. So we need to concentrate on growing the economy and getting people back to work. Not revisiting the debates that we have had so many times in recent years.

2.14 Deputy G.P. Southern of the Chief Minister regarding the pay freeze in the public and private sectors:

In the light of continuing high inflation rates (5.4 per cent, 5.0 per cent and 4.7 per cent for the last 3 quarters) how does the Chief Minister justify his stance of maintaining a pay freeze in the public and private sectors?

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

I appreciate this is a difficult time for all Islanders, however the importance of a concerted effort to avoid unsustainable pay increases cannot be underestimated. With the States being such a large employer, a small pay award to all employees would have a significant effect on the States overall revenue budget. Pay restraint is essential for 2012 and 2013 to ensure the States can achieve balance budgets by 2014 as planned.

2.14.1 Deputy G.P. Southern:

If I may I will use my wife's expression and ask the Minister whether he thinks that his version of a balanced budget is like the housewife who says: "I have balanced my budget, I am simply not going to pay the electricity bill."

Senator I.J. Gorst:

The States balances its budget by decision of this Assembly and that is right and proper. We have a free and frank debate, inevitably some Members wish to see amendments but the reality is that we all approve the balancing of the budget and that is what we have done and that is what I, and the States Employment Board, are working towards.

2.14.2 Deputy G.P. Southern:

In the Strategic Plan, the Chief Minister makes much of the skills and qualities of a public sector. Does he not accept the fact that many in the public sector, regard his wage freeze as an insult.

Senator I.J. Gorst:

As I have acknowledged this morning and previously, it is indeed a difficult area in which I have been called and the States Employment Board have been called to act, but as I have said, it is an offer and the normal rounds of negotiations should be allowed to continue.

2.14.3 Deputy R.G. Le Hérissier:

Does the Minister see the kind of ideas floated by his new Human Resources chief such as more work on performance bonuses and so forth? Does he see that as an alternative to the pay freeze and as a way of managing the public sector into the future?

Senator I.J. Gorst:

As the Deputy will know, details of the offer have been made public. The States Employment Board have found themselves where they are in regard to the timeline of needing to balance the budgets, make a suitable pay offer and obviously modernise terms and conditions. I am not saying that that is not a difficult timeline, it is. But it is the one to which this Assembly has asked us to work and it is the one to which we are working. We have, in the department, a new Director of Human Resources and we certainly need to look at how we manage human resources, how we manage pay, how we manage performance, how we manage skills, how we manage succession planning in a new, modern way and that is what we are absolutely committed to do.

2.14.4 Deputy M. Tadier:

If the Minister is going to push ahead with a pay freeze will he exert any pressure he can on those who administer the fair rent scheme politically so that landlords should not be able to put rents up by the cost of living, which is normally ... certainly mine would have been 5 per cent, but to do it on the basis of pay so that people who are potentially facing a pay freeze should not have to face an increase in their private rental. Perhaps, also talk to the Minister for Housing who is also intending to put rents up by 20 to 40 per cent.

Senator I.J. Gorst:

Perhaps the questioner is being a little disingenuous. The Minister for Housing is endeavouring to remove the hidden subsidy from the system that he operates. The Minister for Social Security is doing a piece of work involving a well-respected academic to understand the implications that the Housing Ministry is proposing and how we might best help those who are in the private sector having to pay rent who are low income, so I feel that that area is being addressed and this Assembly will, in due course, be able to make decisions in that regard.

2.14.5 Deputy M. Tadier:

This is obviously a matter for the Minister for Housing and we can talk about this subsidy another time, but will the Minister accept that if he is imposing a pay freeze on its States employees, many of whom will be lodged in the private sector of the rental market, then it is unfair for them to pay increases which they cannot afford and which have not been reflected in their pay increases. Would the Chief Minister undertake to look at the fair rentals legislation which allows for a cost of living increase in rentals and change it so that it is based on an average pay increase award, rather than cost of living, which many members of the public, this year, are unlikely to receive?

Senator I.J. Gorst:

I certainly do not think that individuals, as Chairman of the States Employment Board, that we should expect to have cost of living increases on wages and probably those in the private sector should look automatically to increase their costs by costs of living, but it is not for me to bring forward, I do not believe, legislation to limit what happens in the private sector. I would, however, support pay restraint, as I said right at the start of this answer, and that is absolutely right and proper. The Deputy, however, does raise potentially an area which has not been appropriately considered by Government in the past, but that I hope will be able to be considered more fully and in the round when we set up the Strategic Housing Authority. These are the very issues that that authority should rightly consider.

2.14.6 Deputy J.A. Martin:

Could the Chief Minister remind me or inform me, if on the 0 per cent, 0 per cent and the 2.5 per cent, there was ever done a costing across, that if say somebody under £25,000 or £30,000 got 1 per cent, 1 per cent and 1 per cent, but anyone over that got 0 per cent, 0 per cent and 0 per cent because even in the third year I find anyone who is over £60,000 across the 3 years is still going to be much better off than the £20,000, £30,000 person who is going to get 0 per cent, 0 per cent and 2.5 per cent of a very small amount. Can the Minister tell me whether the figures were done and if they were, why were they not followed or did they not add up?

Senator I.J. Gorst:

As I said, the offer made is an offer and it is subject to normal negotiations. I am sure the Deputy would not expect me to now say in public what my strategy over the medium term with regard to those negotiations might be. But simply to say that the States Employment Board has considered several options.

2.14.7 Deputy G.P. Southern:

In the light of the R.P.I. figures, what measures does the Chief Minister and his Minister for Treasury and Resources have, in order to bring down inflation and will he consider freezing States charges for its services along with what it pays its public sector workers.

Senator I.J. Gorst:

I find myself once again, perhaps in the same position of the Minister for Treasury and Resources, which more appropriately should be asked of the Minister for Economic Development. Of course, as the Deputy is well aware, several of the factors which flow into the basket that she used to calculate R.P.I. outside of the control of, as ... in Jersey, we know that in due course the effect of the increase in G.S.T. (Goods and Services Tax) will fall out of that and therefore we will expect to see the levels of inflation fall over the medium term, but it is one of the very reasons why it is important that we do encourage pay restraint, because we know that that flows through into these figures as well.

2.14.8 Deputy G.P. Southern:

Will the Chief Minister consider freezing States charges for its services?

The Deputy Bailiff:

The Chief Minister does not have jurisdiction to freeze States charges. But what he could do is ask the Minister for Treasury and Resources or the supplier of the services, if that is what you mean. You are really asking for a ... **[Aside]** I think the question, Chief Minister is ...

Senator I.J. Gorst:

Am I answering your question or the Deputy's question? **[Laughter]**

The Deputy Bailiff:

The question is whether you would support a move to freeze the charges by the States.

Senator I.J. Gorst:

As I tried to indicate earlier, with regard to automatic increases, with regard to R.P.I. I personally do not think that that is where the future lies and, of course, I will... and States departments are already considering whether it is appropriate to increase their charges and how they might do that; those which are automatically increased alongside legislation behind them are a more difficult area.

[11:30]

2.15 Deputy R.G. Le Hérissier of the Minister for Health and Social Services regarding programmes in place for succession planning within the Health and Social Services Department:

Would the Minister outline the programmes in place for succession planning within the Health and Social Services Department and advise whether they are considered to have been successful?

The Connétable of St. Peter (Assistant Minister for Health and Social Services - rapporteur):

The States Human Resources Department is actively exploring options relating to a number of staff development schemes that will support H.S.S.D. (Health and Social Services Department) and other States departments. In the meantime, however, Health and Social Services has a number of initiatives already underway. Our human resources and finance teams have secondments and coaching arrangements in place, as does our nursing team. Groups of Health and Social Services staff from across a variety of disciplines are currently being supported to develop rapid management skills and being trained in service improvement techniques. The aim is to develop these staff so they are better placed to step up to more senior roles. In addition, our recently appointed directors have explicit contractual obligations to develop their own successors. That said, it must be recognised that good succession planning requires time, resource and capacity. Our overall management numbers need to be stronger if we are to fully succeed, plus succession planning is not always the answer. There are some posts that require a breadth and depth of experience that cannot be just acquired in Jersey alone.

2.15.1 Deputy R.G. Le Hérissier:

Despite that very rosy picture that the Assistant Minister has put to us, would he not accept the report of R.30, which is the £100,000-plus employees report, the bulk of appointees there are from the Health Department, 7 out of 11 are managerial appointments which are from outside? Would he suggest that that is a totally satisfactory situation and reflective of excellent succession planning?

The Connétable of St. Peter:

No, I cannot accept that is an ideal situation. Wherever we can appoint locally, that is the correct way to do things. However, I must point out to the Deputy and other Members that, within Health, the majority of our employees are clinicians and, therefore, those clinicians do need to gain a wider breadth of skills than they can get just from Jersey alone. Where we lack the development is within the policy-setting and the administration areas of the Department of Health and Social Services and clinicians cannot stop doing their day job to do those other jobs as well, which is what we are currently expecting many of them to do. We need to be more robust at the top end to be able to organise the longer-term planning and direction of Health and Social Services and also enabling clinicians, possibly, to move off-Island for a period of time to expand their skill base, to be able to come back and work within the Jersey environment.

2.15.2 Senator S.C. Ferguson:

Moving on to another section of Health, the Director of Social Services left recently and was replaced without the job even being advertised. Is this part of this new succession planning process?

The Connétable of St. Peter:

I would sincerely hope not. The only point I can make is the successor is a Jersey-born person who has taken over the job as Director of Social Services. I was not aware the post was not advertised and I will look into that and come back to the Senator in due course. It would be of interest to find out what the reason was.

2.15.3 Deputy G.P. Southern:

Is the Assistant Minister aware of the recent U.K. court ruling that suggests that succession planning renders compulsory retirement at 65 non-discriminatory? What impact might such a decision have on his policy for retirement?

The Connétable of St. Peter:

I do not think that is a subject that has been considered within H.S.S.D., that we are looking at succession planning being non-discriminatory, and I think the Deputy is talking about age-related discrimination. Would he clarify for me, please?

Deputy G.P. Southern:

Yes. We are talking about a discrimination law coming in at the end of the year. Age discrimination is one of the motivators and this ruling suggests that compulsory retirement at 65 would no longer be discriminatory. Therefore, it is possible to make sure people leave at 65 despite the pension age going up to 67.

The Connétable of St. Peter:

I still find myself at difficulty in answering this particular question of the Deputy. Certainly non-discrimination should be the basis of all succession planning anyway. It should be on ability rather than age or any other measures. The point about the retirement age going up, I do not see that that changes anything in relation to succession planning.

2.15.4 Deputy M. Tadier:

How does the Minister's and the Assistant Minister's department balance the desire for promotion from within with the need for open and transparent recruitment processes that are free from any perception of nepotism?

The Connétable of St. Peter:

"Nepotism" is a rather strong way of putting it. I think one could say, if we prejudice external applicants from applying for jobs because we want Jersey people to have them, that in itself would be a form of nepotism and that is something that I would not condone.

2.15.5 Deputy R.G. Le Hérissier:

Could the Assistant Minister give a simple answer to my second part of the question? Has succession planning been successful, yes or no?

The Connétable of St. Peter:

No, not good enough.

3. Questions to Ministers without notice - The Minister for Education, Sport and Culture

The Deputy Bailiff:

We now come to questions to Ministers without notice. The first question period is for the Minister for Education, Sport and Culture.

3.1 Deputy S. Power of St. Brelade:

Could the Minister give the Assembly an indication of his department's estimate as to demand for primary school places this coming autumn and the autumn of 2013 and could he indicate to the Assembly whether his department has sufficient capacity, particularly in the urban Parishes?

The Deputy of St. John (The Minister for Education, Sport and Culture):

Originally we expected 760 applicants for new primary school places in 2012. The non-fee-paying sector, I am told, remains static. Normally this gives us an accuracy of one per cent. However, this year we have received 830 applicants (that is an extra 70) and I understand the fee-paying sector is still at a normal intake level and the birth rate remains high. I think the second part of the Deputy's question was can we cope with it? We have opened 2 new forms of entry, one at Samares and one at Rouge Bouillon School, both of which are in the urban Parishes. I think the Deputy also mentioned 2013. It is too early yet for us to estimate 2013, but suffice to say that the birth rate remains high and at higher levels than we have seen perhaps in the last decade or so.

3.2 Deputy T.M. Pitman:

I wanted to ask this earlier, but I do not think you could see me via the mace. With Deputy Hilton's question earlier about teenage mums and ante and post-natal assistance, can the Minister advise whether the excellent project being run at Le Squez recently is still up and operating and, if not, would he consider providing some funding so that that could be developed further, because it is clearly in need?

The Deputy of St. John:

The question of 0 to 3 or lower than 3 years of age support is high on my mind and on the department's mind. The question of funding for individual projects is an interesting one and one that I am currently talking to my colleague, the Minister for Health and Social Services, about because there is a considerable overlap there and I know that her forthcoming White Paper will address this particular issue. I am very supportive. As far as funding is concerned, we will just have to wait and see how this works out.

3.3 Deputy J.A. Hilton:

Previously I have asked questions with regard to the number of places available in the construction faculty at Highlands College and I know that Highlands College has been constrained by the physical size of the department. My question to the Minister is has any work been carried out to increase the number of places available to our ever-growing number of young unemployed?

The Deputy of St. John:

Highlands College is under pressure. The Deputy is quite right to highlight that. We have created some extra spaces for the 14 to 16-year age group on a pilot basis over the last year or 2 at Highlands specifically in the construction sector. It is at capacity. So we cannot do a lot more than we are currently doing, but it is certainly on my agenda and, as a result of the results of our consultation exercise earlier in the year, the question of vocational training and increases to the offering and availability of vocational training is very high on my agenda, as indeed are apprenticeship schemes.

3.4 Deputy G.P. Southern:

In his role as a member of the Skills Executive, can the Minister inform Members what financial support is given to the creation of apprenticeships and how many additional apprenticeships have been created over the last year, 2011?

The Deputy of St. John:

Apprenticeship schemes in general are an area of particular interest to me coming, as I do, from that particular stream of education, having left school at 16 myself. Apprenticeship schemes are currently with the Economic Development Department. It is their responsibility and there is an apprenticeship scheme of some sort available and has been available, but I have to say that it has

not been particularly successful. We are currently investigating and researching what might be required for a brand-new launch of an apprenticeship scheme and I hope to be able to make an announcement about that sometime later on this year. I hope so, but there is much work to be done.

3.5 Senator S.C. Ferguson:

What is the extent of requirements for catering for students whose first language is not English? We talk about the 800 or so primary school children. What is the percentage whose first language is not English?

The Deputy of St. John:

This varies around the particular schools. As you would expect, in the urban Parishes it is much higher than it is in the country Parishes. It can be as high as 35 per cent of new intake, English as an additional language. What provision do we have? We have a specialist English as an additional language unit based at Rouge Bouillon. There are, off the top of my head, something in the area of - I am guessing, so I stand to be corrected - about 5 to 10 specialists that deal with English as an additional language and go round to different schools. We also, I am very pleased to say, get a certain amount of assistance directly from the Portuguese Government who fund a number of specialist teachers to assist us in this. I have recently had a letter back from the Portuguese Government confirming that, reading between the lines, they did not intend to reduce that budget in the short term and I am very grateful for that.

3.5.1 Senator S.C. Ferguson:

You mentioned Portuguese, but is there not a demand for other languages as well?

The Deputy of St. John:

Yes. I have to say to the Senator there is, but what we are finding as a department is that English tends to be spoken more at home and there is better language ability among children from Eastern European backgrounds in general; much more so than there is from children with a Portuguese background. There is also, I have to say, a very good and recent addition to the education offering in that a group of Polish local residents has started a specialist school for English-speaking Polish children on Saturday mornings and I think that is a brilliant development and that should be congratulated as well.

3.6 Deputy M.R. Higgins:

With the increasing redundancies in the finance industry and other sectors of the economy, does the Minister believe, firstly, that the States should give tax breaks to people who wish to retrain and update their skills and, secondly, does he also believe the States should subsidise those who are making an effort in this regard?

The Deputy Bailiff:

The question is not one for the Minister for Education, Sport and Culture, is it? Tax breaks are for the Minister for Treasury and Resources.

3.7 Deputy J.M. Maçon of St. Saviour:

What policy changes have been introduced following the previous Scrutiny Panel's report on the examination results with particular regard to the noticeable difference in the lower achievement levels in 16 year-old boys in the G.C.S.E. (General Certificate of Secondary Education) standards? My questions is what is being done to upgrade them, not what alternatives are being offered.

The Deputy of St. John:

We are shortly to launch a maths review. We have focused on literacy and mathematics in both primary and secondary areas and we are looking more and more to focus on these key skill areas. In addition, the third key skill area that we are reviewing is I.C.T., not so much as a curriculum but as a third basic skill level because that is the way the world is moving.

[11:45]

3.8 Deputy R.J. Rondel of St. Helier:

Would the Minister agree that the sudden and unexpected surge in applications for primary schools is primarily due to the fact that the States of Jersey have failed to control immigration and enforce an effective immigration policy?

The Deputy of St. John:

I am very happy to answer the question in that we have done some fundamental but initial research. So I do have the information and I am happy to answer the Deputy's question. Based on a previous year's analysis, 37 per cent of the unexpected entries tend to come from the United Kingdom. This information, I have to say, though, is something like a year to 2 years out of date, but I have no reason particularly to believe that things have changed: 37 per cent come from the U.K.; 38 per cent will tend to come from Portugal, Madeira and Poland; there will be a small number of local returners, locally-qualified people returning to the Island, say 5 per cent; and the remainder come from a spread of 50 to 60 other E.U. or other non-E.U. countries. I hope that will give the Deputy the kind of information he is looking for.

3.8.1 Deputy R.J. Rondel:

So would he agree that perhaps a large contributing factor is due to the immigration policy?

The Deputy of St. John:

I cannot say that it is from the migration policy. I cannot make that comment. That is for further analysis, but what I can say is that those percentages speak for themselves and one can draw one's own conclusions.

3.9 Deputy S. Power:

I would like to ask the Minister a question to clarify his response to my first question. In the spike that he referred to, the extra 70 places over and above the 750 his department have projected, does the department feel that any analysis based on trend for 2013 would show perhaps 70-plus places for 2013 and does his department have sufficient capacity?

The Deputy of St. John:

It is unclear whether this is a spike for this year or whether that increasing trend will continue in 2013. If it does then quite clearly we are going to find it difficult and we will need to increase capacity. Either that or, in the very short term, if we cannot increase capacity sufficiently quickly, then we will have to, regrettably, allow increasing numbers of children and pupil/teacher ratios in our schools, which I do not want to do but I may have no choice.

3.10 The Connétable of St. John:

Given the diversity of the fishing industry, from fish farming to deep-water fishing and the like, what help is there for apprentices to join the fishing industry and would the employers have financial assistance?

The Deputy of St. John:

Again, the current apprenticeship schemes are resident with the Economic Development Department. So I am not absolutely clear on the detail of that. I cannot answer that, I am afraid.

3.11 Deputy G.P. Southern:

Figures released in an answer today on the use of temporary and zero-hours contracts has the Education, Sport and Culture Department way out in front with 582 zero-hours contracts. How can such widespread use of zero-hours contracts be justified? Should they not be temporary, fixed-term or part-time contracts?

The Deputy of St. John:

My understanding is that the vast majority of these zero-hours contracts are for things like supply teachers and teaching assistants that are employed on a temporary basis. We also have a situation where there is fluidity between whether teachers wish to cover lunchtime duties or not. Bearing in mind the number of schools we have got and the total number of employees that we have, we feel that at the moment zero-hours contracts are the appropriate way to employ people.

3.11.1 Deputy G.P. Southern:

Will the Minister review his policy on zero hours and ensure that zero-hours contracts are the appropriate mechanism and not temporary or part-time, fixed-hours contracts?

The Deputy of St. John:

Yes.

4. Questions to Ministers without notice - The Minister for Housing

The Deputy Bailiff:

We come to the beginning of the next question period for the Minister for Housing.

4.1 Deputy J.A. Hilton:

The policy of housing teenage mums is, in my opinion, a questionable one because it can lead to various problems, including isolation, which can, in turn, lead to poor outcomes for the children. Has the Minister considered whether this policy should be revisited, not least to stop some individuals who see getting pregnant as a means to access social housing?

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

I could answer that in one word and say: "Yes" but what I will say to the Deputy is it is something that really concerns me and, to that end, I am starting work on it. In fact, I have arranged to speak fairly soon to the Y.M.C.A. Now, the Y.M.C.A. is the Young Men's Christian Association, but they are experts in providing sheltered housing, supported housing, independent living and medium-term housing for all young people, not just young men. It is something I want to talk to them about because I know there is a gap in our provision and the last thing I want is to reward, if you like, irresponsible behaviour. I would like to reward responsible behaviour.

4.2 The Deputy of Grouville:

Earlier today the Assistant Minister to the Chief Minister responded to my question about the names and address register, stating that the housing laws, along with the register, acts as our migration control. I cannot see this. Perhaps the Minister for Housing can explain how the housing laws act as our migration control?

Deputy A.K.F. Green:

What I will say, and I think the Deputy knows that I was going to say this, is we will be much better informed with this new law and we will have up-to-date information as to who is in Jersey. It will be reliable. It will be traceable. If there are gaps in information coming back from different

departments, we will pick it up. So for the first time we will know exactly who is in Jersey. The decisions that come from that are what will bring in the control. The actual policy and the law does not bring in the control.

4.2.1 The Deputy of Grouville:

Would the Minister not agree that being better informed is not the same as a migration control and we desperately need controls and we desperately need them urgently?

Deputy A.K.F. Green:

Yes, I do agree that we need controls but all good decisions are based on accurate information and we have to get that accurate information first.

The Deputy Bailiff:

Can I say the question is at the very edges of the Minister's responsibility? He is not responsible for migration.

4.3 Deputy S. Power:

The Minister would be aware that his responsibility for the issuing of (j) and (k) licences is, in my opinion and I am sure the Minister's opinion, an effective system. Does he think that that system could be extended to the area of migration that now concerns many Members of this Assembly and that there could be a licensing system under his control?

Deputy A.K.F. Green:

I am sure that we can do all sorts of things to change it. The (j)s and the (k)s system does work very well, as the Deputy says. Should it be extended? The last thing I think we need to do is to put in yet another layer of administration. Personally, I would like to see how the new law works, the information we get back and how accurate that is in determining the policies of the Council of Ministers and the Chief Minister's Department, informed by myself and the Minister for Economic Development. We need to get accurate information before we go into knee-jerk reactions.

4.3.1 Deputy S. Power:

May I ask a supplementary on that? The Minister will be aware that there is an effective control mechanism within the Population Office to control (j)s and (k)s and, indeed, the issuing of (g)s. Does he not think it is possible that that system could be extended to the sector of migration that we are now talking about without much effort?

Deputy A.K.F. Green:

I would not say "without much effort." It is possible, but I would want to be sure that that is the right tool to use at this time.

4.4 Deputy M. Tadier:

Can the Minister confirm that the vast majority of people in social housing are in there because they cannot afford or would not necessarily be able to afford rents in the open market?

Deputy A.K.F. Green:

Yes, I can confirm that. We are the social housing landlord and many of our people are in there because they need subsidy or because they needed subsidy when they first entered our accommodation. So, yes, that is true.

4.4.1 Deputy M. Tadier:

The supplementary, in that case, is we often hear about this hidden subsidy that is given to the Housing Department from the Treasury via Social Security. Does the Minister for Housing, therefore, think that it is completely regressive for the subsidy being reimbursed to the Treasury via tenants who themselves are poor, let us put that simply, because they cannot afford rents in the public sector, which, incidentally, goes to private landlords who may own multiple homes that are being paid for supposedly by the taxpayer? Does he not think it would be preferable that it should come from either general taxation or from Social Security contributions because, after all, it is that department that is making a component payment?

Deputy A.K.F. Green:

Let me make one thing quite clear. I am clearly of the view, and I hope to convince this House to be of the same view, that the rents in the private sector should not be on the same scheme as the rents in the social sector. In fact, we have done a lot of work on this and there is no other system in the world - not just in Europe, there is no other system in the world - that links the rent rebate scheme in the private sector to its social rented sector. So we need to decouple, we need to delink - whatever you want to call it. Now, with regard to the money coming from Housing to the Minister for Treasury and Resources, just take a step back and look at the way we used to do it. What we used to do - and some people might say that is the way we should do it - is we used to charge very low rents and the subsidy then went to everybody. It was not in the least targeted. The current system is that everybody is charged the appropriate rent, although that has slipped, I have to say, in some areas, and if they cannot afford to pay that rent then they rightly receive the right support from Social Security and all the benefits and support comes from Social Security and not hidden in the Housing Department. So I think that is right as well and I think that that should continue. With regard to the hidden subsidy, as I refer, I want to ensure that any subsidy is targeted where it is needed and those whose situations change, of course I am not going to make them homeless, but if their situation has changed ... let us take the husband and wife that come into Housing with a couple of children. The children grow up and leave home, the wife starts to work as well. The situation has completely changed. Should those people continue to receive a subsidy? No, they should pay their way. As part of that, though, I would like them to have a choice and that is where part of the work for the Strategic Housing Unit comes in. Would they be able to buy, either on some sort of subsidised or Homebuy-type scheme, because they are now in a position to be able to do so? Those are the things that we need to be working on. We need to be investing in independence not dependence.

Deputy M. Tadier:

I was just going to say that did not answer the question and I will be asking for a written answer that is perhaps shorter than that.

The Deputy Bailiff:

That may be a better way of going about it.

4.5 Deputy T.M. Pitman:

I hope I get a shorter answer to this one. What assurances, if any, can the Minister give to residents of Clos De L'Ecluse about concerns arising about asbestos in the construction of the building?

Deputy A.K.F. Green:

I am not aware of any problems there with asbestos but what I will say is that all our contractors who carry out work are completely trained, certified and all the rest of it in handling asbestos and, if there is a problem there, if the Deputy speaks to me I will look into it straight away.

4.5.1 Deputy T.M. Pitman:

Is the Minister not aware that residents were sent a letter about this?

[12:00]

Deputy A.K.F. Green:

If the residents were sent a letter that means it is well in control and it is an operational matter I would not normally be involved in.

4.6 Deputy R.J. Rondel:

The Minister has and is being very active and committed to deliver around £27 million of social housing. What is the Minister doing to deliver affordable housing for young local couples desperately trying to get on the housing ladder by working hard in order to purchase their own homes with their own savings? Presently this is only a dream. These are the very people we need to encourage to stay in the Island for our future.

Deputy A.K.F. Green:

I totally agree with the Deputy. This is work that needs to be done. It is work that sits in 3 areas currently. It sits partly with the Chief Minister's office in terms of States loans; it sits partly with the Minister for Planning and Environment and partly with myself. My plan is that the Strategic Housing Unit will provide a cross-tenure review and a strategy for all housing; not just social housing but all housing because, otherwise, if we carry on the way we are, it will only be a dream.

4.6.1 Deputy R.J. Rondel:

Just as a supplementary if I may, does the Minister support the Minister for Planning and Environment with his proposals for delivery of affordable housing and sooner rather than later?

Deputy A.K.F. Green:

I support anybody with any proposals that come up with schemes for affordable housing that can be implemented quickly and are workable.

4.7 The Connétable of St. John:

How many disabled homes are managed by the Housing Department and is there are a waiting list for this accommodation?

Deputy A.K.F. Green:

I take it by "disabled homes" the Constable means homes which people have access to. I have to say that I do not know the answer to that at the moment and I am happy to look into that. However, we are increasing access to homes all the time. Some of the homes that we have been talking about recently in the department that have no lifts we intend to put lifts in and provide access to homes so that people in wheelchairs or with mobility problems can access their homes. This is what really lifelong homes are. I do not know the answer to how many - I am happy to provide that information - but we do intend to increase it and have access to as many homes as possible for people that cannot move very easily.

The Connétable of St. John:

Unfortunately I was hoping to put a supplementary, but ...

The Deputy Bailiff:

No, I am sorry. I have got 4 Members still wanting to ask questions and time is running out.

4.8 Deputy G.P. Southern:

Will the Minister revisit with his colleague, the Minister for Social Security, the policies on social rented housing for under-25s?

Deputy A.K.F. Green:

Definitely, it is under my review at the moment. It is something I am very concerned about. I have to say, though, I do not want to mislead the Deputy. It is something I am very concerned about, but I am in danger of trying to do everything and achieve nothing. I need to get the White Paper in, I need to increase the supply of homes and then I can alter the criteria for getting into those homes, because I am extremely concerned about under-25s.

4.9 Deputy J.H. Young:

Would the Minister confirm that he is actively working on a plan to improve the availability of affordable housing for the over-55s and, in particular, whether he agrees that the over-55s are best accommodated in the communities in which they have spent their working lives? Could he advise the Assembly whether he is working with the Minister for Planning and Environment and the Constable to plan for the future increasing needs, particularly in the country areas?

Deputy A.K.F. Green:

I totally agree with the Deputy that people in their ageing years would generally - there may be exceptions in which case they can ask to change - want to be in the community in which they have lived for many years. They have built-up support structures and the like. It is another one of my concerns that I am working and this is partly the role of the Strategic Housing Unit. I would like to see things coming into place such as people being able to buy lifetime tenures and releasing into the housing market their 3 and 4-bedroom homes, but to do that we need a complete housing strategy. That is what is missing. That is what I am going to provide with the Strategic Housing Unit.

4.10 Deputy J.M. Maçon:

Would the Minister not concede that, despite the regulatory role that his department has, the amount of information needed from the population database will simply not be available for many, many years, because we have to wait for that to fill, and it is simply not good enough to wait for this in order to fulfil ongoing housing and immigration policy?

Deputy A.K.F. Green:

In a word, no, I do not agree because I know the database is almost complete and up and running. So, no, I do not agree.

4.11 Senator L.J. Farnham:

Is the Minister in favour of aligning the 5-year rule with the housing qualification period?

Deputy A.K.F. Green:

I think I am going to duck that one in a way because I think one needs to be very careful not to make knee-jerk reactions, populist reactions that have an adverse effect on the very thing that we are trying to prevent. What I will say is I am happy to look at it and we are discussing it. I am not sure whether I agree that we should do it, but I think it is right to look at it.

The Deputy Bailiff:

That brings questions without notice to an end. I have allowed an urgent oral question to be asked by the Connétable of St. John of the Minister for Economic Development.

5. Urgent Oral Question

5.1 The Connétable of St. John of the Minister for Economic Development regarding the action plan in place in the event of the demise of stevedore company Geaorge Troy and Sons Limited to ensure that the Island's transport and freight-handling needs are met:

With the possible demise of the prominent stevedore company, George Troy and Sons Limited, what action plan is in place, if any, to ensure that the Island transport and freight-handling needs are met in full and will the Minister keep the Assembly fully up to speed on events?

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

The directors of George Troy and Sons have placed the company into solvent liquidation and appointed Grant Thornton to complete the liquidation process. Jersey Harbours have contingency plans in place and I am confident that there will be no interruption to freight, car or passenger services. With immediate effect, Jersey Harbours have instigated a process through which a new contract for stevedoring services within the Ports of Jersey will commence and ultimately be awarded. Provided Grant Thornton establish that the company can trade in a solvent manner, Jersey Harbours' contingency provision will not be required. This is because George Troy and Sons will be in a position to provide stevedoring services for a period of 16 weeks from the date when staff notice is served. This will provide time for the tender and contract award process for a new stevedoring service to be undertaken and completed.

5.1.1 The Connétable of St. John:

As many freight companies service Jersey and the Island will have the dilemma of having to restructure the licence process for any new stevedore company, in the interim is it possible that the Island may have to take over the company and employ the staff direct or through the existing company, that way allowing the staff some security?

Senator A.J.H. Maclean:

At this stage, it is impossible to be clear as to what the likely outcome is going to be until we have a full report from the liquidators. However, I can say that, in the event that the service had to terminate at short notice, then the States, Jersey Harbours in particular, would indeed take the service over in the short term until a tender process could be concluded.

5.1.2 Deputy R.G. Le Hérisier:

Can the Minister clarify for the House whether there are features of the current contract that have led to this situation and which, if they were to be repeated in the new contract, would not really lead to an improved situation?

Senator A.J.H. Maclean:

I think that is a matter for the contract tendering process to take into consideration. The details of the particular contracts are only one point with regard to this business and its sustainability.

5.1.3 Deputy R.G. Le Hérisier:

Could the Minister clarify what are the key contract and non-contract factors that have led to this situation, which he is determined, hopefully, not to repeat in the re-tendering process?

Senator A.J.H. Maclean:

At this stage, that is a matter very much for George Troy and Sons, that is the company, and indeed a matter which the liquidators themselves are at this stage still assessing. Until I have had the report from the liquidators I cannot give very much more information, I am afraid.

5.1.4 Deputy S. Power:

The Minister referred to the tendering process over the next period of time. Can the Minister give the Assembly an indication as to whether he will consider accepting a tender from a company outside the Island?

Senator A.J.H. Maclean:

At this stage, it is impossible to say. I think we would need to see who comes forward and what level of services are offered. What I would say is that whoever becomes successful with regard to the contract is going to require the significant expertise that is offered by the men who currently work for George Troy and Sons. I would also add at this point that I think the staff, in total, of George Troy and Sons should be commended for the way in which they have dealt with this very difficult position and the fact that the services have continued uninterrupted in these recent days.

5.1.5 Deputy G.P. Southern:

Is the Minister aware of what redundancy payments or similar schemes are in place should this result in redundancies?

Senator A.J.H. Maclean:

At this stage, no.

5.1.6 Deputy G.P. Southern:

Will the Minister agree to consult with Minister for Social Security and come to the House and tell us what is in place?

Senator A.J.H. Maclean:

Yes, of course I will consult with my Ministerial colleagues. What I have undertaken to do is keep Members fully apprised of the situation as it evolves and clearly that is one element that would be included in that.

5.1.7 The Connétable of St. John:

Within the tender process will the 2 main operators who bring freight into the Island be permitted to tender and, if so, would this not be to the detriment of the smaller freight operators?

Senator A.J.H. Maclean:

At this stage, it would be wrong to predetermine who indeed may or may not tender. The tender would be open for anyone who so desires to put forward a tender, then it would be a matter of assessing the merits of each and every one that is received. All I am concerned about is that we get the best possible solution for Jersey.

PUBLIC BUSINESS

6. Draft Strategic Plan 2012 (P.28/2012)

The Deputy Bailiff:

That brings question time to an end. There is nothing under J or K. We, therefore, come to public business. The first item is P.28 - Draft Strategic Plan - lodged by the Council of Ministers and I ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion, in accordance with Article 18(2)(e) of the States of Jersey Law 2005, to approve the statement of the common strategic policy of the Council of Ministers as set out in the Vision on pages 4 to 6, the Council's Priorities on pages 7 to

13 and Resource Principles set out on pages 14 to 16, of the Strategic Plan 2012 attached at the Appendix.

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

I have a simple, a passionate vision of the future. I want all Islanders to feel the same way about Jersey that I do. I feel pride in our strong sense of community. I am delighted every day by the beauty of our environment. I am fascinated by the depth of our culture, our history, our traditions, and I am reassured by the caring closeness that living in a small Island provides. This is a great place to live, to bring up a family, and I feel privileged to be able to serve this community. I am confident that our future can be better than our past. I recognise that not everyone is as fortunate as I am. However, if we deliver on the priorities that we are debating today we will help to remove the barriers that prevent people from making the most of this wonderful Island. At the heart of this plan is a caring community, built upon enduring values. The priorities of providing jobs, decent homes, good healthcare and social services, keeping the population at a sustainable level and planning for future generations are fundamental, not only to families but to all our community. We are living in turbulent economic times and we are not immune to circumstances outside of our control. Over the last few years this Assembly has made uncomfortable and sometimes unpopular decisions, but it is those very decisions that have led us to the relatively strong position that we are in today. We must not and we cannot be complacent. The world around us is changing and presenting us with new challenges. We must respond to those challenges and regard them as opportunities.

[12:15]

Refusing to change and modernise as a Government is not an option. The Council of Ministers is committed to meeting this changed environment head-on. This Strategic Plan sets out a common vision for the Island for the next 3 years. It will only be delivered through partnership between Government and Islanders. It sets out 6 priorities, which I will now consider briefly. Given the continuing rise in unemployment, our main priority must be to harness the potential of every individual in our community, to build a society where all Islanders take responsibility for themselves, where each of us has the opportunity to succeed, where hard work is rewarded and help is available to those who need it. At the heart of this priority is the one resource that Jersey has always relied upon, its people. We must ensure that this resource is being fully used to its full potential. This means that tackling unemployment, as I said, has to be our top priority, especially employment of our local people. We have already set up a number of programmes. The Back to Work team is co-ordinating schemes that are helping to alleviate the immediate unemployment problem and the Advance to Work and Advance to Work Plus programmes are helping out-of-work Islanders find suitable work. We need to do more and are doing more. The Back to Work team is working closely with industry to develop more employment schemes. We will be courageous in our decision-making. We must also ensure Islanders have the education, skills and training that they need to work in sectors like tourism and agriculture, which have previously been heavily dependent on imported labour. I see this as a win-win situation, reducing unemployment and encouraging more Islanders to become involved in and proud of our traditional industries. We must do everything possible to enable even more of our young people to take up a skilled career and that means investing in training schemes and apprenticeships so that they are ready to take up opportunities as they arise. If we are to successfully get people into meaningful employment then we must focus on boosting business, as it is business that will provide the jobs. We are already bringing forward capital projects. Allocating £27 million to social housing projects will help provide work for locally-qualified unemployed people in the construction industry. We are investing in high-speed telecommunications and connectivity through Gigabit Jersey which, together with Digital Jersey, will support business growth, diversity and new high-value jobs and

Locate Jersey is the new organisation that is focusing on inward investment. The Minister for Economic Development will soon be lodging a new economic growth strategy that will highlight the importance of investment in innovation, of improved international competitiveness, of inward investment, of diversification, of raising productivity in existing sectors and of investment for the future. The financial services industry has been and continues to be the bedrock of our economy, not only with regards to tax receipts but also by the provision of employment. We must ensure that it remains competitive, is appropriately regulated and properly supported by Government. Another of our priorities is to manage population growth and migration. I realise that this is an important issue for Islanders and for Members. The vast majority of the comments we received to our public consultation were about migration. However, any meaningful debate needs to be properly informed by accurate information so we can assess the impact of the conflicting demands and make proper choices. The population model will be updated in light of the census results. The Statistics Unit will provide this information later in the year. We must understand the implications of the decisions we make. We will have a full debate on population levels and migration as soon as this information is available and I expect that to be no later than the summer of 2013. In the meantime, the new Control of Housing and Work (Jersey) Law will significantly improve our controls. We will be able to identify people working without a proper licence and take action. We will have powers to vary licences to limit permissions for new migrants. Indeed, we are considering means of further improving our controls; for example, the 5-year rule and the ability of migrants to access services and benefits. We will explore these options quickly and openly and, as soon as the details of the options are known, they will be brought forward. Our focus is on securing real job opportunities for locally-qualified people. We will, though, also need to accept the need to support high-value and social migration. We cannot risk Jersey being seen as a place where business cannot be done if we are to protect our economy and people and if we are to provide work and for the social needs of our community. Another of our priorities for the coming years is the reform of Health and Social Services. Important decisions will need to be taken over the next 3 years on the future of our health service. Consultation on a Green Paper took place last year and the next important step will be to bring forward a White Paper to set out detailed proposals for the future and explain the benefits that a redesigned health service, as well as community and social services, would offer Islanders. We know from the consultation that 86 per cent of respondents indicated their support for a fundamental redesign of our Island's care services. Islanders want services that wrap around the individual, that are delivered in the community - not just the hospital or other institutions - and that ensure people get the right care from the right person at the right time. To achieve this redesigned system we will need to build additional capacity in our workforce and support the development of different mixes of skills, knowledge and expertise both within Health and Social Services and among other service providers in Jersey, including third sector organisations. We will also need to deliver significant improvements to core services that cut across care settings and are fundamental to supporting efficiency and effectiveness. Creating this change and ensuring our services are fit for the future is not an easy task but it is an essential one and one that will take considerable time. It is estimated that a full redesign of the service will take at least 10 years and will include the development of new facilities, such as a new hospital. In the meantime, it will inevitably be necessary to continue to invest in the current hospital and other community-based facilities to keep them safe and functioning while new facilities are planned and developed. Our fourth priority is around providing adequate housing for our community. It is another major issue for our Island with limited space and with a keen desire to protect the environment. Our changing demographics represent a challenge, not just for Health and Social Services but also for Housing. More people are choosing to live alone and we are all living longer. We will need to co-operate closely with the Parishes and we will also need to protect the natural beauty of our Island. We have started the process of transforming the way we manage social housing with a comprehensive consultation on the way forward. The Minister for Housing is

proposing to improve and develop Jersey's social rented housing by changing the way it is run and funded. The new system will guarantee the Decent Homes Standard, provide homes for those in need and establish a framework for all social housing landlords to improve their customer service. We will also be looking at affordability for those wanting to buy their own homes. Ultimately we want to ensure enough social housing for those who cannot afford to buy and maintain a decent standard of housing and living conditions for the least well-off in our community. The public made it clear at the last election that they are not satisfied with the way our Government is working. Members have also said they are not satisfied with the structure of the Assembly or with the way States business is conducted. We need to consider changes that will lead to better Government and reconnection with the public. The Electoral Commission must, of course, be allowed to do its work. The Council of Ministers will work with Privileges and Procedures and with Scrutiny on the internal issues that have caused Members dissatisfaction. The public sector itself must be modernised to improve the efficiency and effectiveness of our services while, at the same time, delivering the savings needed to balance the books. Public sector reform will enable a motivated workforce to improve its performance and service delivery. We need a public sector that is responsive to the needs of its customers and flexible to change. To achieve this we must empower our staff and engage them in the drive to make our services as efficient and effective as possible, so we can provide good value to the taxpayer. I want to ensure that we build a value-based organisation. On a personal note, I also want to see much better co-ordination of our social policies. The social policy framework was approved in 2007 and needs to be more fully embedded into policy development across departments. Its principles of early intervention and prevention being better than cure should be at the forefront of all of our minds when developing new policies. Our sixth priority is to develop sustainable long-term planning. What do we mean by "sustainability"? We mean that the needs of the future social, economic and environmental should not be sacrificed to the demands of the present. This will require a balanced and co-ordinated approach to developing policies and providing services for the community. Long-term planning affects all our services and it is important that, like our predecessors, we lay a firm basis for future generations. As I have said, we cannot ignore the changing global economic environment or future energy needs or the effects of an ageing population. We are already well underway in some areas, with consultation papers on some of the major issues already contributing to long-term planning; for example, the future of education, the future of health, energy policy and long-term care, areas which are already being tackled by the relevant Ministers.

[12:30]

Much, of course, is already being done to put our finances on a sound footing through medium and long-term tax policy, revenue and capital planning. We must make sure these systems are firmly embedded in our governmental system. With regards to money, our first medium-term financial plan will be presented in July. This will set out the level of funding for the next 3 years. Allied to that, plans to maintain and improve our key infrastructure need to be in place so that we can properly prioritise funding. That plan, make no bones about it, will need to balance making efficiencies with appropriate investment in Health and Social Services, in training and apprenticeships, in education, in investment in the economy, in I.C.T. development and increasing our international representation, to mention but a few. Finally, while the focus will be on the priorities our core services and administration will continue to be delivered and improved. Some of course may need to be refocused in the light of the Strategic Plan and its priorities. We began the process of developing a strategic plan in November. It sets the direction and identifies the priorities for the lifetime of this Government. We have purposively tried to keep this plan shorter and simpler than previous plans as we want to ensure that we focus on the things that are most important right now. I believe this will give us a better chance of success. So alongside our long-term vision we have set out the small normal of priorities for the next 3 years, which I have just

spoken about. That does not mean, of course, that all the everyday jobs will be neglected. Our dedicated staff will still grit the roads and fix the seawalls. Our emergency services will continue to keep us safe and we will continue to support, for example, the arts and our cultural heritage. The Parish system is the hub of community life and will be key to helping us achieve our objectives. Jersey has a long proud tradition of honorary service, not only through the Parish system but also as shown by the dedication of many people who volunteer for charitable organisations. 30 per cent of Islanders undertake some voluntary work. A figure that is especially impressive when you take into account our population's high rate of participation in the work force. We are fortunate that this concept of voluntary and honorary service is embedded in the traditions and culture of our Island. I, however, believe that we can do more to support third sector organisations. There is no doubt that some services currently delivered by Government could be delivered more effectively by the third sector. Where that is the case we must ensure that appropriate protocols are in place. We need to do all we can to hold together the complex fabric of community that makes Jersey safe and caring community truly special. Our vision is to protect that community and to work towards a better balance of economic, social and those community issues. We must protect our environment. As I said, Jersey is a beautiful place and we need to keep it that way. Our people are our future. A well-educated, well-trained, motivated work force not only drives our personal and community prosperity, it makes Jersey a good place to live, a good place to do business and attract inward investment while reducing our reliance on imported labour. I want to retain the best of what we have now for our children and our grandchildren. I believe we can preserve and protect the past that we value while keeping pace with a changing world. I am confident that Jersey has a secure niche in the world and a bright future. Let us make sure we take every opportunity with confidence and make a success of our Island's future, just as our predecessors made a success of its past. It gives me great pleasure to propose the Strategic Plan 2012. **[Approbation]**

6.2 Draft Strategic Plan 2012 (P.28/2012): amendment (P.28/2012 Amd.)

The Deputy Bailiff:

Thank you, Chief Minister. There is an amendment to the Strategic Plan lodged by the Health, Social Security and Housing Panel.

Senator P.F. Routier:

Would you like it seconded, Sir?

The Deputy Bailiff:

I was wondering that. It is by the Council of Ministers and I thought probably I could take it as read but if you would like to second it, that would be very helpful.

Senator P.F. Routier:

It would give me great pleasure, Sir.

The Deputy Bailiff:

[Seconded] There is an amendment by the Health, Social Security and Housing Scrutiny Panel and I ask the Greffier to read the amendment.

The Deputy Greffier of the States:

Page 2, after the words "attached at the appendix" insert the words "except that (a) on page 4 of the draft Plan, in the diagram 'Our Priorities for the next 3 years', after the Priority 'House our Community – Housing' insert an additional priority as follows – "Promoting Family and Community values"; (b) after the Priority 'House our Community' on page 9 of the draft Plan, insert the text of the additional Priority as follows – "Promoting Family and Community Values.

Providing appropriate support to both families and individuals is essential if we are to develop a strong sense of community where everyone is valued. Key factors. Government has a key role to play in enabling people to take more responsibility for their own lives and wellbeing; early investment and support for vulnerable children and families will improve the outlook for the individuals concerned and benefit society as a whole; our Island will be strengthened through a more cohesive community where everyone is encouraged to engage with each other; our social policies need to promote equal opportunities and access to services, so that all members of society can share in the Island's success; in order to tackle the challenges faced by disadvantaged families and children, we need to address the root causes and consequences. Key actions. We will preserve and enhance community values; work together with all Parishes and other agencies to co-ordinate efficient and effective social and community services; seek extension of the U.K. ratification of the United Nations Convention on the Rights of the Child; work towards delivering the range of objectives contained in *Children and Young People: A Strategic Framework for Jersey*; (c) on page 15 of the draft Plan for the heading 'Looking ahead to resourcing the 6 priorities within the Strategic Plan 2013 to 2015' substitute the heading 'Looking ahead to resourcing the 7 priorities within the Strategic Plan 2013 to 2015'."

The Deputy Bailiff:

I am conscious that it is 12.40 p.m. I am not sure how long you are intending to speak for given that I see the Council of Ministers is willing to accept the amendment. Would you like to start now?

6.2.1 Deputy K.L. Moore of St. Peter:

I will be very brief, so I am sure I can complete this by lunchtime. The Health, Social Security and Housing Panel is very grateful to the Council of Ministers who have shown their support for this amendment. We would just like to briefly outline our reasons for doing so. It is our belief that promoting family and community values is an important additional priority for this Assembly by enshrining the simple principles in our political direction with strengthening our commitment to them. Individually we may think about the vulnerable in our community when we make decisions or take on a piece of work but by voting for this amendment we are committing that sentiment into action and promoting, I would like to say, is an action. This also provides a pathway for the vision of a safe and caring community. In the absence of a social policy or a Minister or even independent commissioner for children the H.S.S.H. Panel feels that the amendment is necessary to support and continue some of the work that was begun in the last Strategic Plan. If you consider the ratification of the U.N. (United Nations) Convention on the Rights of the Child, a commitment which was in the previous plan, the Island has since then overcome the greatest hurdle in the past to signing up to this convention and while it is worth reminding you that the only other nations not to have done so are Somalia and the United States. We have got to reach the finishing line on that one. Last year the Minister for Health and Social Services presented the strategic framework for children and young people. This is a commendable set of objectives across departments but we must follow it up and not allow it to gather dust on the shelf. We rely, as the Chief Minister was just saying, on our strong, honorary tradition by pledging to co-ordinate efficient and effective social community services. By working with Parishes and others we acknowledge and build upon that working relationship. It has been suggested that in these times of unprecedented unemployment we should be concentrating on finding jobs for the unemployed and ensuring a prosperous future for all. We must not forget social wellbeing. Family and community are driving forces behind many people's decisions. If you think about it like this, why do most people go out to work? They do not just want to feed and clothe themselves but they are often motivated by wanting to provide for their family. What is one of the greatest strengths of our small Island culture? I would suggest, through the Chair, that it is perhaps our sense of community and I think the Chief Minister today has agreed

with that sentiment. In these hard times we will support our community and those who are most in need. In proposing this amendment I would like to remind my colleagues of a quote that we used in the report we published last week looking at respite care. This is by Peter Lodder Q.C. who said the mark of a truly civilised society is the way it treats its most vulnerable. I propose the amendment. **[Approbation]**

The Deputy Bailiff:

[Seconded] Chairman, am I right in thinking that was your first speech in the Assembly?

The Deputy of St. Peter:

Perhaps a proper one. **[Laughter]** **[Approbation]**

LUNCHEON ADJOURNMENT PROPOSED

Senator I.J. Gorst:

Just before we do that, if I could beg the indulgence of the Assembly. I have a personal matter to attend to at lunchtime so I might be delayed slightly upon my return. I hope Members will not mind that.

The Deputy Bailiff:

The States stand adjourned until 2.15 p.m.

LUNCHEON ADJOURNMENT

[14:17]

The Deputy Bailiff:

The debate resumes on the amendment to the Draft Strategic Plan brought by the Health, Social Security and Housing Scrutiny Panel. Is there any Member who wishes to speak? Chief Minister, the Council of Minister accepts the amendment?

Senator I.J. Gorst:

Yes, Sir.

The Deputy Bailiff:

Does any Member wish to speak? If not, those in favour of adopting the amendment kindly show. Those against. The amendment is adopted.

6.3 Draft Strategic Plan (P.28/2012) - as amended

The Deputy Bailiff:

We now return to the debate on the Draft Strategic Plan, which is open to any Member to speak upon. Does any Member wish to speak?

6.3.1 Deputy R.G. Bryans of St. Helier:

I preface this by saying in the middle of difficulties lies opportunity. The industry I come from had a simple mnemonic device: plan, do, review. Repeat when necessary. The time for planning is over, now we need to start the doing. Outside these walls people are desperate. Not just to hear what we propose but they want us to act with a sense of purpose, a sense of urgency. They want us to make decisions. With more recent redundancies the unemployed level is rising and as students leave at the end of this school year it will rise further. This age of austerity will challenge all of us for at least the next 3 years and beyond. I am in no doubt that the will to address this current crisis

is shared among us but we need to move swiftly and accurately. People are demoralised and bewildered by the prospect of long-term unemployment. Incomes are reducing and people are frightened. They have never been here before. Nobody has. These are uncharted waters, the world is holding its breath. We need to take risks. We need to be brave. We need to eradicate the fear of failure that exists in this Government and outside these walls. The media must also play its part in realising that in focusing on the mistakes we make without highlighting the successes they become part of the problem instead of part of the solution. That said, as an aside, I would like to publicly thank the BBC for their initiative regarding education and the *J.E.P. (Jersey Evening Post)* for the Back to Work coverage. They are to be applauded. It is a 2-way street. **[Approbation]** People make mistakes. It is why they put rubbers on pencils. I was told when you make a mistake you apologise for it, correct it, make sure it does not happen again and move on. As I said, anyone that does not make mistakes has never tried anything new. We need to try new things. We must accept at the outset that not everything we do is going to be successful but we must try. Our electorate expect it. Obama was once asked after sending an envoy to help in the Middle East what if he fails. His reply was: "Well we will stop and do something different." We must adopt the same proactive mentality. America, after tipping us into this crisis, is pulling itself out. Let us learn from that. We must stop berating our colleagues and focus on the job in hand: finding new ways to create employment. All notions of political differences should be set aside and we should work together for a common aim. We are an inclusive Government and that means we should use our skills where they are best placed. When I first saw the fledgling plan I was asked: "Is there anything missing?" I asked: "Where is the job creation?" Back came the reply: "We are not here to create jobs, we are here to create policy to create jobs." My reply to that was and still is: "Why can we not do both?" We have greater access and resources than any member of the public. We should use them. A friend of mine at a great time of stress for him said a profound thing to me the other day. He said: "You and I are different, we think differently. We came to this Island to find a better life or to make one." He is right. That is why immigrants still find themselves on these shores. This Island still has a lot to offer otherwise they would not come. People still expect a better life. Tolstoy recorded wax discs before he died that have only recently been translated. Asked the question: "What should be our purpose in life?" he replied: "Every day you should make your life better." I would add, I think you should make it better for others too. If a national disaster, a tsunami, hit this Island all notions of position and titles would be swept away. Doctors, lawyers, politicians, civil servants, *et cetera*, would just become people who need help. As we have witnessed countless times over the last few years help will be given. It is instinctive. The first document I was given arriving here was the Code of Conduct. In it it states the primary duty of elected Members is to act in the best interests of the people of Jersey and other States. Our Islanders are struggling and need our help. This draft plan provides 6 key priorities for the next 3 years. Six simple goals to aim for: jobs, population, housing, health and social security, government reform and a long-term plan. A brave first attempt to put vision on paper. It is riddled with cares and concerns genuinely felt and honestly ascribed. Let us accept this plan not as a solution in itself but as a living document that adapts as we adopt new ideas and initiatives. Most, if not all of us, enter politics because we believe we could make a difference. We believe it passionately. Now is the time to make that difference. I passionately believe we can. I was asked the other day by a senior civil servant: "Why was this Government different? Why does it appear more positive? What has happened? Is it the new Chief Minister? Is it the new blood in the States? What is it?" My reply was: "It is not just one thing, it is all those things and more." The very fact that he is buoyed-up by it means it is spreading. They want to be part of it. I want to be part of it. The wind of change blows through these corridors. I am sure there will be resistance to some parts of this plan but without resistance you cannot fly. This is an organic document and should change as we change. If there is a gap let us plug it and crack on. I would rather light a candle than curse the darkness. We need to set an example. Let us get positive, let us seek

challenges and meet them head on. Let us get creative; get innovative; and prove that not only can we put it down on paper but we can make it happen. That is the Government I want to be in. That is the Government I believe we have. I support this plan. Thank you. **[Approbation]**

The Deputy Bailiff:

Am I right in thinking this is a red letter day for the States and a second maiden speech.

6.3.2 Senator S.C. Ferguson:

The Chief Minister talks about engagement with the public. It is quite simple, treat them like adults, tell them the truth and do not spin. I also get very twitchy, as I say - commenting on some of the speakers - when you talk about social policies because this usually means that the nanny state is poised to pounce. By all means set up a safety net but we need to encourage independence and not a benefit culture. At least the current Strategic Plan has been shortened but I do wonder whether it is value for money. We have spent some 3 or 4 months and countless government employees' time putting it together and I am sure all Members feel that the priorities and aims are extremely worthy. But are they realistic? For a start, it is my understanding that the £65 million savings will not be made. But the resources principles are still pushing to achieve the £65 million. In fact the section on resources states that financial plans assume that C.S.R. savings of £65 million will be achieved and I do wonder where is Plan B? There was a comment in fact on the *Evening Post* website pages by a member of the public who was a little sceptical in that there was talk of a pay freeze, G.S.T. was increased but £10 million has been found for Gigabit Jersey and £27 million for the maintenance of housing properties. But, as I understand it also, J.T. (Jersey Telecom) is dragging its feet over Gigabit Jersey and technically the Minister for Treasury and Resources should not be dispersing funds until the foot-dragging stops, and perhaps he will be able to explain his actions in this regard later in the debate. The priorities talk of getting people into work but we need to face the fact that our income support levels are such that there is a built-in disincentive to work and where is the mention of that? A local business man contacted me last week. He has had 2 attempts to fill an apprenticeship from Advance to Work. Neither applicant lasted more than 2 days and the second one, the Advance to Work officer rang to say that the applicant would not be coming back. Why did the Advance to Work staff not make the applicant make the call? It was an excellent opportunity and good working conditions and with pleasant colleagues but there was not a sufficient differential between income support and the salary. Not what we are wanting. Perhaps the Minister will be able to tell us how many youngsters have had their income support reduced because they are being rather too choosy over jobs. There is mention of housing our community but without any control of immigration we should be paddling faster and faster to try and keep up with the demand. Where do we stop? The problem is that all this is pie-in-the-sky if there is no control of immigration. I am not saying there should be no immigration, but there should be some discrimination as to who and how many are allowed in. There is a delicate balance between economic growth and immigration. No immigration and we end up like North Korea. Excessive immigration and we lose everything which makes this such a great place in which to live. In particular, we will totally lose the character of the Island and all the aspects which the Chief Minister and the rest of us set such store by. The Corporate Services Panel's report on the census results highlighted what most people have suspected for some time. There has been no effective control of immigration. Part of the problem is that there is the same dysfunction as we found elsewhere in the States. We have had a number of Ministers each with a different priority running the system together and it has been exacerbated by the interpretation of the requirements under Protocol 3 of the Treaty of Accession to the E.U. The census also showed that there was no reliable system for keeping record of the number of people coming to the Island. Not only are there significantly more people than we anticipated but we also have a significantly larger number of children to be catered for in primary school entry classes.

[14:30]

We were promised that no more than a net number of 150 heads of household will be allowed in each year. We keep trying. What all this really goes to show is that if you do not have genuine methods of control it is extremely foolish to make specific promises. It is a bit like you, Sir, commanding that I should run a 4-minute mile by Christmas.

The Deputy Bailiff:

Now, steady on. [Laughter]

Senator S.C. Ferguson:

If you say it with conviction we might possibly believe you but unless you have the means to ensure that I go out training for 6 hours a day you have not a hope of achieving your dictat and this is what has happened with immigration. We have said 150 heads of household but how are we going to stop them? How are we stopping people coming off the boat? When I first came over to Jersey if you got off the boat and you had not any money and you had not got a job and you had not got anywhere to live you were put straight back on the boat and then you went over to Guernsey. Any target, as any scrutineer would tell you, must be smart, specific, measurable, achievable, relevant, time-bound and perhaps every Minister should have this on his office wall. The Chief Minister observed during our hearings that he would like to see the population constrained to 100,000. Perhaps in his summing up he will say how. The new legislation will not come in until later this year so we have had nearly 2 years - a good 18 months - with no efficient controls in place. The indications are, according to our adviser, that if the current trends continue we shall have a population exceeding 100,000 in fairly short order. Many of these suggestions mentioned in the Strategic Plan are affected by the level of population in the Island. Health and Social Services are attempting to improve primary care, which will reduce the demands on the hospital, but an increasing population, which may well bring new strains of diseases into the Island, will totally upset their calculations. Just one other matter. Business transformation. I see no sign of the budget for this. This is so important it deserves its own page, not just a one-liner on page 11. A sub-heading under Reform of Government, or just a mention as a part of normal working in the resources section, but it needs more emphasis if we are really serious about it. What have we got? A document which is better than in previous years. It is not such a long wish list as in previous plans. But on the other hand there is a very large elephant in the room in the shape of the immigration controls. I am not sure that I can support the plan in this format and I will listen carefully to the rest of the debate.

6.3.3 The Connétable of St. John:

I will concentrate on just one area of the policy and that is investment in our infrastructure over the next 3 years. Needless to say you know where I am probably going to start. It is on main drains. If we have money to invest we must invest in the areas that are on seen that are very important. We have still got 13 per cent of the Island that has not got main drains although those people who live in those areas pay twice to have their sewerage removed and that is unfair; totally unfair. If the Minister for Treasury and Resources can find £27 million in his fiscal stimulus to help the Housing Department why had he not put a much larger sum into the infrastructure to make sure that that was completed because every litre of effluent that goes into the ground creates a problem further down the line. Real money is required on investment in our road infrastructure; real money. Not as happens at the moment, we have got sticking plasters, spending a £1 million or £2 million on re-asphalting certain roads. Two that come to mind immediately, which one has been mentioned today, was Victoria Avenue, which the quality of their work was such that we had to go back and do some of the work on the footpaths, *et cetera*. All this was fiscal. It is money. We see most recently in the press release on the 26th by the Minister for Transport and Technical Services that

the work on the airport main road, in part the extension they are doing to that work is because there was poor quality work done in the first place. We need to make sure anybody who is working for this Island, by way of contractors or subcontractors, that we get the best value. It is not necessary that it is going to be the cheapest contract. You want the best quality work that we do not have to go back and, after 4 or 5 years as happens in Queen's Road now, I am seeing manholes having to be re-asphalted around them and the like where things are breaking up. Historically these things would last 20 years and much longer. But for some reason we have gone down the road of the cheap jack 5-minute patch, sticking plaster, and that is not what it is all about. If you are doing any work on the infrastructure you want not necessarily a Rolls-Royce job, you at least want a Ford job, something that is going to last and something that is going to be rugged and last for a long time. Not sticking plaster work, and I am not having a go at the current Minister. He was not in that position when some of these jobs were put out. But further to that, the infrastructure you do not see, whether it is putting chemicals on the ground to deal with eelworm or something similar. That all gets down into the water courses, which, in turn, gets out on to the beaches and in fact is damaging the environment; the environment in fact in some places where we have fish farms and the like. We must be very careful of what we permit to be put on our land and that goes also for disposing of some of the waste from the Sewerage Board because some of that waste - the 'cake' that is spread on the land that we pay the farmers to take - is not doing any good whatsoever to the ground because some of it has heavy metals within it. I think it is time that we reappraised the way we handle certain areas of our waste and spent more money in the scientific side of this and had far more testing done of our seawater around the Island, of our streams that enter the sea from our Island. In a report that my panel of the day last year produced we suggested that considerably more funding be put in place in this area. I am aware that a small amount of funding has gone into this area for the forthcoming year. But it needs considerably more on a long-term period so that our children will benefit from what we do today and tomorrow and our grandchildren will definitely benefit if we clean up some of the things we are doing today, whether it is the waste that comes out on St. Aubin's Bay from T.T.S. plant. If we are allowing any waste to go into the sea it needs to be filtered to such an extent that we are only putting back clean water into the ocean. I think I have probably said sufficient and you will know where I am coming from because I have been on to the main drains in this Chamber since I entered 18 years ago, and I think unless somebody keeps on plugging those particular areas [Aside] ... pulls the plug out.

The Deputy Bailiff:

You stopped at the right point, if I may say so. Deputy Southern.

6.3.4 Deputy G.P. Southern:

He is a hard act to follow, is the Constable of St. John. But here we are with a Strategic Plan and for me it is another Strategic Plan. Members might be quite surprised that it is a Strategic Plan with only one amendment. I think last year we had something like 47 and it took us quite a while to get through that number of amendments, even after one Senator withdrew all 20 of his while apologising for wasting people's time. No, the Members who were there this time 3 years ago would have heard a speech from me trying to insert a priority to make our society more equal. I came up with lots of evidence to suggest that the more equal your society, the more successful you are, the better is your health, the lower is your crime, the better is your education, any number of markers; more equal society is better than a less equal society. I was tempted this time round to try again to make that one of the priorities and I started reading the plan as it was, short as it is, and I realised that it was in fact impossible to amend because it is so wrong; the insertion of one extra priority would not mean a thing. As an indicator of how wrong it is I did a search on the plan with the words "equal" and "equality" on the 21 pages, as it is. What result did I get? How many times did we talk about equality or equal society? The answer was zero; no mention in there at all. I

tried some more, how about “poor” or “poverty”? Surely you would want to do something about that. What is the answer? Zero, no mention of poor, no mention of poverty. Let us try the word “fairness” and we got 2 scores for fairness; one was about people and one was about pensions and it said: “We must ensure that we have fair pensions” meaning smaller pensions. I tried the word “vulnerable” and, again, that got a score of 2; once it was about people and once it was about habitats for animals. That is how much emphasis there is in equality, poverty and making a fair society in this particular document, not a lot. However, sticking in some different words, let us stick in “public sector” and with the emphasis on modernising, reducing, cutting public sector, 22 scores and then put in the words “business” - a magnificent 26. It is only rough and ready but it gives you a feel for what this Strategic Plan is about. It is not about equality and it could not be made to be about equality time and time and time again; it is about business, business, business. It is almost Jersey Plc. I tried to amend it and found I could not. Even as I was reading through the introduction before I got on to the vision and the priorities, I found the phrase: “This plan recognises the need to take a balanced approach to economic, social and community issues.” A balanced approach and first I have got a big question mark there. Have we actually got the balanced approach? Have we balanced our budget? The answer must be of course we have not and I will repeat the analogy I made this morning. I said what this Strategic Plan does by way of balancing the budget is, it says: “I balance my budget, it is my household budget, by not paying the electricity bill” because in this case a freeze on public sector wages is balancing the books by not giving somebody their due, not paying a bill.

[14:45]

That is the reality. This is not a balanced budget at all. It is a balanced budget only in the sense that it ignores critical key demands from the society, critical key demands that could be used to ameliorate the impact of the recession. If you give the public sector a pay rise they spend it. The economy gets a little boost. For every pound in public sector wage bills 64p, the majority of it, ends up in the private sector, in the economy circulating around. That is the reality but this Strategic Plan and this Council of Ministers choose to ignore that. That is why I say this particular Strategic Plan is going in the wrong direction. If you want to examine that you just have to look at where it starts talking about business and taxation and see what it has to say. There is no new direction in here. On page 5 it says: “A strong and sustainable economy generates economic growth that raises the standard of living and creates new and rewarding jobs for local people. It allows tax rates to remain low and generates enough to fund high quality public services and investment in our infrastructure.” High quality public services, it remains low. The economic model on which this Strategic Plan is based is the one we have been using for the past 40/50 years. It is gone. It was fine 10 years ago. It was still working and if you want to check that just look at what was happening in, let us say, 2000. We had £400 million of total general revenue. Company tax contributed £208 million towards that. Personal tax - by which I mean income tax - impôts and G.S.T., contributed £166 million, a balance between business and individual taxation. It was working. We did have high quality public services on the back of relatively low taxation with a balance with company tax and personal tax. What is happening today? Today, after 2009, when we decided to have to compete with our rivals, the Isle of Man and Guernsey, we introduced Zero/Ten. It was not 20 per cent tax, it was Zero/Ten and we lost around about £100 million; £70 million with the banks, 20 to 10, and around £30 million from the other businesses in going to zero. The result is in 2011, of £520 million general revenue, company tax contributed £65 million. Personal tax contributed £436 million. The balance has completely changed from business tax and the balance between business tax and private tax, personal tax, has now shifted completely with businesses paying a mere £65 million and individuals paying £436 million. It is on our sole shoulders. It is our pockets that are paying for our economy. That economic model, I believe, is broken. If one looks, again, go to the money. At the back always go to the money; here we are on

pages 14 and 15: "Resource Principles: balancing taxation and spending." But that word again, magical word, "balancing". It is all out of balance: "Maintain balanced budgets and achieve an appropriate balance between taxation and spending" as that is named and then further on: "Taxes should be low, broad and simple." Then further on: "The spending limits will require £65 million from C.S.R. savings to be delivered by 2013." Already one speaker said: "This will not be delivered." Nonetheless, the aim is there and Members who are here will know where that £65 million came from. It came plucked out of the air. It was originally £50 million and all of a sudden we decided we need to cut some more and it was £65 million; £65 million out of the economy at a time when we are in recession. Are we in recession? We sure are. The Minister for Treasury and Resources could not this morning give an up-to-date estimate for how much G.V.A. has fallen in 2011. But I will remind Members where we are up to 2010; a 3 per cent drop in G.V.A. in 2008, a 6 per cent drop in 2009, a 5 per cent drop, for the latest figure, for 2010 and it is still dropping. Are we in recession? Yes, we are. Are we spending to get out of that recession? No, we are not. The Minister today said: "Oh, yes, we found £40 million in underspends." Underspends: what is an underspend? Money that is not spent on services and that is going to go back into our economy and £27 million I found; I wonder why this happens year in and year out. Every year when we have negotiated budgets suddenly 6 months later we find some more money. This time I think it might be a record, £27 million. I know we had £19 million one year, £14 million another and this usually comes just after we negotiated pay rises for the public sector. This year it has not come after that. So back to page 1, what did I see that I object to: "It is crucial that we keep our public sector spending under control so that the Island can remain competitive with relatively low levels of inflation." Let us squeeze our public sector workers and hopefully private sector too, let us hope employers join in, and squeeze everybody on this Island because we want to keep inflation down. As the Minister said today: "As we know, we have got very little we can do about inflation." Here is one, in fact it is the only tool we have got and we squeeze middle-Jersey, we squeeze the public sector to keep inflation down. Yet, 2 lines later, apple pie statement: "Jersey enjoys a wide range of excellent public services provided by a dedicated and skilled workforce." Dedicated and skilled workforce, for how long are they going to remain dedicated, let alone skilled, if we put them through 2 years of a pay freeze and we take away their terms and conditions and reduce them or, in the phraseology, lovely Blair-ite word, modernise the terms and conditions? Modernise means reduce and save on their conditions. How long will that last? It will not last. It took a blow back in 2009 with the last freeze, it is going down the pan now. The respect that our politicians and this Council of Ministers has from the public sector is disappearing rapidly. That is another reason why this plan is wrong. If we doubt what is going on we simply have to look to 2011 and notice that middle-Jersey salaries have lost purchasing power of between 6 per cent and 8 per cent in the last couple of years and that is going to continue onward now. Talking to representatives of teachers; I hear them talking about: "And in a couple of years' time that is going to be a 13 per cent reduction, effectively, in our salaries and our purchasing power" and that is unacceptable, absolutely. Here we are chasing our tails on a low-tax, low-spend economy that cannot be made to work and we are attempting to make this work for another 3 years and beyond because this is our strategic vision. There is a thought, I looked at this document and said: "What is this vision?" I do not think this document has a great deal of vision in it at all. If it has it is the vision of an accountant; worse still it is an accountant who knows the price of everything and the value of nothing because things are priced in here but values are singularly absent. A strong and sustainable economy and that is the emphasis. Let us move on to the new economic growth strategy and I am looking forward to seeing it because certainly, having a look at the Green Paper on which it is based, there certainly was not anything very great in terms of innovation and growing the economy: "It will require a new economic growth strategy that marries short-term job creation with sustainable medium-term economic growth that does not require excessive inward migration or development outside that permitted by the Island Plan." It talks elsewhere about not growing the

population while we grow. The record is that every time we do grow we do grow the population. We do suck-in employer migrants. But I wonder what sort of growth we are getting and what sort of revenues that will produce this growth. Every week in the *J.E.P.* I see one article written by the business editor usually saying: "Look how well this company is doing." This company has come to Jersey and this week it was a bathroom company that was chosen to focus on: "The biggest bathroom company you have never heard of officially opened a headquarters office in Jersey yesterday" it says. [Aside] Thank you, you will get your turn in a minute. Mr. Chaplin said: "Islanders could rest assured that as this was not a case of a new retail outlet opening in Jersey" so it is not a new retail outlet it is a company. He also said: "Bathroom Brands does include divisions of manufacturing and wholesaling operations, none of that activity would take place in Jersey." In terms of job creation what is it creating? It is not a retail outlet, it is not doing wholesale, it is not selling. What is it doing? It is registering here because we have got zero company tax. How many people will it employ? This is the headquarters; 2, 3? One to look after the finance, an accountant, a lawyer perhaps but it will not be doing much good to our economy nor will it be generating enormous swathes of tax and social security. What it will be doing, like a lot of companies in Jersey, is saving itself company tax, even though its major customers are in Europe and in the U.K. but it is registered here. That is the sort of growth we are talking about, growth which does not do us much good at all. Why is it registering here? To avoid corporation tax. Let us think for a minute about what we do as an Island and let us think about taxation. I have talked about the reduction in company tax and the increase in personal tax and John Cridland, Director of the C.B.I. (Confederation of British Industry) said recently: "Tax is the fee companies pay for their licence to operate." As he said, only a week ago: "Companies completely accept that paying taxes is part of doing business. It gives them a broader licence to operate and enables them to play a full role in society and be recognised for doing so." But in Jersey we say: "Come to us, you do not have to pay tax, you do not have to pay towards the infrastructure, we will do that for you."

[15:00]

Then we have a statement on page 5: "Preparing for the future" and there is an enormous great big yellow mark here and a big question mark: "Preparing for the future." Listen to this now: "The profile of Jersey around the world, and particularly within Europe, has grown in recent years. International finance, taxation and trade have increased Jersey's international personality at a time when the U.K. Government can no longer provide the external representation that Jersey's activities warrant. International relationships need to be grown and managed and the challenge for the Island is to take a much more active role in this development." It sounds very good, let us put it in context. Let us put it in the context of the latest resolution of the European Parliament that has been accepted by the Council of Europe. I asked the Chief Minister how he took it and his answer says: "Oh, does not appear to be a bother." It calls on: "The E.U. Member States to take action on tax avoidance and evasion, which condemns tax competition, demands better company registrars and registers of trusts, demands full country-by-country reporting, demands more resources for tax authorities, condemns the use of tax havens and, in particular, highlights the needs to generalise automatic information exchanges and to extend the scope of the Savings Taxation Directive in order to effectively end banking secrecy." There are a whole set of terms there, almost every one of which we are involved in and yet is there mention of this in the Strategic Plan and how to deal with the increasing pressure that is going to be coming from Europe and elsewhere? Not really, not really and yet that is the reality. What we are doing is ignoring that, going ahead full steam with Zero/Ten and it is the zero that is the problem; going ahead with zero-tax neutrality, as we call it, zero rate of tax that is going to get us into deep, deep trouble with our international neighbours in the near future and in the distant future. It is going to get worse, it is not going to go away. Yet, does the Strategic Plan address it? No, it does not. We are all right, Jack. We are using a 40/50 year-old economic model that happens to be broken and no longer works for us but we are

ploughing ahead anyway. That is why I cannot support this particular plan. Let us have a look at one or 2 of these projects, one of these priorities. We are told we can: "Manage population growth and migration" and I heard Senator Ferguson say: "We can manage it, certainly, but can we control it?" The evidence is for the last 10 years we could not control it. I have repeatedly said we can manage, we can count people in and we can count people out but we cannot control immigration using the current methods that we have, either Housing Law or Employment Law. Are we addressing that? No, I do not think we are. Will we grow the economy without causing immigration and numbers to go up? No, the caveats are already in this document with relatively little. Of course we will need to import some expertise but not too much, the caveats are there. We will grow the economy without doing this excessively. It has not happened yet and there is no evidence here that it is going to happen again. Then this obvious statement about housing our community; there is one thing a government has to do is make sure its population - its residents - are adequately housed. The fact is that for far, far too long we have avoided addressing that and yes, we are going to address it but to what extent? Let us have a look at it; we are going to make social housing pay for itself. How? By putting up rents and making our income support system contribute an extra £10.5 million and our tenants contribute around half of that, £3.75 million, when we put the rents up to 90 per cent of the private sector soon. To achieve what; look at the document: "Turning to the backlog of maintenance programme to achieve decent home standard within 10 years will require additional borrowing of up to no more than £108 million. A total borrowing of £180 million which peaks in year 12 of a 30-year business plan would allow the development of up to 368 new homes to assist with a housing crisis." A 30-year plan that brings in 368 new dwellings when we have 4,500 in our social rental stock. What is that? It is a drop in the ocean. That is not going to solve our housing problem. That is not going to give decent affordable homes to everybody on this Island, not in 30 years. That is an 8 per cent increase in the number of our social rental housing, so that is hardly worth writing home about. Then, of course, we have got reform to Health and Social Services and we have got a massive job to do there. As I suggested to the Minister for Treasury and Resources during the briefing at lunchtime, the problem is that is going to be very, very expensive. What does that mean? That means somehow somebody has got to pay for it. It is not going to happen overnight. Already I hear from the Minister for Health and Social Services that we are talking about bringing in charges of various hospital services; charge for this, charge for that. That is one way of paying for it. However, I do not believe we should be going down that but it is the only thing I have heard. We will see, some time later we are told, mechanisms by which we pay for this. I wonder what they will look like but we will be halfway down reform before we find out how we pay for it. It is a dangerous path to go down. So, far from trying to amend this, I do not believe this Strategic Plan can be made to work. I do not believe it is the right plan for Jersey now; it might have been the right plan 30 years ago, it certainly is not now. I, for one, will not be supporting this Strategic Plan and I urge other Members not to support it equally.

6.3.5 Deputy J.H. Young:

As a new States Member, when this document arrived I asked myself: "Why are we considering this plan, what is the value of it and will it help us achieve for the community, the aspirations that we all have?" I hope I can be forgiven if I outline an analytical look at the plan I did and highlight one or 2 points. My starting point was, well, we are here because the law tells us to be. The law requires a statement of the Council of Ministers' Common Strategic Policy and any other matters they decide and of course that is for the next 850-odd days of the Council of Ministers' reign. Certainly, as a plan, it certainly ticks those statutory boxes like all good compliance things. It is a very good start and it is obviously excellent P.R. (public relations) but I would hope that the strategic thinking of the Council of Ministers will not end with the adoption of this report today. I hope that it is not used as a reason for anything else other than the priorities, which have not made

the grade and do not appear in this report, should be neglected. I looked through the 2009 plan and I thought: "I wonder what went on last year?" I was surprised to see all the amendments and read through the minutes and so on and I was disappointed that a couple of things seem to have disappeared. I am sure this was not intentional but protecting our cultural identity; this seems to be really important as an Island and I could not see that. The Council of Ministers in their comment highlight the fact that law and order also does not have a focus. But particularly, protection of the environment is also, I think, taken as: "Well it is not a priority" but it is in there. I am hoping that as the 2009 plan was for 5 years in that case, until 2014, that the long-term elements of that plan will not be lost. Clearly, I think, the Environment Scrutiny Panel maybe have missed a trick, because the Health and Social Services Scrutiny Panel was dead right, I think, to bring in amendments where they saw that the priorities had not included important missing elements. Now I am reassured because the Council of Ministers comments have said: "Well, in accepting that do not worry, the elements of the earlier plan excluded will still be valid and still be followed." Yes, there is no question that jobs, housing, the economy, are all the priorities but I think what I certainly was looking for was a focus of the plan. A focus of the plan and also to have it sufficiently rounded and balanced to include all the areas of life rather than just a kind of narrow view, so I am looking for that. The plan obviously includes general aims and I thought this does, I think, constrain the value of the plan. Most of the business as usual which is not there kind of resides with individual Ministers and I really think this is important that we sustain that work. I want to highlight one or 2 areas where I think a bit of extra focus is useful and important. Affordable housing; yes, the priority appears in the plan but I think some of the actions can be beefed-up. We need more houses which people can afford to buy. Not flats, because we have ended up with our kind of "hands-off" system with an absolute over-supply of flats where the market is vastly supplied in excess of demand and we have to deal with that. The policies that we have rely on the Island Plan H1 States-owned sites to deliver affordable homes and I do not think this is sufficient on its own. There is an H3 policy that works for privately-owned sites but it appears to be on hold since the collapse of Jersey Homebuy. I think we need to resurrect this and implement this as soon as possible, in fact, ideally on completion of developments, because I think we need the 2 components; the privately-owned site as well as the public site. We need to be asking developers to deliver affordable housing. Generally, I think there is a question over our planning methodologies. We have a history of supply-side failures in our affordable housing and all I can say is look to the U.K. planning system which anticipates need. We appear to wait until supply shortfalls occur before we address usages, clearly always promising a catching-up situation and I cannot help thinking that this has been a major fact in driving-up house prices to the unsustainable level which we have seen in the recent report. I think we also need to include in our thinking some measured interventions in the market. For example, years ago the States had no qualms about acquiring suitable land - and in this case I see no reason why it could not be brownfield if necessary - by compulsory purchase for affordable housing for resale to private developers with contracts imposing sale price conditions and claw-backs on onward sales. There are many such schemes in the Island. Those schemes have just disappeared and I really have difficulty understanding why; why we have closed our minds to these. The States Loan Fund: the States Loan Fund provided incredible basis for families in this Island to become established and that seems to have lapsed into disuse. But we know that the banks are not adequately responding and the lenders to the need, so I think that is something that should be on our list. But I agree that if those things are looked at by the Council of Ministers, if my words are heeded, we must avoid the creation of negative equity for existing home owners and implement such policies carefully. Regeneration of St. Helier; I will briefly touch on that. We must do things to ensure the built-up area is a good place to live and that means really doing things about traffic management and improvement areas. We used to have schemes in St. Helier in the 1980s which produced great improvements in that area, which were modest schemes and again we seem to have allowed that to disappear off our thinking. I am delighted to hear the Chief Minister's

support for small businesses but I really do wonder about what we are doing about relieving bureaucracy. We have got existing burdens of G.S.T., we have got the whole plethora of legislation and regulation and I ask myself: "Would I set up a new retail business now in the Island?" Not only would I look at high rents but what would be my costs? How could I sustain this? So I think that is an area where again some further thinking in depth on the actions would be useful.

[15:15]

The report mentions in Public Sector Reform - and I am delighted this is here - but I do wonder what a value-based organisation is. It sounds very nice and I wonder perhaps if we can hear other speakers or the Chief Minister say a little bit about that. As an ex-civil servant I absolutely know that it is essential to support and encourage those of our people who make the best contribution and to reward that effort. I know how difficult that is, because our people are the best assets, absolutely the best. It is not money that produces it, it is people. I do think we need in that form to bear that in mind, so in our move towards simpler, more efficient administration, please that should not be at the expense of treating our staff badly. I have reservations about the comment made in page 11 where the Council of Ministers say that all major States policies should be co-ordinated from the Chief Minister's Department. That strikes me as being a very old fashioned model of tight, centralist control of organisation which I think generally is accepted to fail. I think a devolved, lean machine is not required. Trust people, empower them and have a tightly-structured machine of people who really want to deliver. Long-term planning - I cannot do better than endorse the comments of the Constable of St. John - we really do have to ensure that we replace a dated infrastructure. I did read in the report a phrase used which I am afraid I do not understand. It says: "The strategy for long-term planning of infrastructure is reduce, manage and invest." Again, I listen to see what that is and I am sure it has a sensible meaning. Deputy Southern, I think he is right, I think in the section on taxation on page 15: "Resource taxation principles", I was surprised to see that the word "fair" does not appear, because I would really hope that we are looking at fair systems of taxation. That strikes me as quite a significant omission. I am getting close to finishing, Members will be pleased. The big issue, I think, is the balance in Jersey for the very long term between an enterprise culture and a dependency one. The Island faces, I think, a choice in the future of an increasingly dependent society or encouraging enterprise. That is a vital long-term issue, because at the moment our income support systems are, I think on my rough calculations, about 3.5 per cent of G.V.A. Government expenditure is 18 per cent of G.V.A., I think roughly - I apologise if I get the figures wrong, they are very rough - which means that income support is around 15 per cent of Government spend. Now, I think what I would very much like to know is how does this compare with other jurisdictions? How do we fare? What is the sustainability of it? What will happen if that grows to 30 per cent of public expenditure. So I think what I would very much like to see somewhere is a study and a report of that income support arrangement to see what the projections are for the future and what our economy can sustain. So in conclusion I do share - I promise this - the Council of Ministers' passion for Jersey and my belief in it, having lived in Jersey for 30-odd years. I am very hopeful that the strategic thinking will not stop with the States' approval for this report because I am sure of course it will be approved, but please ask that we need to be flexible and we must not be afraid to think and act out of the box in uncertain times, because the only thing which is certain, I think, is the constant need for change, a need to adapt. I think the ability to do so quickly will be the key to the Island's future success.

6.3.6 Connétable J. Gallichan of St. Mary:

I would like to congratulate the Council of Ministers for keeping this plan short, sharp and focused. I believe the plan concentrates on what is really important now, at this point in the Island's history, and what will be important to be resolved and to be dealt with over the next few years. It is more targeted than the other plans. I remember, I think, 6 years ago about this time hearing the

expression “motherhood and apple pie” for the first time and I do not need to mention it for this plan. This plan cuts to the chase. There is one area, however, where I felt that perhaps some emphasis was missing; that of the importance of regeneration of all areas of the Island, not just of its urban heart. While I support the emphasis that has been placed on the support for St. Helier and the improvement of its environment, other areas of the Island are also impacted by the policies we have in place and the other 11 Parishes must not be ignored. The Constable of St. John has already spoken about elements of infrastructure and I support what he said. To give another example, the rural economy which we are all so keen to support, and rightly so, now means that wider, larger heavy machinery is used across the Island and for country Parishes this means damage to our hedgerows, to our lanes, and it has an impact on our pedestrians and our householders. The largely radial bus routes that we have now means there is a constant flow of traffic across the northern rural Parishes and this impacts on the roads where there are no pavements and where pedestrians walk amidst the lorries and amidst the traffic. I have recently been working with the Transport and Technical Services and having a great deal of officer support to deal with some of the issues in my Parish but of course I was not surprised to be told that there was not enough money available to fund even a feasibility study to solve what are very real issues for the parishioners of St. Mary. Yet the very next day after my meeting I heard that £50,000 had been used to build a 3D map for St. Helier. I do not say that was not necessary but I do say that while St. Helier probably will continue to command the lion’s share of funds, there needs to be consideration for all areas of the Island. We need to ensure, for example, this is an example that I have given, that T.T.S. are resourced to monitor and improve traffic schemes so that all sections of the Island can work together. The Chief Minister is aware of my concerns and indeed I am grateful for his continued support for the Parish system. I would simply ask that in implementing this Strategic Plan the Council of Ministers defocus just slightly and consider the whole Island the way they consider St. Helier for regeneration.

6.3.7 Senator P.F.C. Ozouf:

I would like to add to the congratulations offered to the Chief Minister on his strong speech in proposing the Strategic Plan but also to the Deputy of St. Peter and also particularly Deputy Bryans for their optimistic speeches, which is an example of the new winds of change that have been blowing through this Assembly since the election. I think that the priorities that are set out in the Strategic Plan are the priorities that the people who elected those Members who were elected in the last election want; better services delivered efficiently, improving people’s lives. I understand that resources are important in delivering objectives. They are not the only things that matter in the terms of meeting objectives but they are important. It is for that reason that the Strategic Plan does have - I hope Members will agree - a comprehensive resource statement which explains and sets out the parameters of how these objectives are going to be met by the allocation of resources. Many Members, including the Deputy of St. Ouen as an example, have said they do not want to see a wish list of projects that not only cannot be implemented but would not be able to be resourced. So I understand - all Members understand I am sure - the effect that tax competition, poor financial regulation and reckless spending elsewhere in other places have had on our economy. Our community has been affected by the global turmoil and will continue to be affected; we cannot insulate ourselves. We, in Jersey, after living a charmed existence for a number of decades, have had to make some very difficult decisions in terms of rebalancing our taxation system. But we have done that; the last Assembly bequeathed to this Assembly a better set of public finances. So I would like to ask Members, if they would, to turn to page 14 of the Resources Plan and to examine in a brief number of minutes the existing principles that are embedded in this plan and the new ones that we are asking States Members to sign up to. The existing principles were the first 4: (1) “Be prudent, taking account of uncertain economic financial outlook, (2) identifying and implementing all possible savings efficiently for 2013 and beyond optimising methods of service delivery to

improve delivery and value for money; (3) no additional spend unless matched by savings or income; (4) the Stabilisation Fund only to be used during economic downturn as advised by the Fiscal Policy Panel to fund the affects of reductions in States revenues or increased demand for services. Automatic stabilisers and to provide appropriate stimulus to the economy.” While challenging, those were the existing principles that the previous Assembly signed up to and stuck to in terms of the difficult decisions of both making savings and indeed rebalancing our taxation system. There were a number of elections around the world and indeed there are elections around happening at the moment. It is characterised in some of those places that those elections happened and then there was a complete redraft of the financial situation of the economies; as we have seen in Gibraltar, as no doubt we are going to see in France and in other places. There almost seems to be a disconnect between some elections and then the economic situation that the Assembly or the new Parliaments find themselves in. I am pleased to say that there is no surprise, in fact there is almost, if anything, a slight improvement in where we thought we were going to be in terms of the bequest that the last Assembly left this Assembly. But being that we have been prudent and having taken difficult decisions we do believe that there are some additional principles that would be beneficial to embed within the Strategic Plan, which will guide the decisions that we will make for the first time on a 3-year allocation in the medium-term financial plan. The first one of the 3 new principles - principle 5 - is: “To maintain balanced budget and achieve an appropriate balance between taxation and spending.” Second, principle 6: “Actively manage the balance sheet as well as the budget by maximising investments returns within levels of risk, rebuilding the Stabilisation Fund when possible and optimising the use of our physical assets.” This is an important area. The new Treasurer and the Treasury team with Deputy Noel and I, are engaging in better managing our balance sheet; getting a better and appropriate return from our investments and looking at our property. This is embedded now within the principles that the Assembly has asked to sign-up. Finally, the area which is going to be particularly difficult - and I am sorry the Constable of St. John is not here - but there it is, principle 7: “Plan our expenditure on capital and infrastructure over the long term and consider carefully the appropriate sources of funding for major projects, including borrowing.” So there are different challenges for different departments in terms of investment. There is investment that provides a return. The Minister for Housing provides me – the Treasury - a return because there is a rent receivable from his housing. That is different from some other departments. No criticism but it is different from other investment in terms of capital infrastructure. I have been able to find £27 million because it is an investment for housing projects and we have been able to support Jersey Telecom with £10 million to make Gigabit Jersey because we will get a return on it. I am under no illusions that there are significant challenges in some areas of our capital spending that need to be tackled. I do not quite share the dismal view that the Constable of St. John has of some of our infrastructure; we have made a lot of catching-up in the last 3 years. But there is work to do and we do need to find a solution for our mains drains extension programme but it is unrealistic, I think, to say that that capital investment is going to come without a necessary return. We are going to have to look at some sort of charging mechanism to make the system of liquid waste disposal fair. It is not right that those that have access to the public sewer network pay nothing and those that do not have to pay huge, sometimes thousands of pounds per year. I see Deputy Young nodding. We are going to have to find a solution and we are going to have to find a solution for liquid waste and we are going to do it. We are working with T.T.S., possibly with Jersey Water, in order to find a solution for that. There are areas of capital expenditure; there are suitable candidates for long-term financing and long-term borrowing. I have never been afraid of borrowing. I am against borrowing for investment in consuming services in the year. I am against current-year deficits in the longer term over a medium-term plan.

[15:30]

That is the prudent approach that we have taken in Jersey and that means that we do not have the problems elsewhere. We are going to have to find the lumpy expenditure for, for example, the area of the hospital. It is clear that after almost a lost decade of health politics in Jersey we urgently need to fix our health service. Members who were able to attend the briefing at lunchtime got a taste of just how big the mountain is to climb in relation to the reform of healthcare funding. I can say to Members that the medium-term financial plan will deliver the first phase - I hope - subject to this Assembly's approval, for delivering the first phase of the improvement in the health service but we are going to have to find a suitable funding source for the necessary and inevitable rebuilding, on-site or on a new site, of the hospital. I am engaged with the Treasurer in finding opportunities for funding options around that. Some of that is going to have to be investment for which there may well have to be a long-term return in terms of an annual repayment from the health budget in the longer term but that is a debate that will happen later on. We are setting the resource principles to allow these things to happen but I am confident that we will be able to deliver the challenges of the priorities within the framework of expenditure that we have set out and within the budgets that we have. So there has not been a lot of debate in this debate so far about the need for further modernisation of the public sector. We have done a lot and Deputy Southern is right, we originally set out the target of £50 million savings and we increased that to £65 million because we felt it was necessary to target that. Of course it was easy to promise, it is difficult to deliver. But I am committed to delivering the £65 million and I say to Senator Ferguson, we have to stand by our contract with the public when we said we were going to increase G.S.T., we must make savings and we must deliver that £65 million. It may well be over a slightly longer period and we may well have to shift some projects but the Council of Ministers is engaged on that work and I am more confident after the results of departments last year in under-spending, that we will be able to meet all our budgets. The States is modernising. This public sector and the States is now a better place to work. People are not so fearful of the political environment. They are not fearful in the way that they used to be. People are being allowed to be empowered and to manage their services and there is a new sense of purpose, there is a new sense of optimism within the public sector that I am detecting which is no doubt contributed to by the positive air that is in this Assembly. Yes, there are of course tough economic situations. Yes, there are salary issues. But it is a better place to work and we need to support the public sector during the continued period of modernisation that must happen over the next 3 years and beyond. A comment was made about affordable homes and yes, there is a possibility of providing support for affordable homes. I do not think the States should become a building society as perhaps we have done in the past but the Minister and I are engaged in working up a deposit scheme for young people to be able to find the money that is now required because of lending criteria differentials in order to get young people on to the housing ladder by lending them a deposit. That is something we have already mentioned and we are engaged and working on that proposal and that, I hope, is going to make a difference for home ownership. I think this is a very different States. It is positive, it is realistic, it is prudent and there is a majority of Members who are working together. The world is tough and it is not just about resources. It is about success. It is more than just about money; it is about our identity, it is about our culture, but I think that this is an exciting positive work programme for this Assembly which will leave a lasting legacy of better services, fairer society because we are going to help those in need, and economic opportunities which will position Jersey optimistically for a good economic future. I believe that we can also improve on our cultural identity and we can reinforce the uniqueness of what makes Jersey special. I am certainly proud of our past. I know that there is an attempt to perhaps rewrite history sometimes, but I am proud of what has been achieved by the Assembly in the last 10 years. We have not taken the difficult and easy path of some other places. This Assembly inherits a positive situation for public finances which means that it will be able to make a difference rather than having to repay debt. I believe that we can further unify our community. It is a patchwork of peoples and I am proud of all of the peoples of Jersey and I think

we should be very careful in some of the remarks that perhaps could be misinterpreted about immigration. It is a concern but we should celebrate the fact that we are a patchwork society and I think that the strategic objectives do complement that in many ways. I am proud of the past. I am optimistic for the future and I congratulate the Chief Minister for leading us through the Strategic Plan in the way that he has and I am looking forward to getting to work to deliver on these priorities.

6.3.8 Deputy G.C.L. Baudains:

I start by saying, as some people will know from my past, that I do not put much store in these Strategic Plans; I often find that they get overtaken by events long before their expiry date. Frankly they would probably be more at home as a party manifesto for a political party in the United Kingdom but on reflection it did not do the Tory Party much good when it had to pursue the coalition. I have a number of queries and I seek clarification, which I hope the Chief Minister can answer perhaps in his summing-up. Economic diversification; there was reference to this on page 5 but I tend to get the feeling that it is possibly more the Minister for Treasury and Resource's view of diversification which, as I understand it from this morning, was about diversifying the finance industry as opposed to diversifying the economy generally. I do hope it is the latter and I ask the Chief Minister what priority his Council gives to this very necessary work. I get the impression that it is not as high as perhaps I would like it to be. Referring to the Minister for Treasury and Resources again, I was slightly concerned by what he said with regard to assisting people with loans to buy property in these difficult times. I would like to see the States Loan Scheme reintroduced, frankly as soon as possible. Again, I would like to hear the Council's view on that. On page 11 of the Strategic Plan there is a reference to "modernise and reform the public sector to create a values-based organisation." Very laudable. I ask what are the mechanisms by which this will be achieved? My fourth question is on the Council's view on climate change, because I wonder if it subscribes to the old global warming "hoax" I call it, which from what I can understand now that scientific evidence has discredited it, is probably more to do with filling the pockets of the carbon traders than saving the planet. I am sure we can all agree with the need to save energy, to be efficient and to use less fossil fuels wherever possible but I do not believe that that should be at the expense of damaging the economy, should the need to cut carbon emissions be forced upon us from elsewhere. It would be nice to know the Council's position as the present document is, I believe, vague in this area. It does touch on the matter, I think, on 3 pages. Finally, on page 13 they refer to more renewable energy. I would like an assurance that this does not include rather barmy schemes such as wind turbines where when the wind is low they do not generate enough to power a light bulb and when the wind is strong they tend to catch fire and over their lifetime would never see back the original investment. So I do hope we are not going to go down that road. That is all.

6.3.9 Deputy M. Tadier:

It has been called "motherhood and apple pie" but I think perhaps today we are closer to "big brother and bean crock". The world has changed since certainly the last Strategic Plan was lodged. It has changed in 3 ways. It has changed globally in terms of the recent collapse, which has shown us the fragility and perhaps the vagaries of the capitalist model as it exists currently. I am not saying that that is the only form of capitalism that could exist. Nonetheless it seems that the international community - and I think Jersey is the same - has not learned any lessons from it. We realise, yes, it was the unregulated banks who caused this problem that led to where we are now. Incidentally, I refer to it because it is referred to in the foreword by the Chief Minister, yet we do not learn any lessons. We pump taxpayers' money back into the very same system that created those problems, hopefully with some kind of checks and balances in there but in reality we know we are still held hostage a second time internationally. Let us look at the second part, which is that the world has changed environmentally. I appreciate there will be different views to the one

expressed previously by the Deputy of St. Clement, however, environmentally we recognise that we simply cannot go on as we are; that is irrespective if we believe in global warming or not. I happen to, and I think there are steps which we, Jersey, as a responsible jurisdiction, if we want to promote our international reputation, do need to take on board. But simply in other ways we know that environmentally the way economics should work has changed. I will talk a bit more about steady State economics because the 2 environmental considerations are changing, in some ways for the benefit, and Jersey can position itself touristically to capture that market of low emissions. Lastly, what is evident here is that the Jersey situation is changing. The Channel Islands are changing as has been recognised by comments from the former Chief Minister of Guernsey. This is changing around our ears. On reading the document that has been in front of us, it is not a bad document. It is well written, it seems to have a relatively large amount of cohesion in it but what is necessary is not simply to look at what is in the document but what is not in the document. I know in the past there have been States Members, for example, before my time but one was that I am told that Deputy Jerry Dorey had a very keen eye to spot what was not in a document and tell you exactly what should have been in it. These are certainly considerations which do not seem to bear any relevance to this document at all. There has been no acknowledgement that, going forward, Jersey's situation has changed dramatically and that there are threats to our position and that is irrespective of what one thinks of the ethics of how Jersey makes its money but the reality of it does need to be taken on board. Back in March 2009 I asked the then Chief Minister, Senator Le Sueur, a question which I will have to read from my BlackBerry, because for some reason the previous P.P.C. did not bring forward recommendations that we could use laptops or similar, so I will be squinting somewhat to see this so do bear with me if I cannot read, but I can thankfully because my eyes are still relatively good. I said at the time, and just to put this in context, it was when the G20 Summit was being held, I said: "Many see the G20 Summit as the beginning of the end for offshore finance centres, respectable or otherwise." Does the Chief Minister acknowledge this remote possibility that it may be so and can he inform the House of what Plan B, if any, he has for Jersey if it does need to restructure its economy very quickly? This is a question which is still as relevant today as it ever was. It is being asked even in the mainstream media in Jersey. It is being asked on Twitter by the likes of Rupert Murdoch, who is an interesting character to ask that kind of question. I think pot and black and kettle - not necessarily in that order - come to mind. The Chief Minister at the time told me: "I do not believe that this will be the beginning of the end for responsible and reputable offshore finance authorities." That is fine; it may be the beginning of the end for those who are unco-operative, badly regulated. Our objective is to make sure we are in a category of those who are complying, those who are seen as responsible so that Plan B is not required. It is a very good way to side-step the question. So let us put ourselves in a position so Plan B is not required. But clearly that was not the question I asked and being a sprightly young Deputy at the time, I asked: "In the worst-case scenario is there a Plan B? Is the Minister saying there is no Plan B?" Then this pantomime goes back and forward. Without knowing the extent of what the implications might be it is difficult to concoct a Plan B, it is far more important in my view that we do not get into that situation by taking all the steps we possibly can to protect ourselves and to demonstrate just how good and responsible we are and that is what we are doing.

[15:45]

So there is no Plan B. Of course there is a Plan B; that has been brought in the previous election by the poll-topping candidate and the Plan B is independence. We can go down the route of independence if we need to. It is not necessarily a desired route but it is there in our armoury because if the U.K. - our own big brother - puts too much pressure on us, if the European Union puts too much pressure on us, we can say, if we need to, if it proves to be viable and if we can produce enough propaganda by the drip-feed method that we are doing throughout our *J.E.P., et cetera*, we can maybe just about convince the public that independence would be a good thing in

spite of the fact that they have an inherent distrust for our Government. So that is the Plan B. At least someone is working on the Plan B. That is reassuring, even if it is not the Chief Minister. The point is that these things have all been taken into account but they feature not one iota in our document in front of us. There is no acknowledgement that Jersey's economy is based on sand. We are talking about investing more in this economy rather than less; exactly the same mistake which international capitalism has been making in their sandcastle-building exercises. I will carry on, even though I know it is difficult to preach to a hostile audience but one has a duty for posterity to do that, I believe. So going through the document; I have highlighted what I think some of the omissions are from that. Of course one is open to the charge: "Why did you not amend it?" Because it is difficult to amend such a deeply different document to what you have in your own head. This is the first point I will make, which is a global point and I think it has been made in previous Strategic Plan debates and it may well be in the back of other people's minds in the Assembly and in the public. It is that we are doing things completely the wrong way around. Normally what one does in forging a way forward, a Strategic Plan is essentially an ideological political manifesto which we are selling, in this case to the States Assembly, but it should be selling that to the public. At some point, and I include myself in this, politicians and political activists in Jersey need to have the courage to stand together before an election takes place on a platform of policies and ideas that roughly more or less they all believe in, because otherwise we are not doing the public any justice. That applies to anyone on any side of this House, because I acknowledge there are more than 2 sides to the Assembly. That is the only way it can really work; when we have an opposition that can come up with a fully-costed business plan that goes hand-in-hand with the Strategic Plan. That is a point that Senator Ferguson made. It is meaningless to have this document which can say anything in it which largely could be supported by all of us if we do not have a method of funding it and if we do not know what the different options available to us are. That is something that those of us who went to the health presentation this afternoon will also be aware of; a very good presentation, clearly the public consultation 93 per cent, I think, in favour of the option C, which was to find a way forward for restructuring because we cannot stay as we are. Of course we agree with that. That question is how do we do that? The devil is in the detail and the detail is linked to the fiscal policy that underlies that. We do not have that here so we have a moral obligation as politicians in the Island, as politically-interested individuals, to make sure that we can come up with a cohesive package before, which is fully-costed, and then if another group of people want to come along and say: "My idea is also economically sound and it is better than yours", that is the way we should be doing it and putting it to the public. I understand that is not where we are at the moment so we have to deal with where we are. In the introduction we heard we have to keep spending under control. Again this is euphemistic because of course the implication there, if we take it literally, is that spending is not under control. I do not think anyone is saying that. Even if too much money is being spent, not enough money is being spent; I would like to see the Chief Accounting Officer and the Minister for any department who is going to be willing to stand up and admit: "The spending in my department is not under control." Perhaps the Minister for Housing would like to do that? Perhaps the Minister for Treasury and Resources, or the Chief Minister; I do not think anyone is going to do that. So clearly this is a coded message but what we need to do is reduce the costs of running the States. We are told that the Government has public support for doing this, for reducing spending. Of course there is a difference between efficiency and spending because we all agree that you should have an efficient machine and you should have an efficient Civil Service, whatever that is. But that is not the same as reducing costs on an ideologically-driven basis because it may well be that in certain areas - like Health but I would venture to say that there are more - in order to gain efficiencies we need to invest more money rather than less and that would see long-term savings but I am concerned that this document does not go far enough into the long-term implications for the future. This document talks very much about reforms that need to be taking place. It talks about reforms in health care. Again, I

reserve my judgment on that because I agree reforms need to be taking place; it is about who pays. Are we going to have a user-pays system that takes place in health or are we going to have one which is funded through progressive measures and progressive taxation, which is what I would favour. There is no talk about the reform of our economic model, for example, there is no talk of reform of our legal aid system and this is something which Members, when they become more experienced perhaps or if they do have experience will already know, that there are more ways than one to skin a cat and if you want something to be done there are various mechanisms to do it. So there is no need for me to put an amendment into the Business Plan to say we need to reform, let us say, the legal system in certain areas because one can go directly to the Chief Minister and to the public if necessary, which does again bring the question of what the point of a Strategic Plan is. And whose Strategic Plan is it? Is it the Chief Minister's or the Council of Ministers' Strategic Plan? Well, clearly, it is all of those things, including the States Assembly's Strategic Plan but it is only our plan insofar as we endorse it, we rubber-stamp it. Of course the proof in the pudding that things in the States Chamber are much better than they used to be are first of all that we have only got 5 Constables in here, so we are already seven-twelfths of the way there, if you like. So this is a sign that democracy is getting better and we have fewer Senators there. They are 6 out of 10 so that is not too bad. I am glad that they have stayed in. There are surprisingly fewer Deputies than normal but the other good sign is that we do not have any debate any more. We have one amendment to the Strategic Plan. That gets proposed. It gets adopted straight away. We do not have any discussion and we get a few people like Deputy Tadier who stands up and speaks on the Strategic Plan, which incidentally is the one occasion which you get a relative amount of free licence. It is the antidote to the apple pie and motherhood scenario, which is Back-Benchers can come up with a wish-list of what they want. That conveniently gets put aside, does not get any reporting, of course, and then the Government which has not got any legitimacy in terms of its ideological mandate goes ahead and does what it wants to anyway. So carrying on, this will no doubt make some interesting discussion on our next P.P.C. meeting, who will want to - because of this one incident - introduce time limits for Back-Benchers. Sustainable, medium-term, economic growth; this is really the nub of the problem here; it is tautological. You cannot have economic growth and sustainability but that is the bottom line, not to mention all the other problems that you have in a small island economy. We need to get to grips, I believe, with the idea of not high G.V.A. growth in our economy, not high-value industries, but lots of small, medium and low-value industries and sectors that are all co-working together where the money stays in Jersey, where there is a lack of fiscal leakage in all of those things. Because economic growth necessarily relies on the old basic principles of buying a product low and selling it high, and that is usually in terms of labour costs. There are these massive contradictions that we have about what do we do with the immigrant population in our Island or what do we do with the population in general terms. The 2 are inter-linked. We are a very small Island and we have the conservative elements, like myself, in terms of when it comes to rural planning and planning matters I would consider myself in that camp. I do not want to see the Island spoiled. I believe that is the case for any of the Constables; they are very protective about the particular character of their individual Parishes. They do not want to see development which is inappropriate, which is large, which is perhaps steel-based, glass, concrete on headlands such as Portelet, it may be to do with Petit Port. But what do we see? That is exactly what we see. We see these things being passed because the Coastal National Park - let us rip that up, just throw it out the window. There is no point in having a coastal national park apart from it sitting somewhere in a document because what happens in reality is when it goes to Planning - and I am conscious that the Minister for Planning and Environment is sitting next to me - I may not get any sweets off him later but he is big enough to take it - is that in reality the National Park means nothing because we have seen the development in my Parish since the advent of the National Park in the 2011 Island Plan when it came in and that has happened there. We are seeing a demolition in the National Park Zone of 2 houses which are being ripped down, massive

excavation has been taking place, minimal regard for the environment around it and that goes ahead because the message is, if you have enough money in Jersey you can do what you want, you can circumvent our traditions. So that is an issue for me. Now I do have sympathy for the position of the Council of Ministers and I completely endorse the comment of the Minister for Treasury and Resources when he says that immigrant workers in the Island are most welcome here, that culturally our Island is a patchwork. Clearly I would say that as the grandson of immigrant Breton farm workers and there are many friends and nobody can truly say that they are from Jersey. This whole thing is a nonsense so we should not get involved with that but there is a political issue. I was discussing it with Deputy Lewis here at lunchtime; there is a potential time bomb waiting here and I am not talking about in demographic terms but in terms of the public relation and public perception because immigrants - as we know from, let us say, the French elections - are the convenient scapegoat. What we should really be looking at is the value-added that these people give to the economy. There is a tension there because there is a desire on the one hand for cheap immigrant labour. We have seen Condor Ferries on the defensive in the last few weeks because they have been employing Romanians albeit on the Clipper ship for - I do not know - £2.35 an hour. All right there are some benefits; they fly them over here to do the work, as if that is some kind of benefit to them. They need to be there; clearly we know where the benefit is being had. So there is a very difficult tension here. The knee-jerk reaction of course is to try and close the doors and I appreciate, having had a meeting with Senator Routier, that there is a difficult balance to be struck between saying that Jersey is open for business and also wanting to be culturally inclusive and to make sure that the reality and the perceptions of jobs not being given to local people purely because there are more compliant immigrants who are willing to work for a lower wage. It is a massive problem which I think we are all going to have to deal with so I give my sympathy and any support that I can offer to the Chief Minister to resolve those issues. It may well be that a work permit system is the way forward. It is fairer and I think it is important from my perspective in terms of wanting to protect individuals' rights, that anybody who comes to Jersey is treated equally, that they get the same access to health care, to housing, *et cetera*, whatever that may be but it would be proportional and that it would be based on what they perhaps are contributing. But it would be a right rather than something which is open to discrimination. I will leave it there. Of course I could dissect this whole document. Perhaps I will do a blog on it; that might be easier. Probably I will not though; I think I will just do some ordinary constituency work. I think that Deputy Southern complained that this does not feature the work equality or fairness in it at all. The Council of Ministers are to be congratulated for that because that is pure hypocrisy in my opinion - luckily I can get away with that because the Chair is not listening - from the previous Council of Ministers. I will no doubt get pulled up in P.P.C. but that will make the meeting a bit more interesting. At least the current Council of Ministers is being honest. They know that you cannot have an equal and fair society under the current model that we have.

[16:00]

The previous Council of Ministers ironically, I think, was even less concerned with the quality of fairness and I hope that certainly on a personal basis, knowing the Chief Minister's background, he does have at least a *prima facie* concern for equality and fairness. So credit to the Council of Ministers for at least not trying to pretend that we want to have an Island which is based on equity and fairness because that clearly cannot be how the very high level and the oliberal culturalist paradigm that we bought into works; it is a complete anathema to that, so that is at least a good thing. What I would hope that we could all move towards is a type of society, and it is something of an idea that the Greens and the Liberal Democrats are promoting in the U.K., the idea that the ratios between payments - whether it is in the public sector or private sector but it is mostly in the private sector because we have greater controls in the payment of our workforce through the S.E.B. (States Employment Board) - is that the ratio between those who are paid the lowest in a company

and those who are paid the highest should not be more than 1:100 and that is an idea. The idea of that it is quite rightly, as Deputy Southern said, that those societies (there have been books written about it called *The Spirit Level* and others), again it is worth re-iterating the point, which have less inequality in them or a greater equality are ones which function better. Of course there are other factors that are taken into consideration - but Japan is a very good example of that - that there are other reasons because it is a cohesive society in other ways anyway. Let us finish on this point (I have to get this point out), I just see the fact that I have spoken for so long as dividing up those who have not spoken at all and giving representation to their parishioners. The S.E.B.; we are told that we want to protect our own workers, that we have respect, that we have excellent public services, wide-ranging. Quite true, we do have, certainly those who work in the system do provide excellent service. They are not as wide-ranging as they might be with people out there who cannot afford to go and see the G.P., they cannot afford to go and get their teeth taken care of, and that has a consequence, ironically costing us a lot of money later on in life because people have to get all their teeth taken out and if they are poor they get that done on income support whereas it could have just been maybe 2 dentist checks when they were a bit younger, £50 a time, and they would not have had to have had that cost at all so it is a false economy on that basis. What kind of message does it send to our public sector workers when we say to them: "We appreciate the work you are doing for us. We want to have a strength in public service but we are going to freeze your wages"? We are going to freeze them like that; it is not just one suggestion, we are not going to say: "We are going to negotiate on your wages." "We are going to freeze your pay increase." Incidentally, I was very careful to make sure when I asked the question last sitting about pay increase, so I did not call it a pay increase, I called it a cost of living adjustment, because that is exactly what it is. We have to find a way as a Government... and I suppose if one remembers anything from this speech, this is perhaps a conundrum for Government, that if we are honest we cannot control everything. We cannot control the economy. We can try and influence the economy and sometimes we have to do that through guesswork. We cannot create jobs. We can certainly provide training for jobs which is only partially successful if the jobs are not there. If you are in a downturn ironically you have to do more training for jobs to try and give something for people to do when they have not got any jobs to go to but there are less jobs there anyway so the despondency levels grow. We have to find a way of intervening in the Government and I suppose to that extent I could be called a Keynesianist insofar as I do believe slightly qualified, as much market as possible, as much state as necessary. We as a Government have to get to the level of finding out how can we affect what happens in the private sector because the private sector does affect what happens in the public sector. As I have said, if job losses occur, we are the ones who pick up the bill through income support, *et cetera*. So to do with housing, for example, we have to find ways that we can reduce the cost of housing. One thing that was absent in the document was where it talks about affordable housing for buying and it talks about social rented housing but there is no provision in there for private rentals in terms of the quality of housing that is offered. There are no checks and balances on people even though many landlords are receiving rent rebate from taxpayers which will be funded from the Housing Department tenants; they are subsidising wealthy people who own many houses and they are also indirectly subsidising those who live in those houses because there is an insufficient supply of housing. So it seems to me we need to build more social housing, we need to find mechanisms to reduce rents in the private sector which would involve tackling those multiple landlords who own many, many properties, also finding a way to tackle properties which are left vacant for long periods of time - left defunct - and we also need to find a way, I think, of just generally bringing costs down for rentals and really closing down that loophole to do with private rental subsidies for those in private sector housing. We have not made any provisions for these. There seems to be a lack of appetite from the Housing and Social Security Departments. Perhaps I speak too soon? I hope that is not the case. But these are really some of the priorities which I feel are not being addressed in this document and I shall vote accordingly.

6.3.10 Senator L.J. Farnham:

I had hoped for a slightly larger audience but maybe Members will rush back when they realise I am on my feet. I think this is quite a brave plan and I will explain why.

The Deputy Bailiff:

I am sorry, Senator, it is worse than that. [Laughter]

Senator L.J. Farnham:

It had the opposite effect, obviously.

The Deputy Bailiff:

I wonder if I could invite Members in the precincts who are listening to the debate to return to the Chamber. Well, we are now quorate again and you may now resume your speech.

Senator L.J. Farnham:

I am grateful to Deputy Southern as I had to listen to his speech in full. I am not one really for words like “visionary” and “visions” and all this kind of speak however I do like “strategies”, believe it or not. I think strategies are important. I think plans are important and therefore I am relatively pleased that this plan is fairly coherent but also simple. It is simply there to set out our political priorities for the next few years. I say “our” because it is not the Chief Minister’s plan or the Council of Minister’s plan but it is our plan. It is the States of Jersey plan. I was impressed upon my return to the States with the level of involvement we all had in shaping this. I think that worked well and I think it is a credit to the new States that that process did work well. Yes, there are challenges but I have not identified one thing in here that is not achievable. That is one of the most exciting and potentially rewarding things about being in politics in Jersey and that is we can, with the right attitude and the right mind set and the right team work, achieve just about anything that we set out to do. In some cases we really have to want to do it but I do get frustrated when I hear words such as “cannot” when really they mean to say “will not” because in my opinion we only do not achieve things because people will not set their mind to it. Essentially, I am supporting this plan though, as I said before, because it is simple and it is short but importantly it is achievable. I refer to the 6 key points and this is why it is quite a brave plan because these 6 points, these 6 priorities, are very measurable, getting people into work. We must reduce unemployment: very measurable. Managing population growth and migration, capping that or controlling our population or ensuring it is at an appropriate level: measurable. Reform of health and social services is measurable. If we have not got a plan or we have not got plans for a new hospital, we have not started to do it within 3 years: measurable. Housing our community, as the Minister for Housing set out this morning: measurable. Reforming the government and public sector, we have already started - very measurable - in developing a long-term plan at the end of this Assembly. If we do not have a long-term plan then it has failed. If we have not done any of those priorities, if we have not achieved those measurable priorities then the plan fails and there are a lot of political reputations resting on this. So that is why it is a bold plan; 6 measurables, 6 achievable measurables - benchmarkable, measurable. If we do not achieve them the States have failed with this plan. That is what is good about it. Previous plans were so vast in many ways it was immeasurable. I want all Members to remember that this is measurable and it is up to the States to work to deliver it. As I said before, in my opinion, every one of those priorities is deliverable. Notwithstanding that though we must also not just be prepared but be eager to continue to ensure that the pioneering spirit of Islanders continues and prospers and that we continue to push and encourage Islanders to push the boundaries to ensure that we build and continue to make our community prosperous, stronger, safer and fairer.

6.3.11 Deputy R.G. Le Hérissier:

In a way I do not believe in strategic planning which will disappoint Senator Farnham. Politics, as we know, operates between very tight planning and that famous phrase of Harold Macmillan: "Events, my dear boy", as was the case in those days, "events." We are possibly more in the second category at the moment than in the first because we know a plan is not to set a direction, it is to set in place an enabling structure which will make us better prepared to meet the kind of threats, opportunities that there are in the broader world because the world is dramatically changing. The focus, as we well know, of the world is shifting to the East or to the Middle East, as Senator Ozouf would tell us, and we have to be prepared. I always am amused. I am not going to go for one of these *tour de forces* and review the whole of the States of Jersey policies as Deputy Tadier started to do or review the total state of the world just to make some points. I am always amused by this attempt to say that if you are not in support of it you must be a defeatist or you must be a pessimist. I am optimistic that this House may move its politics to a higher level. We have got a rather childish form of politics on the Island which sometimes amounts to: "If you are not with us you are against us." I believe the only thing we can do at the moment in the absence of party politics is to try and work a better version of consensus politics. I believe that the common sense of the Jersey people is very much in favour of a more mature form of politics. I am very optimistic about this. There has been an allegation, and indeed I have contributed to it, that the Electoral Commission is simply tradition masquerading as change. I want to be proved wrong. I want there to be better politics on the Island where people really discuss issues and where they do not just continue the politics of stagnation which, in many respects, is what we have got at the moment where they move to a higher level. That is not defeatism, that is not pessimism; that is optimism that we can deal with things in a more mature way.

[16:15]

I think the Chief Minister can move it in that direction if he so wishes. He has shown a willingness to do so. Yes, he is bowed-down by certain vested interests but I am sure he will rise above them and we will start getting more mature politics. So, we are not defeatists, we are not pessimistic, we are optimistic. As I said, I pick up out there in the broader community, while people go on about the old issues, should the Constables be in the States. We go on and on about the old issues. They do want people who can tackle the fundamental issues that this Island faces, who can analyse them and who can come up with good solutions in the way that Deputy Bryans mentioned. That is what they want. They are prepared for there to be good robust debates and not the same old tired arguments: "That we cannot do anything about this because of Protocol 3. We must have the Constables in the States", without any rationale. They do not want those tired arguments. They want arguments about: "Where is this Island going? Who is going to do something about the economy? Who is going to put a more sustainable economy in place?" People are prepared to listen to those and I certainly am. So, to that extent, I am totally optimistic in that I want to engage with those kinds of arguments not the tired old *non sequiturs* that we have heard trundled out time after time in this Assembly, which brings me to immigration. I was accused at lunchtime, perhaps quite rightly, of suffering from the *Daily Mail* tendency. I was told that there had been an exhibition of that in question time. There had been I thought. It is worth defining why immigration... I do not think it is the key part of the... unlike what was suggested in the *J.E.P.* the other night that there is a total obsession with immigration and it is driving all policies. I had a quick word with the chief of the Population Office about that at lunchtime as I saw him in the street. That is not the issue. The issue is that for a long, long time, despite being told by realistic people who were trying to be realistic and engage in a mature debate and not be defeatist, people were told by the people in charge that there was nothing wrong, nothing wrong for years and years and years. We were not allowed to have a mature debate. We were not allowed to have a mature debate. Deputy Tadier- I was discussing it with him at lunchtime - alluded to the French situation where anger rises in the community and you get alienated groups, particularly as you get in deepest

Essex, as Deputy Martin reminded us, or in cities in the north of England. You get alienated groups like the poor white working class who do not feel part of society and can start creating problems for that society unless you can bring them on board. While I do not think we are at that situation at the moment that is why it is much better if you have a proper policy in place and if you own up to deficiencies in your policy and then your substitute policies are much more workable than the ones, quite frankly, you have been deluding people about for years and years and years. That is what has happened. So I do not want to be part of the *Daily Mail* tendency even though I may be exhibiting it, but I would like to see much more innovative thinking about immigration. I would like people to say why Protocol 3 could be worked in a different way instead of the tired arguments, the tired statements we keep getting and we have had for years and years and years about this issue because I would prefer to have immigration control, as I said this morning, at the point of entry and people do not then come into this society and have to adopt first or second class status, which I think is much worse. I think it creates all sorts of social tensions and pressures which we live with and the Minister for Housing lives with day after day. So that is what I would like. I am optimistic on the second issue, so I want a much more realistic debate about immigration, not because I am defeatist but because I think the population wants it and I think they are ready in a spirit of acknowledgement of the tremendous debt they owe to immigrants as well as in a spirit of looking at the tremendous pressures that there are on the Island's infrastructure. They know you can no longer keep trying to reconcile the impossible. They know that. We appear not to. We appear to keep pushing out bland statements and pretending ultimately it does not happen. We see it every week, every month on the Planning Committee. We see these constant debates about: "I want to shoe-horn a house in here." We know why. It is because there are enormous profits to be made given the immensely overheated state of this property market. The other issue that I am supportive of, as I mentioned at the beginning, is reform - but I want reform. I do not want reform masquerading as reform when it is really just the retention of stagnant tradition. I want real reform and I think the Jersey public do as well and they are quite prepared. Yes, there will be conflicts on that, there is absolutely no doubt and people do not deny that. But they want real answers to real questions: "Why is the States of Jersey not working? Why does it appear to be such a dysfunctional body?" Similarly, with the public service: "Why?" even though I do not for a moment deny we have many excellent public servants. Why is the public service growing and growing in many respects? Why is the management sometimes, not all the time, growing exponentially? Why can we not manage that situation to get satisfactory outcomes? Why are we always lurching from one crisis to another? It is not defeatist to ask those questions, it is patriotic to ask those questions. We have a duty to get to the bottom of these issues and to come up with good innovative solutions, not hiding it under this constant recourse to tradition: "Oh, we cannot change Protocol 3. We cannot do this. We cannot do that." I tell Senator Ozouf: "Look carefully where the 'no change' people are", because they are not necessarily in the part of the House to which he attributes them. They are not necessarily there. So I am optimistic but it is going to be a fight, of that there is no doubt, but let us join the fight and let us start having some real debates. Let us start having some real debates instead of Senator Ozouf ... and Senator Ozouf is a superb salesman. The danger is he has become convinced by his own salesmanship. That is the danger. We have got to get to the real issues and we have got to be seen to have a structure in place, to have a public service in place that deals with those real issues not the constant flimflam flannel spin which has come to dominate this and which sadly is often addressing yesterday's agenda despite the fine words from our ambassador to the Middle East, not tomorrow's agenda.

Senator L.J. Farnham:

I wonder if I could ask the Chair to just clarify a point after that speech. It is very trivial and Members will probably tell me to sit down but can you just clarify that we are not a House, we are an Assembly?

Deputy R.G. Le Hérissier:

I totally acknowledge that point in the spirit of co-operation.

The Deputy Bailiff:

I am very pleased that has been mentioned because it has been a silent gripe of mine for a long time. The States of Jersey Law does indeed refer to the Assembly of the States and it would be very desirable if Members would refer to the Assembly rather than the House. The House, probably, includes next door.

6.3.12 Deputy J.A. Martin:

I have been debating all afternoon whether to speak especially after some of the last speeches. I do not really have a lot to say. I am glad we have a great optimist in the House. I am very sad that we have a very young politician who is very young in politics who is so cynical in the House. Oh, he is not behind me anymore. Then we have our Minister for Treasury and Resources who, I agree with Deputy Le Hérissier, is like everything in Jersey, is on top of the world. You could sometimes hear him say: "Let them eat cake" but there we go. So, somewhere in the middle we are getting there. I would just like to reiterate a little story I told Senator Routier at lunchtime. When I was in the throes of Essex, the last 10 days, I looked ... because my mum keeps all my cuttings so there has to be one sad person in the family. I was elected in 2000 and in 2001 there was a massive report from the then Deputy Terry Le Main, who was the Minister for Housing and there was not much difference in-between what he was going to do for housing. I cannot think of the gentleman's name, another professor, we were 20 per cent behind the housing market. We had to up the rents. We had to do this. We had to do that. We had to, as this will do, and it said in the White Paper: "We will pull another 1,000 people, possibly, into the income support so they can manage on the new rents." Again, I call that politics of lunacy but there we go. We will have a debate on that another day. The reason my mum put these out for me was because I was going to an old school reunion, to a headmistress I had not seen in 35 years who told me: "I would amount to nothing." She was probably quite right so I never took the cuttings anyway. Yes, I never took the cuttings anyway. In this House ... sorry, Sir, yes, in this Assembly **[Laughter]**. Another thing just coming back, you know, so freshly from the U.K., London, where they are having the mayoral elections and some very local elections and the Parliament have just found out, the Government sorry, have just found out that they are in double-dip recession. The whole of the local and the national papers were chasing that poor Culture Secretary around in his trainers as if the public were interested in what he had done or what he had not done. Yes, he may have broken the Ministerial Code but this is the party politics of London, England, that some people want to aspire to. On immigration one interviewer asked the Shadow Minister of Immigration 7 times how he would have done it if he was in power. Seven times he never had an answer but he told him that the Tories or the Coalition had done it wrong. This is where we are getting. We have had some excellent speeches today. Nobody, as I said before, in the very first Strategic Plan, cannot sign up to these overall priorities. It is how they are achieved. Now, we have got Deputy Young, the Deputy of St. Peter. We have got the Deputy of St. Ouen. We have got Deputy Hilton. Now, 3 of those are on Scrutiny who scrutinise me. If they do not think we are aiming for the same aims, they are wrong but we are not somehow with this, as I think Deputy Le Hérissier says, this is the Council of Minister's Strategic Plan, it will be endorsed by this House but there is some great talent in this Assembly ... I am so sorry. You will have to forgive this poor cockney whose headmistress did say she would not amount to much but I will call it an Assembly. In this Assembly you have, or the Council of Ministers have, some excellent talent - new talent, old talent - but it is being sidelined. That is the only thing that worries me. Their aims are good. The vision is good but there are more ways than one to skin a cat and I think we need to listen to the people who are close to some people, who deal with them every day. We need to introduce more politicians to the everyday problems out there

because there are some really, really real issues out there. As I say, I just get upset that if we moan about the immigration and again why people moan was we were told from the census in 2001, it was growing, growing, growing. Then when we had the next census we find nearly another 10,000 people. Now, we were told other things were, you know, looking at the statistics would have done this and that. All of a sudden everybody was supposed to be shocked. Well, at the same time we get an extra £27 million in tax revenue so I presume that is because we have more workers or they may be doing 2 or 3 jobs and not getting young people into work. That is where I do find the issue. The U.K. have over, I think it is over 1 million under-21s unemployed. On our percentage terms, being our population, we are not far off that. School is out at the end of May.

[16:30]

They are leaving the end of May. Everyone thinks they finish in July. They are leaving at the end of May and they have got nowhere to go and it is very sad. It is very depressing for them. So I say to the Chief Minister: "Thank you." To the other Ministers: "Thank you for this but please do not ignore a lot of the talent, a lot of the ideas, more taking people on board and stop the inner fighting." Somewhere among Deputy Le Hérisier, poor Deputy Tadier, who is now behind me, who has become very cynical in this Assembly at a very young age and there is some truth where the Minister for Treasury and Resources sits. I do not often agree with Senator Ferguson but her words were right: "Be honest, be truthful and tell them what you can achieve and aim for that", and then we will all get somewhere and stop backbiting among ourselves, get out there and work, stay in here and work for the people out there and then this plan it will not be like something that happened 10 years ago and we are still doing it now. We have got 3 years to get on and do it. If we only achieve 3 out of the 6 I would be very happy; and 3, half-way there.

6.3.13 Senator P.M. Bailhache:

The speech from Deputy Tadier was enjoyable in an odd sort of way even if it was not entirely understandable. The Deputy weaves around all over the place like an intoxicated terrorist shooting off rounds in all directions, killing friends and foe alike, criticising this, that and the other but I am really none the wiser as to whether there are elements of the Strategic Plan with which he disagrees. Now, the trouble with weaving about in that kind of way is that sometimes other Members can miss statements which really need to be challenged. The Deputy said: "The Council of Ministers was more honest than the predecessor Council of Ministers because they acknowledge that we cannot have an equal and fair society under the current system." The Council of Ministers acknowledges no such thing. We certainly do think that an equal and fair society can be created. The Chief Minister explained the kind of things which he and other Ministers wish to achieve. All those things which are set out in the priorities of the Council of Ministers; getting people into work, managing population growth and migration and so on are all things which will improve the lives of people among the public who are finding life in these recessionary times extremely difficult. None of these priorities can be achieved if we undermine confidence by suggesting that we need some new unspecified economic model even if that new model is not explained. The Deputy's long speech... and he may be assured that I am not going to be suggesting to the Privileges and Procedures Committee that he should be restricted in his speeches, but I hope that he might be persuaded to make them a little shorter. His speech seemed to me to be a very stark contrast to the crisp speech of the Deputy of St. Peter on the amendment of the Health, Social Security and Housing Scrutiny Panel which came to an end rather too quickly for my mind. I had wanted to compliment the Deputy and the Scrutiny Panel on identifying something which I think that the Council of Ministers probably intended to include but which had not been given sufficient emphasis in the Strategic Plan. So this is an optimistic statement and I hope that Deputy Le Hérisier and other optimists in the Assembly will support it. We do need reform. I can assure Deputy Le Hérisier that he will get no floppy, sloppy sentimentalist reform from me. I think that

the Chief Minister has consulted widely. He has taken on board a number of constructive suggestions from other Ministers, from other Members and the Strategic Plan is a sensible, broad policy document which points the way forward and which ought to be and is worthy of support from all Members and I hope that Members will support it.

6.3.14 The Deputy of St. Ouen:

First of all I do, 100 per cent, believe in strategic planning and indeed supporting the strategic planning process with a business plan that lays out in detail how you are going to achieve what you set out in your Strategic Plan. The problem is that we see in this Strategic Plan visions and priorities that I absolutely subscribe to. I have subscribed to them over the last 10 years and this is now the third Strategic Plan. In fact you only need to refer back to the last Strategic Plan. I am not picking on Health, but I will identify a number of the elements that were contained under the heading "Enhance and improve healthcare provision and promote a healthy lifestyle." Under "What we will do": "Shift the balance from secondary to primary care with a greater emphasis being placed upon prevention. Identify the funding and aims for each phased programme of investment in health and social care services. The success of each programme will be tracked before further investment is agreed. Lead on actions" and it goes on. Basically a mirror image of what we have in this Strategic Plan. So it is not a matter of agreeing and approving priorities. What is the issue, and it is not even as Senator Farnham said about achievable and measurable although measurable is important, it is when they are going to be delivered. When are we going to see those improvements? Who do we hold to account? It is all very well saying: "We are going to work together", and the Council of Ministers producing a Strategic Plan which bears no resemblance to the previous 2 which had key performance measurements - albeit not very strong - but key performance measurements included in them and they identified who was responsible for delivering those actions, now it is 10 people. What I want to know and the public want to know is who we can hold to account for the actions. I come to the issue of population as a prime example. This esteemed body of States Members - or some of this body, because some of them are not here - determined that the Chief Minister should be responsible and have overall responsibility for the Population Office but at the same time we have a Minister for Economic Development that has responsibility for certain laws. We have a Minister for Housing who has responsibility for others. So, now instead of one individual that we can focus on and call to account for delivering a certain policy, we have 3. In fact, we have got more because the Chief Minister then delegates his responsibility to an Assistant Minister who has not got any power at all. You wonder why the public get frustrated. I am sorry if my voice is being raised but my frustration is now being shown because after 10 years of agreeing and subscribing to and being part of the delivery of certain plans I am still finding that they are not being delivered, they are just words and no action. Then we get to the other part of the Strategic Plan, strategy and strategic planning usually says: "We look to the medium to longer term", generally. In fact, we have got a priority in this Strategic Plan that talks about: "It is essential to develop long-term planning." In the same breath the Chief Minister tells us: "Forget about a 5-year plan now, we only have one that lasts the lifetime of this Council of Ministers and by the way the States have already agreed the first year's Business Plan". So this year has gone because it is already agreed and set and planned out. So the Council of Ministers is producing now a Strategic Plan which is called 2012 which they cannot influence for 2013 and 2014. The other confusion now comes because in their resource principle statements on 2014 and 2015 it speaks about: "Looking ahead to resourcing the 6 priorities within the Strategic Plan 2013 to 2015." Well, that is good but no, the Chief Minister reaffirms that it is just for the lifetime of this Council of Ministers. Now, the Island is looking for direction, leadership, vision and the ability to deliver that vision may be over certain lifetimes of this Assembly but they are looking for that to happen. They are not looking for repeated words that become meaningless because they are not supported and followed up by action. Please, whatever you do, Chief Minister and Council of

Ministers, make sure that when you use words when you commit to undertaking and delivering on certain actions that they happen. That way this Assembly, (1) can help you do that and, (2) it will rebuild the trust and confidence that the public do not have in this Assembly at the moment.

6.3.15 Senator P.F. Routier:

We started out with 6 priorities and we now have 7 - and quite rightly we have 7. I will just add my congratulations to the Scrutiny Panel that brought forward the seventh priority. Once we have all those 7 priorities approved by the States, this Assembly, we will have lots of work to be getting on with. It will be spread across various departments and Ministries and we will all be hopefully working together to achieve those aims. It will require the States and others to provide the services that our community are looking for and they need. The focus of this plan, I have to say, is pointing more towards the social needs of our Island. I think that is very, very welcome and I think it is not only welcome but it is something that is being called for by our community but it does face us with many challenges. It is going to be, I have to say, difficult for some. Difficult for some departments to achieve these things but it is a challenge we should face up to and I believe that we should grasp this challenge and really work towards achieving them. Once the dust has settled after this debate we all need to focus very seriously on the key actions that are within it. We need to ensure that we do all work hard to achieve those plans. One of the areas which I believe that we need to recognise is that our community is there and want to help us, help the Assembly. The community, we know, has a very strong voluntary basis. There are many charitable organisations and not for profit organisations and the new opportunities for social enterprises, which is a new feature just coming through in many communities, which we should be encouraging and supporting to help us to provide those services.

[16:45]

I believe this is something we should harness and we should not put barriers in the way of those organisations because I have a fair amount of communication with many voluntary organisations and sometimes they feel the States is getting in the way sometimes and not helping to achieve some of those aims. So I would hope that there should be a new impetus in encouraging other third sector providers to help us to provide the services which our community need. I will just focus on that because I think it is something which we need to recognise that States departments and Ministers are not going to be able to provide everything the community needs and we should really encourage and support the third sector organisations. As a whole, I am very, very, very pleased with this new Strategic Plan. I think it is very, very welcome and I hope all Members will be able to support it.

6.3.16 Deputy S. Power:

I will be briefer than my colleague in St. Brelade No. 2. I want to say, first of all, that the Deputy of St. Ouen has stolen the first 2 minutes of my speech because in that I was going to refer to the hobgoblin arrangement that we have between the Chief Minister's office, the Minister for Economic Development and the Minister for Housing with regard to the control of population and migration. I think if Members remember the debate last year on the Control of Housing and Work, I was defeated in an amendment to make one person responsible for that policy, which was the current Minister for Housing, but the Deputy of St. Ouen expressed it far better than I could. He cranked-up those adrenaline waves and spoke as if he was speaking from a potato box somewhere outside St. Ouen's Parish Hall and he did it very well. My view on this Strategic Plan is that it is slightly more modified than 2006 and 2009. In 2006 I was completely baffled. I was just into the Chamber and we were supplied with wads of paper by the poor long-suffering Greffier. There were sheets of landscape print on A4 with colour codes green, orange and red and then the Greffier produced a multipage guide as to how we could work our way through this thing of a Strategic Plan

that was produced by the Council of Ministers or the then Council of Ministers in 2006. The year 2009 was a little better but I suppose I must say to the Chief Minister he is to be congratulated for one thing and that is allowing a free-rolling, free-moving debate where any Member can stand up and express their political views and their political wish list and their vision of Nirvana no matter how practical or impractical it may be. I think that is where today's debate, there have been some excellent speeches, and there have been some speeches where one worried about where the speech was going but we are where we are. I was confused at one stage by my colleague in St. Brelade, Senator Ferguson, when she made a reference to North Korea and I could not figure out whether she was talking about people who wanted to leave North Korea or people who wanted to live in North Korea. I am sure she will tell me privately what she meant by that speech. Deputy Bryans made an excellent speech when he talked about "plan, do, review". Well, he will learn in this Assembly, will Deputy Bryans, that sometimes we do plan and do not stick to it. We hardly ever do and then when we review it is too late. I think that is my view of the last 6 years. So today's debate is sort of a ritualistic rite of passage that we go through every 3 years and we do not ever really achieve anything but we do set this Strategic Plan out there. The public are listening to us. Some people paint a picture of this green and pleasant land and all sorts of things and older people paint a picture of a prophet of doom and gloom although at the end of the debate, whether it is today or tomorrow morning, it will be reported by the media and the poor longsuffering public will say: "Well, what was that all about?" but it is a rite of passage. I do not know where I am anymore on this. **[Laughter]** I am being slightly flippant. I was talking to Deputy Baker this morning and we both agreed that it is very difficult to define the parameters of a debate on a piece of work in progress. How do you debate something that is not anywhere near a conclusive stage? How do you debate something where the parameters are so wide that the proposal, the proposition we asked to propose, and using the word "vision"? We are in a sort of difficult position as to how we do this but in my own position we are tasked legally under Article 18(2) of the States of Jersey Law to have a debate on a vision. So here we are today having a debate on a vision and I am going to take my part in this visionary debate - this debate without borders - and no doubt it will be approved, as Deputy Martin said, and off we go and the public will, no doubt, decide as to whether it was worth listening to or whether it was not worth listening to. One of the subjects close to my own heart is how we house the community. I am looking at the bullet points on page 9, the list: "We need to review reliance on private developers to generate affordable housing." I agree with that. "We need to invest in local social housing schemes." I very much agree with that. "We need to identify opportunities for using States-owned sites to provide more housing." I do agree with that but I do not know how it is going to be done. "We are going to work with the Parishes in providing affordable homes locally" and already some Parishes have set an example, including Trinity. "We will develop new lifelong homes to meet the needs of an ageing population." I agree with that. Then down under "Key actions": "We will put in place schemes to generate affordable housing for social rental and purchase." Like the Deputy of St. Ouen said, when? That is what I would like to know. When will this happen? This is now 2012; we are 6 months into the term of this Assembly. Some of us are up for election again in 28 months. We would like to know ... I would like to know how this is going to be done. There was a scheme in the early part of 2009, which was approved by this Assembly in 2008, which was Homebuy. It was passed by this Assembly in 2008 and enacted by the Housing Department in 2009, 46 houses were delivered. The person who delivered that got such a kicking that from 2009 to 2012 nothing has happened since. There has been a big debate on another scheme of 6 houses in the Parish of St. Helier and that has ended up in a result which is not, in my view, as satisfactory as it could have been. I notice on the key actions, we will ... I do not see a commitment or a financial commitment, as Senator Ferguson would say, on how we do this. I know that the Minister for Housing has another £27 million, but it is ill-defined as to how we do affordable housing. There is another consequence of not having affordable housing and that is the brain drain. The brain drain to this Island are the number of young men and women of secondary

school age who leave this Island and go to third level education across to the U.K. or wherever they go. Then they get a job in Nottingham or Norwich or Northampton or wherever then boy meets girl or girl meets boy and they settle in a house in Norwich, Nottingham or Northampton and that house is affordable to them on their combined salaries. They then express a wish to come back to Jersey and they cannot come back to Jersey, because the house that they would like to buy in Jersey, which would be comparable to the one in the U.K., is twice or 3 times the price. So, there is a haemorrhage. There is a brain drain on this Island, which we have not quantified, and it is something that concerns me greatly. I would like to compare - it is not a fair comparison - the economy of Jersey now in the late 2000s and into 2011 to the economy of Ireland in the 1970s. Ireland produced a great deal of graduates, who could not get work in Ireland and they left. The cost to the Irish economy in producing these graduates was very high. The standard of education was very high, but they never came back. Even though the economy went through a boom time, they never came back. I would say that we have a loss of Jersey graduates, because we do not have affordable housing in Jersey. There is a cost to this that is not being quantified. I hope that in the final version of this draft, somewhere in there, the Council of Ministers will factor-in something about that. On page 5, there is a very cunningly constructed paragraph. It has been read once, but I will read it again. I think Deputy Southern read it: "The profile of Jersey around the world, particularly within Europe, has grown in many years." It talks about international tax, finance and trade. It talks about Jersey's position in the world and that the U.K. Government can no longer provide the external representation that Jersey activities warrant. "International relationships need to be grown and managed. The challenge for the Island is to take a much more active role in this development." That is a cunningly crafted paragraph. I would say that we have a number of issues that are facing the Island and the threat to this Island is not so much from within, it is from outside the Island. I think Deputy Bryans alluded to it earlier, the biggest threat to the Island is not from what we do within the Island - some people say we manage things well or we manage things badly - but from forces way outside our control. It is not just the recession. It is, if anyone has been following the French election, it is the constant reference to fiscal paradise. It is some of the websites that one can look at, Elysée 2012. It is the factors relating to population and migration. It is also to do with our relationship with Whitehall or London and how we conduct that relationship and how we accept some of the things we are asked to change on this Island. It is not just about Brussels and what they tell us to do. It is the sum of all these things. I find it amazing that in this Draft Strategic Plan, that there is no vision for Jersey in the international world that is more defined than that last paragraph that I referred to. I believe that a more definitive description of where the vision for Jersey is in the next 5 to 10 years needs to be marked out. As Deputy Bryans said: "Plan, do and review." We need a plan, we need to do it and we need to review where this Island sits internationally. That is not in this Strategic Plan. Our relationships with the U.K., E.U. and our parallel relationships with our fellow Channel Islands and the Isle of Man need to be closer. I would say that the strength of individual Channel Islands, whether it is Jersey, Guernsey, Alderney, Herm or Sark, whatever on their own - their individual strength, individually - is dependent on how they work together. I wish I had seen one strategic statement on perhaps the Islands asserting themselves internationally. I have, as a result of the Guernsey election last week, spoken to some new Deputy-elect Members and some existing Deputy-elect Members. I was surprised to find that some of our colleagues in Guernsey and indeed some of colleagues in the Isle of Man that I spoke to before this debate are keen to explore a pan federation or a pan allegiance or a pan alliance to defend our rights. So, I hope that is taken on at some time in the finalisation of this Draft Strategic Plan. I will deal briefly with population growth and migration, because it is another area close to my heart. The Deputy of St. Ouen dealt with it fairly well. The third bullet point refers to a statement which I find difficult to accept. In the meantime we will only grant permissions for new migrants to look where it is compellingly demonstrated that this will deliver sizable economic or social value and locally qualified people are not available. I find that having spent 2 years in the

Housing Department and having spent 2 years on the Migration Advisory Group, I know from sheer frustration at that time that this was not possible. I do not know what has changed since. But, it seems to me that a bold statement like that within a vision for Jersey is simply not appropriate and that is certainly a work in process. Countless times on the Migration Advisory Group throughout 2009 and 2010, with my colleague the former Constable of St. John, Graeme Butcher, we railed and rallied and tried to persuade other members of the Migration Advisory Group that the warning signs were there, that we did not have effective migration controls and during the debates on 27 drafts that I sat in on, on what was then referred to as the proposed Migration Law, I was not able to persuade those Members that the warning signs were there, that we had an overheated economy and there were more people here than we thought.

[17:00]

A number of suggestions were made that I made and that the former Constable did make were not accepted. That included simple things like days of grace. I am not going to go into detail on that now, but there were issues on the Migration Advisory Group that I was uncomfortable with. Indeed, one visit we took direct to the Population Office ... to the Isle of Man to see how they did migration and how they worked up there. We came back and decided that that type of system did not work. But, as I asked of the Minister for Housing this morning, if you can control (j)s and (k)s by licence, you can probably control the other sector as well. I have concerns as to how we are going to do this. I do not think the Control of Work and Housing Law when it comes back to this Assembly is effective enough. Today, we have new arrivals at the harbour and at the airport and they will go straight to La Motte Street. That is not being controlled by the Population Office. So, as the commander of Apollo 13 said: "Houston, we have a problem." Jersey, we have a problem. I have spoken long enough. These are my concerns. I do believe that I will support this Draft Strategic Plan. I hope that the Chief Minister and his colleagues on the Council of Ministers do take into account some of the comments that are made here today and I look forward to it being modified.

6.3.17 Deputy A.K.F. Green:

I will not be long and I do not want to turn this into a housing debate, but I just have to pick up on a couple of points. Affordable homes were mentioned several times and the need for them. There is a whole draft of needs in terms of housing; young families, childless couples under 55 that are finding it difficult to make ends meet, key workers. These are all people that we need to be working with. Affordable homes for everybody. That will not happen unless we do the strategic housing unit debate. We will have that debate in the autumn. Without that, while you have a bit sitting in Planning, a bit sitting with Housing, a bit in the Population Office around the States Loans, we will not ever grasp the nettle. We need a long-term strategy for housing across all the tenures. That is in this plan. It is not just words. The White Paper is out. My proposals are there. We will be debating that in the autumn. So, it is not just words, there are actions. There are lots of actions. Also, around Health, we went to a presentation today on the White Paper. So, this plan is high level, it is visionary, it has concentrated on 6 things, but it is about getting things done. It is about looking after our community. It is about moving forward. I commend it to the House and ask people to support it.

The Deputy Bailiff:

Does any other Member wish to speak? If not, can I call upon the Chief Minister to reply?

6.3.18 Senator I.J. Gorst:

Before I start my reply, perhaps I could be the first Jersey politician to publicly congratulate Deputy Harwood, who is now the new Chief Minister of Guernsey. **[Approbation]** I will come back to that point further on in my summing up. Where do I start in response to all the arguments and

comments made this afternoon? I suppose by saying that I am not going to comment on each speech made. There are 2 particular speeches that I wish to refer to in a couple of minutes. But, before I do that, perhaps I might be permitted to pick up one or 2 points that speakers have made. It seems to me that most comments this afternoon have been around elements which individual Members feel might have been more strongly emphasised in the plan or perhaps were not in the plan in the first instance. That, I understand, because this plan is, as Members have acknowledged, a slight departure from previous plans. It has purposefully picked out what are now 7 priorities and said that we should focus our efforts upon delivering those 7 priorities over the next 3 years. As much as I would like to present a plan to the Assembly this afternoon, which covers the next 20 years, unfortunately those powers are not within my gift. So, inevitably, it has to be a Strategic Plan for the term of this Government. However, as I have also said and as the plan admits, elements of work included in the previous plan will be continued during the lifetime of this Assembly and inevitably some of the priorities and their delivery will take a number of years, as I said in my opening comments. If we look at health reform, it is going to take a good 10 years, in actual fact more like 30, before it is fully delivered. That does not mean to say we should not start and we should not continue pieces of work. So, to all those Members who feel we should have gone a little further, I ask them not to be put off supporting this plan, because I believe that it does set 7 good priorities that we must endeavour to deliver upon. I would go so far as to say, I am not sure that any Member has spoken and said that they did not support delivering and action upon the 7 priorities that the plan proposes. No Member has said that we should not be concentrating on getting people into work and strengthening the economy. No Member has said that we should not be housing our community. No Member has said that we should not be reforming and investing in our health and social services. No Member has said that we should not be managing population and immigration. No Member has said that we should not be planning for the future. No Member has said that commitment to community and family values should also not underpin the strategic plan. Therefore, I ask that those Members who feel that we might not have gone far enough still do find themselves this afternoon in a position that they can support what is here and over the course of the next 3 years perhaps move us further forward in the direction that they would like to see us go. Deputy Southern has the reputation of being a strong social campaigner, as much as various words may not be in black and white in this plan, I believe that he and his record shows that he wants to fight for delivering on the priorities that are included in this plan. Therefore, I ask him perhaps to reconsider his position with regard to his vote this afternoon. I am absolutely delighted that Deputy Le Hérisier is optimistic. I have been in this Assembly for a number of years, not as long as others, but I do not believe I am going to be contradicted when I say I believe that was the first speech I have heard him say that he is optimistic that things can change for the better. I am pleased, because it shows that each one of us has a responsibility to see change and deliver change. He then, however, trotted out a phrase, which he used as well at the Council of Ministers on Thursday, this idea that he is no longer going to accept tired old arguments. I can understand that sentiment, because none of us wish to accept tired old arguments when they are simply cliché with no fact or evidence underlying them. When they are long-held, evidence-based and have proven the test of time and there is good reason why those arguments are made, then they are not tired old arguments, but rational arguments. I have been told on a number of occasions that if problems had simple solutions and simple answers, someone would have thought of them already and it would no longer be a problem. I think that is never more the case than in politics and in governing. So, I perhaps challenge Deputy Le Hérisier in his new found optimism. I know the particular area he is talking about is with regard to migration and border control, to work with the Population Office, to work with the Law Officers' Department and to consider afresh those arguments, and yes to see if there is latitude, but if there is not, to accept the rational reasons why an approach might be appropriate. Before I started I congratulated the new Chief Minister of Guernsey. A number of Members have picked up on the fact that they would liked to have seen perhaps a more strategic

analysis of our international position and they have read out a particular paragraph. I believe that that paragraph is quite clear in the intention of the Council of Ministers and of myself as the Chief Minister. I have absolutely no doubt whatsoever that we will have to work much more closely than we have in the past with our sister isle, Guernsey. The world sees us as the Channel Islands, we must therefore work together and present our proposition to the world as the Channel Islands. There will be challenges there. We do need to look at high level political co-operation, certainly when it comes to the field of foreign affairs and our international relations it makes absolute common sense to me and I am delighted to hear, albeit second-hand, that a number of the newly elected Guernsey Members agree with that. We also have to be absolutely committed to strengthening our arguments in London and all that that will mean, which in my opinion will mean that we will need to have a representative office in that city. We will also need to strengthen our international representation around the world. A number of Members have said that the centre of gravity of wealth and of power is shifting and we need to ensure that we are not left behind the curve in that respect. I come now to the 2 speeches that I particularly wanted to pick out, because I think they summed up this Strategic Plan and the approach that I want to support. That is the first speech that we heard of the day, from Deputy Bryans in his maiden speech. Action and opportunities, we are living in uncharted times, and he is absolutely right. We must see the challenges that we face as opportunities and we must take action.

[17:15]

Deputy Martin said we must stop back-biting and start working together. Those 2 speeches to my mind were absolutely right. They summed up exactly the approach that we need to take. We now have before us, and I hope that we are about to approve it, a Strategic Plan for 2012 that will I hope survive for the next 3 years. If we approve this plan this afternoon the challenge will be, as I have said before, not only to the Council of Ministers but to each Member of this 51-Member Assembly, to act, to do. I was speaking only earlier this week about my frustration with regard to the length of time which is prescribed that this process needs to take. I wish that in our minds we could go back to the night of the election in October and refresh in our minds the gratefulness that we felt to the electorate firstly for being elected. The sense of vision, the sense of hope, the sense of we were now going to see change and the sense that we could make a difference that we felt that night. We now have our Strategic Plan. Let us approve it, let us go back to that point in our minds and let us do. The first thing that I am going to ask of Members to do is to vote and approve this plan. Of course, throughout the course of the 3 years we will have opportunities to review and to slightly amend the course that we are taking. But, this afternoon, let us now start to do and to deliver for each member of our community. Thank you, Sir.

The Deputy Bailiff:

The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the Draft Strategic Plan 2012 as amended. I invite the Greffier to open the voting.

POUR: 41		CONTRE: 4		ABSTAIN: 1
Senator P.F. Routier		Deputy G.P. Southern (H)		Senator S.C. Ferguson
Senator P.F.C. Ozouf		Deputy M. Tadier (B)		
Senator A. Breckon		Deputy T.M. Pitman (H)		
Senator A.J.H. Maclean		Deputy M.R. Higgins (H)		
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Connétable of St. Helier				

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

7. Draft Policing of Parks (Amendment No. 4) (Jersey) Regulations 201- (P.23/2012)

The Deputy Bailiff:

Very well, that brings that item in the agenda to a close. We now come to the Draft Policing of Parks (Amendment No. 4) (Jersey) Regulations 201- (P.23/2012), lodged by the Minister for Transport and Technical Services. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States, in pursuance of the Order in Council of 26th December 1851, and Article 92 of the Road Traffic (Jersey) Law 1956, have made the following Regulations.

7.1 Deputy K.C. Lewis (The Minister for Transport and Technical Services):

This is a minor amendment to the Policing of Parks Regulations, which is just really bringing them up-to-date. The law currently only allows a blind person or a police officer to bring a dog into our parks. But dogs now assist a greater range of people and this should be recognised in the law. These people and their dogs should be allowed to enjoy our parks. This amendment allows this to happen. Thank you, Sir.

The Deputy Bailiff:

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

7.1.1 Connétable M.P.S. Le Troquer of St. Martin:

Can the Minister just confirm this just relates to 3 parks in fact: Howard Davis Park, Patier Park and Springfield Park, because dogs are allowed in all the other parks, whether they are on a lead or not.

The Deputy Bailiff:

Does any Member wish to speak? I will ask the Minister to reply.

7.1.2 Deputy K.C. Lewis:

There is also Millennium Park. The signage is in train and will be with us in about 2 weeks, I believe.

The Deputy Bailiff:

Members in favour of adopting the principles of the regulations, kindly show? Those against? The principles are adopted. Minister, are you going to propose the regulations *en bloc*?

Deputy K.C. Lewis:

Yes, please, Sir.

The Deputy Bailiff:

Deputy Young, Chairman of the Environment Scrutiny Panel, do you wish to scrutinise these regulations?

Deputy J.H. Young (Chairman, Environment Scrutiny Panel):

No, Sir.

The Deputy Bailiff:

Can I invite you, Minister, to propose the regulations *en bloc*?

Deputy K.C. Lewis:

En bloc, please, Sir.

The Deputy Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak? All those Members in favour of adopting the regulations, kindly show? Those against? The regulations are adopted. Do you propose the regulations in Third Reading?

Deputy K.C. Lewis:

Yes, please, Sir.

The Deputy Bailiff:

Seconded? **[Seconded]** The appel is called for. I invite Members to return to their seats. They are voting on whether to adopt the Policing of Parks (Amendment No. 4) (Jersey) Regulations 201- in Third Reading and I ask the Greffier to open the voting.

POUR: 44		CONTRE: 1		ABSTAIN: 0
Senator P.F. Routier		Connétable of St. John		
Senator P.F.C. Ozouf				
Senator A. Breckon				
Senator S.C. Ferguson				
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				

Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérisssier (S)				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of St. Ouen				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy S.S.P.A. Power (B)				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy G.C.L. Baudains (C)				
Deputy of St. John				
Deputy J.P.G. Baker (H)				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

The Deputy Bailiff:

I can announce that the regulations have been adopted in Third Reading.

8. Tourism Development Fund: assistance to the private sector (P.26/2012)

The Deputy Bailiff:

We now come to P.26 - Tourism Development Fund: assistance to private sector - lodged by the Minister for Treasury and Resources. I ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether of opinion to refer to their Act dated 18th December 2001 in which they established the Tourism Development Fund and in accordance with Article 3(3)(b) of the Public Finances (Jersey) Law 2005 to vary the purposes of the Tourism Development Fund to allow the Minister for Economic Development to grant financial assistance to private sector entities to support the development of the tourism sector in Jersey.

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

I am seeking the Assembly's approval, in accordance with the Public Finances Law, to vary the purposes of the Tourism Development Fund, so that it can provide assistance to the private sector as well as the public and voluntary sectors. I must say to the Assembly this is really the proposition of the Minister for Economic Development, but the Public Finances Law only allows the Minister for Treasury and Resources to bring a proposition on such a variation, in accordance with the advice from the ever-helpful Greffier. I have to say that I am bringing it and do strongly support it. I will leave the Minister for Economic Development to make perhaps some additional remarks on the details behind his thinking of this proposition. I would like to briefly highlight some of the reasons why I also, together with the Council of Ministers, believe that it is such an important development and why we are supporting it. Firstly, the T.D.F. (Tourism Development Fund) has a proven track record. Jersey Heritage and Durrell are just 2 documented success stories. The Island's tourism industry is undoubtedly in a better position as a result of the support from the T.D.F. in these institutions. Secondly, it will be a condition of the funding for the private sector that any grant must be matched pound for pound. This clearly doubles the impact in the economy that we can achieve from taxpayers' money. A good example is, of course, the Durrell and indeed the hospice projects that we funded out of fiscal stimulus, which were also pound for pound. Finally, the governance of the Fund is, I am pleased to say, extremely sound. This is documented in the report and proposition. I would like to add my thanks to all the individuals, when I was Minister for Economic Development and indeed since then, who served on the panel since 2001. They should be proud of their judgment and their achievements in making Jersey a better place for tourism and indeed Islanders on a number of projects. This proposition allows the panel to consider in the future all opportunities to improve the Island's tourism industry on a level playing field. With your approval, Sir, I will make the proposition and respond to the debate at the end.

The Deputy Bailiff:

Seconded? [**Seconded**] Does any Member wish to speak? The Connétable of St. Martin?

8.1.1 The Connétable of St. Martin:

Just from my understanding of the situation, I have read the proposition and also referred back to the Tourism Committee 2001 proposition that relates to the setting up of the Tourism Development Fund, and the amendments that were put forward at the time by the then Deputy of Trinity and the then Deputy, now Senator, Breckon. Obviously I was not a Member at the time, but my understanding is the initial proposal tended to indicate that funding would be a strategic investment necessary if the Island was to maintain a balanced economy and not to become over-reliant on one industry sector, that of the finance sector. Taking the comments from today's proposition paper regarding the way the T.D.F. has been used in the past 10 years, I note comments like: "The T.D.F. has enjoyed considerable success." "A proven track record over 10 years." Of: "Increasing tourism numbers and spend." I am not sure how that is proved: "Generating additional investment in tourism." Which I think is probably questionable, and: "Developing media opportunities to bring the unique benefits to Jersey to a wider audience." I am not so sure of the success and I am not convinced. We are now being asked to extend the remit originally passed relating to support for initiatives brought forward by public and voluntary organisations to the now private sector initiatives. We are told that if we do we will encourage a more diverse range of proposals and at

the same time providing leverage for additional investment that would not otherwise be available and that further strengthens Jersey's tourism industry and ability to compete in a global marketplace. I fear that we need more than a town cycle network, an extension of a footpath or that of a hockey tournament to compete with a global marketplace. I am not convinced and have a feeling - a perception - of the degree of fear or panic originating for or from the tourist industry. Having read the proposal, I remain uncertain whether the funding is that of a repayable loan of Jersey taxpayers' money or whether it is a grant that is refunded after a successful event or, what I think it is, merely funding from the taxpayers' pot and that maybe we should call it a gift that will never be repaid, whether the venture is successful or not. Is the return that we get for the contribution from the T.D.F. merely provided by way of increased tourists visiting the Island and therefore the perceived spending gain the Island receives from the tourists to assist our economy? If it is a repayable loan and the private, public or the voluntary venture fails then the funding is lost to the taxpayers' expense. What worry for a private organisation if a venture fails? Will the Minister tell us who becomes accountable, who do we hold to account if it does fail? Is it the T.D.F. panel, the project analysts, who identify the economic benefits and assess the panel themselves or is it the Minister himself? I find it very difficult to accept that the Minister is able to explain how the department can assure in monetary, and in particular increased tourism terms, that the projects that have been approved and funded to date have indeed been the sole cause for increasing numbers of visitors to travel to the Island. Today's proposal indicates a pound for pound agreement. The private sector finding the same amount by one way or other has that sum provided by the Fund. The private entrepreneur has a difficult task, obviously, to provide money and has to work hard to find that funding for his/her project that they think will benefit Jersey and obviously improve their business too. However, we have to remember that it also means that the Fund, funded by the taxpayer, pays up to half of that venture. We have had a situation only last weekend where we have seen a major dance and music event at Les Landes Racecourse cancelled, which organisers have since stated to have invested thousands of pounds into the project. A private event that organisers indicate people would have travelled to the Island to attend. That could easily have been a T.D.F. sponsored event, albeit I do not think (hope not) this event has been sponsored from that Fund. Likewise, the proposed large fete that was to be held at St. Aubin later this year. Although, I think, that was likely to be a public or voluntary sector type event. It is fortunate that it appears the event has been cancelled before large sums of money have been invested. Either way, be it under the current system or those under the proposal today, considerable sums of money could have been lost. They both show risks to public money. We are all aware of the serious economic situation of the Island and indeed around the world. We want to improve the image of the Island and to encourage tourists, but all know that the Jersey I remember, and many Members of the House today remember, the thriving tourist trade that I remember as a child have gone, together with the hotels and the guesthouses too.

[17:30]

Members may think I am cynical, but I believe many of the sponsored events and projects identified in the projects identified in the proposition report would have been attended and supported by visitors without our funding. Much of the support and attendance was from Jersey residents in any case and not resulting from a mass influx of tourists. We may have been supporting events, but I think the issue we have to consider today is far more detailed than that. We want people to travel to Jersey as cheaply as possible. We want very good guesthouses and hotels and we want more of them. We want visitors to enjoy the culture of this unique Island. We want a whole range of attractions available to them whenever they visit, not merely on a specific day or days for a one-off event. We have a pot of money specifically set aside for that purpose. Providing small sums of money for an individual event will have little or no impact on the more basic difficulties facing the tourist industry. Those that have gained from the Fund so far are very lucky.

I am cynical and wonder the amendment is being sought because the money from the pot has not been taken by the public or voluntary sectors as quickly as it could have been. The public and voluntary sectors already able to utilise the Fund may be warning us that tourism is failing. £10 million had been sourced and agreed in principle for the Fund, but we see relatively small amounts in proportion to that sum used for the development of the tourism sector in Jersey. Even the administrators have expressed concern that so little of the £10 million has been called upon. We then look at the Fund and what the Fund has provided to date. The figures show how much of the money that has been allocated to date has not, in my view, assisted in the development of the tourist sector. Yes, there may have been help in the tourism sector, but not, in my opinion, in the strategic development of that sector. I believe there is pressure from the hospitality groups in the Island to seek a change today. We know times are hard for them too, as they are for everyone. Only a short time ago some Members attended a presentation from the hospitality tourist trade at a hotel not far from this Chamber where one speaker was, I felt, quite forceful and outspoken in his presentation to States Members. My understanding of his presentation was that the hospitality group, in particular the licence trade on the Island, wanted and expect more support from the States. But, the speaker then made strong representations urging less control on how he and his colleagues should run their businesses. I find this very hard to accept. The term wanting their bread buttered came to my mind. The paper we have today clearly states that organisation submitting proposals will continue to receive the support that they have had in previous years. Maybe we should tell that to the 21 of the 26 public and voluntary sector groups whose applications were turned down in the last completed round: 80 per cent turned down, I believe. Tell that to the unsuccessful 58 of the 78 who have been turned down, as reported in the T.D.F. Report 2010. How will those public and voluntary organisations feel when they are refused and then see a private entrepreneur receive assistance to run his/her business? The paper states applicants will be given advice with business plans, their organisational development and their project development. Like many Members here today I have looked at the funding that has been provided since 2002. Although I am sure, I hope that each recipient has been grateful for that funding. I am not convinced that much has resulted in a noticeable number of tourists travelling to Jersey. £200,000 approved for a town cycle network in 2003. Some of that money was returned. But, I am not sure tourists would have come to the Island, because of the town cycle network. £50,000 in 2003 for cycle track from the gun site to Les Mielles. How much tourism has that brought to Jersey? £500,000 in 2005 to renovations to fortifications to allow renting for holidaymakers. That will not make a lot of difference to the numbers travelling to Jersey and will take a long time to repay. £215,000 for Jersey Revels in 2002. £50,000 grant in 2003 for toilets at Durrell, provided in a creative way. £20,000 for toilets at Durrell, 2005, toilets in a creative way. I need creative toilets on my village green at St. Martin. £300,000 in 2005 for services, electric and water, to the Five Mile Road. £35,000 for development of Durrell image and brand name in 2006. £30,000 for development of a business case for Durrell in 2006. £100,000 for a development plan for Durrell in 2009. Seeing the considerable percentage of our grants have gone to Durrell, then I wonder how that has encouraged people to travel to Jersey. I am not sure, but I believe, that Durrell has also gained support from the fiscal stimulus funding too. I have visited Durrell within the last 2 weeks on formal business and can say had I been a visitor to the site for the first time then I think it might be my last. Accepting that it is a preservation trust and not a zoo and much work is done behind the scenes, most visitors attend to see animals. I thought the site was looking very tired, despite the considerable investment that we, the Island, the States, have appeared to have given to the organisation. I was not impressed. I am not criticising the staff for their efforts, but many tourists with families will expect to be attending a zoo. There are some smaller projects that have received funding. £5,000 in 2006 for footpaths at La Hougue Manor. £2,000 in 2005 for brass band equipment. £4,000 in 2010 to market art in a framed textile showcase. I really wonder if this was the understanding in 2001 when the proposition for T.D.F. was passed by the States. Therefore, in conclusion, I ask the Minister is the

current funding to the public and voluntary sectors repayable? If today's proposal is successful, will the funding to the private applicant be repayable? What happens if a business fails? Have there been any failed projects and who lost out? Most importantly, is the T.D.F. achieving what it set out to do? I believe the Minister, his office and fund administrators need to look at the wider concept of the Fund, that of encouraging tourism to the Island by policy and strategy and not by individual projects on an *ad hoc* basis that, in my opinion, appear to have had little if any effect of returning this Island back to the holiday destination, a destination wished to be visited by tourists. We cannot even pay for coloured lights on Gorey Pier and the tens of thousands, probably millions, of postcards that have been sent over the years with the lighted castle and colourful promenade at Gorey. We cannot even pay for the fairy lights. If we go down the private sector initiative proposed today, what co-ordination do we have and by whom? So that the event follows or indeed overlaps into a week of events, so that visitors can take a break and know that they can do something every day and not merely come over to participate in a cycle race over 2 days. These are athletes that probably do not even smoke or drink, so very little additional alcohol and cigarette taxes. **[Laughter]** We are today suggesting encouraging more money into tourism at a time when we see it move away from another venture that the Island was previously trying to encourage, the conference-based opportunities and at a time when we see major shows arranged and planned to take place at the Opera House being cancelled for lack of support and other shows, the recent ballet, for example, being poorly attended and certainly by no means a sell-out. I very much agree with supporting the tourism industry, but not in this way, that a private entrepreneur can come forward with a good business plan, run his or her event with up to 50 per cent of States money, with the excuse that their presence, their venture on the Island, has benefited the economy by bringing in large numbers of tourists. Yes, let us put our efforts on funding the strategic investment in tourism, but not an add-on support for relatively minor events, however enjoyable they turn out to be. We have put many millions of pounds of public money into tourism already over a prolonged period, but have to accept that a declining tourist industry, certain one that is markedly different from the industry we had 30 to 40 years ago. In 2001 the F. and E. (Finance and Economics) Audit Review Committee Report on the previous Tourism Investment Fund resulted in a summary that was somewhat critical in their findings. I fear that many of those criticisms still remain today, relating to what has become the reconstituted T.D.F. initiative. Thank you, Sir. **[Approbation]**

The Deputy Bailiff:

Connétable, am I right in thinking that apart from the occasional question that was a maiden speech? The Assembly has been 3 times ... **[Approbation]**

Deputy J.A.N. Le Fondré:

Sorry, just given where the debate may be going, I think I would like to declare an interest and not take part. Thank you, Sir.

Senator P.F. Routier:

May I propose the adjournment, Sir?

The Deputy Bailiff:

The adjournment is proposed. The States will adjourn until 9.30 a.m. tomorrow.

ADJOURNMENT

[17:39]