

6. Questions to Ministers Without Notice - The Chief Minister

The Deputy Bailiff:

We move on now to questions to the Chief Minister.

6.1 The Deputy of St. John:

At the Council of Ministers meeting with the Chairmen's Committee on 29th January 2009, those present were the Ministers, the chairmen of the various panels but I also noted the Constable of St. Ouen was also present. Given that the Constable is not a Minister or chairman of a panel, will the Minister point out where in Standing Orders it says the Constable is permitted to attend? Secondly, how many Council of Ministers meetings has the Constable attended since the formation of the new House?

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

It is not contained in Standing Orders that the chairman of the Committee of Constables (Comité des Connétables) can attend a meeting of the Council of Ministers. He is there on the invitation of the Chief Minister and I welcome his presence there. He makes a valuable contribution to the parochial involvement which we need to have in the operation of the States. As to the number of meetings he has attended since the new Council took office, I cannot say exactly. It is probably about 3.

6.1.1 The Deputy of St. John:

Can it be right, therefore, if it is not in Standing Orders that the Chief Minister can use his prerogative to invite the chairman of the Constables Committee? Would that not be a means of getting to the Constables to make sure that they are supportive of the views of the Council of Ministers [Laughter] and, thereby, creating an *en bloc* vote or more or less an *en bloc* vote in the favour of the Council of Ministers?

Senator T.A. Le Sueur:

I rather think that the Deputy of St. John underestimates the abilities of individual Constables to think for themselves. [Approbation]

6.2 The Deputy of Grouville:

This morning we established that no States decision was made to ... yet the incinerator has allowed for 11,000 increase in population over the next 10 years. Would the Chief Minister not consider it a courtesy - if not prudent - to bring to the States a proposition whereby the States can decide how we can increase our population if indeed we want to and how it is going to be sustained?

Senator T.A. Le Sueur:

In passing I point out that the population model T.T.S. have been using and the different parameters for an Energy from Waste plant are far more than just simply ones of population variation. But the main thrust of the question, I quite agree with the Deputy of Grouville. As an inherent part of the Strategic Plan debate there will be a debate and discussion on population policy. I hope at that stage that a wide-ranging discussion can be undertaken as to the

implications of different population levels and migration levels for different sections of the Island activities. So that will be a fundamental part of the Strategic Plan.

6.2.1 The Deputy of Grouville:

Could we debate that before we make any further decisions such as the Island Plan review that is making decisions based on population numbers?

Senator T.A. Le Sueur:

I am not aware of a scheduled date for an Island Plan review debate. All I would say is that the Strategic Plan will be lodged early in April and that seems to me to be a pretty tight timescale for any decisions to be made for that or any other subject.

6.3 Deputy G.P. Southern:

In the light of figures on (j) cat. consent which indicate a 10 per cent increase in 2008 over 2007 in non-time-limited (j) cats. and an overall increase of 140 (j) cats. in the private sector in 2008, how does the Minister propose to limit population growth to his supposed 430 including dependants when some 300 or 60 per cent of that will be filled by (j) cats. in a typical year like 2008, where 3 per cent of the workforce occupy 60 per cent of the population growth? How does he intend to enforce population limitation?

Senator T.A. Le Sueur:

The current migration policy talks of an average increase of no more than a certain figure over a 5-year period. The Deputy implies that 2008 was a typical year. I suggest to the Deputy that there is no such thing as a typical year any more than 2009 is a typical year. Each year is different and taking the 5 years as a whole, we are within the parameters set out in the States agreed migration policy.

6.3.1 Deputy G.P. Southern:

Can the Chief Minister answer the question how he intends to limit or control any population policy that he comes forward with because at the moment we cannot?

Senator T.A. Le Sueur:

In fact, we can because we have at the present time the Regulation Undertakings and Development Law as well as the Housing Law. But what we are coming forward with - as the Deputy I am sure is well aware - is a migration policy which will include proper registration of incoming people. I am sure that the Deputy will look forward to that debate later in the year.

6.4 Deputy T.M. Pitman:

Ministers effectively control huge budgets. In ensuring public confidence in the Executive should evidence be brought forward regarding allegations of very serious corruption involving one of his Ministers, would the Chief Minister be willing as a neutral act to suspend that Minister while an investigation was completed?

Senator T.A. Le Sueur:

Firstly, Ministers do not control budgets. Ministers propose budgets. The States Assembly agrees what the budget should be. If there is any allegation of corruption supported by evidence then I would pursue that as a matter of urgency and a matter of grave concern to me.

6.4.1 Deputy T.M. Pitman:

Can I just clarify it is not the budget itself that I am referring to. It is just that position of trust.

Senator T.A. Le Sueur:

I believe that we should all trust one another until such time as something is done to betray that trust.

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

We seem to be able to throw round the word “sustainability” quite a lot these days. I was just wondering whether the Chief Minister in view of the up and coming Strategic Plan could provide his definition of this word so the members of the public can understand but also Members can be on the same level for ingoing forward.

Senator T.A. Le Sueur:

Sustainability is a very difficult thing to define. There are various definitions and various interpretations. As far as I am concerned, sustainability in this Island refers to the ability of the Island to continue in a feasible manner for a longer term into the future, recognising changing circumstances and a changing environment. I think it is very difficult to try to create a definition which ticks boxes. I think one has to look at policies as a whole and say is that policy in conjunction with other agreed States policies, one which the Island can deliver and can continue to deliver for the indefinite future.

6.5.1 Deputy T.A. Vallois:

I would agree with the term being a general word. However, if we are all going to be going forward on the same basis, we do need some form of definition as a whole so we know where we are going. I understand it is a very general term but could the Chief Minister possibly provide that?

Senator T.A. Le Sueur:

I think it is probably easier to talk about sustainability as a negative and to say such and such proposal is unsustainable. For example, large increases in population levels would be unsustainable. I think it is far easier to look at that sort of situation than to say that something is or is not sustainable when there may be other parameters which would influence it.

6.6 Deputy M.R. Higgins:

As the most recent figures released by Jersey Finance show the level of deposits held by Jersey residents is and has always been greatly in excess of the ‘Rainy Day Fund’ - the Strategic Reserve - and the Island’s ability to borrow the difference from international money and capital markets, would the Chief Minister please explain to the House the value or the credence of his and his Minister for Treasury Resources’ political guarantee to Island residents that 100 per cent of their deposits will be protected in the event of a bank failure? Will he support a proper

deposit protection scheme being brought in in the next 3 months by the Minister for Economic Development?

Senator T.A. Le Sueur:

Taking the last part of the question first, yes, I fully support and welcome proposals for a deposit protection scheme, which are in an advanced state of discussion. We have received advice on the best way to proceed for the particular situations in the Island. As far as local depositors are concerned, they can take great comfort not just from the undertakings given by the previous Chief Minister and myself but from the fact that the only deposit-taking institutions admitted and operating in the Island are those which are backed by national governments and whose likelihood of failing, particularly as they get, it seems to be, increasingly nearer to nationalisation that likelihood becomes more and more remote. So accordingly, I am quite satisfied that we have adequate funds should any unlikely failure materialise. But I cannot in the present situation see any reason why any of the banks operating in the Island are in any difficulty whatsoever insofar as they are fully supported by their national governments.

6.6.1 Deputy M.R. Higgins:

The Chief Minister has just said that he believes there are sufficient funds to cover a situation where if a bank did go down that the States would be able to honour his guarantee. I just said the amount of money on deposit in the Island for residents and he is giving a 100 per cent guarantee to all Island residents that they will get all their money back. There are not sufficient funds available to do that. Nor would he be able to borrow it from the money markets. Would he just confirm where else the money could come from?

Senator T.A. Le Sueur:

The Deputy seems to be working on the assumption that every single bank would fail entirely in the Island and that there would be no repayment whatsoever from any of those banks to the creditors of even a penny in the pound. That is fanciful imagination. If I were to work on that basis, I would have to agree with him. But I will work on a far more realistic basis and on a realistic basis we are able to honour the undertakings given.

6.7 Deputy R.G. Le Hérissier:

Would the Chief Minister inform us whether at places like the British-Irish Council he discussed the future of the Jersey finance industry in the light of the economic turbulence we are experiencing? Is it his view that after this turbulence - if it is stabilised - we will have the same kind of finance industry as we have now?

Senator T.A. Le Sueur:

I did not discuss specifically the local finance industry. Ministers at the British-Irish Council discussed the general economic situation as it affected each member of the British-Irish Council and the immediate problem of dealing with the social difficulties caused by the economic downturn and the need to mitigate any effects of that downturn on the vulnerable sections of the community and the help which might be given by the voluntary sector in delivering that.

6.7.1 Deputy R.G. Le Hérissier:

A supplementary. Would the Minister comment on whether he feels the finance industry will come out differently if and when this turbulence is over?

Senator T.A. Le Sueur:

I have no doubt that the Jersey economy and the Jersey financial situation will be different when we come out of this recession, just as it has changed over the past 50 years from time to time. It is natural, inevitable and desirable that change occurs. Our objective is to make sure that we are prepared for the changes and prepared for the new environment.

6.8 The Deputy of St. Martin:

Can I ask the Chief Minister, wearing his Chairman of the States Employment Board hat, does the Chief Minister agree that it is totally unfair that there is no right to representation or automatic right to representation during a suspension meeting? If he agrees, will the Chief Minister take steps to address the issue?

Senator T.A. Le Sueur:

That is a broad question because in terms of representation it will depend on the particular law applicable to any situation. I agree in general terms a right to representation is desirable and that any modern arrangements should cover that. It may well be that our current arrangements need to be reviewed and will be reviewed to reflect that. So to that extent I do agree that we need to keep these things constantly under review.

6.9 The Deputy of St. John:

Recently it has been reported that G.S.T. may be increased because of a lack of bringing forward a special rate for non-local companies. This was all put in place under the watch of the Chief Minister when he was at the Treasury. Can he tell us what has gone wrong and why should the public of Jersey be expected to pick up additional taxes because of something he failed to put in place correctly at the time?

Senator T.A. Le Sueur:

I think the Deputy of St. John must listen to the wrong gossip. **[Laughter]** I never said that G.S.T. would need to be increased because of a failure or lack of revenue from the Blampied proposals. As the Deputy should be aware, those proposals are expected to generate in the region of £5 million a year. What I said was that in the event of the States failing to control its spending and failing to achieve the savings which need to be delivered in order to provide the services we need, we will need to look for alternative sources of revenue. One of those alternative sources of revenue could be G.S.T. in years to come. It is not the only remedy and it is not an automatic remedy. I suggest that the Deputy of St. John listens a bit more carefully to what I say. **[Laughter]**

The Deputy of St. John:

I am forever listening to what he says and so are the members of the public of Jersey listening and they are very concerned at the way things are going.

Senator T.A. Le Sueur:

I have made myself clear.

The Deputy Bailiff:

That completes questions to the Chief Minister.