

4. Questions to Ministers without notice - The Chief Minister

4.1 Deputy G.P. Southern:

Is the Chief Minister still of the opinion that it is provident to be putting money into the Strategic Reserve and the Stabilisation Fund to act as a buffer against any major downturn and the downswing experienced in an economic cycle, as he stated in the Financial Report and Accounts 2006, and does he agree that using the Strategic Reserve now, during the current downswing, is consistent with the reason for their establishment?

[12:00]

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

I do believe that it is sensible and prudent and, in fact, economically beneficial to put money into the stabilisation funds in the good times so that we have resources to support the economy in the bad times. The economic situation would undoubtedly be worse today if we had not taken this action. The States agreed in 2006 that the Strategic Reserve is only to be used in exceptional circumstances to insulate the Island economy from severe structural decline, such as the sudden collapse of a major Island industry. That is not what we face now and we should not confuse major structural decline in the economy, for example, ongoing and extensive decline in the finance industry with a structural deficit in States finances as they are different things. However, should the economy not recover as forecast in the coming years and continue to decline, it would be necessary to take further economic advice, including that of the Fiscal Policy Panel.

4.1.1 Deputy G.P. Southern:

A supplementary, if I may. May I push the Minister, then? The Minister has changed his opinion because those words in 2006 are very different to the structural decline that he now refers to. Is it the case that the Chief Minister has changed his mind?

Senator T.A. Le Sueur:

No. It may well be that the words used in 2006 did not make my thoughts sufficiently clear. I have always been of the consistent opinion that the Strategic Reserve should only be used in exceptional circumstances of major structural decline and if I have said or written anything to the contrary, that was unintended and unfortunate.

4.2 Deputy J.M. Maçon:

As Chairman of the States Employment Board, has a clause been inserted into the contract of the new Chief Officer of Police which allows for an amendment to the disciplinary code which is a change to the law and what other clauses have been inserted from the lessons learned over the disciplinary treatment of the Chief Police Officer?

Senator T.A. Le Sueur:

It is quite difficult to hear the question with the background noise, but the fact is that the States Employment Board has no remit in the appointment of the Chief Officer of Police, which is a matter for the Minister for Home Affairs. The Minister for Home Affairs has already dealt with the question of the code in answers earlier this morning, and I think he has explained that very clearly.

4.3 Deputy T.M. Pitman:

When telling us earlier that the terms of reference are apparently fluid, the Chief Minister stated that Mr. Napier had access to all evidence. Could he please clarify whether or not Mr. Napier had access then to the discussion about the alleged plot to remove the Chief Police Officer, stated as being overheard by Deputy Le Claire, as would have been the case for the committee of inquiry?

Senator T.A. Le Sueur:

I am not sure what evidence, in the strict sense of “evidence”, exists for that alleged plot. One can talk about rumours or allegations; I think it would be more sensible to talk about hard facts and hard evidence.

4.3.1 Deputy T.M. Pitman:

Supplementary. Surely, with due respect, if a States Member says he is willing to give evidence to a court that he overheard such a conversation, that is evidence; it should be taken into account. Does the Minister not agree?

Senator T.A. Le Sueur:

One has to consider whether that comment is relevant to the suspension process, which is what, in fact, Mr. Napier was investigating. I am not convinced that that comment was relevant to the suspension process.

4.4 The Deputy of St. John:

Two weeks ago this House agreed to pay Reg’s Skips some £207,000. As of yesterday, having spoken to Mrs. Pinel, she has not heard from any department whatsoever as to this and, given that this family have their back to the wall, could the Minister instruct his Minister for Treasury and Resources to make the necessary payment that this House agreed over 2 weeks ago?

Senator T.A. Le Sueur:

I believe that the payment has been authorised by the Minister for Treasury and Resources but the payment is, in fact, made by the Minister for Planning and Environment. I understood that a cheque had been issued to the company, Reg’s Skips Limited, at the end of last week. If it has not been received by the company, or by Mrs. Pinel, I am disappointed. To say that there is a cheque in the post may sound trite but I am sure that that is indeed the case.

4.5 The Deputy of St. Mary:

In his written answer to question 21 today, the Chief Minister wrote about the Napier Report: “I have accepted the report as it stands.” He also then writes in a following sentence: “The conclusions and recommendations are those of Mr. Brian Napier Q.C. (Queens Counsel), who is an eminent professional in employment law matters.” Is the Chief Minister telling us that the conclusions and recommendations are not accepted by him even though he has written: “I have accepted the report as it stands?” Does the Chief Minister accept the conclusions and recommendations?

Senator T.A. Le Sueur:

I think this is really a question where the Deputy may be in danger of confusing 2 very different matters. The Napier Report was concerned with the suspension process and I am quite satisfied that the suspension process did not conform fully with the policies and procedures laid out in the disciplinary code. However, I remain absolutely satisfied that suspension was the correct action for the then Minister for Home Affairs to take and I see nothing incompatible between those 2 comments.

4.5.1 The Deputy of St. Mary:

A supplementary. I am asking the Minister to sort out the confusion in his reply. He says: “I have accepted the report as it stands” and he then writes: “The conclusions and recommendations are those of Mr. Napier.” Are the conclusions and recommendations accepted by the Chief Minister?

Senator T.A. Le Sueur:

Again, I see nothing incompatible with that. I accept the findings of Mr. Napier and I am stating that they are his opinions.

4.6 Deputy M. Tadier:

Earlier in question time the Chief Minister said he agreed with the principle of being innocent until proven guilty in Jersey and in common law, I guess, as a principle. Will the Minister, therefore, confirm that as Mr. Power has not been found guilty of anything that he is, in fact, innocent?

Senator T.A. Le Sueur:

It depends on how one describes the term “innocent”, in that it is certainly the case that he has not been proved guilty. He has not had the chance, or no one had the chance, to determine that situation. On the basis that until one is proven guilty one remains innocent in law, then clearly Mr. Power, the former Chief Constable of Police, was, on that basis, innocent and is.

4.6.1 Deputy M. Tadier:

Given the fact that we have heard from the Chief Minister that he was and is innocent, will he be asking the Minister for Home Affairs to make an apology, or will he be making an apology, to an innocent man?

Senator T.A. Le Sueur:

No.

4.7 Deputy D.J. De Sousa:

Just how bad does the economy have to get before the Chief Minister would consider using, in exceptional times, funds from the Stabilisation Fund, bearing in mind that this is one of the worst recessions in our lifetime?

Senator T.A. Le Sueur:

While the economy is certainly not in as healthy a time as it has been in years previously, it is not, in my view or indeed in that of the Fiscal Policy Panel, in such a dire strait as to require the injection of funds from Strategic Reserve. One has to distinguish very carefully, as I said in an earlier answer, between a decline in the economy and a failure by the States to balance its books.

4.8 Deputy M.R. Higgins:

Following on from the last question; the Chief Minister in his written answers to me today has indicated that he expects a further decline in G.V.A. (Gross Value Added) this year followed by weak growth of one per cent next, moderate growth of 2 per cent in 2012 and 2013 at 2 per cent. The economy is going to be bumbling along at the bottom essentially; does he not think, therefore, that he will have to call upon the Strategic Reserve to shore-up the economy. The Minister for Economic Development has also indicated that banking is under new pressures, liquidity requirements, regulatory pressures and so on and that he will have to use the Strategic Reserve over the next few years?

Senator T.A. Le Sueur:

No. I am surprised by the Deputy and his comments because he admits that after a slower rate of decline this year, there will be slow but modest growth in future years. That strikes me as hardly compatible with the words “serious structural decline”. What, I think, the Deputy again is getting confused about, is whether the States’ finances are in a fit state to see the Island through going forward and that is a matter for us in determining our policies; it is not a question of the international or even the local economic conditions, which are, as the Deputy himself has said, destined to grow in 2011 and further beyond that.

4.8.1 Deputy M.R. Higgins:

Does the Chief Minister not accept that finance being the main driver of our economy, it is the one that is probably going to take the longest to recover as this is a financially-induced recession? If past history is anything to go by, then we will be in the doldrums for some time.

Senator T.A. Le Sueur:

No. If the Deputy and other Members care to look at the business tendency survey, which is published every quarter by the Independent Statistics Unit, they will see that of the various sectors of Island industry, the finance industry was the first to take action and the finance industry is the first to show signs of recovery. Yes, the level of growth and activity and profitability in that industry will take a long time to get back to previous levels but it is not a sign of ongoing decline; it is a sign of realism in the current financial international market.

4.9 Deputy A.E. Jeune:

We have heard this morning mention of changing of minds but would the Chief Minister agree that responsible persons take on board current situations and it is a strong person who can say, in the light of the current situation, I must change my mind, alter my words, in the interests of the future of the Island and its people?

Senator T.A. Le Sueur:

I am not sure if the Deputy had anything particular in mind when she said that but, yes, responsible people take a current view on a situation and one should never be so inflexible and dogmatic as to say that situations can never change. I believe that I will continue to take a responsible attitude and base my decisions on the best needs of the Islands now and for the future.

4.10 Senator F. du H. Le Gresley:

Further to the question of the Deputy of St. John concerning Reg's Skips, could the Chief Minister confirm that for the £50,000 compensation payment to Mr. and Mrs. Pinel, the cheque has also been issued and from whence the money has been taken?

Senator T.A. Le Sueur:

It is certainly my understanding that the payment made to Reg's Skips Limited and to Mr. and Mrs. Pinel has been made by the Minister for Planning and Environment and that that money comes out of the budget of the Planning and Environment Department.

4.11 The Deputy of Grouville:

On 19th July this year I asked a question about the sculpture known as Flight that used to be situated at the airport. I asked it of the Minister for Economic Development. I was alarmed to hear he had been grateful to the Minister for Health who had agreed to house it in a poky courtyard at the hospital. I am given to understand that the Chief Minister knows of the updated position in this regard; could he enlighten us, please?

Senator T.A. Le Sueur:

I certainly know something of the updated position in that I have had discussions with the Assistant Minister for Economic Development responsible for the airport, with a view to reinstating that sculpture at some location in the airport perimeter. At this stage I believe that discussions are still ongoing with the Airport Authority as to the most suitable location for this to take place but I can confirm that there is significant progress in reinstating that sculpture at some place in the airport perimeter.

4.11.1 The Deputy of Grouville:

Would it also be accessible to the public, because the surrounding area used to collect quite a bit of monies for charities in the wishing well?

Senator T.A. Le Sueur:

That will be a matter for the Airport Authority to determine, in conjunction with any other matters of passenger safety or security or whatever. I think, for me, the important thing is to make sure it is on public display and publicly visible; if one can collect funds in it as well, that is a bonus, but to me the more important matter is being able to see it.

The Bailiff:

Very well. I am afraid that brings questions to the Chief Minister to an end. That concludes questions.