

STATES OF JERSEY

Corporate Services Scrutiny Panel Quarterly Hearing with the Chief Minister

THURSDAY, 25th MAY 2017

Panel:

Deputy J.A.N. Le Fondré of St. Lawrence (Chairman)

Deputy S.M. Brée of St. Clement (Vice-Chairman)

Connétable C.H. Taylor of St. John

Deputy K.C. Lewis of St. Saviour

Senator S.C. Ferguson

Witnesses:

The Chief Minister

Assistant Minister, Senator S.M. Wickenden

Assistant Minister, Senator P.F. Routier

Chief Executive

Director, Corporate Policy

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[13:00]

Deputy J.A.N. Le Fondré of St. Lawrence (Chairman):

This is the Corporate Services Scrutiny Panel quarterly hearing with the Chief Minister. Chief Minister, I draw your attention to the notices in front, as ever, which I am sure you are fully aware of. Also we do expect members of the public and the media in the public seating to remain quiet at all times while the hearing carries on. As we proceed through the questions, we may stop you, Chief Minister, if we feel you have answered the question sufficiently, because we really do need you to be as concise as possible. I will obviously be doing this by raising my hand. Obviously, as you are aware, we have a screen, which we may use to refer to on a couple of questions as we go through. For the benefit of the tape, I will start going around. Deputy John Le Fondré, Chairman of the panel.

Deputy S.M. Brée of St. Clement (Vice-Chairman):

Simon Brée, Vice-Chairman of the panel.

Deputy K.C. Lewis of St. Saviour:

Deputy Kevin Lewis, panel member.

Connétable C.H. Taylor of St. John:

Constable Chris Taylor, panel member.

Senator S.C. Ferguson:

Senator Sarah Ferguson, panel member.

Assistant Minister, Deputy S.M. Wickenden:

Deputy Scott Wickenden, Assistant Minister.

The Chief Minister:

Ian Gorst, Chief Minister.

Assistant Minister, Senator P.F. Routier:

Senator Paul Routier, Assistant Chief Minister.

Chief Executive:

John Richardson, Chief Executive.

Director, Corporate Policy:

Paul Bradbury, Director, Corporate Policy.

Deputy J.A.N. Le Fondré:

Great, thank you very much. Minister, we will start with the recent events on the future hospital funding strategy. So the proposals for funding the new hospital were withdrawn at the last minute on Tuesday. What was the reason for this?

The Chief Minister:

Chairman, you will be aware of the statement that the Treasury Minister made in the States in answer to that question. I was also questioned in the States about that. I said I was disappointed that we found ourselves where we were, but I supported the decision to withdraw it at this point and come back with a detailed budget. For my part, I know that you have undertaken a lot of work on the future hospital funding strategy. You had some excellent advisers and they raised issues in those reports, not least of which, importantly, was about the timing of when you are going to take borrowing. We know and we will see in the accounts that the timing of spending of the previous bond, the Andium bond, has not been spent in the timely way that it was initially envisaged. Your adviser also spoke about the risk of carrying the bond between going out immediately and then when you needed the cash flow. Treasury felt that more work was needed to be done to look at some of those particular issues and therefore we would have been in the position of standing up, earlier this week having said - as we were rightly criticised for - that the reason for an early decision was to give certainty about the interest rate and the future cash flow. Your advisers rightly said: "That is on the one hand of course right, but you should also think about whether you should be taking the bond at that point or you should be delaying borrowing until nearer the time you needed the money." The other thing is I think you, as a panel, had looked at a long-term bond and your advisers had things to say about that. You, as a panel, reached the decision that you did not think the long-term bond was the right approach. You thought using reserves was the right approach. The adviser said: "Would it not be better if you could think of how you could get the benefits of both of those 2 approaches?" While the proposition said it was an in-principle proposition to borrow, the report indicated a specific potential route and your advisers suggested that that should be looked at, because the duration of any borrowing and whether it was a bullet or a ladder bond needed more work. So I absolutely understand that it was extremely frustrating, and it was frustrating for Treasury and myself, but I think that one of the things that we learned from the Innovation Fund was that we should not just rush decisions for the sake of it having been down for debate. I think for me the challenge from what we did on Tuesday is that, if anything, we should have done it sooner.

Deputy J.A.N. Le Fondré:

You made reference to you supported the decision to defer to withdrawal, so is that a decision of the Treasury Minister?

The Chief Minister:

Yes, and he was quite clear in the States that it was his decision. He was clear in the States it was his decision.

Deputy J.A.N. Le Fondré:

Thank you. Everybody happy for me to keep going? Right, so the panel had a briefing from the Treasury Minister on the bond proposals on Thursday afternoon last week and there was no mention of withdrawing the proposals. Again, can you just explain who made this decision and when?

The Chief Minister:

You heard what the Treasury Minister said in the States on Tuesday.

Deputy J.A.N. Le Fondré:

The Treasury Minister stated he had agreed to withdraw the proposition.

The Chief Minister:

No, he was asked ...

Deputy J.A.N. Le Fondré:

No, his statements and emails to everybody else states

The Chief Minister:

Oh yes, his statement ...

Deputy J.A.N. Le Fondré:

Sorry, Minister, do not over-talk, please. The Treasury Minister stated he had agreed to withdraw the proposition. That is what his email states and that is what his statement states. Who instructed him to do this?

The Chief Minister:

No one instructed him to do it. Every Minister makes a decision and they are corporation soles and within the law they make those decisions. Of course he had conversations with me on Friday and again over the weekend, and on Monday with myself and other Ministers.

Deputy J.A.N. Le Fondré:

You said he had a discussion with you on Friday. What was the purpose of that discussion, because surely at that point, the debate was still going ahead?

The Chief Minister:

The purpose of the discussion was to consider the issues that I have just outlined to you of the reason for us withdrawing and bringing them together.

Deputy J.A.N. Le Fondré:

So are there any new proposals likely to be on the table when this thing is finally debated in terms of funding?

The Chief Minister:

The proposition says that we will borrow, and borrow - if the amendment is approved or had been approved - up to £275 million, but it gave Treasury flexibility and it gave Treasury flexibility about that borrowing, so they of course had done a lot of work on a long-term bond. Your review was undertaken on that basis, but as you, as a panel, know, you can borrow in the very short term. You have got other issues there. You can borrow in the medium term and you can borrow in the longer term. Now Treasury still have to go away, and even had we got an in-principle decision on Tuesday, they would have had to go away and determine the actual type and term of that borrowing.

Deputy J.A.N. Le Fondré:

I am sorry, Minister, we have been told for the last year, I would say, certainly as a panel since January - that is obviously 6 months or whatever - that the borrowing term was going to be in the order of 40 years. I think it may have dropped to 30, so 30 to 40 years. I would consider that long term. There has been no mention in any of the work that we have done about short-term borrowing, which you have referred to twice, so where has the idea of short-term borrowing come in?

The Chief Minister:

It has come from ... when you look at how you borrow, it surely is apparent that you can borrow for the short term or the longer term and many people have suggested that they do not like the bond that a lot of work has been undertaken on because of the duration of it. I think even yourselves are saying that we should use the Strategic Reserve, because - I am not sure if you have used this term - you do not want to mortgage future generations.

Deputy J.A.N. Le Fondré:

But the Council of Ministers, up until ...

The Chief Minister:

We do not just stick to a plan when others have asked questions about it, like yourselves and like your adviser, and said that we needed to give these things more thought.

Deputy J.A.N. Le Fondré:

I am astonished, because the Council of Ministers' plan for the last however many months this has been going on, has been debt, borrowing long term. The Treasury amendment was £275 million. It is still debt and long term. Obviously we disagree on that. Are you telling me that the Council of Ministers ...

The Chief Minister:

The reasons that you disagree ...

Deputy J.A.N. Le Fondré:

Hang on. Are you telling me that the Council of Ministers has had a major shift in its stance?

The Chief Minister:

It is not a major shift. Borrowing is borrowing, as opposed to using your assets.

Deputy J.A.N. Le Fondré:

But you have been talking suddenly about short-term borrowing.

The Chief Minister:

It is not suddenly. I have always been of the opinion that Treasury would do and need to decide the term of any borrowing ...

Deputy J.A.N. Le Fondré:

You have made reference ...

The Chief Minister:

... and you know, because you have had Treasury before you, that the decision was an in-principle decision. That is another reason why of course Treasury put the amendment in to borrow up to £275 million, because the up to £400 million as well was an in-principle decision.

Deputy J.A.N. Le Fondré:

There has been a very clear line from Treasury, around 30 to 40 years. It has never been short term. Short term could be 3 months.

The Chief Minister:

But your adviser suggested that we should look at the benefits of both proposals and see if we could not deliver the benefits of, as you propose, the Strategic Reserve, as Treasury has done a lot of work on a longer-term bond.

Deputy J.A.N. Le Fondré:

Okay. Hang on, we will ...

The Chief Minister:

We are trying to, as your adviser suggests, get the best of the proposals on the table.

Deputy J.A.N. Le Fondré:

We will keep moving forward for the moment. I have got 2 people who want to ask questions firstly, but I just want to make the point, obviously we lodged our proposals I am going to say 5 weeks ago. Are you seriously telling me it took until 7.40 p.m. or whatever time it was on Monday night for that decision to be communicated, that this was being withdrawn? You have made reference that there was a discussion held at the Council of Ministers. I assume that was on Monday morning. Could you tell us who was present at that meeting?

The Chief Minister:

All Ministers were invited, because we meet on a Monday morning. Sorry, no, it is not a formal meeting. Senator Bailhache was out of the Island, Senator Farnham was not there, Deputy Luce was not there. I think all of the Ministers were there.

Senator S.C. Ferguson:

For the sake of the public, can you state who they were?

Deputy J.A.N. Le Fondré:

Yes.

The Chief Minister:

Yes. I mean, you know who is on the Council of Ministers. There was myself, there was the Deputy of Trinity, the Deputy of St. Peter, Deputy Noel, Deputy Pinel, Senator Green, Senator Routier and there was Deputy Bryans and Senator Maclean.

Deputy J.A.N. Le Fondré:

Can I just be clear? So you are saying that Deputy Pinel and Deputy Bryans were present?

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

Okay. So they were present for the discussions that you held on this?

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

Was there a collective decision by the Council of Ministers that they did support the withdrawal of this proposition?

The Chief Minister:

It was an informal meeting. These are decisions for the individual Minister to take and Ministers at that meeting understood why the decision was being taken and supported it.

Deputy J.A.N. Le Fondré:

Was the informal view of the Council of Ministers to withdraw the proposition?

The Chief Minister:

The majority of those Ministers present, yes.

Deputy J.A.N. Le Fondré:

So of the Ministers present, you are on 11, that is 9, so 5 Ministers were supportive for that?

The Chief Minister:

I am trying to remember who was ...

Deputy J.A.N. Le Fondré:

Can we have an indication as to who was in favour and who was not, who was against?

The Chief Minister:

No, you need to ask them. I think ...

Deputy J.A.N. Le Fondré:

You are the Chief Minister. You are telling us the biggest debate in the entire year was withdrawn on the basis of an informal chat on Monday morning by a bunch of the Council of Ministers who you cannot identify?

The Chief Minister:

Chairman, you know that that is not how it works. There is consideration over time and that culminated prior to the weekend and then over the weekend and then on Monday. I absolutely think it was the right thing to do.

Deputy J.A.N. Le Fondré:

Okay. Chris.

The Connétable of St. John:

Minister, if at all times the Treasury were looking at short-term borrowing, which you claim to be the case, why was this Scrutiny Panel not ...

The Chief Minister:

No, I said they were looking at borrowing.

[13:15]

It was your adviser that suggested we should look at not just the proposal that Treasury were bringing forward, but also your proposal, which was not to borrow at all and to use the reserves. So in order to move from not borrowing at all and using the reserves or borrowing for 40 years, it seems to be obvious that we should start looking at what is the duration that we should be considering and how should we be considering, as your adviser suggests, that we should try to get the best of both proposals?

The Connétable of St. John:

You also stated - and I will continue with my question - that you were looking and that the proposition is to borrow money and that was not necessarily long term and it was short term as well. If this was the case, why was the Scrutiny Panel not informed that you were examining short-term borrowing and to give us the opportunity to comment on it?

The Chief Minister:

Because as I just explained to you, the proposition is - was, sorry - an in-principle proposition, so we could have gone ahead on Tuesday and during the debate said: "We understand what your adviser is saying, that we should try to find" I do not necessarily use the word "compromise" but: "build a consensus around taking the best of both of those proposals." But you would then have criticised us as well, so we - and it ties into what the Chairman is saying - found ourselves, over the course of time, being in a potentially no-win position. Your adviser says we should take the best of both of the

options; your adviser says that: “You do not need the money for at least 2 years, so you think about if you are going to do long-term borrowing, when you should do it.” So we were not in a position to answer either of those questions on Tuesday of this week, so you would have criticised us had we gone ahead.

Senator S.C. Ferguson:

Yes, but you had 5 weeks to think about it.

The Chief Minister:

I admitted right at the start that if I have any regret, it is that we had not done it sooner and made that decision sooner.

Senator S.C. Ferguson:

Well, yes.

Deputy J.A.N. Le Fondré:

Simon.

Deputy S.M. Brée:

I think it is very important that we do fully pin down this particular point. On Thursday of last week, this panel was given a detailed briefing from the Treasury Department. We were provided with a detailed spreadsheet showing cash flows spread out on the basis that £275 million would be borrowed through the debt markets, fixed coupon, fixed redemption date, sterling straight bond and no other option was shown to us. Are you telling us that information was withheld from this Scrutiny Panel as to other things that were being considered at the time we had the briefing on Thursday last week?

The Chief Minister:

I was not at that briefing and I cannot for a minute think that anything was withheld from the panel to the questions that were asked, but ...

Deputy S.M. Brée:

No, we were provided with a detailed spreadsheet. At no time was short-term borrowing through the money markets discussed ever. This is the first time that it has been raised. All previous discussions, reports issued by the Treasury Minister, debates that have been held have been based on borrowing in the debt markets from between 30 to 40 years. Are you saying that that situation has now radically changed? Very simple question: yes or no?

The Chief Minister:

It is not a simple question, because what I am trying to do is tell you where we found ourselves. You did an excellent piece of work, as I have said in the States. Your adviser raised questions about the approach that Treasury were taking, about the timing of when you take the bond and about how you could deliver the best from both of the proposals that were on the table.

Deputy J.A.N. Le Fondré:

So you have been having these thoughts and these discussions for the last 4 or 5 weeks?

The Chief Minister:

Well, I have been having some thoughts particularly around - and I think your adviser talked about this - that the in-principle decision that would have been before the States was to take a long-term bond of £275 million, protecting the capital of the Strategic Reserve, but as the Vice-Chairman knows, you could have gone to the market and got a £275 million bond, you could have had a ladder, you could have had a bullet payment, but never have drawn down the full amount. So thereby that might be the model whereby we can get the best of both of the proposals that are on the table. But I became convinced, with the Treasury Minister, over the last number of days that rather than having these conversations in the States and Members being even more confused about what options there might be, it was better to pull the proposal and to bring it back with a more detailed budget so that those particular questions, questions which were rightly raised by your adviser, could be properly answered and that you again could have time to review them.

Deputy J.A.N. Le Fondré:

Do you have a question?

Senator S.C. Ferguson:

Have you not queried your own advisers as to why they had not raised the same questions that our advisers raised, particularly the C.I.P.F.A. (Chartered Institute of Public Finance and Accountancy) ones? You have obviously spent a great deal of money with your advisers. Has nobody asked them why they did not come up with these comments?

The Chief Minister:

At that point, I was absolutely sure that we should not - and I remain the same, and I do not want to - fund the entirety of the building of the hospital from the Strategic Reserve. I am absolutely sure about and convinced of that fact.

Senator S.C. Ferguson:

No, that was not the question I asked.

Deputy J.A.N. Le Fondré:

No, that was not the question.

The Chief Minister:

Yes, it is, because the C.I.P.F.A. adviser looked at the Treasury proposal and your proposal to fund it entirely from the Strategic Reserve. It is that adviser, looking at both of those 2 options, that says, okay, he can see merits in what the Treasury has proposed. They can see merits in what you have proposed, and we should be looking to try to deliver the merits of both of those proposals in some way.

Senator S.C. Ferguson:

You have made great play of the excellent piece of work that scrutiny has done and that you have taken notice of it. Well, if it is so good ...

The Chief Minister:

Now I am getting criticised for it.

Senator S.C. Ferguson:

No, I am asking why, when we have spent I do not know how much on Ernst & Young and these various other advisers, have you raised those queries with them as to why they have not come up similar comments?

The Chief Minister:

Because we have never been looking to fund the entire project from the Strategic Reserve, because I fundamentally think that is wrong.

Deputy J.A.N. Le Fondré:

So you did not consider that as an option?

The Chief Minister:

What, using the entire ... well, we did right at the start, and that was probably last summer.

Deputy J.A.N. Le Fondré:

Let me just cut in, Minister.

The Chief Minister:

Yes, a year ago.

Deputy J.A.N. Le Fondré:

You said there has been discussions held with the Treasury Minister over the last few days on this matter.

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

So is that since Thursday? We met him on Thursday afternoon. There was not one iota of an indication that there was any doubt that the debate was happening, so when did those discussions start? When did you start expressing your doubts as to the mechanism that the Council of Ministers and obviously the Treasury Minister - that is his responsibility - with full Council of Ministers' backing, was bringing to the States on Tuesday?

The Chief Minister:

Probably Friday was the time that we had the most in-depth discussion about how we were going to answer the questions that your adviser raises about your proposal and our proposal.

Deputy J.A.N. Le Fondré:

Who was the "we"?

The Chief Minister:

The Treasury Minister and myself.

Deputy J.A.N. Le Fondré:

Just you and the Treasury Minister?

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

There had been no other discussions with any other Ministers at that point in time or any other politicians about these proposals?

The Chief Minister:

Had I spoken to you about it?

Assistant Minister, Senator P.F. Routier:

No.

The Chief Minister:

No, I do not think so. No, that is not true. Senator Green as well.

Deputy J.A.N. Le Fondré:

On Friday?

The Chief Minister:

On Friday.

Deputy J.A.N. Le Fondré:

So that was the first Senator Green had heard about it?

The Chief Minister:

I talk to Ministers about so many things so frequently. That is the first time we had an in-depth discussion, yes.

Deputy J.A.N. Le Fondré:

I am going to just move slightly forward, while I think the panel gathers its thoughts, to our question 3 and 4. So when are these new proposals going to be lodged?

The Chief Minister:

We have met today to consider that the way forward is to map out what will be available when with a realistic timescale for you and your advisers to consider and of course when the more detailed outline business case will be available as well. So we will hopefully come back within the next month with a detailed timetable.

Deputy J.A.N. Le Fondré:

So in reality, we are probably looking after the summer recess of it being lodged?

The Chief Minister:

The Treasury Minister said in the States, did he not, the final quarter of the year. We have said today that we really need to, if at all possible, get them into a lodgeable position, but there is some doubt about this, because of the outline business case. If we can, prior to the summer recess to give everybody plenty of time to review.

Senator S.C. Ferguson:

When would you want to debate it then?

The Chief Minister:

I cannot tell you that now, because we will know from the timeline when it is developed over the next month. We will want to engage with you to understand how long you want to review the proposals for as well as who - if it is maybe not yourselves or it is another panel - will review the outline business case.

Senator S.C. Ferguson:

So you lot will be going on holiday and we will be working the August period?

The Chief Minister:

No, because you will say September, probably, will not you? September, October for a debate.

Deputy J.A.N. Le Fondré:

To do the work, for scrutiny to do its work?

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

So scrutiny does its work in September and October and you have the debate in November or something?

The Chief Minister:

Yes, which would ... I am just trying to think whether that would tie in with the Treasury Minister's timeline that he discussed in the Assembly on Tuesday, but I think it broadly would.

Deputy J.A.N. Le Fondré:

Okay, let us move forward quickly. So at this stage, you have presumably got in your mind some form of new proposal, so what would that look like?

The Chief Minister:

No. The questions you have asked me so far, and Senator Ferguson asked a very good question, these experts will have to advise on what your expert said, which was: "Try to pick up the best from both proposals" so it then now needs to be with the Treasury Advisory Panel. They will look at the issue of when you would take the bond, then look at the issue of duration, they will look at the issue

of mix of reserve and borrowing, because do not forget, they have professional advice on the entirety of the States portfolio and the Common Investment Fund, a couple of billion pounds each; a bit of it managed in a different way with different advisers. So these are the professional people who should be offering advice. If I was living in an ideal world, and I am not, I would say: "I want money for a hospital." We would all agree what that budget should be, taking into consideration your points about contingency and optimism bias and how that should be released or not and when it should be released, and then we would say to the experts, like the Treasury Advisory Panel: "This is the cash we need. This is the timing of when we need the cash. You go and get the best advice you can about how you are going to finance that cash."

Deputy J.A.N. Le Fondré:

Did you not do that?

The Chief Minister:

No, because there is political interplay in it, is there not?

Deputy J.A.N. Le Fondré:

I am going to pause there, because that is going to really irritate me as a comment, I am afraid. Minister ...

The Chief Minister:

No, because we do not have that sophisticated treasury function, do we, that does that, that people like ...

Senator S.C. Ferguson:

But do you not have people, do you not have Ministers who understand these things? No.

Deputy J.A.N. Le Fondré:

You have just spent ...

The Chief Minister:

Corporations have sophisticated treasury functions where they sweep cash in and out of that treasury function overnight, they think about how they are using the assets, they think about what the market will do with regard to those assets.

Deputy J.A.N. Le Fondré:

Let us move on, Minister. Do we have any indication as to whether the proposals at this stage are going to involve more debt or less debt than the £275 million?

[13:30]

The Chief Minister:

Now we are going back to the simple point of borrowing.

Deputy J.A.N. Le Fondré:

Yes.

The Chief Minister:

I do not have an indication at this point in time one way or the other in that regard.

Deputy J.A.N. Le Fondré:

So you cannot tell us whether this involves the Island taking on ...

The Chief Minister:

But what I would revert to is your adviser's report. Now, your adviser's report suggests perhaps something like £200 million in borrowing, does it not?

Deputy J.A.N. Le Fondré:

Okay.

The Chief Minister:

The challenge then appears if you go for that level, then you are breaking the Strategic Reserve capital rule, going back to the 2012 capital rule, so we would need to then look at that, if we were going to change and go with that proposal.

Deputy J.A.N. Le Fondré:

I think, Minister, we are trying to understand from your perspective what is in your mind as of today, for example, whether the debt is likely to increase or not, assuming you are still sticking to a debt model.

The Chief Minister:

I am convinced that borrowing as part of the solution is the right one. I think that is what your adviser indicates, but your adviser indicates that the solution that Treasury had, the solution that you have proposed, there are benefits in both, but by the current proposals on the table of the either/or, you are not getting those benefits.

Deputy J.A.N. Le Fondré:

Okay. Can I ...

The Chief Minister:

So it would be wrong of us to go ahead and ask the States to make a decision one way or the other.

Deputy J.A.N. Le Fondré:

Sarah, have you got any questions at this stage?

Senator S.C. Ferguson:

No.

The Connétable of St. John:

Chief Minister, having worked on the hospital relocation and worked on the hospital funding panels, one theme that has come through very strongly is that it is vital that as soon as possible we nail down the budget. Part (a) of the proposition was to agree a sum of money for the hospital. Why did you not go ahead with just part (a), which would then provide that certainty for the hospital team?

The Chief Minister:

That is a choice that could have been made, but then I think we would equally have faced criticism to say: "You have got us to agree a budget, but you are not telling us how you are going to fund it." These are the balanced decisions that we have to make.

Deputy J.A.N. Le Fondré:

I am going to make an observation, which is basically it feels like this has been parachuted in at the last minute and it smacks a little of the People's Park scenario. How would you like to respond to that, Minister, in other words, that there has been change in plan?

The Chief Minister:

Are you trying to say that the recommendations in your adviser's report were parachuting in at the last minute and because of that we should ignore them?

Deputy J.A.N. Le Fondré:

No, Minister. I am saying that Members were told ...

The Chief Minister:

That would not be right.

Deputy J.A.N. Le Fondré:

I am saying that on Thursday, before the debate on the Tuesday, Treasury did not seem to be aware of any of this and Members were told ...

Senator S.C. Ferguson:

And the Treasury Minister.

Deputy J.A.N. Le Fondré:

And the Treasury Minister. The Minister for Treasury has said he agreed to withdraw the proposition. That does not infer that it was his willing decision and I am saying that Members were told ...

The Chief Minister:

You asked me to be quiet before when you made that point.

Deputy J.A.N. Le Fondré:

Hang on a moment. I am saying that Ministers ...

The Chief Minister:

But you are making that point, but you are not referring to the answer the Treasury Minister gave when he was asked ...

Deputy J.A.N. Le Fondré:

I am referring to his statement. I am referring to his statement.

Senator S.C. Ferguson:

We are referring to his statement.

The Chief Minister:

No. You are referring to his statement?

Deputy J.A.N. Le Fondré:

Yes.

The Chief Minister:

He was asked directly at least twice in the States whose decision was it.

Deputy J.A.N. Le Fondré:

It is his ...

The Chief Minister:

He quite clearly said it was his decision.

Deputy J.A.N. Le Fondré:

It is his legal decision, because he is the Treasury Minister that brought the proposition. However, I would assume in practical terms that if the Council of Ministers suddenly change its mind, then the Treasury Minister has no choice but to make that decision, otherwise he is walking into the wilderness by himself.

The Chief Minister:

No, the Treasury Minister ...

Deputy J.A.N. Le Fondré:

A final point, Chief Minister, is that at 7.30 p.m. on the Monday evening, we received a States Members notification the debate was withdrawn. That does not smack of considered discussions going on. You have made reference to discussions happening on a Friday. The amendments were lodged some time ago. The Treasury Minister specifically delayed things for 2 weeks to allow proper consideration to take place. You are telling me the Council of Ministers, on this most critical of matters, only started talking about it ... I will say 4 days, 2 of which were the weekend, before this critical debate?

The Chief Minister:

I say what I said previously, that on Friday I had very detailed discussions with the Minister for Health, with the Treasury Minister. If I am not satisfied that I can answer the questions that the Assembly is rightly going to ask about the issues that we have discussed this afternoon, if I am not satisfied that we can answer the questions that your adviser has asked us to consider, then I am going to have that conversation. The relevant Minister is going to ask me my opinion and they are going to make their decision.

Deputy J.A.N. Le Fondré:

So your opinion at that time was to suggest or recommend that the debate was deferred?

The Chief Minister:

I was clear after our detailed conversations that we should either be deferring it or pulling it to bring it together with the more detailed business plan, for all the reasons that I have just explained to you.

Deputy J.A.N. Le Fondré:

I think we will stop there. Thank you for that, Minister. Okay, any questions? Simon.

Deputy S.M. Brée:

Chief Minister, we would like to ask a couple of questions on the Innovation Fund. In your statement in the States on the Innovation Fund at the start of this month, you gave the Assembly very short notice of the statement and the release of the report. Can you explain the reason for this?

The Chief Minister:

One tricky subject to another. Yes, the work was undertaken by an independent Q.C. (Queen's Counsel). I received the final report at 6.14 p.m. on the Monday evening. I had indication on the Friday that it might be completed, but I was not certain, you know that Monday was a bank holiday. I asked then officials to ask the Greffe to see if a statement could be made. I had no confirmation from the Bailiff's Chamber that I would be able to make a statement and lodge the report, be it that Tuesday or at that point whether the States would still sit on the Wednesday. So I was left with a decision, either I have a report that has come to me on the Monday night and I sit on it for 3 weeks until Tuesday and publish it and make a statement then, bearing in mind that the 2 Ministers and Senator Ozouf also had copies of that report, and I took the decision that the right thing to do was to publish it and make a statement on the Tuesday. I have been criticised for that, but I still think it was the right thing to do, because the alternative would have been to sit on it for 3 weeks and that would not have been right.

Deputy S.M. Brée:

Did you, Chief Minister, receive a draft copy of the report prior to 6.14 p.m. on the Monday evening?

The Chief Minister:

Yes, I think I did, did I not, for factual comment?

Deputy S.M. Brée:

So when did you receive the draft copy?

The Chief Minister:

Was it the Wednesday? Yes, I think it was the Wednesday before the Monday.

Deputy S.M. Brée:

So you had already received the draft copy of it?

The Chief Minister:

Yes.

Deputy S.M. Brée:

You received it ...

The Chief Minister:

For fact-checking on the Wednesday.

Deputy S.M. Brée:

Yes, you received it at 6.14 p.m. on the Monday evening.

The Chief Minister:

As final, yes.

Deputy S.M. Brée:

As the final draft. Why did you not send that out to States Members on the Monday evening? Why not?

The Chief Minister:

Because it has to be ... it has rightly to be published in Parliament - that is the correct way of dealing with these things - and a statement made.

Deputy J.A.N. Le Fondré:

Moving on then, Minister, do you consider that you bear any responsibility for the situation surrounding the Innovation Fund?

The Chief Minister:

The Constable of St. John asked me this very question only on Tuesday. I said that if you wish to hold me responsible for allowing scrutiny and the Parliament process to take as long as it did, then I hold my hands up, I am responsible for that.

Deputy S.M. Brée:

So you accept responsibility for the whole situation regarding the Innovation Fund?

The Chief Minister:

No, I did not say that, and you know I did not say that. I said ...

Deputy S.M. Brée:

I am only trying to clarify what you did say, Minister.

The Chief Minister:

No, you know exactly what I said. You heard me in the Assembly, as you have just heard me now. There is a section in the report that talks about the uncertainty of responsibility through the period that the Assistant Ministers were appointed, rather than the legal responsibility having moved to my department. You as a panel know that, because we came to you as a panel to consult you and ask you about how you would best like to deal with that. That was early in 2015. If there is a responsibility on my part, I think it is pointing to say that rather than saying: "Okay, I want to work with you guys in scrutiny and let you take the length of time that you think it is appropriate to do the 2 reviews that you undertook" that perhaps I should have pushed it to be a debate earlier and then gone into the automatic mechanism. For that, I hold my hands up.

Deputy S.M. Brée:

So do you believe that you are not accountable, nor responsible, for any actions that any Member of the Executive takes?

The Chief Minister:

I am responsible for my own actions. Of course I am.

Deputy S.M. Brée:

So other than your own actions, you do not feel you have any accountability or responsibility for any other Member of the Executive?

The Chief Minister:

Actions within my department, of course, just like the report says.

Deputy S.M. Brée:

But other than that, not at all?

The Chief Minister:

But look at the law.

Deputy S.M. Brée:

No, I am merely asking what you believe, Chief Minister.

The Chief Minister:

No, it is not what I believe, it is what the law says. This is where the confusion has been around this particular issue. Because I have the title Chief Minister, people think that means prime minister;

some people even think it means president. It does not. The law does not confer that responsibility upon me.

Senator S.C. Ferguson:

Do you not think there is a moral responsibility? You impose collective responsibility.

The Chief Minister:

The States Assembly agreed to change the law to ...

Senator S.C. Ferguson:

I did not vote for that.

The Chief Minister:

... introduce collective responsibility and I have only recently - and we are probably going to get on to this subject, it is the second one down the list - said, for my part, I would rather not have collective responsibility, because it is being confused about who is responsible for what. The Chairman ...

Deputy S.M. Brée:

If I might, Chief Minister, if I can drag you back to the Innovation Fund, if I may, because we have got a lot to get through ...

The Chief Minister:

Yes, but we do not hold the Chairman responsible for actions of individual members of the panel, do we?

The Connétable of St. John:

This panel does not have collective responsibility.

Deputy J.A.N. Le Fondré:

No, and we do not take decisions.

Deputy S.M. Brée:

If we can get back to the Innovation Fund, please, Chief Minister.

The Chief Minister:

Nor is collective responsibility involved in the Innovation Fund. Individual Ministers made those decisions.

Deputy S.M. Brée:

Sorry, Chief Minister, can you please ...

Deputy J.A.N. Le Fondré:

Let us get back to the subject.

Deputy S.M. Brée:

... get back to the subject matter at hand and not try to talk over members of this panel? Chief Minister, can you confirm that there are 2 further reports on the Innovation Fund still to be completed?

The Chief Minister:

There is ongoing work with a firm of accountants. I think they might have completed one department's piece of work, have they?

Chief Executive:

I can answer that. The 2 pieces of work I think you referred to was the review of all grants that are administered by the States or States departments, which the first one was the Economic Development, Tourism, Sport and Culture Department. That is finished, and then we are starting to look at how we scope out work to look at grants administration for other departments. The second review is the review of the function of officers, which is just about complete. There are still one or 2 inserts.

Deputy S.M. Brée:

Okay. So when will these 2 reports be released?

Chief Executive:

The report on disciplinary matters will not be released. It is an internal disciplinary procedure.

[13:45]

Our procedures are that those reports are not released. They are used in any disciplinary matters.

Deputy S.M. Brée:

What about the other? So both, the 2 reports that remain to be completed or at least delivered as completed, will not be made available either to the Scrutiny Panel or to the wider public, is that correct?

Chief Executive:

No, that is not what I said. No, sorry, I did not say that.

Deputy S.M. Brée:

No, this is why I am trying to clarify what you did say.

Chief Executive:

The one report is on officers' involvement, which could lead to disciplinary procedures. That is undertaken under the disciplinary code, therefore that is not a public document and will not be released. Now, the second report ...

The Chief Minister:

Can I just say about that one, that will go to the States Employment Board and the States Employment Board have said: "We will review it to see if there is any part of it that could be for onward transmission." The problem with it is that it will deal, we expect, with individual disciplinary processes and therefore that element of it could not be.

Deputy S.M. Brée:

So what about the other report?

Chief Executive:

The second report is one that I have only just received, so I need to discuss it with the Chief Minister and other Ministers as to how we take that forward, because I have only received it this morning.

Deputy S.M. Brée:

So will it be made available to the relevant Scrutiny Panel and the wider public or not?

Chief Executive:

I need to look at it. I have literally had it this morning, it came into my in-box this morning, so I need to review it.

Deputy S.M. Brée:

What is it that will prevent it from being released?

Chief Executive:

Probably ...

The Chief Minister:

I do not know, I have not seen it, but I imagine it will go to the Council of Ministers and probably under that code, it would actually be available to the Scrutiny Panel, but without knowing whether it can be put into the ... I was clear on this right at the start. One would be put into the public domain, which is why I did it as quickly as I could on the Tuesday. The disciplinary one was much more difficult, but it would go to the S.E.B. (States Employment Board) and the third one about individual grants would go to the Council of Ministers and of course - I was not thinking at that point, but that is right - it would then come to the Scrutiny Panel. But Ministers will need to think about if all or part of it can then be published.

Deputy S.M. Brée:

So you are saying that the decision as to whether or not to allow it to be scrutinised rests with the Council of Ministers solely?

The Chief Minister:

No, I said that scrutiny would have it available to them.

Deputy S.M. Brée:

You said "probably, if, possibly and maybe" would. You did not say it would definitely. Can you undertake now, Chief Minister ...

The Chief Minister:

Any document that goes to the Council of Ministers under the code you know comes to scrutiny.

Deputy S.M. Brée:

Fine. So we can say that that report will be coming to scrutiny?

The Chief Minister:

Yes, I do not see why it will not, because it will go to the Council of Ministers.

Deputy S.M. Brée:

Fine. Good, so at least we will get to see one of the 2 outstanding reports. Can you confirm whether the police investigation is still ongoing? Are you aware of any developments?

The Chief Minister:

The Chief Minister does not get involved in individual police investigations, nor should he.

Deputy S.M. Brée:

So you can neither confirm nor deny?

The Chief Minister:

Well, I personally do not know. Perhaps officials may.

Chief Executive:

I can confirm it is ongoing. That is all I can say about it.

Deputy S.M. Brée:

Fine, okay. No, that is all we wanted to know, whether you could update us at all. Now, Chief Minister, both in your statement and I believe answering questions, you have said that you were writing to Senators Farnham and Maclean to express your - how can I put it - disappointment over their shortcomings in dealing with this particular situation.

The Chief Minister:

Over the shortcomings in their departments, yes, when they were Minister.

Deputy S.M. Brée:

Why did you not ask either or both of them to step down from their ministerial posts?

The Chief Minister:

Because I ... at which point?

Deputy S.M. Brée:

Well, you have stated that you are disappointed over their departments' shortcomings. Why did you not ask either or both Ministers to step aside or down?

The Chief Minister:

Because, like you, I have read the report and it says that there was strong mitigation on their behalf that they acted in good faith and my reading of the report was that it would be inappropriate to do so.

Deputy S.M. Brée:

So have these letters to Senators Farnham and Maclean been sent yet?

The Chief Minister:

One of them has and the other is in process.

Deputy S.M. Brée:

Will you be publishing those letters?

The Chief Minister:

I have yet to have that conversation with them, but I understand that there may be an F.O.I. (freedom of information) requesting them.

Deputy S.M. Brée:

To ask the question again: will you be publicising those letters?

The Chief Minister:

I answered the question. I will discuss that matter with the individual Ministers, but equally I understand there will be an F.O.I. An F.O.I. answer is not within my gift. It follows the letter of the law.

Deputy S.M. Brée:

So the only way to access them will probably be through an F.O.I. request as opposed to you voluntarily publishing them?

The Chief Minister:

No, I said that I am discussing with Ministers. Ministers might decide themselves that, yes, they would be happy for them to be published.

Deputy S.M. Brée:

Now, during your statement you stated that Senator Ozouf has been completely exonerated from blame following the issuance of the report.

The Chief Minister:

No, I said the report did not blame him.

Deputy S.M. Brée:

All right, to use your words, the report did not blame him. Chief Minister, can you confirm whether Senator Ozouf will be receiving a ministerial or Assistant Minister position before the elections next May?

The Chief Minister:

I cannot confirm. I am having ongoing conversations.

Deputy S.M. Brée:

So it is something that you are looking to do?

The Chief Minister:

I have been quite clear and on the public record. I understand that feelings about Senator Ozouf run high for all sorts of reasons, but I have to rise above the personalities and ask people to do jobs that I think are in Jersey's best interests. Senator Ozouf has got some excellent skills that I think could be better put to use in Jersey's interests than where he currently sits.

Deputy S.M. Brée:

Okay, thank you.

Deputy J.A.N. Le Fondré:

Chris, do you want to come in?

The Connétable of St. John:

Yes. Chief Minister, could you just update us on the cost of all the reports that have taken place into the Innovation Fund?

The Chief Minister:

Chief Executive, you could do that?

The Connétable of St. John:

Or you can always forward to us afterwards.

Chief Executive:

I can forward it.

The Chief Minister:

Yes, I think they are in the public domain, but we can ...

Chief Executive:

I think the numbers that were quoted in a States question, if I remember rightly, I do not think they are any different, but we can confirm the numbers to you.

The Connétable of St. John:

If you can confirm the numbers to us, thank you.

Deputy J.A.N. Le Fondré:

Okay. In your ... sorry.

Deputy K.C. Lewis:

Chief Minister, I read a report recently that in a recent meeting of the Institute of Directors, your former Assistant Chief Minister, Senator Ozouf, stated publicly several times that scrutiny is not working. Is that a view that you share?

The Chief Minister:

No. I have just spent the first half an hour saying what an excellent job your scrutiny adviser did when it comes to the hospital.

Deputy K.C. Lewis:

So you do not share that view, thank you. Just very briefly, I have read several propositions recently for future debate where collective responsibility is being enacted. You just stated that you are not in favour of collective responsibility. Will you be bringing a proposition to repeal this?

The Chief Minister:

I will be bringing a group of proposals, which I understand the panel do not support, one of which will be the removal of collective responsibility, as I said during my questions on the statement for the Innovation Fund.

Deputy K.C. Lewis:

Thank you for the clarification.

Deputy J.A.N. Le Fondré:

We will get on to that right now, Minister.

The Chief Minister:

Oh, very good.

Deputy J.A.N. Le Fondré:

In your statement on the first report on the Innovation Fund, you announced some proposed changes you will be bringing to the Assembly. When will this be?

The Chief Minister:

As I said in the Assembly, before the summer recess.

Deputy J.A.N. Le Fondré:

Is that for debate or for lodging?

The Chief Minister:

For lodging, before the summer recess.

Deputy J.A.N. Le Fondré:

You have said you are considering alternatives to both the Troy Rule and to collective responsibility. What are you considering?

The Chief Minister:

I think I made it clear in the Assembly what I was considering. The ...

Deputy J.A.N. Le Fondré:

Well, you can clarify it now, Minister.

The Chief Minister:

The ability to remove the Troy Rule so that more people can act as Assistant Ministers across departments and at the same time, those Assistant Ministers can also, for other departments, act on scrutiny.

Deputy J.A.N. Le Fondré:

Now, Minister, you proposed, as you have just outlined, scrapping the Troy Rule to prevent such mistakes surrounding the Innovation Fund from occurring again. That is the background to a lot of this. Can you explain how this will prevent failures?

The Chief Minister:

You have got more people helping at the policy formation end. Now, some people would say that is an argument to go back to a committee system, would they not? Some members of your panel may think that. I think that we can take what is good about the ministerial system and we can take some of what was good about the committee system and we can fuse them together. At the same time, we can have a scrutiny function that benefits from people skills, who understand how the departmental and Executive functions work and also help hold other Ministers and departments to account.

Deputy J.A.N. Le Fondré:

So we will have Members of the Executive on scrutiny?

The Chief Minister:

Yes.

Deputy J.A.N. Le Fondré:

Okay, just to be clear. In your statement, you proposed streamlining decision making. How are you going to achieve this?

The Chief Minister:

Improve decision making?

Deputy J.A.N. Le Fondré:

Yes. I think it was streamlining, but yes.

The Chief Minister:

It is something that we have discussed, which is about, okay, we currently go through all these ministerial decisions. Again, this is a potential fusing between what was good about the ministerial system and where we were with the committee system. In the committee system, the committee clerk would attend and they would record decisions and those minutes would be - Paul knows a little bit more about this - taken as the decision. We started a conversation, but we have not got very far on it. We need to do more work on it. That would be streamlining of the decision process.

Deputy J.A.N. Le Fondré:

So it is, if you like, the old committee act system you were looking to streamline?

The Chief Minister:

Paul, do you want to ...

Director, Corporate Policy:

Just saying - and they are just examples of things we are thinking about - when you want transfer budget between departments, you need 3 ministerial decisions. If you want to do something, say around a pay rise, you have to have one for every single department and you have to think about the sequencing of those and all the words need to be in order. So is there a better way to do that? There may be, using the expertise of the Greffe to collectively record that sort of decision.

Deputy J.A.N. Le Fondré:

Right, okay.

Director, Corporate Policy:

So that is something we are talking to the Greffe about. There are other examples, I am sure.

Senator S.C. Ferguson:

Are you not doing that with lean?

Director, Corporate Policy:

We have a workshop and we are using lean methodology as part of thinking: "Is the current system of M.D.s (ministerial decisions) the best way to record ministerial decisions?"

Chief Executive:

I think the point that the Chief Minister makes is that current legislation does not allow you to do that. We need to come up with a better process, which could be lean or any other methodology, but at the moment the legislation is such that we cannot do that.

Senator S.C. Ferguson:

Why do you not work out the best way to do it and then look and see what the legislation should be, or is that too simple?

Chief Executive:

That is what the Chief Minister is suggesting.

The Chief Minister:

No, that is what I am suggesting, but we do not solve every problem overnight, Sarah, do we?

Deputy J.A.N. Le Fondré:

You seem to have solved the hospital funding overnight, Minister.

The Chief Minister:

We seem to have solved one.

Deputy J.A.N. Le Fondré:

Just moving forward, does increasing the potential for the number of Assistant Ministers streamline decision making?

The Chief Minister:

I hope it improves decision making, but critically importantly, it means that we have a more inclusive system. That is one area that everybody criticises the current ministerial system, that they felt that you had with the committee system, but you do not have with the ministerial system.

Deputy J.A.N. Le Fondré:

We will get to that in a minute, Minister, I am sure.

The Chief Minister:

Okay, good.

Deputy J.A.N. Le Fondré:

Would you therefore say, Minister, that the failures of the Innovation Fund were down to the structure of Government rather than its Members?

The Chief Minister:

It was a combination. You have read the reports. You can see that it was individuals in departments.

[14:00]

It was how those individuals in those departments worked with external organisations. There are a number of things that we could learn from those reports and we need to.

Deputy J.A.N. Le Fondré:

Right, Minister. In fact, Simon, if you ... there is a quote over there on the screen which you will have seen before because I have written to you about it. It is up there for the benefit of the people in the public seating and I will read it out for the benefit of the tape. It is an extract from a report on the function of the Tynwald, which is the Isle of Man Assembly, produced by Lord Lisvane in 2016. Just for the benefit of the tape, what he says is: "Perhaps the most difficult element to defend to the wider world is the fact that, whatever may be claimed" ... sorry, we have shortened it slightly ... "... is the case that 26 out of 30 eligible Members of Tynwald, or 87 per cent, are in Government. This lack of evident separation of roles between Parliament and the Executive means that the Isle of Man may be seen to fall short of the highest standards of parliamentary governance. This has wider reputational risks." So, Lord Lisvane expressed grave concerns about the number of members of the Executive compared to Back-Benchers and that proportion, so how, therefore, does this tie in with any moves to remove the Troy Rule? Are we not risking reputational damage to the Island?

The Chief Minister:

Shall we go home now? Shall we just say: "Well, we are not going to try and improve our system. We are not going to try and deal with the issue of inclusivity. We are not going to try and get as many people that want to contribute to the Executive as possible contributing" while at the same time having a ... continuing to have a robust and functioning scrutiny system?

Deputy J.A.N. Le Fondré:

I am just citing, Minister ...

The Chief Minister:

Members of the panel have been clear in the Assembly that we need to reform the system that we have.

Deputy J.A.N. Le Fondré:

Minister, the proposals you are making are taking us far closer to the Isle of Man system and, therefore ...

The Chief Minister:

Yes, and there are many ... there are many other people who will tell you that the Isle of Man system functions incredibly well.

Deputy J.A.N. Le Fondré:

This is a respected member of the House of Lords who has said ...

The Chief Minister:

Yes, the former clerk of the U.K. (United Kingdom) Houses of Parliament that has a very different system. It is a U.K. system and it is a party-driven system.

Deputy J.A.N. Le Fondré:

Minister, all I am saying is that there is an independent member who has looked at the Isle of Man structures and said they are reputationally damaging and you are taking us closer to those systems. How are you responding or is there not an alternative way?

The Chief Minister:

Chair, let us not parry these sorts of arguments across this table because I could find any number of independent experts that would say that same thrust of argument about our electoral system.

Deputy J.A.N. Le Fondré:

We are not talking about the electoral system, Minister.

The Chief Minister:

We are. You are saying that ...

Deputy J.A.N. Le Fondré:

No, we are talking ...

The Chief Minister:

You are saying that what I might be proposing about delivering inclusivity and getting more people to be involved in the Executive in decision making, you have found an expert in the House of Lords to say that that might be damaging internationally.

Deputy J.A.N. Le Fondré:

No, no, no ...

The Chief Minister:

I am saying I am trying to deliver electoral change. I think, Chairman, you are against that electoral change. I could find several other independent members who would say that by not changing our electoral system it is damaging to our reputation.

Deputy J.A.N. Le Fondré:

Chief Minister ...

Senator S.C. Ferguson:

We are not talking of the electoral system.

Deputy J.A.N. Le Fondré:

Hold on, folks. Firstly, I have not expressed an opinion recently on the electoral system for very clear reasons. I was not present at the vote in January. I abstained and did not talk at the last vote bearing in mind I am Chairman of the Corporate Services Scrutiny Sub-panel and that it would not be appropriate for me to express an opinion. Secondly, we did not just find an expert who has done this piece of work for us. I assume that ... I cannot remember the introduction of the 80-page report he has done or how many pages it is, but it is an independent person from the House of Lords who I assume was called in by the Isle of Man Assembly to look at their system. So, we have not just plucked someone out of the air. You are fully aware of these comments and this is where they come from.

The Chief Minister:

I did not say you just pulled them out of the air. I am just making the point that we could find eminent, independent people who would make the same criticism of our electoral system. That is my point.

Deputy J.A.N. Le Fondré:

We are not talking about the electoral system. We are talking about a system that you are proposing to bring in to remove the Troy Rule, which is one of the fundamental foundations of the recommendations from Clothier, which established the ministerial system, that the Executive should clearly be in the minority. You are seeking to breach that. That is the recommendation from ... I am going to say 2000 - I cannot remember the exact date - and equally we have something that seems to confirm that position from last year for a different jurisdiction. Why are you flying in the face of that? What are the checks and balances?

The Chief Minister:

Does the panel think the current system is working to its optimum?

Deputy J.A.N. Le Fondré:

We are looking at your potential solution, Minister.

The Chief Minister:

I am asking a question back.

Deputy J.A.N. Le Fondré:

We are asking your response to: does your proposal to breach the Troy Rule in essence risk damaging the reputation of the Island on the basis of these comments?

The Chief Minister:

Well, obviously you have found an individual that suggests it could. I think a divisive system, and we see how that can be difficult, needs to be changed. I used to be with that point of view. I have tried it now for ...

Deputy J.A.N. Le Fondré:

I think it is 12 years.

The Chief Minister:

Yes, quite, quite, and I think you will be very hard pressed to find a Member of the Assembly that thinks the current system does not need changing and that inclusivity is sorely lacking.

Deputy J.A.N. Le Fondré:

Therefore, Minister, why did you go back to the committee system?

The Chief Minister:

You see, that is what I said. So, some people want to go back to the committee system.

Deputy J.A.N. Le Fondré:

No, the point I am making is that ...

The Chief Minister:

There are lots of downsides of the committee system that people have forgotten about.

Deputy J.A.N. Le Fondré:

The point I am making ...

The Chief Minister:

So it is trying to take the best of the committee system with the ministerial system.

Deputy J.A.N. Le Fondré:

Minister, neither of us devised the ministerial system. We both inherited it.

The Chief Minister:

We did.

Deputy J.A.N. Le Fondré:

But the view of Clothier was if you have a ministerial system these are the rules you abide by. You cannot have a hybrid because you risk this commentary, and that is probably far more critical than inclusivity. Inclusivity is an issue, but I really strongly recommend you find a different solution. Right, let us move forward. I would like to go back to the ...

The Chief Minister:

But Clothier also expected a party system, and other than a small party we see no signs of there being a myriad of parties coming forward.

Deputy J.A.N. Le Fondré:

I believe Clothier ...

The Chief Minister:

It is the party system that would have delivered the inclusivity.

Deputy J.A.N. Le Fondré:

Okay, I think your recollection might be wrong there, Minister. Just to pop back briefly before we move on to Senator Ferguson and freedom of information, it was just a comment at the end you

made on the hospital issue. So, although it was the Minister for Treasury and Resources' legal responsibility to withdraw the hospital project, you made a recommendation to him on the Friday to withdraw it?

The Chief Minister:

Well, I think on Friday I said that I think that the approach we should take is to defer it so we can better answer those questions.

Deputy J.A.N. Le Fondré:

Okay, but on Thursday ...

The Chief Minister:

The response came back that actually perhaps a deferral would not be the right approach; a withdrawal and then a coming back with the budget would be the better approach.

Deputy J.A.N. Le Fondré:

I am not going to distinguish between a deferral and a withdrawal. That was your recommendation to him on the Friday ...

The Chief Minister:

They are 2 very different things.

Deputy J.A.N. Le Fondré:

They are delays.

The Chief Minister:

They are 2 very different things.

Deputy J.A.N. Le Fondré:

They are delays and ... hang on, Minister.

The Chief Minister:

They are 2 very different things and you know it.

Deputy J.A.N. Le Fondré:

Chief Minister, on Thursday Treasury were not aware of that position?

The Chief Minister:

I was not at the Treasury hearing that you are detailing.

Deputy J.A.N. Le Fondré:

No, I am asking you had you had discussions with Treasury before that date.

The Chief Minister:

I think I have spoken about the ... how we were going to answer the questions that your adviser had raised but not reached a conclusion about what our response should be.

Deputy J.A.N. Le Fondré:

So Treasury were not aware of a change in position that might lead to either a delay or withdrawal on Thursday?

The Chief Minister:

Well, Treasury knew that the ... whether they had answers to those questions or not ...

Deputy J.A.N. Le Fondré:

They were not aware of the likely recommendation?

The Chief Minister:

Chairman, I know what you are trying to do.

Deputy J.A.N. Le Fondré:

I am trying to get some clarity.

The Chief Minister:

I have answered your questions. You know fully a Minister lodges or withdraws or pulls their own proposition. They make the decision.

Deputy J.A.N. Le Fondré:

We will stop there, I think, Minister. You have made the recommendation on Friday for a delay.

The Chief Minister:

I have talked about my concerns. That is a very different thing.

Deputy J.A.N. Le Fondré:

You previously said you have made a recommendation, correct?

The Chief Minister:

I do not know if I said recommendation. I have been talking now for an hour and 10 minutes.

Deputy J.A.N. Le Fondré:

Senator Ferguson, freedom of information.

Senator S.C. Ferguson:

Right, just a quick question before, though. If we go back to your preferred or if we transfer to your preferred system of everybody in the Executive, does that mean that we shall go back to calling it the States of Jersey, not the Government of Jersey?

The Chief Minister:

Well, the Executive.

Senator S.C. Ferguson:

If everybody is in the Government, can we not go back to the States of Jersey?

The Chief Minister:

That I have not given any thought to. That might be an advantage. If it is going to get your vote, Senator, then perhaps I will consider it.

Deputy J.A.N. Le Fondré:

Let us move forward, freedom of information, please.

Senator S.C. Ferguson:

Yes. The law has been in place for about 18 months. Do you think it has been a success?

The Chief Minister:

I think it has, yes.

Senator S.C. Ferguson:

Right. What policy is in place to ensure that any redaction of answers is done fairly?

The Chief Minister:

Is done fairly?

Senator S.C. Ferguson:

Fairly.

The Chief Minister:

It is reviewed by Law Officers. It is very scrupulously undertaken.

Senator S.C. Ferguson:

What is the procedure then?

Chief Executive:

Our procedure is that if an answer is going out that contains information which is qualified information, it is redacted. That is then checked within the department. The recipient then has a right of appeal and ultimately the recipient then has a second right of appeal, which is through the Data Protection Commissioner.

Senator S.C. Ferguson:

Who decides on what is redacted?

Chief Executive:

The officers in the department with advice from the Law Officers' Department.

Senator S.C. Ferguson:

Does anything come through the Chief Minister's Department?

Chief Executive:

A lot come through the Chief Minister's because we probably have more than most departments.

The Chief Minister:

You mean am I ...

Senator S.C. Ferguson:

I presume that you yourself see some of this?

Chief Executive:

I see a lot of the redactions, yes. I go through them and I redact more, I take some redactions out on the basis I think it does not pass the public interest test. So I actually take redactions out. Officers tend to maybe be a bit cautious sometimes. I look at it and I challenge it and I remove some of the redactions. I have done it recently.

Senator S.C. Ferguson:

Well, we have all seen the redacted documents that have appeared in the press recently. Whose idea was it to redact them quite so heavily in the original case?

The Chief Minister:

Which case are we talking about, Sarah?

Senator S.C. Ferguson:

The stuff that was ... there have been some emails published in *Bailiwick Express* and some in the *J.E.P. (Jersey Evening Post)*.

Chief Executive:

You would have to name them specifically. I have not seen them so I don't know which ones you are talking about.

Senator S.C. Ferguson:

I am talking about the ones round about October/November 2014, round about the time of the election.

Chief Executive:

Those were the emails that we had requests for all emails from and between Ministers, which were then printed out and went through a process of redaction.

Senator S.C. Ferguson:

Yes, but they went to the ...

Chief Executive:

They went to the Data Protection Commissioner, who then said that she felt that we should redact ... we should unredact more information, which we did to comply with her recommendation.

Senator S.C. Ferguson:

But they have not been published on the F.O.I. page yet.

Chief Executive:

Well, we certainly followed the requirements of the Data Protection Commissioner.

Senator S.C. Ferguson:

Right.

Director, Corporate Policy:

Just I may not add anything and my apologies if I do not. So, it is the department who is responsible for it. We do seek legal advice. The Data Protection Commissioner then issues judgments on appeals and we then learn the lessons from those appeals on not just the appeal itself but in subsequent application of redactions. So we think we have quite good guidance from the Information Commissioner and quite good guidance from the Law Officers and at the departmental level, and where we get an appeal and then it comes out contrary we will change it. But I will have a look for that specific ...

Senator S.C. Ferguson:

Well, I just wonder if you are not getting a little trigger happy with the redaction button on your computers because I have seen the blank tender document that is sent out to applicants for, for instance, the fuel contract for the States. The amount of fuel that the States requires a quotation for has been redacted. Now, please do not tell me that the amount of fuel that the States requires is a matter of secrecy.

Chief Executive:

I am not aware of that one so I cannot comment.

Senator S.C. Ferguson:

Well, perhaps you would look at it because you have been a little trigger happy, I feel.

Assistant Minister, Senator P.F. Routier:

Is it worth just mentioning that as States Members we have no knowledge of what happens within the F.O.I. Department?

[14:15]

We are made aware that an application has been made, but as far as any redactions are concerned we have no involvement with that at all.

Senator S.C. Ferguson:

No, I am not saying you do.

Assistant Minister, Senator P.F. Routier:

I am just making that clear.

Senator S.C. Ferguson:

I am just saying that it is a good thing to keep an eye on what is happening.

Deputy J.A.N. Le Fondré:

Okay, can we move forward a bit?

Senator S.C. Ferguson:

Yes, surely. You have lodged a proposition that transfers ... sorry, going on to immigration.

Deputy J.A.N. Le Fondré:

No, no, no, that is Simon.

Senator S.C. Ferguson:

Oh, no, that is Simon. I am sorry.

Deputy J.A.N. Le Fondré:

Yes. Right, Simon.

Deputy S.M. Brée:

We are all too excited. Chief Minister, you lodged a proposition on 11th April, P.26/2017, which talks about the immigration extension to Jersey by Order in Council, which transfers responsibility for certain areas from the role of the Lieutenant Governor to the Minister for Home Affairs. Reading the attached report, it would appear that the sole justification for doing so is that it mirrors the U.K. model. Other than that, what rationale is there in transferring the powers from the Lieutenant Governor to the Minister for Home Affairs?

The Chief Minister:

That is the rationale.

Deputy S.M. Brée:

That is the sole rationale?

The Chief Minister:

It is and you will ... well, it is to de-politicise, which is what this does by mirroring the U.K. model, any potential for the Lieutenant Governor ... if you recall the case of the individual that was found in the back of a car, that was the first time that it really became an issue that we thought it was inappropriate and the Lieutenant Governor of the day themselves said it cannot be appropriate that he made such a ... what was ultimately a highly politicised decision, albeit it was within the rules of the law. Therefore, at that point we made a workaround. So the immigration people undertook all the work.

They got the advice from the U.K. as well about how they would deal with such a situation. They then made their decision. They passed that decision to the Minister. The Minister formally recorded her decision based on their evidence and made a recommendation to the Lieutenant Governor. This will avoid needing that workaround, but I understand you are going to do a review.

Deputy S.M. Brée:

I just wanted to ask whether there was any other rationale other than just mirroring the U.K. model. Thank you for your answer.

The Chief Minister:

Yes, and it stemmed from that case.

Deputy S.M. Brée:

Yes, thank you for your answer, Chief Minister.

Deputy J.A.N. Le Fondré:

Okay, Kevin.

Deputy K.C. Lewis:

Chief Minister, when are you going to lodge the new population policy?

The Chief Minister:

Senator Routier?

Assistant Minister, Senator P.F. Routier:

Thank you very much. We are finalising the documents which will be going to the Council of Ministers ... I have forgotten when that is now.

Director, Corporate Policy:

We are due to give an update on Wednesday next week.

Assistant Minister, Senator P.F. Routier:

We are hoping to lodge that before the summer recess and we will take it from there with a debate hopefully in the autumn.

Deputy K.C. Lewis:

Do the announcements in the last 6 months about a crackdown on employment licences and increased fees form part of that policy?

Assistant Minister, Senator P.F. Routier:

No, it is a separate thing. The piece of work that has been carried out over the last few months and the announcements that have been made is something we have been working on for a number of months and reacting to the current decision making we have been asked to make with the Housing Advisory Work Group. We are recognising that the current situation requires ... or that the fees, for instance, is something that was announced in the M.T.F.P. (Medium Term Financial Plan) that there was fee increases, and that has just come into place and we are doing that now. But the work we are doing with the business community, meeting with them and deciding about the number of registered people that they have working within their business, that has been quite successful. We have been quite pleased at the way that some of the businesses have reacted. Obviously, some have not been supportive, but we are challenged with the need to ensure that we are trying to do our best to control immigration.

Deputy K.C. Lewis:

What will the policy contain and will you provide us with a copy in advance to allow proper time for scrutiny?

Assistant Minister, Senator P.F. Routier:

Well, as I say, this will be going to the Council of Ministers very soon and as soon as that is available we will obviously share it with you.

Deputy K.C. Lewis:

Do you expect a similar increase in the population this year compared to last year, I think 1,500?

Assistant Minister, Senator P.F. Routier:

Well, we know the number of 1,500 was for 2015. The 2016 number will be announced in June and I anticipate it might be a little bit lower than that, but you will have to wait for the Statistics Unit to carry out their findings. So, they will be publishing that in June, but my feel for it is it will be a touch lower but not significantly lower. It will still be a highish number.

Deputy K.C. Lewis:

I think you have partially answered this one before. Is the crackdown on employment licences announced at the start of this year having an effect?

Assistant Minister, Senator P.F. Routier:

Yes, it is having an effect, certainly. With the applications we get, we probably refuse about half the applications that people are requesting. Obviously, that is a challenge for some businesses but we

are trying to ensure that we are making good decisions and ensuring that it is of benefit to our community the licences that are approved, whether it be for social reasons or for economic reasons. That is how we try to make those decisions.

Deputy K.C. Lewis:

I think you said the long-term strategy will be published in June?

Assistant Minister, Senator P.F. Routier:

Yes.

Deputy K.C. Lewis:

All right, thank you.

Deputy J.A.N. Le Fondré:

Thanks very much. Okay, Chris.

The Connétable of St. John:

Thank you. Chief Minister, Brexit: what are your priorities surrounding Brexit over the next few months?

The Chief Minister:

Continued engagement with the U.K. Government and at Brussels.

The Connétable of St. John:

Do you have any concerns over the progress that the Island is making in these preparations for Brexit?

The Chief Minister:

No. I think we are in a very good place. We have had excellent engagement with U.K. Ministers. We do not, of course, yet know whether the Minister for Departing the European Union, who deals with Crown dependencies ... he also deals with overseas territories and also deals with devolved Administrations, whether he will be reappointed. He is an excellent Minister, there is potential that he might be promoted, but we will have to wait and see. But he is not the only individual with whom we have a good relationship, so I would envisage that whoever is in that position will continue the good work that has already been started.

The Connétable of St. John:

You have recently stated that support from the British Government is crucial if Jersey is to gain World Trade Organisation membership.

The Chief Minister:

Yes.

The Connétable of St. John:

What are you doing to try and achieve this?

The Chief Minister:

Well, we have been in ongoing dialogue and conversation not only with the Department for Exiting the European Union but also the Ministry of Justice and, crucially in this instance, the Foreign Office, working through the technicalities. As you will know, the U.K. is having in light of Brexit to update its schedules, its W.T.O. (World Trade Organisation) schedules, so that is quite a big piece of work. At the same time, we are impressing upon them that it is absolutely important that they extend membership to ourselves and to Guernsey and I think that there also needs to be some clarification of the extension to the Isle of Man. So, we are positively engaging at every level.

The Connétable of St. John:

So far it has been successful?

The Chief Minister:

So far it is positive. It is not successful in that we have not yet had it extended, but positive in the engagement that we have had.

The Connétable of St. John:

Do you predict or can you predict a timescale as to when membership might be obtained?

The Chief Minister:

No, I cannot, but I am optimistic that it will.

The Connétable of St. John:

Okay, thank you.

Deputy J.A.N. Le Fondré:

Thank you very much. Simon?

Deputy S.M. Brée:

Yes. Chief Minister, you have recently made statements about the fact that Jersey is seeking to strengthen or form strategic partnerships with Kenya, Rwanda and South Africa.

The Chief Minister:

Yes.

Deputy S.M. Brée:

Now, those 3 countries score very poorly on what is known as the Transparency International corruption index, Kenya 26 out of 100 - where 1 is very corrupt, 100 is what one would expect a non-corrupt country to be - Rwanda 54 out of 100 and South Africa 45 out of 100. Why have you targeted these apparently corrupt countries in particular and what are the aims of your strategy?

The Chief Minister:

As you know, Vice-Chair, South Africa is the driving economy in Africa and Kenya is the driving financial hub in East Africa and Rwanda we have a long-term relationship with them based on overseas aid and the Jersey cow. You could take any African country and find that they have a place on the Transparency International list of, in your words, corrupt countries. Only yesterday I was speaking about Jersey and how we deal with these matters at a World Economic Forum event, speaking to the international head of Transparency International, and in that room we were having a very positive debate about whether one takes the disengagement attachment strategy and, therefore, hope that these countries will change because we have not traded with them. You might suggest that somewhere like Zimbabwe falls into that category, but they have not changed as western companies and countries have disengaged from them. But if we take Kenya, for example, when I met President Kenyatta a fortnight ago, he looked at me and was very welcoming and his exact words were that we were their first success and what he meant by that was that the partnership that he had had with Jersey in dealing with funds which were the proceeds of crime, which had left the country, we were their first successful partnership in, first of all, prosecuting that crime, successfully prosecuting that crime, freezing the proceeds of that crime, and now working with them together with the High Commission in Kenya in repatriating those monies as well. Of course, we also have a further Kenyan that we are seeking to extradite for trial so that we can subsequently work with the Kenyan Government to help them freeze assets which are not in Jersey but are elsewhere in the world.

Deputy S.M. Brée:

So just to ask ...

The Chief Minister:

So we can show by our engagement that we are helping to fight corruption in those countries.

Deputy S.M. Brée:

Okay, so you have no concerns, Chief Minister, surrounding Jersey doing business with countries high on the corruption index?

The Chief Minister:

I did not say that, Vice-Chairman, and you know I did not say that.

Deputy S.M. Brée:

I am merely asking you a question, Chief Minister.

The Chief Minister:

What I said was that there can be engagement which is done carefully, which mirrors the Foreign Office engagement, which is what we follow here, and when it is done well it can positively affect those countries. So, although it is an inter-judiciary relationship about the extradition and it is an inter-prosecution relationship about the repatriation of funds, we are working, as I said, with the High Commission and the Foreign Office to ensure not that the money goes back to the Government, because then you would be rightly criticising me with the potential for it just to circle round again and leave the country in a corrupt manner, but through the new framework agreement that we are signing up to with the U.K., with Kenya, with ourselves - Switzerland are also on board - that money will go down and benefit individuals in that community away from Government. So actually our involvement and our intervention in this regard is very positive and the President gave the green light again when I met him a fortnight ago to sign a wider-ranging memorandum of understanding. They want us to work with them to exchange skills around their judiciary. They are fed up of cases taking year after year for people to be brought to justice. They want to have an exchange and come here in that regard.

[14:30]

Deputy S.M. Brée:

As I say, you are quite happy that you are correct in dealing with these countries in the way in which you are?

The Chief Minister:

If we do it carefully, we do it with our eyes open and we do it in partnership to deliver benefit to the people on the ground. I was in the very strange position when I went to Kenya earlier in the year where I signed that repatriation of funds to Kenya in their treasury boardroom with a picture on the wall - and I have the photograph - of the individual who it was that had acted in a corrupt manner

and through the Kenyan electricity company managed to use the international financial flows to put money into Jersey. So, there was a real, I think, picture of how our engagement can help them themselves to fight corruption.

Deputy S.M. Brée:

Thank you.

The Connétable of St. John:

Just a supplementary on that: how does it actually benefit Jersey?

The Chief Minister:

How does it benefit Jersey? Well, at many, many levels. So even with Kenya, we talk about what the Jersey cow can do for them. We know that in Rwanda there is a coming together of the R.J.A. & H.S. (Royal Jersey Agricultural & Horticultural Society) who will send out semen. That is funded by the Overseas Aid Commission, so you have the commission's money then supporting the R.J.A. & H.S. but also supporting Rwanda and the very poorest there. You have a project which is the President's project, which is to give a cow to every poor home. They used to do Friesians and Jerseys; now they want just Jerseys. You will understand, Constable, exactly why that would be. On a financial level, we are encouraging people to use Jersey for investment into those countries. They can be sure of our system. They can ensure and know that it meets the highest levels of probity. They can also know that if there is any doubt whatsoever we are exchanging information and, again, if there is any doubt whatsoever we will deal with corruption.

The Connétable of St. John:

I think I need to leave it there. Very briefly, workforce modernisation. Can you provide the panel with an update as to when we might see tangible results of the workforce modernisation programme?

Deputy J.A.N. Le Fondré:

A brief update.

The Chief Minister:

Yes, because I am just looking at my clock as well for my next meeting. John, could you just do that because we are right on the verge of delivering that issue?

Deputy J.A.N. Le Fondré:

Yes, there is one question we want to ask of you as well.

Chief Executive:

Very briefly, we are in I hope closing stages of negotiations with the unions, which will form a package that we can put to all the staff. That will effectively encompass the entire updating of 6,000 job descriptions and terms and conditions of employment, so I am hoping certainly this side of the summer we will be in a position to put the final position to the unions and staff.

The Connétable of St. John:

Thank you.

Deputy J.A.N. Le Fondré:

Sarah?

Senator S.C. Ferguson:

Yes. Now, we apparently are going to move the *Jersey Gazette* and put it online. What steps have you taken to ensure ... sorry, put it online with the view to saving £245,000 a year, which is currently being paid to the *Evening Post*. What steps have you taken to ensure that those without internet access will still be able to access the *Gazette*?

Assistant Minister, Deputy S.M. Wickenden:

Well, we have been working with parishes to set a pilot programme to make sure people who do not have internet can go and get access from the parishes. You will be able to go to Social Security and it will be there. But I will come back to ... I think we have had this conversation before. What we are doing ...

Senator S.C. Ferguson:

We have not had it in public at a scrutiny hearing.

Assistant Minister, Deputy S.M. Wickenden:

Okay. So what we are doing is at the moment the law stipulates that we have to put our notices into a private company. There is no competition in that. The law says that we have to do this through a private company.

Senator S.C. Ferguson:

Yes, no, that was not my question. No, I am sorry, that was not my question. We are running out of time. I am saying: what steps have you taken to ensure that those without internet access will still be able to access the *Gazette*?

Assistant Minister, Deputy S.M. Wickenden:

We are working with the parish halls ...

Senator S.C. Ferguson:

There are a lot of people.

Assistant Minister, Deputy S.M. Wickenden:

We are working with the parish halls to make sure that the information will be accessible at the parish halls.

Deputy J.A.N. Le Fondré:

So, sorry, just to pick up on that, what we are saying is that if you do not have a computer and you want to see notices in the *Gazette*, which cover all sorts of things, the only way people could be able to pick it up ... it will not come into their home anymore in a hard copy form. Obviously, I accept the point about the private company but that is the reality of where it is. It will go ... they will have to make a specific journey to the parish hall or to Social Security to pick it up. Bearing in mind the *Gazette* is published every day, I think, what are they going to do?

Assistant Minister, Deputy S.M. Wickenden:

I will say that we need to make sure we find the right mediums to put the information out to the public. Now, a law is not the right place to set that up. This is not going to stop any department or the parishes or anyone that puts notices up in the *Gazette* from still using something like printed media to make that happen. If the department feels that that is the right place to put it to hit the audience they are looking for, there is nothing to stop them from doing it. So the change in the *Gazette* law is not going to stop any department or the parish halls from publishing within printed media. So, if it is the right place to use the right medium ...

Deputy J.A.N. Le Fondré:

Who will make the decision as to whether it is the right medium?

Assistant Minister, Deputy S.M. Wickenden:

Well, I would hope the departments would. I certainly will not be doing it for anyone.

Senator S.C. Ferguson:

So, basically, poor Mrs. Ecobichon from St. Ouen is going to have to trail down to the parish hall. Who at the parish hall is going to pay for the equipment or somebody to help operate the computer for Mrs. Ecobichon?

Assistant Minister, Deputy S.M. Wickenden:

Mm hmm, which is why we are piloting this programme at the moment, yes. But as I say, I am not stopping people from using the printed media within the change in this law. What I am doing is changing the law to make it so that the law is not stipulating where it should be done, into a private organisation. If we did it for any other part of the services that we provide for the States of Jersey, you would be in an uproar.

Senator S.C. Ferguson:

Yes. Well, as I say, I appreciate all that, but basically my concerns are Mrs. Ecobichon from Grève de Lecq.

Assistant Minister, Deputy S.M. Wickenden:

Absolutely, and I think that is our job as politicians to make sure that the departments and the States of Jersey are putting information in the right areas, but the law is not the right place to make sure it is happening, which is why the change to the law has to happen. So, I am not stopping anyone from doing any printed media. That is not the changes that we are making. We are just changing the law to say that we do not have to put it in printed media.

Senator S.C. Ferguson:

But you still have not answered my question. You are working with the parish halls, yes. You have not mentioned the library or anything like that.

The Chief Minister:

It's already in the library.

Assistant Minister, Deputy S.M. Wickenden:

Yes, it is in the library already. The library has already been doing it.

Senator S.C. Ferguson:

Yes. Anyway, right.

Deputy J.A.N. Le Fondré:

Okay. I think given the time constraints we are 5 or 6 minutes over time, but thank you very much, Chief Minister.

The Chief Minister:

Normally it is a pleasure, Chairman. I am not sure I can say that this afternoon.

Deputy J.A.N. Le Fondré:

That is probably quite good, is it not, from our point of view? **[Laughter]**

Assistant Minister, Senator P.F. Routier:

All that praise he has given as well.

Deputy J.A.N. Le Fondré:

Well, there you go. Thank you very much.

Senator S.C. Ferguson:

Could I just make one tiny point before you all break up? I think there is only Paul and I, Senator Routier and I, who actually know what it is like to operate under the committee system.

The Chief Minister:

And Len.

Senator S.C. Ferguson:

Yes, and Senator Norman.

Assistant Minister, Senator P.F. Routier:

Yes, I remember it well.

Senator S.C. Ferguson:

Yes.

The Chief Minister:

Lots of officials.

Senator S.C. Ferguson:

Well, never mind, the politicians are changing it; therefore, you should be dealing with the politicians.

Deputy J.A.N. Le Fondré:

For the benefit of the tape, that concludes the hearing today. Thank you.

[14:38]