

**2.11 Deputy G.P. Southern of St. Helier of the Minister for Social Security regarding the impact of the Comprehensive Spending Review on benefits administered by his department:**

Given that the departmental budget consists overwhelmingly of benefit payments, will the Minister assure Members that in attempting to deliver the 10 per cent cuts required by the comprehensive spending review by 2013, he will not reduce the index-linking or otherwise cut the levels of individual benefits administered by his department and, if not, will he state which benefits may be targeted?

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

Contributory social security benefits are automatically linked to the rise in the earnings index. Any changes to those benefit rates would require the States to approve amendments to primary legislation. Other States-funded benefits such as income support benefit rates can only be increased or reduced with States approval. It is too early to say what the comprehensive spending review might propose across any department. It is, however, important that the review is undertaken so that Ministers and this Assembly can make informed decisions.

**2.11.1 Deputy G.P. Southern:**

Could the Minister at this stage state what might be saved by each percentage point below normal operating across all benefits?

**Deputy I.J. Gorst:**

I struggled answering this question as an oral question anyway because I was being asked for information and I would like to have been able to go into each benefit and say how they are rated in the process or otherwise. I do not have that information on the top of my head and I think if the Deputy wants to know it then perhaps he should submit a written question and I will try and provide it for him next time.

[10:45]

**Deputy G.P. Southern:**

I will try a simpler supplementary if I may then. Would the Minister ... oh, it is gone.

**The Deputy Bailiff:**

Very well. Deputy Le Hérisier.

**2.11.2 Deputy R.G. Le Hérisier:**

Just to keep the fun going, would the Minister not acknowledge that a reduction of benefits will bring up the issue that what is politically unacceptable will collide with what appears to be the necessity to make cuts?

**Deputy I.J. Gorst:**

I do not believe ... well, I should put it the other way. I believe that the Minister for Treasury and Resources has been completely upfront and honest about the difficult decisions that we as an Assembly will have to make going forward, and they will be decisions for this Assembly. We can raise taxes; we can cut our operating costs. One suspects that ultimately being a consensus Assembly we will come down somewhere in the middle, but that will be a decision for this Assembly. What I can say we are looking at in my department is to see if we can extend things to encourage people back to work. So we currently have the pain clinic. If we can invest a little in that,

extend it, then we can reduce our overall budget spend. There are smart ways that we can try and cut costs and I hope that that is what will be proposed to this Assembly and this Assembly will make decisions upon.

**2.11.3 Deputy G.P. Southern:**

Can the Minister state whether it is possible to achieve 10 per cent cuts without affecting the level of benefits he administers?

**Deputy I.J. Gorst:**

As I just answered, there are smart ways to try and achieve cuts across all departments. It is important that this review takes place and then that we together can make those difficult decisions about what sort of service we want to provide for this community going forward and whether we ultimately want to ask individuals to pay more for those services that we want to provide.