

5. Questions to Ministers without notice - The Minister for Treasury and Resources

The Deputy Bailiff:

We come now to questions to Ministers without notice and the first period is to the Minister for Treasury and Resources.

5.1 Deputy S. Power:

The Minister for Treasury and Resources is the public representative as shareholder for public companies. Could he give an explanation as to why companies like Jersey Telecom and Jersey Water are able to accept payment by cheque but that the Jersey Electric Company has withdrawn payment by cheque and will only accept cash or debit cards?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I am not aware that the J.E.C. has stopped taking payments by cheque. I think that is J.T. (Jersey Telecom). I am aware of these issues and clearly these are matters for the boards. I have asked the respective companies to ensure that customers can continue to pay their bills, but this is a matter for the boards. I do not believe that there should be any direction from the Treasury in relation to those matters.

5.2 The Deputy of St. Peter:

Does the Minister agree that States-owned sites can cope with the chronic shortage of housing currently?

Senator P.F.C. Ozouf:

I think that is a very important question. I have before me the list of States-owned sites that can be delivered and the Property Holdings Department is working in order to deliver units on States-owned sites. However, because of the release of those sites, including for example South Hill, the ambulance station and others, these realistically will not be delivered before 2015 and 2016; although Bellevue has now been passed to the Minister for Housing to deal with and J.C.G. is now being well progressed by S.o.J.D.C. (States of Jersey Development Company). My own view is that in these difficult economic times we need to be doing everything we can to stimulate housing demand and I stand ready to support either the Housing Department, housing trusts, Parishes or any other innovative schemes in order to boost supply, but we need the land and that is not within States ownership.

5.3 The Connétable of St. John:

My question comes out of a reply number 7 in the written questions. As T.T.S. have been having major problems with various pumping stations across the Island, particularly in the high water table areas as those mentioned in question number 7, is the Minister aware of the work that is going to be required in remedial work over the next 12 to 18 months, which could run into millions of pounds, and is he also aware that one of these stations is at the head of a reservoir in the centre of the Island, which is causing great concern to myself and others that contamination may have got into that reservoir? As the representative for the utility companies, is he being kept informed of that?

Senator P.F.C. Ozouf:

I am aware of the issues in relation to liquid waste strategy by the Minister for Transport and Technical Services. As the Minister for Treasury and Resources, I meet with Ministers on a regular basis to discuss their capital programmes and indeed liquid waste has been the subject of discussions between ourselves. I am aware that T.T.S. has had additional sums which have been due because of the exceptional weather that has been experienced. They have met that within their own budgets. They have said that they are prepared to reallocate their standard capital allocation for any remedial works that will be required, but I am not aware that those are

significant. I would also draw the Connétable's attention to the fact that Phillips Street shaft, costing some £5 million to £6 million, is now underway and that represents a substantial investment in the improvement of infrastructure and drainage. I stand ready to assist the Minister for further investments in liquid waste which is going to be forming part of our long-term capital programme and we are preparing to put the funding in place for those arrangements.

5.3.1 The Connétable of St. John:

The Phillips Street shaft was not part of the question. That is the lower part of the Island. I am talking about the northern parts of the Parishes and I mentioned particularly those questions that are put in question 7, but also the question about his responsibility as the representative of the Water Board. Is he aware that there may have been contamination in one of our reservoirs?

Senator P.F.C. Ozouf:

I am not advised of that, but I will investigate that matter and return to the Connétable if that is the case. Liquid waste remains a very high Ministerial priority and I am committed to finding the investment for that infrastructure investment during the term of this Assembly over the next 18 months.

5.4 Deputy J.A. Hilton:

In a radio interview given yesterday by the Constable of St. Helier, when the Constable of St. Helier was discussing low turnout at Parish Assemblies, when the matter of the approximately £1 million to be spent on public toilets in Conway Street was being discussed, apparently the Minister for Treasury and Resources indicated to the Constable that had he been at the Parish Assembly he would have supported the spending of that sum of money for public loos. Well, I could say: "He would say that, would he not?" But my question is: does the Minister really believe - hand on heart - that it is fair that the ratepayers of St. Helier should be spending those sorts of sums of money when they receive no help from the centre? Currently St. Helier receives no rates from the States of Jersey for all the properties that it has in St. Helier. Does he really believe that is a fair state of affairs for St. Helier ratepayers?

Senator P.F.C. Ozouf:

As a former Parish Deputy representing the same constituency as Deputy Hilton, I think my track record in assisting St. Helier is well known, having sorted out a number of the issues of the unfair welfare burden. If I may say, the state of the St. Helier finances is significantly improved, partly because of the endeavours of this particular individual. There are ongoing issues with St. Helier which do need addressing. I engage regularly with the Connétable of St. Helier. I did not hear the interview on loos. I do not think that I have had any particular discussions with him about public toilets, but I am happy to engage with him and the other Deputies in relation to dealing with St. Helier matters as appropriate.

5.4.1 Deputy J.A. Hilton:

I do not believe the Minister answered the question. Does he believe it fair that St. Helier ratepayers foot the bill?

Senator P.F.C. Ozouf:

I think that there is a win and a loss for St. Helier. I think that St. Helier, as the Island's capital, does receive a significant amount of rates from properties both in the commercial and residential area and they will be serving the interests of their ratepayers, but the ongoing issues of the unfair burden that exists for St. Helier does need to continue to be looked at and I have given the commitment to the Connétable that I will continue to engage.

5.5 The Deputy of St. Martin:

I also have a question about St. Helier. As the shareholder representative on the J.E.C. can the Minister tell the Assembly what pressure he is bringing to bear on the board given that the western part of St. Helier now is quite regularly struggling to find enough electricity?

Senator P.F.C. Ozouf:

I am advised by the J.E.C. that an investment in further infrastructure is required in and around the St. Aubin's area. I understand that the company have identified the only really suitable site within the ownership of the Parish of St. Helier and I have impressed upon the Connétable of St. Helier, and will continue to do so, the importance of ensuring that this vital infrastructure investment is made by the J.E.C. for not only the security of supply of the area of the residents of St. Helier 3 and 4, but is also an absolute prerequisite for the further investments that are available that are going to be made on the Waterfront and other areas of town. I hope the Parish authorities will be reasonable in the J.E.C.'s requests for that land as that vital infrastructure is required.

5.6 Deputy M. Tadier:

Again in his capacity as shareholder representative for the utilities, the Minister will be aware that tonight there is a union rally at Fort Regent at 6.00 p.m. and that will be attended by workers who feel that their standard of living is under attack because they see their wages effectively being diminished in the face of spiralling utility bills - often which are owned wholly or partly by the States - and they may see that as a type of stealth tax that the States is making money by increasing their bills but not giving them the wherewithal with which to pay those bills. Does the Minister for Treasury and Resources have any solution and does he suggest a way in which he, as the shareholder representative, could talk to the utility companies to make sure that they cut their costs accordingly and that they do not put above-cost-of-living increases when people are struggling across the board?

Senator P.F.C. Ozouf:

I have no further comments to those that I made 3 weeks ago in relation to particularly the J.E.C. costs we are seeing and it is not only States workers that are seeing an increase in electricity costs as a result of the difficulties that I also referred to earlier. These are issues that are faced by all Islanders and, let us be clear, we are dealing with difficult economic times. We do put appropriate pressure on the utility companies and that is obviously a function of SICRA (Singapore Credit Rating Agency), not the Treasury, but I have nothing further to the comments that I made 3 weeks ago and refer the Deputy to those comments.

5.7 The Deputy of St. Mary:

Would the Minister agree to provide further funding on any schemes to introduce really affordable housing for first-time buyers and low-income applicants with regard to providing the sites and infrastructure necessary ...

Senator P.F.C. Ozouf:

I am looking forward to the discussion at the Council of Ministers ... sorry. **[Laughter]**

The Deputy of St. Mary:

... and **[Laughter]** would he also agree that the Minister for Planning and Environment should be providing these sites now rather than waiting for developers to benefit from an anticipated rise in costs as we eventually move out of the current recession?

Senator P.F.C. Ozouf:

Sorry, I thought you were only allowed one question per answer, so I was ...

The Deputy Bailiff:

The second one is sometimes more interesting. **[Laughter]**

Senator P.F.C. Ozouf:

Okay. I have considerable sympathy to the Deputy's question. My view is that we should be doing everything we can and I fully support the Chief Minister's February statement that it should be dominated by Council of Ministers' discussion and delivery of homes during this month. I am looking forward to the Council of Ministers' discussion that we are going to have on releasing sites. I will do everything I possibly can within Property Holdings and to release funding for sites. Home ownership should be the aspiration of as many Islanders as possible and I think that I am working well and constructively with the Minister for Housing to deliver policies this month and will do everything I can to support that.

5.8 The Deputy of St. Ouen:

As the Minister with overall responsibility for our Competition Regulatory Authority, is there anything the Minister for Treasury and Resources can do to ensure high-octane fuel remains available to owners of high-performance cars and motorbikes? **[Members: Oh!]**

Senator P.F.C. Ozouf:

That is a matter which is being handled by the Minister for Economic Development. There was a meeting yesterday between SICRA and interested parties and I will circulate a note to Members or ask the Minister to circulate a note. It is not within my portfolio, but I will arrange a note to be sent to Ministers by the Economic Development Department.

5.9 Senator S.C. Ferguson:

The Minister has already stated that he wants to improve the supply of houses. Can he confirm that he sees this as a means of improving affordability of houses by lowering the price and thereby raising the possibility of negative equity for existing home owners?

Senator P.F.C. Ozouf:

No, I would refer the Senator to the comments that I made to the Corporate Services Scrutiny Panel last week where I made it absolutely clear that the issue of State intervention in prices should be carefully looked into. I am supporting the Minister for Housing's Deposit Loan Scheme. I believe that that is going to mean that there is going to be up to 100 Islanders which are going to get into home ownership that otherwise would not be the case. I agree with the Senator that it is important that any well-intentioned policy should not affect the price of homes. Our job is to ensure that, because of constrained credit situations that many Islanders are facing, they can get the credit in order to get on the housing ladder. That is a different issue from the issue of price, which politicians should not meddle with.

[12:00]

Senator S.C. Ferguson:

Sir, he has not answered the question.

5.10 Deputy J.H. Young:

In the Minister for Treasury and Resources' commitment to approving availability of affordable housing he would be likely to look at the list of States-owned sites, which he mentioned in his reply to the Deputy of St. Peter. Could he tell us whether, in addition to South Hill and the Ambulance Station, that site also includes the opportunities at Fort Regent and former d'Hautree sites where we have large States-owned sites with opportunities for development and will he tell us when we will see his property strategy to sell those assets of property in the future?

Senator P.F.C. Ozouf:

The property strategy is already clear and I am happy to circulate to the Deputy the list of States-owned sites. I can advise that my Assistant Minister and I, or indeed the chairman of the group that the Assistant Minister chairs, has investigated a further Fort Regent site and I am happy to update Members on that potential site although it is challenging. In relation to the other site that he mentioned, forgive me, d'Hautree. Yes, that, I am afraid, was earmarked by Property Holdings as a potential site. The former Assistant Minister is nodding. That unfortunately has been, well perhaps unfortunately for housing delivery, earmarked for future educational uses and despite our efforts to get it for housing sites is safeguarded for educational use.