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### **3.9 Deputy G.P. Southern of the Chief Minister regarding the removal of posts from the public sector workforce to achieve savings:**

What estimate does the Chief Minister have for the number of posts that will be required to be removed from the public sector workforce to achieve the target of £60 million savings; how will this reduction be spread across current departments; and will the Minister publicly assure members that where outsourcing, privatisation or incorporation is involved, then the T.O.P.S.E. (Transfer of Public Sector Employees) agreement will be applied

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

Ministers are working with staff and unions to restructure the public sector making savings in some areas so that we can spend more in others, like health and education. Half our spending is on staff and we want to reduce those costs by £60 million. It is not yet possible to estimate how many posts will be removed from the public sector as the organisation is restructured. We will focus on reconfiguring services and becoming more efficient. If outsourcing is used consideration will be given as to how the Transfer of Public Sector Employees, T.O.P.S.E., policy may be applied in the particular circumstances of each case.

#### **3.9.1 Deputy G.P. Southern:**

Does the Minister have any estimate or no estimate whatsoever because just on a rough and ready calculation one can see that in order to save £60 million something of the order of 1,000 posts will have to be removed to save that sort of money. Is that the sort of figure he is dealing with?

[10:30]

#### **Senator I.J. Gorst:**

I accept that the Deputy wants to have a headline-grabbing figure coming out of his question this morning but what he is not reminding Members of is that each year in the public service something like 550 posts are turned over; retirees, contracts stopping, natural change and therefore it is absolutely appropriate that we look at our service, we configure it, we look to drive efficiencies and that is the work that we have started to do. So I cannot give him the number that he wants but if he looks at the underlying numbers he will see that there is scope for the change that Ministers are talking about; that coupled, of course, with pay restraint.

#### **3.9.2 Deputy M.R. Higgins:**

Last week, in the briefing that States Members received, the Chief Minister indicated, and I may be wrong on this figure and he can correct me, something like 260 new jobs were going to be created in the public sector going forward in health or education. So, therefore, again they are not at the lower end of the scale, we always know that the cuts normally come at the lower end of the scale. It is going to have a terrible impact. Not 260 jobs but more than 260 jobs would have to go just simply to cover the new ones if we are going to have no growth in the public sector. Will the Chief Minister undertake to provide the Members with the projections sooner rather than later so we can start analysing what is going on?

#### **Senator I.J. Gorst:**

This is the process, rightly, looking across departments and that is extremely important if we are to de-layer managers in the way that Ministers wish to do right across departments so that duplication of functions on the administrative and management areas are rightly removed and positions saved. So I am not sure that the Deputy is really standing up by suggesting that those extra resources that we want to put into health and education, which are about nurses and about teachers; I would have thought that the Deputy would be congratulating Ministers for that. De-layering managers, looking right across the organisation in a way which has not happened before; that is why we are talking

about working together as departments. It is why we are talking about merging departments so we do not need so many senior high salaried positions. That is going to release money for front line staff and that is what investing in health and that is what investing in education is all about.

### **3.9.3 Deputy M.R. Higgins:**

No. I have no problem with more teachers and more nurses which are required. However, the level of cuts that the Chief Minister is talking about to achieve £60 million is going to be on a scale unprecedented in this Island and I do not personally believe they are going to meet that target.

#### **The Deputy Bailiff:**

Deputy, please ask a question.

### **Deputy M.R. Higgins:**

Okay, the question is; will the Chief Minister ... well, I will put it another way. We have got these ambitious targets being set by the Council of Ministers, if they do not achieve those targets will they resign because they have failed us already in terms of they have got us into the deficit that we have due to their policies?

#### **The Deputy Bailiff:**

So the question is, Chief Minister, if you do not achieve your targets will the Council of Ministers resign?

### **Senator I.J. Gorst:**

I think the question was based on a completely false premise. First of all, can I thank the Deputy for agreeing with the Ministers' approach which is to reprioritise current spend so that we can put more into health and education, on to providing [Approbation] the services that this Island, we believe, deserves and requires. These numbers are not unprecedented. There have been other savings programmes that some Members in this Assembly have been party to. We are taking a slightly different approach and the £60 million of staff savings is going to be delivered and driven through working in a different way, moving out of our silos, having pay restraint, working together with staff because they are the ones that know where savings can be made, de-layering the management and the overarching structure to make those savings. We are trying to invest into the future. If we do nothing, which seems to be the other argument the Deputy is making, then this income shortfall is not a problem. I do not believe he believes we need to do nothing. As he said, we should be investing in health; we should be investing in education. Let us be judged on our achievement.

### **3.9.4 Deputy M. Tadier:**

First of all, can I congratulate the Council of Ministers on keeping this all secret until after the election; stroke of genius, which saw them all get back into office. Can I also ask the Chief Minister why T.O.P.S.E. was not used with Visit Jersey?

### **Senator P.F.C. Ozouf:**

May I raise a point of order? Deputy Tadier has suggested that the Council of Ministers kept this secret. There were 3 reports issued by the Treasury last July which set out all of the financial challenges which have now been summarised in the documents last week by the Treasury. Surely, it is a point of order to say to Deputy Tadier that he is incorrect to say that it has been hidden.

#### **The Deputy Bailiff:**

Well, a point of order would require the Chair to make a ruling and there is nothing to make a ruling on that basis. I think we will just proceed with the question but the position is noted.

### **Deputy M. Tadier:**

It is called political sparring, Senator.

**The Deputy Bailiff:**

Deputy Tadier, I think your question was lost.

**Senator I.J. Gorst:**

I wonder if the Deputy could re-ask the question when ... rather like the Minister for Treasury and Resources, when he is missing, appears to be confused over the facts I stop listening. Perhaps I need to listen a bit better.

**Deputy M. Tadier:**

I would like to go to a Council of Ministers' meeting because the confusion must be in abundance at those meetings with nobody listening whatsoever. The question was to do with T.O.P.S.E. The Chief Minister was talking about T.O.P.S.E. being respected this morning in negotiations with staff but it was not used with Visit Jersey. Why was T.O.P.S.E. not used with Visit Jersey and their redeployment?

**Senator I.J. Gorst:**

It seems that the premise of the Deputy's question is, just because he has misheard or he has not read a particular document it is secret. As the former Minister for Treasury and Resources just said documents were released, detailed documents, about the challenges that we face, the change in economic assumptions, the effect that that would have on the income tax forecast going forward and the Treasury Department have been working carefully and systematically through that with the support of some of the best economic minds in the world. This morning also the Deputy has asked a question about, are we preparing for a disability discussion? That is in the public domain. It is not secret. We have answered these things many times before.

**Deputy M. Tadier:**

Point of order? The question was ...

**Senator I.J. Gorst:**

With regard to T.O.P.S.E. ...

**The Deputy Bailiff:**

A point of order is asked for, Chief Minister.

**Senator I.J. Gorst:**

With regard to T.O.P.S.E., if I may ... oh, sorry.

**Deputy M. Tadier:**

I have asked a simple question about T.O.P.S.E. Why was T.O.P.S.E. not employed with the Visit Jersey staff when it seems to be the preferred choice for the current negotiations? That is the question.

**Senator I.J. Gorst:**

That was my third example. At the last States sitting I answered numerous questions on this very issue about why we chose a different way.

**Deputy M. Tadier:**

So should we be trusted; that is perhaps the question? Why should we trust T.O.P.S.E. to be implemented now when it was not implemented with Visit Jersey?

**The Deputy Bailiff:**

Deputy, we will allow Deputy Southern a final supplementary. I note that the Minister has questions without notice coming up and clearly if anything arises then the Minister will be able to answer questions at that time. So a final supplementary, Deputy Southern.

### **3.9.5 Deputy G.P. Southern:**

It is interesting that we are to talk about something like 1,000 managers now. So it is not just 1,000 posts, 1,000 managers including, or not including, the 260 new posts being created in the health service and in education in order that we can meet the demands that are made on us. So perhaps 1,200 staff going. This is over 17 per cent reduction in staffing. That is a massive cut. The Chief Minister must be responsible. Is he able to deliver the services, the public services, that Islanders have a right to demand or will he fail to deliver the public services that this Island needs?

### **Senator I.J. Gorst:**

The Deputy is well aware of the plan the Ministers have got to reprioritise current spending so that we can appropriately invest in our infrastructure into the future so that we can rightly invest in health and education and we can deliver on the priorities that we think are in Jersey's best interests and that is why we have brought forward the Strategic Plan that we will be debating later today. I would argue, and I think some others would strongly argue, that some parts of the package that we are proposing perhaps should have been brought forward earlier but I believe that that is the right approach. It is a balanced package, £60 million worth of staff savings, another £35 million worth of efficiency savings and looking at recovering some services which are delivered below cost and then £35 million in a health charge so that we can invest into the future.