

**3.14 Deputy G.P. Southern of the Minister for Social Security regarding the delivery of timely assistance of redundant workers:**

Has the Minister held discussions with the Viscount to resolve the issue of the lack of progress in the insolvency of Collas & Le Sueur and the consequential delay in delivering timely assistance to the redundant workers concerned and would he advise what plans, if any, he has under consideration to assist redundant workers with mortgage payments?

**Deputy I.J. Gorst of St. Clement (The Minister for Social Security):**

Insolvency proceedings in the courts are a last resort and generally take time. Officers of my department continue to liaise with the Viscount for confirmation that Collas & Le Sueur is formally insolvent. However, interaction between myself as Minister and the Viscount must respect the independence of the judicial branch. When insolvency is declared, any payments due to the former employees will be processed rapidly. My department has submitted a bid under the economic stimulus package that would deliver short-term temporary support for those having difficulty in paying their mortgage, following redundancy. Anyone who is experiencing or who thinks they may in the future experience difficulties in paying their mortgage should approach their lender as soon as possible because the earlier contact is made, the more options there are likely to be to resolve the problem. The Citizen's Advice Bureau as well is also available to provide independent advice.

**3.14.1 Deputy G.P. Southern:**

In the case of redundancy through insolvency, does the Minister not accept that, given his aim to ensure that payments reached those made redundant within 4 weeks, that aim is not being met currently, in this particular case and is unlikely to be met in many other cases and further, will he outline the period of support he is prepared to give to redundant workers with mortgage payments? Is it as little as 3 months or as much as 12?

**Deputy I.J. Gorst:**

I did answer this question last week. The Deputy contests that my scheme does not deliver timely support. I refute that. Once a firm or company is insolvent then my scheme gives timely support. As he just explained, that is the reason why I created an off-set of the first 4 weeks so that payment for those first 4 weeks could be paid in a timely manner once, and I reiterate this, once the company is made insolvent. It is not for me; insolvency proceedings take time and that unfortunately is where the time is taking in this particular instance. Once that court action is in place then my officers, my department, will make those payments in a very speedy manner. I should say to the Assembly and to the Deputy that this situation is changing daily. It is not appropriate for me to say exactly when it might happen but I am confident that it may now happen sooner rather than later.

**Deputy G.P. Southern:**

There was no attempt to answer the second part of my question about mortgage payments; for how long?

**Deputy I.J. Gorst:**

Yes, sorry, the second question rolled into one. Mortgages payments; we perhaps will discuss this later under the economic stimulus package. It is a bid, as I said, that my

department have put forward. It will however require tri-annual regulations to this Assembly should it be approved through those processes. Initially I would expect individuals to follow something similar to the U.K. pre-action protocol, as I said in my initial answer, in that they would go to their mortgage provider and request a payment holiday. After that point, in consultation with the department, it would be proposed that there will possibly be an initial period of 6 months for interest only, which could be reviewed after those initial 6 months. But it is a process and it is not something that would happen automatically.

**The Bailiff:**

Deputy Higgins, you can put your supplementary question or you can put your question to the Minister for Economic Development.