

5. Questions to Ministers without Notice - The Chief Minister

The Deputy Bailiff:

So, we come to the second period which is questions of the Chief Minister. Does any Member wish to ask their question?

5.1 The Connétable of St Helier:

Would the Chief Minister - and I refer to written answers to a question tabled today about the spending of £500,000 from the Millennium Town Park budget on improvements to Victoria Avenue - lift the clouds of unknowing, really, that surround this issue. Certainly, I am not aware of what this scheme is. Whether it has been through any of the ordinary processes around allocating funds for improvements and as far as I am aware, the Parishes Roads Committee is not aware of it either. Could he explain what this project is on Victoria Avenue and with whose blessing the £500,000 was taken out of the Town Park fund and allocated to this, I am sure very worthwhile, project?

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

The first answer to the question is - and I thought he would have done it by now - is that the Connétable should be talking to the Minister of Transport and Technical Services. That is the first part of the question. The second part of the question, just to reaffirm this does not mean the Town Park will not take place. This is purely a scheduling issue, but what it does mean is that at long last we can landscape along the seaside of Victoria Avenue which currently is nothing other than a sea of concrete and make the whole entrance into St. Helier the attractive, welcoming gateway it has never been and hopefully will be in the near future. So, I would refer the Connétable to the relevant Minister.

5.2 The Connétable of St. Helier:

Supplementary, please, Sir. I do of course welcome the works if they are what the Chief Minister has said they are, but it does seem to me that this does effect the inflation adjustments that have previously been made to the fund and could he confirm that he will liaise with the Treasury Minister to make sure that the Town Park fund does not suffer as a result of this loan being made to another department?

Senator F.H. Walker:

Yes, Sir.

5.3 Senator B.E. Shenton:

Does the Chief Minister not agree that it is absolutely ludicrous to ask Sir Michael Hopkins to draw up plans for a new art gallery when we do not even have a business plan or any idea of how much it will cost and how much it will cost to run for years and years to come?

Senator F.H. Walker:

I do not. These are plans in principle for what could become a national asset, but I am not personally involved in the detail of the planning and have no specific knowledge of the project at this juncture. That would, I think, have been a question much better directed to the Planning Minister.

5.4 Senator J.L. Perchard:

May I ask a supplementary on that? Does the Chief Minister support the proposal for a national gallery?

Senator F.H. Walker:

In principle, wholeheartedly, but until I have seen the business case and seen every other aspect of the project, I cannot possibly answer that question.

5.5 Senator J.L. Perchard:

Yes, Sir, changing the subject slightly, last autumn the Chief Minister during a question from myself, agreed to produce a report outlining the implication of the Island moving to double summertime or British summertime. A report which he agreed would be a catalyst for full and public consultation. When can we expect the report and does the Chief Minister think subject to a positive report, any proposal for change to British summertime or double summertime, could be put to Islanders in perhaps a referendum possibly at next election time just over a year from now?

Senator F.H. Walker:

The Senator is well aware when the report is due because there was an exchange of emails about 10 days ago, but it is due in October. As to the answer to his second question. I have absolutely no idea. I will not be here and that will be a matter for the Council of Ministers and indeed the House at that time.

5.6 Deputy J.A. Martin:

Could the Chief Minister update the House on where we are with the timetable on the debate, much needed and urgent debate, on population?

Senator F.H. Walker:

I can. I seem to be asked this question at every question without notice period. The population report is going to the Council of Ministers in November and that will then kick off a long and extensive consultation process with a view to it coming back to this House for debate as early as possible next year.

5.7 The Connétable of St Helier:

The Treasury Minister has said I think publicly that even 40,000 people demonstrating against the introduction of G.S.T. would not deflect him from his intention to have it introduced in May next year. I would like to ask the Chief Minister what would it take for him to agree to defer the implementation of G.S.T. Is there anything that would persuade him to defer it? For example, would a radical approach to the Island's spending proposals yielding sufficient savings to make G.S.T. avoidable at least for a year or so, would that persuade him to think again?

Senator F.H. Walker:

I believe as the Treasury Minister has said himself, that this debate, if it is a debate indeed, is far, far too late. This should have been done and was done in this House on three separate occasions something like two years ago. What is noticeable, I have to say, both about the petition and the rally is at no point on the petition document, at no stage during the rally so far as the reports I have received suggest - have the alternatives been spelt out to the demonstrating people or the people who have signed the petition. At no point have they been asked how do they want increased taxation to be applied. At no point have they been told that the alternative to G.S.T. is either increased income tax or a payroll tax. At no point have the consequences of not introducing G.S.T. been spelt out. Consequences which would result in States' expenditure going deeply into the red and very much heavily increased taxation as a result in the future. Consequences which this House, despite the statements made to the rally and accompanying the petition, have debated on three separate occasions. Alternatives which this House has debated on three separate occasions. Now, the Connétable - has asked about a radical approach to States' spending. Let those who believe States' spending can be reduced by £45 million a year - which is what we are talking about - let them identify where because that is the underlying recurring

theme of States' expenditure reduction claims of those who support it. They never, ever identify where the cuts are coming from and they do have that opportunity in the Business Plan debate.

5.8 Deputy C.F. Labey of Grouville:

Going back to the population debate, is it intended to have the population debate before or after the new Island Plan debate?

Senator F.H. Walker:

I am honestly not sure. I do not know what the sequence is currently planned to be, but I will find out.

5.9 Deputy G.P. Southern:

Does the Chief Minister accept that the additional tax revenues of something like £30 million which were produced in 2006 from the expansion of the finance industry, will continue into 2007 and do they form the basis along with a potential £12 million cut in the budget for covering effectively the £45 million required from G.S.T? Is he aware that the impact of the so-called black-hole does not occur until 2010, giving us two years grace when we might pause to reconsider and consider properly, alternative taxation, for example like land value tax which I have asked for on two years continually and not received any reply from the Treasury Minister?

Senator F.H. Walker:

It is simply not true to say, as every member of this House knows, that the alternatives to G.S.T. have not been thoroughly debated. It is just not true and the records are there for everyone to study. They are absolutely there. So, in answer to the Deputy's first part of the question, do we expect additional profits from the finance industry to continue in 2007 and 2008? Answer, yes. Does that mean that States' finances will not still continue to dip into the red after 2013? Answer, no. They will continue to dip into the red and what this means is that we can give the guarantee already given. The improvement means guarantees already given about no increase in taxes and no new taxes can be met. That is what the finance industry are helping us to achieve.

5.10 Deputy G.P. Southern:

Will he make reference to and bring to the House the research that has been done on the potential of land value tax in Jersey?

Senator F.H. Walker:

The Treasury Resources Minister has already given that guarantee.

5.11 Deputy S.C. Ferguson:

Jersey is building its international reputation as an independent country. The U.K. is apparently considering removing all reference to the Crown in passports and adopting the full EU (European Union) format. Will Jersey, in view of this intention of having an independent personality, retain an independent passport and if necessary perhaps join with Guernsey to issue a Channel Islands passport?

Senator F.H. Walker:

This is something that was discussed at the joint meeting with colleagues from Guernsey and the Isle of Man last week and all three islands are determined that, so far as it is possible, we will retain our own identity in passports. The problem may become frankly one of colossal expense because if we are to follow the full biometric route now being proposed in the U.K. the cost to the islands of maintaining our own separate passports will be astronomic, but so far as it is possible, we are determined to fight to retain those passports and to further maintain our international identity.

5.12 Deputy A. Breckon:

I was going to ask a question. It is now a different question in view of what others have said. I want to ask the Chief Minister if he was listening earlier when the Minister for Employment and Social Security was asked a question about elderly care and perhaps if he could consider if this is another method of funding some of the States' expenditure that we have not considered because he is still dithering about wondering when we are going to do it or if we are going to do it?

Senator F.H. Walker:

I think the question was about elderly care?

Deputy A. Breckon:

An insurance based scheme, Sir, that we have not got because the Minister for Social Security is dithering about wondering when he should do it and it would fund some of the States' expenditure.

Senator F.H. Walker:

Yes, Sir. The care of the elderly and new ways of funding it are included in the New Directions document which has been awaited for quite some time but is now shortly to come forward and I very much look forward to a very vigorous and healthy debate on that because I believe it does go a long way towards resolving a real problem for elderly people and their families when the elderly person has to move into care. I believe it is a great step forward and one I look forward to the opportunity of debating and consulting upon.

Deputy A. Breckon:

Would the Chief Minister then concede, Sir, that it is an alternative method of funding which is not States' money?

Senator F.H. Walker:

It is an alternative method of funding which is not States' funded. If the underlying suggestion is okay with them, we would still - if this adds to the argument that we will not need G.S.T., I am afraid it simply cannot ever sadly - because I do not want G.S.T. any more than anybody else does, but I have to, as the vast majority of members of this House have done, have to face reality. I do not want it any more than anyone else does and if there are any measures to avoid it, then the Council of Ministers would grab them with both hands, but frankly, Sir, sadly there are not.

5.13 Deputy C.J. Scott Warren:

Does the Chief Minister accept that many members of the public still do not seem to fully appreciate the reason why G.S.T. is proposed to be introduced next year, the black-hole situation, and does he agree that communication regarding this needs to be further improved?

Senator F.H. Walker:

The answer to both questions is, yes, I do. I do agree that many members of the public - and this is witnessed by evidence over the last few weeks - are still not aware of the full reasons for Zero 10; still not aware that we have had a full debate on all the alternatives to G.S.T; and are still not aware why G.S.T. is absolutely essential for the future of everyone in Jersey, including all those who have signed the petition. Could communications be better? Yes. Having said that, I wonder how many people took the time to read the insert in the *JEP (Jersey Evening Post)* the week before last? I do not know. I hope most of them did because it did explain fairly carefully, but could and should we continue to seek to inform people better than we have so far, the answer in my view is absolutely, yes.

5.14 Senator J.L. Perchard:

I did have a point of clarification to the question I asked about the possible moving to British summertime or double summertime. I did ask the Chief Minister, Sir, if he thought the timescale was appropriate that the report could go to consultation and possibly a referendum this time next year. The Chief Minister in his response said he would not be here. Of course he will be and does he think that would be a suitable timescale?

Senator F.H. Walker:

I think the Senator said at election time next year when I will not be here. If it is before that period then it is something that I agree should deserve serious consideration. So, while I am on my feet, if I may just to clarify an answer I gave to the Deputy of Grouville, the population debate will be before the Island Plan debate, and the population debate I am informed by the Planning Minister, to whom I am grateful, will form a key part of the Island Plan review.

The Deputy Bailiff:

Right, so that completes Questions Without Notice.