

#### **4. Questions to Ministers Without Notice - The Chief Minister**

##### **The Bailiff:**

We come now to questions of the Chief Minister. Any questions? Deputy Martin.

##### **4.1 Deputy J.A. Martin:**

I will get this in some way. Would the Chief Minister try to get the Minister for Treasury and Resources and the Minister for Housing to sit down and start to think about re-introducing the States loan scheme because whatever rabbits have been pulled out of the hat - homebuyers selling to States tenants - the banks are just not there at the moment. Their 100 per cent mortgages are gone. Will this Chief Minister give an undertaking to put it on the agenda for Treasury and Housing to sit down and look at re-introducing a similar sort of scheme?

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

If they can do it within the next 24 hours, yes. After that it is very much a matter for my successor and the new Council of Ministers but I am sure that every Member of the House has noted the question raised by the Deputy and others, and will be looking at it seriously in relation to possible other measures as well aimed at ensuring the long term health of the housing market in Jersey and the affordability of houses in Jersey.

##### **4.2 Deputy A. Breckon:**

Purely coincidence that I follow, I had my light on before Deputy Martin. I wonder if the Chief Minister could say - he has made a number of statements as the Minister for Economic Development - where we are in Jersey with a bank deposit protection scheme? I think there is some confusion out there of whether there is anything in place or not? Perhaps he would like to comment?

##### **Senator F.H. Walker:**

There is certainly in place a political guarantee for all Jersey resident depositors in Jersey banks. So far as a wider deposit protection scheme is concerned - compensation scheme - the Minister for Economic Development announced some time ago that he was instigating a review into such a scheme, that remains the case. Research is being undertaken and I assume that a decision will be taken in the relatively near future, early in the New Year, based upon that research. I should say though that one of the motivators, one of the real pressures to introduce such a scheme is really to a great extent fallen away in that now virtually every bank in Jersey, because of the quality of our banking regime has been guaranteed by their home government. I would also add that during the recent I.M.F. (International Monetary Fund) visit we were cautioned not to rush into introducing this scheme but to make sure that when such a scheme is introduced it is thorough, well thought through and will be long-lasting.

##### **4.2.1 Deputy A. Breckon:**

I wonder if I may ask a supplementary to that then? The Chief Minister said "a political guarantee", does he mean a Jersey political guarantee or a U.K. political guarantee? If so, what that amount is?

##### **Senator F.H. Walker:**

I mean very much a Jersey political guarantee which is based on the fact that because we have been so rigid in the licensing of banks in Jersey that virtually every bank in Jersey now has a home country government guarantee behind them, which is what has enabled us to give the guarantee we gave at a very early stage to all locally based depositors, and which I can say has been very well received.

##### **4.3 Deputy K.C. Lewis:**

It has been suggested by senior U.K. Ministers that during the present economic crisis that all immigration to the U.K. should be halted except for essential people coming in. Does the Chief Minister think this should be applied to Jersey?

**Senator F.H. Walker:**

As far as I am aware that is not U.K. Government policy. It may have been referred to by some individual. This is not U.K. Government policy and nor do I believe it should be Jersey policy. Jersey for many, many years has relied to a great extent on the brainpower and the input of people arriving into the Island. **[Approbation]** The fact is that we have through the Regulation of Undertakings Law and other measures very tight controls indeed, which are very clearly illustrated by recent figures available to the Deputy and all States Members.

**4.4 Deputy P.V.F. Le Claire:**

I wonder if the Chief Minister might make a few considered points on the reflection that it was commented to me last week during the elections that there are a large number of serving men and women from Jersey in the armed forces to date - 22 alone from Victoria College I am told - and they feel in some way that that is not recognised by the States. I assured them that it is recognised by the States. I wonder if the Chief Minister might speak a few words about the various men and women and children of Jersey who are serving today in Her Majesty's Armed Forces, in theatre and out of theatre?

**Senator F.H. Walker:**

Yes, I believe that the enormous contribution that those Jersey boys and girls make to the armed forces, and we know of Jersey people who have been recently serving in both Iraq and Afghanistan, I believe that service is recognised. I have been privileged to attend more than one ceremony at Government House where His Excellency has presented awards and recognised the enormous contribution that the Jersey people have made. I think the Deputy has a point, maybe there is scope here for the States themselves to recognise that contribution and recognise the service they give more widely and that is something I would chalk up for the future. I think you have a point. Can I say personally, and I am sure I speak on behalf of every Member of the House, how much I do recognise value and pay tribute to the contribution those young Jersey people are making to the U.K. Armed Services and to the war against terrorism in Iraq, Afghanistan or wherever it may be. They make an enormous contribution and they deserve our full recognition. **[Approbation]**

**4.5 Deputy C.J. Scott Warren:**

Does the Chief Minister believe that the Ministerial system of government needs to further evolve in order to provide more checks and balances?

**Senator F.H. Walker:**

It certainly needs to evolve. There is no question of that. We have had so far our first stab at it, our first 3 years. The Isle of Man system where they have a similar structure to ourselves has been in existence for now 22 years and it is still evolving. However, I do not think the existence of Ministerial government is under threat, nor do I think - and this is a personal view - that we need still more checks and balances. I believe the fact that the Executive under the States of Jersey Law has to be in a minority in the States. I believe the fact that we have now a very vigorous and robust system of scrutiny; I believe the fact that we have a Public Accounts Committee; I believe the fact that we have a Comptroller and Auditor General are easily enough checks and balances. Of course that is a matter for the future States. I believe - I know I am biased, but I will use this last opportunity - that Ministerial government has worked. I believe it has been a success. I believe we do offer co-ordinated government but I accept we can always improve and I look forward to watching it to do so in future from the sidelines.

#### **4.6 Deputy R.C. Duhamel:**

If the proposals for the formation of the Jersey Enterprise Board is agreed, will the retiring Chief Minister be offering his services to play a part in the new administration?

#### **Senator F.H. Walker**

I think I have already said, I have not been asked, I do not expect to be asked, and if I was asked I would expect the answer to be no. **[Laughter]**

#### **4.7 Deputy R.G. Le Hérissier:**

Switching the emphasis, I wonder if the Chief Minister could tell us what has been the high point of his political career in the States and what has been the low point?

#### **Senator F.H. Walker:**

I think you might call time on the answer to this question. I have had obviously a number of highs, a number of lows. One of the lows, of course, would be listening to Deputy Le Hérissier far too often. **[Laughter]** I think the lows are pretty well known. The lowest personal low was without doubt the Haut de la Garenne exercise and the Newsnight interview that went with it, although I can say that although I have not personally complained others in Jersey, thankfully, and I am grateful to them, have complained to the B.B.C. and part of a complaint is so far been upheld, which is that Jeremy Paxman did indeed misquote me. The rest of the complaint is before the B.B.C. Trust and I wait to see what the outcome of that is. Obviously that is very personal. The Haut de la Garenne situation was, I think, a low for all us. Also there were some personal allegations made against me and my wife which were very difficult to deal with, but we did deal with them and that was another low. But the highs have been many. The highs have been many and believe it or not working in this House - sometimes anyway - has been among those highs. Working with my team of Ministers has been an absolute experience over 3 years and an absolute high. **[Laughter]** It has very much been a high. That too, of course, has its lows, and the inevitable loss of the Minister for Health and Social Services halfway through. But that apart I have thoroughly enjoyed and been honoured to lead that team and taken a huge amount out of the teamwork that we have evolved. I think the fact that we have made Ministerial government work, even though it undeniably needs improving, is also another high. Believe it or not the introduction of G.S.T. is a high because the Island needed it and by goodness me the Island is going to need it more and more and more in the future. Thank goodness that we held to our guns. So a lot of it has been personal relationships, some, of course, closer than others. Personal relationships, teamwork and I think a general level of achievement and I will look back on it in that light. I will look back on the highs rather than the lows. I am very grateful to all Members who contributed to them. **[Approbation]**

#### **4.8 The Deputy of St. Martin:**

Would the Chief Minister not accept that probably one of the greatest highs was bowling the Guernsey Chief Minister out first ball and will he pass on his tips to the future Chief Minister? **[Laughter]**

#### **Senator F.H. Walker:**

Yes.

#### **4.9 Deputy G.P. Southern:**

I thank the Chief Minister for his answer regarding the financial capability of the preferred developer of the Waterfront, but I would ask him to go further. Does he expect his successor to examine carefully in the light of the financial turbulence that we are seeing, the whole *raison d'être* for the Waterfront development as proposed so far?

#### **Senator F.H. Walker:**

As the Deputy knows that is pretty much a superfluous question because that is exactly what the Minister for Treasury and Resources is doing now and that process is absolutely ... there is a commitment for that process to continue. Of course, ultimately, as the Deputy also knows, the Waterfront development cannot continue without the sanction of the full House. The Minister for Treasury and Resources has given a wide-ranging number of guarantees on the questions to which he requires answers, the guarantees he requires and only, I know if he, and I assume his successor - I am sure his successor - get those guarantees will it come before the States and then ultimately it will be for the States to decide whether or not it proceeds.

**4.9.1 Deputy G.P. Southern:**

Supplementary if I may, Sir. No, the Chief Minister misinterprets the question. The question is not just about the financial capability and due diligence investigations but about the wider base, the whole economic case for the Waterfront which was investigated in a very short document by the Economic Adviser and needs revisiting in the light of changed circumstances.

**Senator F.H. Walker:**

Yes, I agree with the Deputy, and the Minister for Treasury and Resources has already said that he will be taking the economic position and therefore the demand fully into account. I have no doubt at all - I see the Deputy itching to raise another question - that the States themselves will demand that information if there is to be any chance of them agreeing to the development proceeding, and rightly so.

**Deputy G.P. Southern:**

The Minister for Treasury and Resources is looking very puzzled by these assurances.

**Senator F.H. Walker:**

That is because he has not had them yet. **[Laughter]** I am very confident that the Minister for Treasury and Resources will be asking all those questions, that the new Council of Ministers I am sure will be asking all those questions, and that the States will be asking all those questions. That is the ultimate position. If States Members as a whole are not completely satisfied with all the issues relating to the development it simply will not take place.

**The Bailiff:**

If no Back-Bencher wishes to ask a question I will ask for now one final short Ministerial question.

**4.10 Senator P.F.C. Ozouf:**

The Chief Minister has always been very confident about Jersey. As he leaves this Assembly and moves on to new pastures, does he still maintain his confidence about the future of Jersey?

**Senator F.H. Walker:**

I wish you had not allowed that question. Yes, I do. There is no doubt that Jersey, in common with the rest of the world, faces the most serious economic challenges that we could possibly ever face. There is no escaping that. We are part of the international economy. However, I genuinely believe and I strongly believe that Jersey is in the best possible place to deal with those challenges. What other government has no borrowing? What other government has the proportion of its revenues in reserve that we do? What other government is looking still... although of course it is liable to downward marking as the Fiscal Policy Panel put forward, but what other government in this circumstance is looking at balanced budgets for the next 5 years? I know of none. The U.K. Government, of course, as we well know are borrowing to a huge extent. It is quite possible that the States of Guernsey will have to borrow to a fairly considerable extent. I would not want to be where the Isle of Man is today. Jersey is, in my

experience, uniquely and strongly placed to meet the challenges that undeniably lie ahead.  
**[Approbation]**

**The Bailiff:**

That appears to be a very happy moment to conclude Ministerial questioning.