

STATES OF JERSEY

OFFICIAL REPORT

WEDNESDAY, 23rd SEPTEMBER 2015

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[9:30]

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

COMMUNICATIONS BY THE PRESIDING OFFICER

1. Tribute to former Member of the States – Mr. Mervyn Billot

The Deputy Bailiff:

A former Member of this Assembly, Mr. Mervyn Billot, passed away last Saturday at the General Hospital just 5 days after his 90th birthday. I must firstly apologise to his family and to Members that I did make this tribute yesterday but news of his passing only reached us after the end of yesterday's sitting. Mervyn Renouf Billot was first elected unopposed to this Assembly as a Deputy of St. Saviour No. 2 in March 1983 to fill the vacancy caused by the resignation of Deputy Brian Troy. He was welcomed to the Assembly for the first time on 12th April 1983 and on that same day showed the enthusiasm that he was to have throughout his term for committee work by being elected on that very day as a member of the Harbours and Airport Committee, the Committee for Postal Administration and to the Resources Recovery Board. He was re-elected in the general elections of 1984 and 1987 and served for a total of 7 and a half years until he retired from office in 1990. He was an active member of committees and served on the Harbours and Airports Committee for his entire term of office and he also served on the Cottage Homes Committee in addition to further terms on the Committee for Postal Administration and the Resources Recovery Board. In addition, in 1987, he was appointed to chair the Committee of Inquiry which investigated the circumstances relating to the development of the Rue Fondon Trading Estate. Since leaving the Assembly he continued to take an active interest as an associate member of the Jersey branch of the Commonwealth Parliamentary Association but as some 25 years have passed since Mr. Billot left the Assembly there are only 2 Members who have served here alongside him, Senator Bailhache and the Connétable of St. Clement. The Connétable of St. Clement recalls him as a Member who always made a measured and thoughtful intervention in the Assembly and who contributed significantly on all of the committees that he served on. The Connétable also remembers him as a very cheerful and ebullient character. Our thoughts today are with his wife, Sheila, and his children, Cara, Frances and Nicolette, as well as with his grandchildren and great-grandchildren and I ask Members to rise for a few moments in his memory. May he rest in peace.

Deputy D. Johnson of St. Mary:

May I ask the défaut be raised on Deputy McLinton?

The Deputy Bailiff:

The défaut is raised.

PUBLIC BUSINESS – resumption

2. Draft Licensing (Licence Fees) Jersey Regulations 201- (P.94/2015) - resumption

The Deputy Bailiff:

We now resume Public Business and the discussion of the principles of the Draft Licensing (Licence Fees) (Jersey) Regulations.

Deputy G.P. Southern of St. Helier:

May I raise the défaut on Deputy Maçon?

The Deputy Bailiff:

Yes, the défaut is raised on Deputy Maçon.

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

May I first apologise for not paying attention at roll call. People should not ask me to do 2 things at once. It is not easy. I am a man. Yes, I was last one up yesterday and it was interesting to try and read the rooms of the way in which the debate was going and I thought for a while that if we carried on with Senator Ozouf coming down the M1 while we were on the A352, with a completely different topic, if he had continued for much longer he certainly would have lost the vote for the Minister for Economic Development. However, be that as it may, I heard the phrase during the debate: “It was only a request” and that takes me back to my early training days, 14 or plus years ago. The first thing I learnt in this House, you cannot tell a Minister what to do. You cannot instruct him. You can ask him. You can request him. But we are an honourable House and if that request has the backing of the House that will be done. That is a request. So when is a request not a request? When it is done with the backing of this House here and it means, do it. Lo and behold, the argument is that the thing has not been done and this House would be entirely within its right to say, this is not good enough. You were requested to do it and you have not done it. The second sign, the second room I am trying to read, was the thickness of the text with which the Assistant Minister had been sent out. It looked like steel-clad armour. This is a relatively minor issue at the end of the day, please do this, and yet we got a great lengthy screed with all sorts of wanderings and arguments about why we have to do this and why I have to do it now, et cetera, when really it should have been a light thing, had it been serious, it would have been a light thing, let us get on, let us do it, but they are trying to cover up the fact that there was a request. That request, and I will just read it out: “Request the Minister for Economic Development to review the structure of the current liquor licence fees charges annually for each category of licence under the Licensing (Jersey) Law 1974 with a view to introducing a more equitable licensing structure.” Then come back with new charges, surely? That was the instruction. That has not been done. Then, again, reading the rooms, what is going on, we are assured by the Assistant Minister, Senator Routier, that this piece of legislation, this change, is: “It might happen tomorrow. It is going to happen very soon. We are almost ready to bring it.” In which case, if it is not going to be long before we see this change, which was requested, then we can perfectly safely reject the proposition today and say: “Come back to us. It will not be long”, because you have told us it will very soon with the new structure and the new charges and we will rubber-stamp it. Thank you very much. Bob is your uncle. So there are 3 reasons there why one might be suspicious. I certainly believe that this House rules. When it requests a Minister to do something it expects, and it is right to expect, that that is done so I, for one, cannot vote for this today. I might be able to vote for it soon but not today.

Deputy M.J. Norton of St. Brelade:

I rise today just to declare a general interest. As may be known to some Members, I have held an alcohol licence until the sale of the business that that was attached to. My wife holds, currently, an alcohol licence which is for premises that are closed and not operational and that licence is imminently about to demise.

[9:45]

However, at this point I would like to declare that general interest. I think it only fair to all Members that I do so and I would take advice from the Chair as to whether that makes me eligible to vote or not.

The Deputy Bailiff:

I do not think the interest that you have declared, Deputy, means that you have to withdraw from the debate.

Deputy M.J. Norton:

Thank you.

2.1.1 Connétable J. Gallichan of St. Mary:

I would just like to say one or 2 little things following on from what I have heard already in the debate because we have heard that this is really quite a minor thing in the scheme of things but obviously it has aroused principles among us that we like to flesh out. I think it is quite interesting that in the Hansard we were given of the debate in 2007, the Greffier was in the Chair, and he reminded somebody: “Deputy, please, we do not want a licensing law debate.” Well, yesterday I thought we almost had the budget speech so I think that was quite funny. Senator Ozouf seemed to think, yesterday, that I was hopping to intervene in his speech and I was not but now I think he has fired me up to do something. Because we know in lots of other areas of States work that you cannot fetter a future Assembly. You cannot tie the hands of the consciences of the Members who were there at the time anything is debated, but this is such a simple request that was made by the States. It was not: “Come back when you have got the licensing law overhauled and ready” and I know, and the Senator yesterday challenged me that I was speaking for the excellent inn in St. Mary’s; well, we have more than one establishment in my opinion. They are all excellent but there are [Laughter] and I speak with experience. [Laughter] But there are other categories, other people who are waiting, people whose businesses are being actively hampered at the moment in their view because of the way our Licensing Law is structured and who are waiting for that major change but we are not talking about that. We are talking about a revision of the different categories and from my opinion, personally speaking, as I listened to Deputy Martin talk about the impact that the off-licence can have in our society, that sticks out like a sore thumb in that table as the odd man out. If even that aspect had been addressed and brought into parity perhaps with the other categories I would have no hesitation in saying, work has been done, a change has been made, people have looked at this. I think an awful lot of good work has been done in the department and I know that. It has been a difficult thing to review the Licensing Law but sometimes you cannot crack the entire nut. Sometimes you just have to chip away at it a bit and if this simple aspect had been looked at this would have my wholehearted support but I feel that they need, for want of a better word, a Philip to get them moving, to keep them moving on this aspect. I think that if we approve this today we are taking away the incentive to finally do something about this. I have never been, maybe I have at some stage, a wholesale advocate of trying to stop duty increases or whatever. I am not blind to the fact that there are profit margins and that things are made but that is not the issue. The issue today is, in 2007 something was asked to be done by 2008 and that small thing was easily achievable. A small basic overview of one aspect of the law would have been achievable within 12 months and yet here in 2015 we are still talking about why it has not been done. So I really have nothing else to say except I, for one, cannot support this.

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

It is a pleasure to follow the Constable of St. Mary on this one. I agree wholeheartedly with what she said. Now, I came to politics and I have always thought of myself as a principled politician and I have a certain standards, certain principles that I follow and I happen to think ...

The Deputy Bailiff:

Deputy, I have to interrupt you. It has been drawn to my attention you spoke yesterday on this matter so you cannot speak again.

Deputy M.R. Higgins:

Obviously my principles mean nothing. [Laughter]

2.1.3 Deputy A.E. Pryke of Trinity:

I am sorry to take the Deputy’s thunder a bit really, but anyhow. Let us look at this proposition. This is just about increasing licensing fees, no more. Having sat on the Alcohol Police Licensing Group for the last 3 years before that I can tell you, yes, and it is quite right that there were many heated discussions, many conflicts of ... not so much conflicts of interest but people coming from different areas, many tensions but is that not a good thing? I always think if everyone just rolled over and said, yes, everything is fine, then that is not good politics either. The tensions with the

Licensing Bench, from Planning, from Health, Economic Development and that work is continuing and will continue because it needs to be addressed. We know and I have, with a previous hat on, went on for ages about the high levels of alcohol that are consumed in Jersey. We are the highest rate and will continue to do that until things happen. I think, as Deputy Tadier said: “Where is this alcohol strategy?” Well, Deputy, it was lodged by the Council of Ministers in September 2014 so the alcohol strategy is there. No increases have been done since 2008, 7 years. Is that right? I do not think it is and I think it is a good thing that this has been brought here to make us realise that they had not had an increase for 7 years. It needs to be increased. They need to have a baseline going forward. So when it does, because it will happen, the licensing policy will come back to the States for discussion, and it has been said it will come back, then we need to have some sort of baseline to work it on. Just think, no licenced premises have had an increase in their fees despite all the extra work that goes on and supply the amount alcohol that is consumed for 7 years. I shall leave it with that.

Connétable S.W. Pallett of St. Brelade:

Can I interject at this point? I would just like to say, obviously, I have been listening to the mood of the House over yesterday afternoon and this morning and have come to the conclusion that I will withdraw the proposition. **[Approbation]** Clearly, Members feel that the full process has not taken place and that the review should have taken place. The review, specifically to the anomalies in regards to licence fees, is something that the department will be working on and has been working on but clearly the House feels that that needs to be brought forward, and it will be brought forward within the realms of the new licensing law, which I think I explained yesterday, is imminent. I do not feel that raising the fees today would have prevented the department carrying on the work or would have de-incentivised it but clearly I know when I am on a sticky wicket and it is probably best to withdraw it today but I think there has been a realisation today that at some stage fees will need to be increased and probably fees will need to be increased above some of the suggestions, or suggestions being put by the department, but that is for another day. I do not feel it is really the place today to carry on with this proposition so I will withdraw it.

The Deputy Bailiff:

Do Members agree with the proposition that the Assistant Minister have leave to withdraw the proposition at this point? Very well, thank you very much, Assistant Minister.

2. Greffier of the States: consent to appointment (P.101/2015)

The Deputy Bailiff:

The next item of Public Business is the Greffier of the States: consent to appointment, lodged by the Privileges and Procedures Committee and I ask the Greffier to read that proposition.

The Greffier of the States:

The States are asked to decide whether they are opinion, in accordance with the provisions of Article 41(3) of the States of Jersey Law 2005, to consent to the appointment of Dr. Mark Egan to the office of Greffier of the States for a period of 5 years in replacement of the present officeholder, Mr. Michael Nelson de la Haye, O.B.E. (Order of the British Empire).

The Deputy Bailiff:

This is a matter which takes place in camera and I, therefore, ask, in accordance with Standing Order 82, that all strangers withdraw from the precincts of the Assembly.

[Debate proceeded in camera]

The Deputy Bailiff:

In accordance with Standing Order 62, the vote on this matter must be taken in public, so I ask or invite all strangers back into the precincts of the Assembly. If we go back live, then those Members in favour of adopting the proposition kindly show?

Deputy J.A. Martin:

Can we have the appel?

The Deputy Bailiff:

The appel is called for. I invite Members to return to their seats and I ask the Greffier to open the voting.

POUR: 33		CONTRE: 6		ABSTAIN: 2
Senator P.F. Routier		Connétable of St. Martin		Deputy J.A. Martin (H)
Senator P.F.C. Ozouf		Connétable of St. Saviour		Deputy J.M. Maçon (S)
Senator A.J.H. Maclean		Deputy of Grouville		
Senator I.J. Gorst		Deputy M.R. Higgins (H)		
Senator A.K.F. Green		Deputy R. Labey (H)		
Connétable of St. Clement		Deputy S.M. Brée (C)		
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy G.P. Southern (H)				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy S.J. Pinel (C)				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy S.M. Wickenden (H)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

3. Draft Act annulling the Income Support (General Provisions) (Amendment No. 17) (Jersey) Order 2015 (P.106/2015)

The Deputy Bailiff:

The final item of Public Business is the Draft Act annulling the Income Support (General Provisions) (Amendment No. 17) (Jersey) Order lodged by Deputy Southern and I ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of the opinion to adopt an Act to set out the appendix annulling the Income Support (General Provisions) (Amendment No. 17) (Jersey) Order 2015.

[11:30]

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

I have just been swithering for the last hour going yes, no, yes, no, which I absolutely detest having to do. At least I hope I am clear on this next proposition and I hope to persuade Members of its validity. The first thing to say is this is an unusual proposition, an unusual motion. It is a Draft Act annulling the Income Support (General Provisions) (Amendment No. 17) (Jersey) Order 2015 and one has to first of all examine why such a thing has been necessary. The answer is that the Minister for Social Security has made a decision by Ministerial Decision and lodged it as an Order at the end of the last session in July. Because it is an Order it does not come before the House in the normal rules for debate. Regulation would, law does, Orders do not. Orders are supposedly for minor matters which the States does not want to bother its head about, so the rental on a particular property out at Grouville, the renewal of a lease somewhere else, minor matters that the Minister can deal with perfectly uncontroversially. In this case, it has been used for a change to the condition of a number of people, those people aged between 19 and 25 living in the parental home. I think that is significant. I think that deserves as policy to be debated by this House. The only way I can bring it back to this House is by an annulment. If one looks at my proposition and the report accompanying it on page 3, one can see the decision made by the Minister for Social Security on 17th July 2015 and notified to the Health and Social Security Scrutiny Panel on 9th July, shown below. Note if you turn the page the information coming to the Scrutiny Panel had the following little line in it: "Please note this information remains strictly confidential until the M.T.F.P. (Medium-Term Financial Plan) is lodged." So it was notified to us but we had to ignore it. We could not do anything about it, could not bring it to the House because it was confidential. At the bottom of my page 3 Members will find the following statement: "Young people currently claiming income support as job seekers who will be affected by this change will have the change explained to them during the course of next week. Their claim will be adjusted from 1st September. The impact of the change will be to transfer the adult component from the young person to the parents if the parents are also receiving income support. In this case there is no change to the total value of the income support paid to the household as a whole. If the young person is living in a household that is not receiving income support, the young person's claim will close in September as they will no longer be entitled to make a claim in their own right." It then goes on to say elsewhere that the Ministerial Order is currently planned to take effect from Monday, 20th July and will apply to new claimants from that date. So Members will note that we are trying to do something retrospectively. Such is the power - is that the right word - such is the capability of an order that you do not get to discuss it, you do not get to see it, you do not get to debate it until it has already happened. From 20th July new candidates, new applicants for income support, were told: "Go away, it does not apply to you." From 20th July, way back then. From 1st September existing applicants, existing claimants in this group, are being told: "That stops." That has been done without the by your leave, without the say of this House, without consideration of this House. I put it to Members that that is no way to behave on what is a serious issue of policy and a change in policy which markedly affects an albeit small but nonetheless a group of people. I do not believe that that should be happening. The second thing to get out of the way is the comment on page 4 of the comments from the Minister for Social Security about financial implications: "The proposed annulment motion identifies an annual cost of £200,000." It is not an enormous amount but it is the first bit of the M.T.F.P. It is the first £200,000 of the big numbers contained in the M.T.F.P.: "Deputy Southern does not suggest any mechanism for making up this shortfall in the benefit budget." That has now been corrected. That is contained in amendment 9 of the M.T.F.P. which is being brought by my colleague Deputy Tadier. So we have dealt with the fact that you cannot just not save this £200,000. We have identified a way of doing that and that has been dealt with. So what used to

happen and what is the answer to the question: when is an adult an adult? I think we will find that when it comes to social security and income support rules it is a strange and quite convoluted definition of when you are an adult. Income support consists of what are called 4 living components, the bits that allow you to keep body and soul together, to carry on in Jersey and have an existence. They are an adult component, a single parent component, a child component and a household component, which helps you with the expenses of running a household whether or not you rent or you own. Those 4 components, the living components, are topped up by a rental component. What previously used to happen was that income support is a benefit which covers households, not necessarily individuals but households. It used to be called units but let us stay with households. Within one household it could be that there are multiple claims for income support depending upon the structure of that unit. So, for example, what used to happen - and this comes from the January 2014 income support policy guidelines - other family relationships were catered for: "There are many cases when relatives living at the same address can make separate claims to income support and be regarded as separate income support households. Examples include an elderly relative living with a son or daughter and their family." So, granny, separate. You would not expect taking her income, her pension, into consideration for the overall household, 2 separate households. Granny makes a claim, so does the daughter and her family: "A young adult with disability; a young adult aged 19 or older who is a job seeker and continues to live at home with their parents." It used to be a job seeker between 19 and 25, quite mature, could make their own claim. Two elderly siblings sharing a house would also count as 2 separate households. It goes on to talk under 1(12) in its instructions to its officers: "Two people that share a house or flat are not necessarily in the same income support household. A large extended family living together would be considered as a number of separate households using the rules above. For example, a married couple with 2 young children sharing accommodation with the wife's parents and the husband's brother and sister-in-law would be assessed as follows. The married couple and their 2 dependent children will become one income support household. The wife's parents would be a separate income support household. The husband's brother and wife will be a third in the same unit of accommodation." Note that from that first definition an adult child between 19 and 25 would count, previously counted. This is the change and this is what I believe is wrong. The Minister has used an equity argument to say: "This is what we have done and this is why we have done it." The argument is contained on page 5 of my document here. Where shall I start that one? The Minister says: "Until recently, there has been a difference in the treatment of a young adult aged under 25 who remains in the family home depending on whether they are a full-time student or a job seeker. Whereas a student has been included in the income support claim of the family, the job seeker aged between 19 and 24 was allowed to make an income support claim in their own right. In most cases, this would give them a weekly benefit based on the adult component of £92.12 per week. This does not seem appropriate where the parental household does not qualify for income support and may" - and listen to this argument - "in some cases be quite wealthy. Therefore, to improve the fairness of the system and to provide equal treatment for students and job seekers, the Minister has recently amended the income support rules so that both job seekers and students are included in the family income support claim. This improves the targeting of benefits towards low income families." Uh-uh, careful, low income families; beware, whenever somebody slips in families, and I do it myself, good, hard-working families, it is usually not just factual, it is emotional. It is emotive. So the system runs on income support households, otherwise known as units, but in seeking for fairness the Minister has chosen to address families. Previously, the unit, the 19 to 25 year-old, was treated separately as an adult. Now he is not, he is just a part of the family. At 25 he is part of the family full stop, no regard for his adulthood in that sense. So the comparison is we have changed the rules for students. In order to maintain fairness we will change the rules for those under-25s who are not students. Let us examine that in terms of fairness. So a 16 to 19 year-old is a child. The vast majority of 16 to 19 year-olds are in schools in education or at Highlands, the vast majority. If one looks at the unemployment figures, one can see that in the 4 years between 16 and 19 there are approximately 4,000 young people. The unemployment rate, those actively seeking

work, is around the 200 mark, so 200 out of 4,000 actively seeking work. Most of them are in education. If most of them are in full-time education until the age of 19, absolutely appropriate, and they are classed as a child - £64 a week is the element that goes into the sum for them - in the family unit, perfectly logical.

[11:45]

They are a child in the family unit. Come the age of 19 they are then defined as an adult and can make a claim in their own right. What is their situation? They could be doing one of 3 things. Let us suppose they are in the household. Let us just pause for a minute there. This 19 year-old, this 21 year-old, this 24 year-old, is in the parental home. Why one has to ask? Why has he not flown the coop? I do not certainly want to be still looking after my 25 year-old when he is 25, I think I might be levering him out the door, whatever his situation. But what is the situation? They could be doing one of 3 things. Why can they not move? Because under 25s do not get the accommodation element of income support, and we know what the price of rental housing is on this Island and we know how it relates to the minimum wage, to low wage employment and we know a lot of people cannot afford to move out. That is it, they are stuck there. So what happens, they are stuck there, they could be doing one of 3 things. They could be working, in which case they are treated as a separate household and if they wanted to they could apply for income support. They would only be at the level for the adult component because they are not a householder, they are not a single parent and they do not have children. So £92 a week that is what they could claim if they were working. They would get something if they were earning less than approximately £130 a week, they would be just under income support. They might get a handful of pennies. Any less than that and they would claim some income support to keep themselves together, any more than that and they would not be eligible because the income would be greater than the £92 they could claim and so it would be wiped out. So in work they are an adult, they could claim. In education, what happens? In education, they are either at Highlands doing a vocational course to get themselves fit for work and better qualified for work, which is a laudable thing. They used to be able to claim under their own right for income support to help them do so, not now. It falls back to the family. If they were doing a full-time degree course they would be supported. I quote the Education Department when they say: "Highlands higher-ed students are assessed in exactly the same way as U.K. (United Kingdom) undergraduates. The only difference is Highlands fees are cheaper and therefore this will impact on the entitlement. We assist in the full-time degree course, the foundation degree, I.T. (information technology) with business, social sciences, childhood studies, financial services, business management, accounting and finance, sports management. Part-time we assist with social science and childhood studies but with fees only. Under 25s will be dependent students and as a rough and ready calculation those who study at Highlands get on average £6,000 of grant to assist them." So there we are, if you are working but earning low, you can apply, but you are an adult. If you are in education you get support, you apply for a grant, you get up to £6,000 in a grant. You can support yourself, you can live. If you are unemployed, you used to be able to claim and claim the £92 as an adult. But now that adulthood has been taken away, you belong to your family and they, not you, might not be eligible for income support. So you are effectively, and this is what the department was after, for some of those people living at home, remember cannot move out because they cannot get income support and they cannot afford rents if they are unemployed, some of whom then thrown back dependent on their family. It is said: "Some of those families can be quite wealthy", yes, and some of them could be just above the threshold for income support and still find difficulty supporting this great lump of a 25 year-old who still has not managed to get himself in work. No matter how hard he is trying. He could be trying very hard, he could be hitting all the buttons and saying: "I am actively seeking work left, right and centre, however still cannot find myself in employment." If one looks at the charts - if Members will turn to the chart on page 5 of my document - they will see the spread of income support through the awards. There is a great big peak of 450 applicants at the mark that corresponds to £92 per week. A bunch of people stuck at home, still cannot find work, despite

being a little bit more mature, perhaps the 16 and 17 year-olds are getting the jobs that might have gone to those 25 year-olds, or 24 year-olds. Who knows, because 16 year-olds tend to be cheaper to employ. Maybe that is where the jobs are going. How active are they? Are they scammers and skivers, these 19 to 25 year-olds universally? Of course they are not. Of course they are not. Again, one looks at the actively seeking work range of those in that 5 year group, 19 to 25, you have got approximately 5,000 students, how many are actively seeking work? That is, are not employed or studying but they are unemployed and actively seeking work, it varies over the year 2015 but it is around the 150 mark. So a small number of people, 150, stuck at home being told they no longer count as an adult but have to be assessed in the family income support and lose their independence, and lose their income support which can help them keep body and soul together. That is the reality. We are talking here about saving that £92 times - we do not know the numbers exactly - around 75 people who do not qualify because the family is over the threshold for income support, so get no support. If they are at Highlands they get some support, if they are in work they get some support if they are learners, but they would be looking after themselves. These people, no support at all. The support goes. So what does it mean to be an adult between the ages of 19 and 25, and what is the difference between being 25 and being 26? At 26, all of a sudden, you are an adult again, you can make an application in your own right, but at 25 you cannot, you are just part of the family. What kind of adulthood have we invented where between 19 and 25 you do not count in that particular circumstance? Some people, some people do not. That surely is some form of discrimination. Whereas at 26, of course you are an adult, you can make your application in your own right. So while it may not be open to a human rights challenge, as I suggested in my report, it certainly, to me, sounds like discrimination. At 26 you have all rights, 25 and you have not and we will not count you as an adult for the purposes of this particular calculation. Why? Because we want to save something like £200,000 on our welfare bill. As I said, this is the first element of the M.T.F.P. which openly targets the poor and the vulnerable, whether they are young or old in our society and says: "We must all share the burden and you will even though you are the poorest and the most vulnerable." We should be protecting these people and we are not. Finally, I would just like to point people to page 7 of my report, as I finish, just to say in terms of the impact of the recession, there is a little chart there which shows that while all people in the U.K. have been made 10 per cent worse off by the impact of the recession and the changes in the U.K., for 18 to 24 year-olds, this group that we are talking about, that impact, that worsening of their earning power is 16 per cent. They are the top of the range. The impact on these under 25s, caught between a rock and a hard place, is actually the most severe. I would suggest that that implication also applies to Jersey. These are, of our unemployed, among the worst off. Their earning power has been drastically reduced. A whole series of reasons as to why we should do something about that. I think that this proposition has been put in place with a specious argument about equality in order, straightforwardly, to save money. The Minister says I have been tasked with saving money and I am going to. This is one small element of it. It is vastly unfair. While the Minister says she wants to minimise the impact of her cuts on individuals, for these individuals, 75 of them, that is a severe cut. It is from possibly £92 per week down to zero and you do not count as an adult, you only count as part of the family, which is not the unit that they use to calculate all the rest of the factors. It is a grossly unfair procedure. It should not be happening.

The Deputy Bailiff:

Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the proposition?
Deputy Pinel.

3.1.1 Deputy S.J. Pinel of St. Clement:

Members will be well aware of the challenges that face States Departments in achieving the savings required by the Medium-Term Financial Plan. As Minister for Social Security my own contribution to the £145 million total is a relatively modest £10 million. Nonetheless a saving of £10 million by 2019 has required difficult choices to be made when you are responsible for a

departmental spend that is almost entirely made up of benefits. A significant proportion of benefits are paid to low income households which has made the decisions even more difficult. In contrast, this proposed change, which Deputy Southern's proposition seeks to reverse, was not a difficult decision. It is sensible, consistent with the principles of income support and fair. I will go as far as to say that this was a change which I would have wanted to make regardless of the Medium-Term Financial Plan. I will explain why this is the case. The Deputy wishes to reverse my decision that when we are assessing entitlements to income support job seekers between the ages of 19 and 25 are now included in the household of the parents they live with. For 66 young people living in low income households there was no loss of benefits, this is because the income support payment to the parents was increased to include the young person by the value of the adult component of £92 a week. As entitlement to income support is based on the needs and income of that entire household the change did also mean that the remaining 77 job seekers were no longer entitled to claim the £92 a week payment. These young people who stopped being entitled to benefit only did so because their parental household had a high enough income that they did not qualify for income support.

[12:00]

Put simply, they are living at home and their parents can afford to support them without any help in the form of benefits. As a parent of 2 grown-up children I am well aware that your responsibilities as a parent last well past their 18th birthday. Jersey has long accepted that parental income is used to calculate university grants up to the age of 25, this change applies the same principle to income support and job seekers, that there is an age below which your parents are expected to support you. I am sure that few of us would be overjoyed at the idea of our children struggling to find work as young adults, but I am equally sure that as taxpayers we do not feel that it is the job of the benefit system to support these young people when parents can afford to do so. It is, of course, completely reasonable to ask what the States is doing to support young unemployed people. The answer is that we have done, are doing and will continue to do a lot. My department will continue to offer the most valuable kind of support to all young unemployed people which is the help we give them in finding paid employment. In fact I made this change by Order in July, 30 per cent of the young people who stopped getting income support have already found work. This confirms the success of our current Back to Work teams and suggests that the change in the benefit rules was the final push that some young people needed. It is hard to imagine how anybody could view this result in negative terms. That is 23 people out of 77 who have found work. That is, indeed, very positive. In reading the Deputy's proposition you might think that I have unilaterally withdrawn money from your people who have no other means to support themselves. There is talk of human rights being affected, of ministerial powers being misused. This is not the case. Income support was approved with key areas where the States decided that it is appropriate for the Minister to make changes by order. I was able to make this order because the Assembly had previously agreed that the relevant power should be in the Minister's hands. Young people who do live in low income households did not lose benefit as part of this change. The money they were receiving was just transferred to their parents; a change in some cases that was a welcome one. Those who no longer qualify for the benefit live with parents who are not claiming income support. If there was any question over the finances of the entire household, we have encouraged parents to see if they now qualify for a benefit. We have made similar changes to income support before in 2011 when we included jobseekers under the age of 19 in their parents' household. At this time it was suggested that families would be broken up and that hostels would struggle to cope with the number of young people forced to leave the parental home. This did not prove to be the case in 2011, and this is very unlikely to be the case in 2015. Parents accept that they will continue to support unemployed young people living at home and they accept that if they cannot manage financially they can make a claim to income support. To be quite clear, young people who cannot live at home or who are disabled have not been affected by any of these changes and will continue to be helped with income support benefit. The change that I authorised in July will reduce spending on income support by about £200,000. The annulment proposition does not suggest any alternative way to save this

money. If this change is reversed we would be obliged to find these savings from other areas of public spending. I would strongly object to being asked to make further savings from other benefit claimants in order to protect these better off families. It is inappropriate to pay income support to young people who are living at home with parents if those parents do not need financial help from the taxpayer as importantly we already have in place a very successful Back to Work scheme to help these young people into work. It should not need a States debate to know that the right thing to do is to remove £92.12 per week, essentially pocket money, from young people from better off families and help them find employment. I urge Members to reject this proposition.
[Approbation]

3.1.2 Connétable C.H. Taylor of St. John:

When I first read about this I thought: “How outrageous, taking £92 a week benefit away from youngsters simply because of their age.” I emailed Deputy Southern and said: “Is this true?” I felt it was very contradictory that the same Minister is intending bringing an age discrimination law when here we are faced with under-25s being discriminated against. I then read the full background and the full report and I have to say I wholeheartedly support the Minister. There are, however, I think, lessons to be learnt. We have heard from a number of Members of this Assembly that they cannot get unqualified licences and their businesses depend on these licences. This is because some people are prepared to work. The jobs are there. If you earn a minimum wage and you are working for 40 hours a week you are earning a heck of a lot more than £92 a week. I therefore strongly urge those who are looking for jobs to lower their sights, get into employment and help themselves on the career ladder.

3.1.3 Deputy M. Tadier of St. Brelade:

We are seeing clearly an emergence of what I would call a far right agenda here which was never put to the electorate at the election, quite simply because that would not have got the far right government administration that we have today elected. Usually what happens in an honourable system ... we talked about honour earlier today when just by the skin of their teeth the Council of Ministers had a change of heart at the point when they were about to lose a proposition and rather than lose it they said: “We will withdraw” because they realised that this Assembly still has some principles and words do mean something. The electorate, unfortunately, were not given a choice at the last election and, as a result, they got what they were given anyway. I respect in one sense that the Minister for Social Security has told us it is not simply to be saving money, I would be doing this anyway. That is her ideology and that is her politics so that is fair enough. That is not where I come from, it is not where Deputy Southern comes from or our party. I think we value the welfare state. But what I want to start off by saying is that the theory is often very different from the reality. You may say on paper this is how it will work. We are given very clear instructions, people have been knocking on the door, maybe talking to some very reactionary constituents who do not necessarily always know the trials and tribulations of living on low incomes and with poverty, et cetera. They are saying: “Why are you giving money to lazy scroungers who are doing no work, surely we need to be cutting the bill and the States need to get their spending in order.” They say: “Oh yes, of course that is what we need to be doing.” Similarly there will be people in other housing estates who perhaps are not politically mobile who do not necessarily vote and who know the value of the welfare state and who also contribute I think financially and also culturally and who are part of the community. They are often the forgotten ones. What I have learnt from my 7 years as a States Member is that I have picked up work - I am sure like other Members - from different constituencies, often to do with social security queries, having to fight the corner for claimants to do with housing issues in constituencies such as St. Peter, St. Lawrence, St. Saviour, St. Martin and St. Clement, and also of course in my own Parish of St. Brelade. I will tell you something about the theory. I dealt with one individual who was quite old - I would say middle-aged - living with his mother. There is nothing wrong with that, and what I would say is there is absolutely nothing wrong with living at home, it is preferable if that is done by choice, increasingly

it is done by economic necessity or maybe a combination of the 2 and it does cut both ways. What I would say is that between the ages of 19 and 25 one is not always gifted with the wisdom of having full appreciation for one's parents. Sometimes that can come later on and, obviously as you get older you realise how precious your parents are. Hopefully you realise that before they go, but certainly after one of them goes you realise it even more so. So it is a 2-way street. This example I will talk about, this individual who is living with his mother, the theory is - and it is a slightly different example but the principle remains the same - that he is working and you are not so it is expected that you are part of the same household, in this case they were considered part of the same household, and that he gives a certain amount of his money to you. Now, he was giving the money to his mother and in reality he was not getting any of the money back himself because the mother was not giving him the money and they were living on very much a shoestring. He was at the point where he was threatening to move out. The logical thing for him to do under the social security rules would be for him to move out. I said to him: "Look, this is the difficulty of the system. What you should do economically for your own benefit and for that of your mother, you should move out, you should go and find another property, a bedsit somewhere, and you leave your mother to fend for herself." That would have created lots of problems. It would have been worse, first of all, for the housing situation in Jersey, that is one unit which would not have been going to somebody else. They would have both been socially worse off because they would not have had each other's company but they would have both been economically better off and the taxpayer would be worse off. Sometimes when we put these rules into action we realise that the theory does not tally up with the unintended consequences. I can tell you now, there will be instances where this rips families apart, because it is very easy for the Minister to say that there are wealthy families and wealthy parents out there who can afford to support their children, but I would say that somebody who does not claim income support, is not eligible for income support, is not the same as that family being wealthy. There are many households in Jersey in the lower to middle income brackets which do not qualify for income support in many cases but are struggling. The first point that I have written down is that they may look comfortable on paper but those are the individuals who are struggling with mortgages, with rentals in the private sector. If you are renting in the private sector, perhaps paying nowadays £1,500 a month or more for a 3-bedroom family house without any assistance from the State, you do not get rental interest relief on that. You may get mortgage interest relief if you are buying your own home and your mortgage payments are less than what you would be paying on your rental. If you are renting, that money just goes straight out, thank you very much, into the back pocket of a multiple landlord in many cases who is probably not contributing what they could be to the welfare state in centralised taxes. They are the ones who pay into the system moreover, they are paying their contributions. They probably pay some income tax, they certainly pay G.S.T. (Goods and Services Tax), they are educating their children and they are putting lots into the Island but they are not getting anything back from that. So we are saying: "Uh, uh, uh, you are too wealthy. We did not tell you this at the election but unfortunately you are the ones we are going to hit with this because after all it is just pocket money for your kids and they do not need that pocket money." When you take that money away that money is not going to find its way back to the children, that is my concern. That will be absorbed into the family unit's costs. There is a reason that we have that component for 19 to 25 year-olds. It is because they are not children. They may be jobseekers but that in my experience does not make them scroungers. What were you all doing, I ask through the Chair, when you were 19 to 25? I think they were hopefully fairly happy days in your life, you were not necessarily working 9.00 a.m. to 5.00 p.m. every day, you may have been but there were hopefully days where you were exploring your creative side. The youngsters that I see, and often they do have part-time jobs or they are studying, are very creative. They may be musicians, they may be artists, they may be volunteering, they could be doing all sorts of things and just because we say that they are unemployed, we think they are scroungers, this is pocket money. I would ask my colleague in St. Brelade No. 2, who is also now the Assistant Minister for Social Security, whether he has taken the time before his election to go out and say: "This is what I am going to do, I am going to target 10 to 25 year-olds because I think there are too

many scroungers and you as a family, perhaps on the £25,000 to £35,000 to £40,000 bracket a year are too wealthy, you can afford to pay for your kids to do more.” That is not the kind of message I was getting on the door. I did hear general concerns about States spending, the need for efficiencies, et cetera, of course you expect that. What I heard was a message that was loud and clear: “Why are you constantly hitting middle Jersey?” This is what we are doing again here. We are hitting the middle Jersey who may have children, could be in private education, it could be in the States schools, they are the ones who will feel this impact. We know that the 19 to 25 year-old age group is often a very difficult one anyway in the family context.

[12:15]

If we are going to be forcing people essentially to stay more dependent and take away their independence, that small amount of independence that they might have from their parents, I just say that we are storing up problems for us. When they phone me up in future from St. Martin and St. Clement or St. Saviour, I am going to say: “I am afraid my workload is too much, I cannot deal with your housing issue, with your social security issue, go and speak to Deputy Pinel” or in reality it will be Deputy Brée who is amassing all the work in that already underrepresented district of St. Clement. When it comes to St. Martin I will say: “Go and talk to your Constable, go and talk to the Deputy who is also the Minister for Planning. He is part of the club anyway and cannot really do anything because he is under collective responsibility.” Hopefully that is not entirely true. Hopefully there is ... but we know the reality of it on the ground. There is no guarantee, as I have said, that this money will find its way to the children. Just because you are not on the income support threshold does not mean you are wealthy. I think some of the comments to do with pocket money, all these wealthy families out there, they are not the reality that I see on the ground. Living at home with parents who can well afford to support them, I do not think that is true. We have to be very careful what we wish for here. As I have said, the theory does not always add up with the practice. I think there are human rights implications for this. I will not speak too much about that because I know I have given an invitation in a different context for the Minister for Social Security to come and talk to our group about human rights. That will be, perhaps, an interesting discussion. The last point is, I do not think it is fair to say - and Deputy Southern alluded to it - that the whole process for this was a Ministerial Decision and then it was received under secrecy, saying you cannot discuss this until it has been lodged in the M.T.F.P. You know, these are very controversial issues. Today it may go one way or the other but it is something that needs to come to this Assembly and simply for people to be told retrospectively: “I am afraid that this is benefit is being stopped” is not a satisfactory way to proceed.

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

Very quickly. We have heard the sums from the Minister about 23 individuals were helped back into work, which leaves us, on my figures, about 54 individuals. Of those 54 individuals, how many have approached the department to appeal this decision? I want to know the scale of the issue here. If none have approached to appeal the decision, to say: “I am struggling, I need help” then in my mind that gives more credibility to the Minister’s case than what is being proposed here. I would just like that point clarified, please.

The Deputy Bailiff:

Does any other Member wish to speak on this proposition? If not, I call on Deputy Southern to respond. Deputy Martin.

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

I think you missed the Assistant Minister’s light but I will go now. I am not a member of the party but I knew this was coming as well because last year in this House I won a proposition against social security to get a P.C. (personal component) 2 level through. I was called in the next day and there was money to be found. I was called in with my Minister for Health and her officers. I was then the Assistant Minister for Health. A officer in the department said: “Oh, we can take this

money away, very rich people getting this money. Children of very rich families. Well, I have got a niece who is getting this money and they are very rich.” Oh, so they must all be very rich. No. The Minister admitted yesterday she does not know, she cannot look at anybody’s wages, what their social security contribution is unless they claim income support. It is in the same department but it is protected for a reason. People who do not want them to know or they are not claiming anything, there is no need to know. I had officers there from Health, the Social Services side, who said: “Do not go here because we are full at Strathmore with 18 to 24 year-olds. We are basically filling up the new - and it was Rosemount but it is now a new name - we are basically filling that up with over 24 year-olds so if any of these 19 to 24 year-olds feel aggrieved or their parents feel aggrieved that they are not getting any money they could be out on the streets. Nobody ... and I have asked, I have emailed Health, the new Minister, and said: “What consultation before this whole out-of-the-blue came as an Order, did you have, did your Social Services have, with the Minister?” They are still looking into it. I asked this question weeks ago. So to me there is no consultation. They do not know the cost of how many 18, 19 to 24 year-olds who will be forced out of home. Now, let me give you an example. To listen to the Minister’s throwaway last remark: “Basically pocket money.” Up until this happened all 19 to 24 year-olds actively seeking work were entitled to this money. Now, they were not just given this as pocket money, they have to be actively seeking work, they have to attend every interview at the department Work Zone, they have to attend every interview that Social Security sends them on, so on and so forth. They are given a card every week, they have to tell them how many times they have looked in the *J.E.P. (Jersey Evening Post)*, how many phone calls they have made. It goes on and on and on. For the Minister to make that throwaway remark: “Basically pocket money” is disgraceful. Absolutely disgraceful. So now we have separated these youngsters out, 19 to 24 year-olds ... it gets worse because the 19 to 24 year-old now who is in the income support family must still do all those things I just mentioned to you because if they do not that £92 will be the first sanction, then they will look at the whole income support family sanctions. So you have got mum and dad saying: “Now get down that Work Zone, they are going to cut our money. You have just got a letter saying you did not attend.” It is not just their money; it is the family’s money. So then you have the other actively seeking work, who now do not have to attend because they supposedly live in very rich families, whose parents are saying: “Well, you are getting no money now, you have to go down there.” “Why would I go down there? They are not going to help me. They have got much more higher priorities than me. They have got children, young people on income support who they must target, who they must send to these jobs. Why would they give me the same help?” I have been pushing and pushing to try and get a straight answer out of the department when again last week JobsFest - I think it was last week or the week before - was announced. Now, JobsFest was introduced under the old Minister, it is a great initiative, it is for employers to have 8 weeks’ pay if they take on somebody from the actively seeking work. They also have their part of social security paid for 8 weeks. So I pushed and pushed and pushed the chief officer down there to say: “So this will treat everybody the same. I am now 22, you have just taken my money away, I was actively seeking work. I do not attend the Work Zone, can I come to the JobsFest and say to one of those employers: ‘I want this job, I want you to consider me for this job.’” I will carefully read what I asked him. “So people must be registered as unemployed, for example, I am 21, I have been looking for work for over a year, I do not get any money now from your department, I do not come to your department or the Work Zone but I approach one of these employers at the JobsFest. Am I entitled to one of these subsidised jobs?” If you want to just take that subsidising jobs further, if the Minister is true and these are so wealthy individuals that they can look after their children, they are paying their taxes and their social security, they are subsidising this initiative. But their children are not able to partake of it. Because it goes on to say, the reply was: “People do need to show us that they have been actively seeking work all year. The way to do this is being registered as unemployed with the department, by being actively engaged as a jobseeker or being engaged with the agencies such as Jersey Employment Trust or Prince’s Trust.” But in reality when the last JobsFest was on there was positive discrimination against 4 children whose families were on

income support. Now, people will say it is anecdotal, but there it is from the officer. They say the way to get into these JobsFest jobs is to come down the department and be actively seeking work. Why would I not go to one of the employment agencies? They are not going to do anything better for me down there. "I am not on income support, I am 22, you have just taken my money away. My parents are on my back saying go out to work." In the Minister's own words, when this first come to light, she was on the radio saying: "I hope this does give parents the push they need to get their youngsters out of bed in the morning and go for a job." The Minister is nodding. Well, that is all right if they can afford ... again, they do not know who these people are. But how do they make the children or the young people who have just had that money taken away out of their purse and put in the family's purse. It is not fair. I do not know about against human rights but it is absolutely discriminatory how we are treating persons of 19 to 24 in different households. As I say, absolutely I am paying my taxes, so are many other people, and social security, if I found that my child ... that a scheme that was being funded through those taxes and those social security payments barred my child or young person because they are in an income support family, would I have the hump? Too right I would have the hump. It is totally not fair. As I say, I do not even have to go into human rights, if you do not acknowledge what Deputy Southern is trying to do ... was £92 too much. They have followed it through the adult component, so that is where it came from. It suddenly disappeared, the Minister mentioned, from the 17 to 19 year-olds, there are more benefits that come and go in income support and social security, I feel like I am in the hokey cokey sometimes. It is all: "What is going next?" There will never be an increase. They are frozen, they are taken away and we are affecting people who are not or were not getting pocket money. They were really engaging with the department and, as I say, they had to do a lot to get that money. Do not know who they are, no consultation with Health, do not know who will end up in the likes of hostels that are not suitable but they are too much for their family. This is going to cause rows. We have all dealt with teenagers going through that 19, 20, 21 year-olds who know it all. But you give them an incentive what to do, £92 pocket money. It is not pocket money. You give them the incentive. I went to the Greffe and I wanted to bring something along these lines but I found out that another Member of the States was doing it, and I had not then known it was Deputy Southern. I cannot have one section of our young people treated differently from another section. The Minister stands up and makes bold statements that they are very well-off families, they should be. You have children, you support them for the rest of your life. Well, in your world maybe, in the real world there is some real hardship out there and this has not been thought through, no consultation with Health, treating 18 to 24 year-olds differently in this small Island is not acceptable. I hope the Minister will stand up and take that remark back: "It is just pocket money."

3.1.6 Deputy S.Y. Mézec of St. Helier:

Unsurprisingly, I will be supporting this proposition, not least because I am the only Member of this Assembly which this could theoretically affect if I happen to become unemployed tomorrow. I first became aware of this change when, on the morning of the last States sitting before the summer recess I went on Facebook, as I do several times a day, and saw posts from various people, both young people and parents saying that they had received a letter saying that either they or their son or daughter would no longer be getting income support from 1st September. I can say that several of these people were in an absolute state of panic. Some of them were parents to young people who were mentally ill or otherwise vulnerable young people for whom the independence that income support provided to them was vital to their wellbeing. Something that we have seen several times from this Minister for Social Security is where significant and controversial measures have been announced at the eleventh hour when it is too late to bring the issues to the States for discussion.

[12:30]

In fact once we even got a press release 30 minutes after the deadline for lodging oral questions. I think, in my view, that is because the Minister for Social Security has a difficulty being challenged by Deputy Southern, who I think has clearly demonstrated himself in this debate to be well on top

of his brief, to understand the issues very, very well, and able to make a sensible progressive case against them. The abolition of income support for under-25s was bound to be controversial and likely to cause distress. It has caused distress, and I believe it is disgraceful for such a change to be implemented without an opportunity for these issues to be publicly debated, for things to be settled, for issues to be got out into the air. While the Minister for Social Security may say she has the right to amend it by regulation, I think she has exercised bad judgment. When things like this come forward in future, they should come to the States for debate, so that the public do not have to be left in the dark about the implications for the fees, and so that we can exercise a democratic decision over them. Most of my friends are around my age; I am 24 years old. Some of my friends have more independence than others. Some are still living with their parents, some of them are not. Some of them have had more difficult starts to their career than other people have, and several of my friends, when they left education, at 18 years old for many of them, they worked very hard initially, but through no fault of their own, a few years into the beginning of their careers simply out of bad luck they found themselves losing their job and spending time unemployed. I saw first-hand for these people that income support was a lifeline to them while they tried to get themselves back on their feet. These are people who are in that transitional period where they are building up their way towards getting independent from their parents, and this change does nothing but set those people back and make it harder for them to get back on their feet when they have hit a difficult period. This, in my view, completely contradicts what is admittedly quite a perverse and ironic statement which has been made by the Social Security Department, that the policy they are pursuing now are towards the aim of promoting financial independence. This change that the Minister had put forward is surely completely in contradiction of that aim, and I think it is made even more unfair by the fact it affects young people, many of whom have spent years paying into the system and can suddenly find themselves when they are 23 or 24, suddenly not able to claim back despite having paid into it in the first place. That is completely and utterly unfair. It is not even because of their own means, it is because of their age and the means of somebody else. That is discrimination, pure and simple, and there is no other way to describe it. So the question is, why is the Government doing this in the first place? It is not just forcing young people to face these sorts of attacks, it is also asking single parents, it is asking pensioners, to receive less support, and all of the Islanders will be facing progressive tax rises in the future, and here is why. For the past decade, this Island has been led by Ministers who have been short-sighted, have had their heads buried in the sand, and frankly have been completely incompetent. That is why we are at the position now where we have a £145 million deficit on the way after decades of having budget surpluses. Who is the one who pays the price for it? It is not the people who caused this mess. They are still sat in their cosy jobs. The people who are paying for this are young people; it is pensioners, single parents; it is ordinary people in Jersey, most particularly, the poorest and most vulnerable. So, as part of this, Minister for Social Security wants to take £10 million away from these people, and on this occasion we are talking about £200,000 from under-25s. The fact is, Jersey in 2015 is different to what it was in decades gone by because of changing demographics, an ageing population, and difficult economic circumstances. But this Council of Ministers has ideologically stapled itself to the current tax and spend model, despite how drastically circumstances have changed, and that approach is neither logical nor sane, frankly. The cuts that this far right Government are pursuing are, in my view, even more vicious and nasty than their U.K. counterparts. I did not get into politics to side with the haves, I got in to side with the have nots, and this Government has chosen to do the opposite, and I think that is reprehensible. I am going to oppose every single cut that this Government pursues, until they take their heads out of the sand and look at our tax system and construct something which is fair, which is fit for purpose, and allows for fiscally prudent policies while providing the public services which we need to retain the right to call ourselves a civilised society. The plan as it stands at the moment is not only economically illiterate, but it is also morally bankrupt, and that is why I am so pleased to be supporting this proposition, as it seeks to undo a bit of damage in the scheme of things which is being done by this nasty and pernicious Government.

3.1.7 Deputy R.J. Renouf of St. Ouen:

Members may be wondering if our Scrutiny Panel has an involvement in this question, and I can say that as a Scrutiny Panel we recently had the Minister for a quarterly hearing, and we have questioned the Minister on this Order and other proposed changes that she proposes to make. We challenged the Minister strongly. More than one member of the panel challenged the Minister strongly, I believe, and she explained in detail her proposals and she made a robust defence of her proposals, as she has done today. The Minister acknowledged, as I would acknowledge, that it is always going to be difficult to reduce levels of benefit, but in the times we are in, it is right to examine the benefit system to see if benefits can be better targeted. It is not necessary that all Scrutiny members have to share the same views and in the circumstances we are in I do not find the Minister's Order to be unfair at present. I am grateful to the Members. **[Approbation]**

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

I was not intending to speak, but the last speaker has prompted me to do so. It is one thing if we are looking to see whether the measures are being better targeted. It is another thing if we are just simply cutting £10 million, and that essentially is what is happening. Now, I am concerned not only about this particular measure, but also at other measures that are being pursued by the department. I recently attended a hearing for someone who is on long term invalidity benefit. That person, I attended their original assessment, and I can tell you there is absolutely no change in that person's condition and in fact as a result of the second, the benefit has been cut by I think it is about 10 per cent, something like that. No possible reason for it other than it was a financial saving. Now, as I say, I attended both hearings. I saw what happened the first time, I saw what happened the second time, and it has happened. I am not one ... there are some people we do know who perhaps should be working and may not be. There may be some people who have taken advantage of the system. But for the transgressions of the few you do not penalise the many, and I would say the majority of people should be receiving what they are receiving, and we should be using other measures to root out those who are not. One of my concerns about the Government in this Island is we can waste money so easily. We are talking about saving £10 million here. Yesterday I mentioned about the marginal rate of tax cut. It was reduced by Senator Ozouf just before the election. There was a reduction in that and it cost £7.8 million. I have no doubt in my own mind that it was done simply to help win an election.

The Deputy Bailiff:

Deputy, deputy.

Deputy M.R. Higgins:

I am sorry, Sir.

The Deputy Bailiff:

You cannot impute improper motives to the actions of a Member of the Assembly. If you are saying that a Minister discharged the functions of her office for the purpose of electoral victory ... **[Members: Oh!]**

Deputy M.R. Higgins:

I think I will say, Sir, in my opinion. I am entitled to my opinion.

The Deputy Bailiff:

No. You are not entitled to express any view that impugns the motives of a Member of the Assembly.

Deputy M.R. Higgins:

It is a sad day for democracy when you cannot even give your opinion. But anyway, I shall withdraw it, Sir.

The Deputy Bailiff:

Thank you. Those are the contents of Standing Orders that I am applying. If the Standing Orders need to change, that is a matter for the Assembly.

Deputy M.R. Higgins:

I know. We have some strange Standing Orders, Sir, yes. Anyway, the point I am trying to make is that we have seen so much waste from the Council of Ministers in various areas and yet we continue to cut and penalise some of the least able to sort of bear the burden, to put it that way. Yet we still pander to, I believe, the very, very rich. I am sorry, I am not one to ... I have been accused in the past of saying we should tax the very, very rich. I just think they can afford to pay a bit more; that is what I am saying. Not fleece them, not penalise the ones who have not got the money, and are really struggling. So I cannot support the Minister on this. I do believe we are going down a long road, and I can imagine the Medium-Term Financial Plan, when it is debated, is going to be another interesting debate of where we are penalising those least able to bear the cuts that are coming, and not tapping the people who should. Anyway, I am just saying that I believe that, across the board, it is a cost saving measure, it is not really based on people's needs, and I cannot support that. Thank you.

3.1.9 Senator I.J. Gorst:

I think Deputy Mézec would have expected me to rise. In fact, he was probably goading me to rise with his comments and, equally, I appreciate that Members do not want to unnecessarily drag a debate on. I, of course, do support what the Minister has done here, and it has been painted in exaggerated language, and I think if Members have time to simply look at what the proposed change is, or what the change has been, they will, and having listened to the Minister, realise that it is a reasonable change. It is saying that those individuals in families where those families as a whole are not entitled to income support, nor should that individual who is under 25. So it is about encouraging people to be either in work or in education, and I think that Deputy Southern made that point most powerfully when he was moving the proposition for the annulment. He was saying there is support for those who are in employment who might be in a lower waged job. That is what this in-work benefit is about. There is support for people of this age group who choose to go into education. I think that is a correct government policy, not supporting and inadvertently in times when there was more generosity in the system, and the previous Minister for Social Security I think would agree this, removing that generosity, targeting benefit, encouraging people in this age group either into work or into the education system. I think that is absolutely appropriate and I support what the Minister is doing in this order. I want to simply say, next States sitting, of course, we are going to be talking about the M.T.F.P. so I do not need to respond to all that Deputy Mézec has said, but he knows that the M.T.F.P. is about re-prioritising the size of Government **[Approbation]** making sure it is an appropriate size for the future; investing or spending - okay, I will use the emotive word "spending" - tens of millions of pounds in our health service for the future; dealing with the challenges of the ageing population; spending on education, because we know that the skills and the education of our young people into the future is absolutely critical. It is good for each individual and it is good for Jersey because skills, together with technology, is going to be one of our differentiating, competitive factors. Not big government, not growing government year on year and creating opportunities where we do not need to create them. It is about turning government and about delivering a society and investment which is going to improve our future. But I leave more of that for the next States sitting, because I am sure that those big things are ones that we are all going to be touching on next week. But in this regard, the Minister is right. It is about encouraging people in this age group to either be in work or be in education. Thank you.

The Deputy Bailiff:

Members will note, we have reached the time when Standing Orders require me to ask whether we should continue or not. I have no other Members indicating a desire to speak. If anyone else

wishes to speak on the proposition, would they signify now? Does any other Member then wish to speak on the proposition?

The Deputy of Grouville:

Sir, I just wondered, Deputy Maçon asked an interesting question and, if no one is going to speak from the Social Security side, because the Minister has already spoken, we are not going to get the answer to that. So I just...

The Deputy Bailiff:

It is a matter for States Members, whether they wish to speak in the debate. You have made your point, Deputy.

3.1.10 Deputy G.J. Truscott of St. Brelade:

So far I have heard no adverse comments regarding these particular changes. They have gone through quite smoothly, I am pleased to announce. I was not going to say anything, because my Minister has already given a good speech. We both sing off the same hymn sheet. The Ministerial Order to include all jobseekers aged between 19 and 24 in the household assessment calculation for income support makes absolute sense.

[12:45]

It is fair and balanced. In my book, if you can work, then you should work, and I personally believe this £92.50 has, in some ways and to some, acted as a disincentive to go out and gain work. When I was 19, I could have gone into academia. I decided... well, it was family circumstances that took me away from that and, basically, I had to get out there and start earning a wage. Parental pressure is a really good thing, and I think that has proved it to be the case since we have introduced these measures, that we have had something like 30 per cent of the people looking for work gaining work. Following the changes, low income families still get the same help for young jobseekers, but this is now paid direct to the parents. Vulnerable groups, including young people with disabilities or other special circumstances, are also fully protected. The department has identified £200,000 worth of savings that would be achieved by this change. We have protected the vulnerable and families on income support. We will continue to do everything to help all jobseekers gain employment by fully supporting them through the full range of back-to-work schemes and services provided by Social Security. This is surely the best way to help. Finally, I am just going to reiterate, if this proposition to annul the order is carried, then £200,000 of identified savings will have to be found from other budgets. I therefore ask Members to reject this proposition. Thank you.

The Deputy Bailiff:

Does any other Member wish to speak? No other Member wishes to speak. I call on Deputy Southern to respond.

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

I shall not keep people long. It is always fatal to go into lunchtime to try and persuade people of one thing or another. One loses votes rather than gains. So I shall be just a few minutes. I want to thank all those people who have spoken, whether for or against this proposition. I think it is an important one in that this annulment process, and the acting by Order which underpins it, is manifestly antidemocratic policy, or usage, practice, if what it does is introduce controversial topics rather than just the run of the mill, trivial topics which we should not be bothering with. If there is controversy in there, they know there is going to be an argument, then it should be brought by regulation. That is something that we must pay attention to as we go forward. If you see: "The Minister may by Order" in a proposition, setting something up, think, every time, think: "Should that be regulation? Should that come before us automatically?" Or should we have to drag it back late, screaming, kicking, in order to debate it? Because in this case, I think, it should have been by

regulation. It should have been presented to us for debate a long time ago and it was not. I just want to briefly mention 2 things, and they are both the same: targeting. Targeting. If you want to target, then you do not remove the eligibility from a group of people. That is not targeting. That is just crude discrimination. The difference between 25 and 26 is just crude discrimination. Saying: “We are not sure about you lot, so we will take away your eligibility for this particular support”, en masse. Because if you want to target this particular group of people then you have a weapon. You do not take away the eligibility. You do not take away the £92. You say: “We suspect you are not actively seeking work properly, so therefore, we will threaten you with sanctions.” If there are some in that group who are scammers and skivers then, yes, you already have the weapon to target them. You have sanctions, and I never thought I would speak in favour of sanctions, but that is what it is for. What have we got here? We have got a group of committed, hardworking, active people in our society, the 19 to 25 year-olds, who are by and large massively in work or in education. Some of them are living at home. Let us pick up those living at home and remove this support from them. That is what we have done. How do I know this? Because in the 20 to 24 group there are 150 or thereabouts actively seeking work. That is 150 out of a total of 5,000 in this age group, whether at home or elsewhere, they are either in work, in education, or actively seeking group. If you want to encourage that last, then you use sanctions for those who are looking reticent. That is what you do. You do not take this sledgehammer, which is remove eligibility, in order to crack this nut. It is a relatively small number of people, but nonetheless, that £92, for some, is their lifeline. I will just briefly mention the stalwart work that Deputy Martin has done in chasing some decent answers. In this complex and difficult field, she does a great job in doing that, and she clearly pointed out that it is not as obvious as it looks on paper. Yes, if you are looking at £200,000, it looks fairly straightforward. If you are looking at the reality of people living their lives, unable to leave home because they are not eligible for rental help, and therefore stuck there. Imagine, okay, I get a job. I get a job. I get work, as a 24 year-old, and I am doing very well, thank you. Yes. I am still living at home; I am contributing; and then I lose my job. What do I do? Or I have moved out. I am paying the full rent, not dependent on anybody, and living away from home, and then I lose my job. I am under 25 still; I cannot claim income support, so I move back at home. I cannot claim rental support so I move back at home, and I cannot even claim the adult. I thought I was an adult and I am not. That is the reality. That is the reality. It is an extremely complex and difficult situation that many people find themselves in. They are not all ... and I have contempt for the use of the phrase: “This is just pocket money.” It might be pocket money to some Members in this House, but it is not pocket money to a 19 year-old, necessarily. I call for the appel, Sir.

The Deputy Bailiff:

The appel is called for. I invite any Members to return to their seats. I will ask the Greffier to open the voting.

POUR: 9		CONTRE: 28		ABSTAIN: 0
Deputy J.A. Martin (H)		Senator P.F. Routier		
Deputy G.P. Southern (H)		Senator P.F.C. Ozouf		
Deputy J.A. Hilton (H)		Senator A.J.H. Maclean		
Deputy M. Tadier (B)		Senator I.J. Gorst		
Deputy M.R. Higgins (H)		Senator L.J. Farnham		
Deputy S.Y. Mézec (H)		Senator A.K.F. Green		
Deputy R. Labey (H)		Connétable of St. Helier		
Deputy S.M. Brée (C)		Connétable of St. Clement		
Deputy of St. Mary		Connétable of St. Peter		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of St. Saviour		
		Connétable of Grouville		
		Connétable of St. John		
		Connétable of Trinity		

	Deputy of Grouville		
	Deputy of Trinity		
	Deputy E.J. Noel (L)		
	Deputy of St. John		
	Deputy J.M. Maçon (S)		
	Deputy S.J. Pinel (C)		
	Deputy of St. Peter		
	Deputy of St. Ouen		
	Deputy S.M. Wickenden (H)		
	Deputy M.J. Norton (B)		
	Deputy T.A. McDonald (S)		
	Deputy G.J. Truscott (B)		
	Deputy P.D. McLinton (S)		

ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

The Deputy Bailiff:

That ends the Public Business, and I invite the chairman of P.P.C. (Privileges and Procedures Committee) to propose the arrangements for public business for future meetings.

4. Connétable L. Norman of St. Clement (Chairman, Privileges and Procedures Committee):

I draw Members attention to item M on the consolidated order paper. 20th October, one additional item has been requested. That is P.130 in the Draft Aircraft Registration Law (Appointed Day) Act. On the next sitting on ... it says here 6th October. We have already agreed that it would start on Monday, 5th October at 2.30 p.m., 2.30 p.m. on 5th October. There have been 4 further amendments lodged yesterday, so there are 15 amendments then to the Medium-Term Financial Plan. Standing Orders require that I indicate to Members how long I think the sitting might be. This one, I am convinced, will be at least 3 days, because not only is there the plan and the amendments, but there are some other propositions subsequently, of some substance. So I think there will be at least 3 days, and I think Members should pencil in at the back of their minds that we might have to sit the following week also, the week of the 13th, to complete the Medium-Term Financial Plan debate. I propose the items under M, Sir.

The Deputy Bailiff:

Do Members agree to take the future business in accordance with the statement of the chairman of P.P.C.? Very well, the sitting is closed and the States stand adjourned until Monday, 5th October at 2.15 p.m.

ADJOURNMENT

[12:56]