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4.1 Deputy S.Y. Mézec of St. Helier of the Chief Minister regarding proposals for the reduction of poverty in the Island:

What measures, if any, will the Chief Minister be proposing this year to reduce poverty in the Island?

Senator I.J. Gorst (The Chief Minister):

The best way to reduce poverty is to help people into work to deliver earnings growth that is built on productivity increases and to constrain price rises so people have more money in their pockets. Of course we also need an income support system that provides help where needed and a minimum wage that removes excesses of low pay. But poverty is a broad agenda. We also need to better educate our children and secure improvements in our living environment, health and social services, all of which will make our society more inclusive. This is the agenda we will be outlining in our Strategic Plan.

4.1.1 Deputy S.Y. Mézec:

We heard aims there, we did not hear policies. The Chief Minister will have been as shocked as I was to read in the *J.E.P. (Jersey Evening Post)* earlier this year about a family where 2 people were working but were still having to go to food banks to be able to feed their family. For them they have no time for platitudes. What they need is clear action and a timescale, so could he give us some specifics as to what he will do, not just wishy-washy aims, which is what I think we just heard.

Senator I.J. Gorst:

This Government recognises that the issues of relative poverty that some in our community face is complex and covers a broad agenda. I have asked the Deputy of Trinity to work with voluntary and community organisations specifically in regard to food banks. We know that we have an income support system which does not start providing for members of our community until they have been resident for 5 years. That was a policy aim of this Assembly. But we know from speaking to organisations in the voluntary community sector that they have seen and are reporting increasing numbers using those food banks. We need to understand why. We need to understand who those individuals are before we can bring forward firm policy proposals.

4.1.2 Deputy M.R. Higgins of St. Helier:

The Chief Minister in his initial answer mentioned how he was going to ensure the prices were kept down. I would very much like to know how he is going to do that. Secondly, and more importantly, what steps he is going to take to make sure that we do not get user pays charges and other charges, which are going to add to the burden on ordinary individuals and add to inflation.

Senator I.J. Gorst:

Jersey, in common with other European countries, is enjoying some of the lowest inflation that it has known for many years. That is good for consumers and it should be good for ordinary individuals and the money in their pocket. One of the reasons that the issue of competition has moved, and is moving from Economic Development to the Chief Minister's Department and Senator Ozouf being responsible for it, is because we have to make sure that competition is working, because we know that competition is important. When we look at what is happening in the fuel market we know that one of the answers there, rather than increasing margins when the global cost of fuel is declining we should see those narrowing.

[9:45]

We are not. We need to make sure that competition is working in a way that perhaps we have not done in the past.

4.1.3 Deputy M.R. Higgins:

The Chief Minister forgot to mention about the role of Government in keeping prices down and whether we are going to see an increase in user pays charges and other above inflation charges coming to the public. Will he give a commitment that he will not be bringing in over-inflation charges?

Senator I.J. Gorst:

That is the standing instruction which was agreed by this Assembly some years ago. If there is a need to change that then this Assembly will be a party to that decision.

4.1.4 Deputy G.P. Southern of St. Helier:

Having heard those words I am tempted to reflect back to his own statement: "A decision has been made that charges will not go up by greater than the rate of inflation by this House" a previous House, and yet we have decided that rents, a fundamental aspect of people's lives, will go up by R.P.I. (Retail Price Index) plus. Plus 0.75 per cent. What sort of example is that and does it not break the resolution of this House not to increase costs by greater than R.P.I.

Senator I.J. Gorst:

The Deputy knows that was a decision of this Assembly. This Assembly has difficult decisions to make. It made that decision in the knowledge that it wished to improve the standard of accommodation in the provision of Andium, and that was a difficult decision that it had to make. Was it going to invest in social housing and affordable housing into the future or was it going to carry on making the mistakes of the past and allow people to live in accommodation that was not fit for purpose? I believe it chose the right decision.

4.1.5 Deputy G.P. Southern:

Supplementary, if I may. Does the Chief Minister not accept nonetheless that this is an inflationary measure and sets the marker for the private sector, also to raise their rents by greater than the R.P.I.?

Senator I.J. Gorst:

I do not think it gives much cause to continue to argue about a decision that this Assembly has made. I believe it was the right decision. We have not seen the inflationary rise that the Deputy now suggests from the figure that was only released this week.

4.1.6 Deputy J.A. Hilton of St. Helier:

Does the Chief Minister agree with me that the time has come for this Government to examine their policy of encouraging low paid, unskilled workers into the Island who exist on an inadequate living wage or the incidents of poverty levels will not improve?

Senator I.J. Gorst:

The Deputy knows from reading the Interim Population Policy that that is not a policy of this Government. In fact, it has spoken about managing population and immigration in a way that allows those people who have skills and have got value, be that social or economic value, to come into our community. That is where we have continually been challenged. I believe that that policy remains the correct one, which is the reverse of the indication of the Deputy's question.

4.1.7 Deputy J.A. Hilton:

I do not believe that the population is being managed at the current time. While the registered licences remain within companies and those people that are employed by those registered licences then become entitled to work after 5 years. We are just drawing more people into the Island, so I do not believe the Chief Minister knows how many people are arriving in this Island at the current

time who are unskilled and will be doing low paid work. I am sorry, I just do not believe he knows the true figure

The Bailiff:

So your question, Deputy, is?

Deputy J.A. Hilton:

Will he go away and address that issue?

Senator I.J. Gorst:

The Deputy knows that we do know the number of licences. We do not necessarily know the individuals who are occupying those licences but we do know the number of licences. In the last 3 years H.A.W.A.G. (Housing and Work Advisory Group) have been doing work which has reduced the number of licences for 9 qualified people in our community. It is hard because there are some sectors of our economy that requires those individuals, but those politicians, those departments, have been working with those sectors of our economy to try and manage that to create schemes to take people who are already here into their sector. It is difficult work but I believe it is being successful.

4.1.8 Deputy M. Tadier of St. Brelade:

What does the Chief Minister understand by the concept of “wage slaves”? Is that a phrase that he is familiar with and, if so, what does he understand by the meaning of the term “wage slaves”?

Senator I.J. Gorst:

I am not sure that a 10-minute question is a suitable time to be able to answer what is a very complex question about the inter-relationship between a job, between a payment for that work, the relationship with the tax system, the relationship with the benefit system. These are very complex issues and it does not do us justice to try and trade political points across this Assembly in dealing with them.

4.1.9 Deputy M. Tadier:

Let me assist the Chief Minister. Perhaps another phrase for “wage slaves” is “in-work poverty”. The Minister opened his answer with the fact that his Government is trying to get more people into work. I would question what is the point in getting people back into work if those basic wages do not even cover the very expensive **[Approbation]** living costs in Jersey without some kind of subsidy from the taxpayer? The question to the Chief Minister is if he is genuine in wanting to tackle poverty or relative poverty in our Island will he tackle the single biggest issue, which is extortionate rental prices often for squalid or bad properties. If he took the time to look on Jersey Insight or other websites he would realise that in Jersey you cannot rent a one-bedroom property in the Island of any decent quality for less than £1,000 a month and many individuals are having to give up more than half of their net income for property...

The Bailiff:

Sorry, Deputy, questions must be concise.

Deputy M. Tadier:

The question is: will the Chief Minister undertake with urgency to look at rental prices to bring in some form of rent control and if that is not the preferred option, what is the policy of his Government to control the outgoings on rentals?

Senator I.J. Gorst:

The Deputy will know from history that rental control does not work. We have tried it before and it did not work. With regard to income support, the Deputy knows that income support is an in-work

benefit. Is he trying to really suggest to this Assembly and to this community that he would rather see people on benefit and not working than see people working and being supported by the Government to deal with everyday living costs, because I know which policy I would rather pursue, and it is the latter one and it is the one that the Minister for Social Security is pursuing. We need to continually keep that under review to make sure it is working. We know that work is good for us. All the academic research tells us that, so it is better for individuals to be in work and be supported than just be supported outside of work.

4.1.10 Deputy S.Y. Mézec:

In this entire question we have not had a single specific commitment to a specific policy. Those are my first 2 questions and unfortunately because the Chief Minister refuses to answer questions properly it has to be my third question as well. What specifics will his Government try to do? What timescales and what outcomes will he be looking for? He must have something surely otherwise it would appear that he just went to the media for a photo opportunity without any substance at all. What is he actually going to do and what would be a good outcome?

Senator I.J. Gorst:

As I said in my opening response. There are many areas of work and we will be bringing forward some of those areas of work in the Strategic Plan. The first area of work is continuing to get people into work who are not in work. There is the area of competition, there is the area of considering the food banks, there is the latest income distribution survey in gathering further information so that we come forward with policy proposals, which are specific to Jersey rather than just taking other people's policy proposals not knowing whether they are going to be successful or not, which is what some seem to be proposing.