



Corporate Services Scrutiny Panel

Quarterly Hearing

Witness: The Chief Minister

Friday, 3rd April 2020

Panel:

Senator K.L. Moore (Chair)
Deputy S.M. Ahier of St. Helier (Vice-Chair)
Connétable K. Shenton-Stone of St. Martin
Connétable R Vibert of St. Peter
Deputy J.H. Perchard of St. Saviour

Witnesses:

Senator J.A.N. Le Fondré, The Chief Minister
Senator L.J. Farnham, Deputy Chief Minister
Senator I.J. Gorst, Assistant Minister for Treasury and Resources
Mr. C. Parker, Chief Executive
Mr. J. Blazeby, Director General, Justice and Home Affairs
Mr. R. Bell, Treasurer of the States

[14:06]

Senator K.L. Moore (Chair):

Welcome, everybody, to this first remote hearing of the Corporate Services Scrutiny Panel. I welcome all of our guests and thank you for taking the time to join us today. Normal hearing standards do apply and I believe that the witness statement has been provided to everybody taking part. The hearing will be recorded and transcribed as usual. Please if you could indicate your wish to speak by using the chat function, which was utilised yesterday during the Assembly, I would be very grateful. Please if you could speak in order when requested and try not to interrupt it would be most appreciated. Speakers will be shown on video so if you could, when you get to speak, turn on

both your microphone and your video that would be appreciated also. If we run out of time for all of the questions that we have today then we will ask that they are provided in writing for publication as soon as practical please. All speakers will need to introduce themselves in the usual way, which we will do shortly. Please, when called upon by location, if you could allow a couple of seconds just so that the relevant technical switching can be done. Firstly, we will introduce ourselves from the Corporate Services Scrutiny Panel. I am the chair, Senator Kristina Moore.

Deputy S.M. Ahier of St. Helier (Vice-Chair):

Deputy Steve Ahier, vice-chair.

Deputy J.H. Perchard of St. Saviour:

Deputy Jess Perchard, a member of the panel.

Connétable R. Vibert of St. Peter:

Constable Richard Vibert, a member of the panel.

Connétable K. Shenton-Stone of St. Martin:

Constable Karen Shenton-Stone, a member of the panel.

The Chief Minister:

Senator John Le Fondré, Chief Minister.

Assistant Minister for Treasury and Resources:

Senator Gorst, the Assistant Minister for Treasury and Resources.

Treasurer of the States:

Richard Bell, Treasurer.

Senator K.L. Moore:

It appears some of the guests in the same room as each other, they may need headphones so we do not have a feedback problem. Or perhaps those are all the invitees. We have not heard from Senator Farnham yet and the chief executive is still not connected. So we will perhaps wait a few minutes but if somebody could confirm for me whether those people who are in the same room are able to have headphones so that we do not have feedback please, I would be grateful.

The Chief Minister:

Sorry, Senator, we think we are okay. There are some of us in the same room. We are obviously appropriately socially distanced. Hopefully we are not getting the echoing now if I am speaking.

Senator K.L. Moore:

Okay, could we just test that and ask another person who is sitting in the same room to speak please. Nobody else in the same room? Perhaps, Senator Gorst, would you introduce yourself again?

The Chief Minister:

Okay, Senator, one of the problems we are getting is there is a time lag between when we speak and when you get the message and it comes down the internet. We did have this in the States yesterday as well, I think.

Senator K.L. Moore:

Okay, I think what you did perhaps yesterday was each took the chair when it was their turn to speak, the same chair, was that right? Would that be workable in the environment that you are working in, at the moment?

The Chief Minister:

No, I just had to swap over with Richard Renouf from time to time but with the others, there was one other in the room, and they were on their own thing. So that was working fine. The time lag is a matter of the system. Can you hear me now?

Senator K.L. Moore:

Yes, I can hear you perfectly.

The Chief Minister:

Okay, shall we just switch to ... I will mute and I will ask Senator Gorst to see and then we will test it on each individual speaker.

Senator K.L. Moore:

Thank you.

Assistant Minister for Treasury and Resources:

No, that might be my system that is reverbing.

Senator K.L. Moore:

Okay, perhaps when we come to the Treasury section we might be able to ask Senator Gorst if he could use the Chief Minister's device, would that be possible?

Assistant Minister for Treasury and Resources:

Chair, no, it is still happening. I have changed device. We will see what we can do this end.

Senator K.L. Moore:

Thank you.

The Chief Minister:

We are hopefully just resolving the Treasury problem at the moment. We will find out in a couple of minutes if we have resolved them.

Senator K.L. Moore:

Thank you, it is much appreciated.

The Chief Minister:

Right, I will ask the chief executive just to test.

Senator K.L. Moore:

Thank you, go ahead, Chief Executive. Is there anybody else there?

Assistant Minister for Treasury and Resources:

Hello, it is still doing it, so it is a little bit of a lag but now hopefully I cannot hear any feedback when I am speaking.

Senator K.L. Moore:

No, that sounds good. Can you hear me okay? Great. The language of sign language is still very useful in these scenarios. So I think we are yet to hear from the Deputy Chief Minister, the chief executive and the treasurer but I believe they are in the room along with the director general of Justice and Home Affairs. Could they give their confirmation?

[14:15]

The Chief Minister:

Lyndon, if you would just try and speak.

Senator K.L. Moore:

Would you like to introduce yourself?

Deputy Chief Minister:

Hello, can you hear me?

Senator K.L. Moore:

Yes. Welcome. If you would just like to introduce yourself.

Deputy Chief Minister:

Senator Lyndon Farnham, Deputy Chief Minister and Minister for Economic Development, Tourism, Sport and Culture.

Senator K.L. Moore:

Okay, we have got some quite bad feedback at that point. If the director general would like to introduce himself.

Deputy Chief Minister:

Minister for Economic Development, Tourism, Sport and Culture and Deputy Chief Minister.

Senator K.L. Moore:

That is much better, thank you. Anybody else?

The Chief Minister:

Just to check, was the second time of Senator Farnham better?

Senator K.L. Moore:

The second time was much better, thank you.

The Chief Minister:

Okay, I have identified one of the problems.

Director General, Justice and Home Affairs:

Good afternoon, Julian Blazeby, director general, Justice and Home Affairs.

Senator K.L. Moore:

Thank you. And anybody else in the room or elsewhere?

The Chief Minister:

Has Julian Blazeby just spoken?

Senator K.L. Moore:

Yes, thank you. We have got that. We were just waiting for any other participants. No other participants?

Treasurer of the States:

Richard Bell, Treasurer.

Senator K.L. Moore:

Thank you. Is that it?

Chief Executive:

Charlie Parker, chief executive. Can you hear me?

Senator K.L. Moore:

We can now, thank you very much, Chief Executive. If everybody is content we will make a start.

The Chief Minister:

Sorry, Senator, I just want to explain to various other people in other rooms what I think the problem is. Give me 2 minutes.

Senator K.L. Moore:

Okay, thank you. We will. It will give my dogs a moment to settle down as well.

The Chief Minister:

We think we are in a position to start. The chief executive is showing a major lag on his initial device. They are trying to set him up with another one. But in the meantime I think if we start some of the things and we will go from there.

Senator K.L. Moore:

I think that is a good idea because you are short of time. If we could just start looking back for a moment to 12th March when the first meeting of the Emergencies Council was convened in response to COVID-19. Could you just describe please, Chief Minister, the process that led up to the triggering of that meeting?

The Chief Minister:

The meeting had been scheduled for I think a couple of months at least so it was a regular meeting that was in the diary. We did consider whether it was necessary to bring it forward a couple of days but it was decided that officers were working at pace to bring the proposals in front of the Council in terms of decisions that were considered and made on that day, so it was better to give them the

extra day or so to get all their preparation ready rather than to bring the Council forward. Do not forget, there had been quite a lot of work - I will take out the "quite" - there had been a lot of work being done in January and February at all sorts of levels in terms of the start of the preparation process. So the fact the Emergencies Council was on 12th March was not the first point of action taken.

Senator K.L. Moore:

But it was the first point of a strategic direction moment in terms of the political leadership and record-keeping of that. Was a strategic direction set at that meeting?

The Chief Minister:

Sorry, on your first part it was not because there was quite a lot, I said, of ministerial involvement prior to the formal meeting of the Emergencies Council and, from memory as well, we had the competent authorities standing up during this as part of that process. What was the second part of your question?

Senator K.L. Moore:

Just to pick you up on that. If you could just talk us through whether any of those meetings were minuted because we have seen no evidence of those meetings taking part. If I recall, there were not any COVID-19 items on the agenda at the Council of Ministers either. Could you confirm that?

The Chief Minister:

Sorry, technical problems. I would have to go back and look at the records as to what meeting occurred when and what was documented. But discussions were taking place beforehand. There were also updates coming on to the Council of Ministers' agenda for COVID-19. I cannot give you exact dates at that point. But the point I was trying to make is that just because the Emergencies Council took place on 12th March did not mean that there was no action happening before then, both at political level or at the officer level.

Senator K.L. Moore:

Okay, thank you. So we will look forward to receiving any minutes and records of those meetings prior to the Emergencies Council as soon as they can be made available please. Could you then describe, Chief Minister, what strategic direction you have set in terms of the political direction for dealing with this response? As you will be well aware, many different countries have taken different approaches to dealing with the emergency.

The Chief Minister:

That is a pretty wide-ranging question so I will pick up on the last point first, which is you say that many different countries have taken different directions. At the end of the day, and as we have said too publicly, privately, and to States Members, we rely absolutely on the officer advice and the medical advice that we have been receiving and that has been the case from day one. In terms of actions taken - I will give 2 examples - when we put people into self-isolation for symptoms that was within 4 days of the first case being reported on island. The U.K. (United Kingdom) took 41 days. When we closed the schools it was 13 days after the first case was identified, Guernsey took 14 days, so one day later than us, relative to when the first case was identified and the U.K. took 52 days. So I think we have got to just re-emphasise all the time that the curve in Jersey started later, we have not been complacent about it, we have been planning and acting as quickly as possible, taking actions to flatten the curve relative to us.

Senator K.L. Moore:

Thank you. Do you believe that the current structure of the civil service creates limits when responding to a crisis or has it been modified and developed to suit the circumstances?

The Chief Minister:

Assuming the chief executive has got his technology working, I will let him come in shortly, but at the very high level I think if the coronavirus pandemic crisis had hit the Island, I am going to say, 3 years ago under the old structure I think we would be in a far worse position than where we are now with the restructuring and departmental structures that have been put in place. I reiterate absolutely my thanks to the current chief executive and his present time, they have done huge amounts of work, and we have a real debt of gratitude to them and obviously to all our front line workers that are doing this. But absolutely, to answer your question, I think the present structure is coping very well with something that nobody has seen, I am going to say, since the Second World War. I do not think I am exaggerating there. I think if we had had the old structure we would be struggling more.

Senator K.L. Moore:

Thank you. There have been reports and examples of some apparent delays to receiving decisions such as, for example, the situation with the G.P.s (general practitioners) when some negotiations appear to have been taking place for a protracted period of time before reaching a decision. Could you describe what processes have been put in place to speed up the process of decision-making in response and to follow the Emergency Measures Plan that is in place for the Island? Sorry, I was expecting the Chief Minister to answer that question. Is he still there?

The Chief Minister:

What I am going to do is just pick up on the G.P.s issue firstly and get the chief executive just to clarify that position.

Senator K.L. Moore:

It is simply an example.

The Chief Minister:

It is the example you put out there and I think we might as well deal with that one. I am not aware of particular delays on that areas in terms of when it was brought to our attention but I will hand over to the chief executive on that one.

Chief Executive:

So, Minister, I will be very clear, and Chair. The position on a lot of these negotiations is that when we have had concerns or issues that we need to deal with, whether it was G.P.s or whether it is about meeting business leaders or whether it has been around working with other specific interest groups, there has been a series of discussions at the appropriate level to be able to deal with those. So by way of example, this is support. We spent a weekend working with third parties and with Ministers and with our teams to develop a strategy for how we would meet the immediate crisis and subsequently what other long-term investment packages would need to be put in place. That was then followed up with discussions and meetings, often led by Ministers with interest groups. So by way of example, Chamber or food retailers or other parties. Each of those sessions would be handled by a lead or would then have a cross-team approach where necessary to ensure that we were dealing with whatever the specific concerns were. In addition to that, there are particular groupings where matters may have been escalated in terms of negotiations, so by way of example with the G.P.s, G.P.s we met as soon as we possibly could. There were ongoing discussions held with G.P.s but there was then a weekend. The G.P.s changed their own leadership team for negotiating and discussing. There were further meetings that took place subsequent to those changes and then there was a framework deal put in place. Unfortunately, not all of those deals would meet everybody's satisfaction because we are in (a) a fast-moving situation and (b) there will be limits about funding available. But notwithstanding that we have entered into and delivered, I think, a series of packages that have been appropriate, proportionate and as speedy as is humanly possible within the fiduciary requirements that we have to discharge. That is another factor here. We have tried to ensure that we have adequate audit trails, proper decision-making being executed and to do that does take the appropriate time where necessary.

The Chief Minister:

If I can just wrap up slightly. You made some reference to delays in decision-making or actions being taken. Two further examples, given that the first case was diagnosed on 10 March, the helpline for coronavirus was launched on 19th February and on 12th March, which was the Emergencies Council, that was when we released the plans to protect the vulnerable Islanders. That

is the G.P. checks for over 80s and chronic conditions. So I would counter that, I believe we have acted appropriately and speedily as we have been required to.

Senator K.L. Moore:

Thank you. In the Emergency Measures Plan, it says a decision should be taken at the lowest appropriate level. There are other examples perhaps of needing to procure certain pieces of equipment and unfortunately that equipment becoming unavailable in the time that it takes for decisions to be filtered up. Could you give me perhaps some examples of decisions being made at the appropriate lowest level according to the Emergency Measures Plan?

The Chief Minister:

I think that is one for the chief executive or for Mr. Blazeby.

[14:30]

Senator K.L. Moore:

You are on mute now, sorry. Could you unmute?

Director General, Justice and Home Affairs

Okay, Chair, can you hear me now? Apologies. For example, decision-making at the lowest level in relation to the plan you refer to, I will give an example where Ministers gave a direction in terms of introducing additional social restrictions and the impact on retailers in terms of shops and social distancing. It was clear that people, the Islanders, were not necessarily adhering to social distancing and we needed to act quickly to ensure retailers put some measures in place. So I chaired a meeting and brought retailers in on Saturday afternoon, probably 10 days ago now. Got all the key stakeholders around the table, talked to them about the ... reaffirmed the instructions from Ministers around social distancing and made decisions and got retailers agreeing to introducing further stringent measures to control exit and entry from their stores to enhance the medical officer's advice. There are many other examples where at an officer level we have, through the Tactical Co-ordinating Group and the Strategic Co-ordinating Group, delivered decisions based on the strategy by Ministers and been able to, very quickly, implement them. We have daily meetings with my director general colleagues and others to ensure that those decisions can be implemented on the ground.

Senator K.L. Moore:

Thank you for this examples. Could you just confirm exactly at what level those decisions were taken then please?

Director General, Justice and Home Affairs

So if I am chairing of the Strategic Co-ordinating Group and I am making a decision that then goes down to the co-ordinating group. So it could be at director general level and then following a Ministerial Decision it can then go down to a tactical group where there will be group directors or others who can deal with things very quickly in a speedily way within hours or within an hour. If I have some concerns in terms of the decision-making being caught up in bureaucracy or other procedures I would absolutely raise them through the chief executive. But we have been pretty fleet of foot throughout the last number of weeks. If I can go back to a previous observation, we started the Tactical Co-ordinating Group and the Strategic Co-ordinating Group in January and February respectfully in terms of hearing what is going across globally and then starting to get our officers thinking and in shape ready to advise Ministers.

Senator K.L. Moore:

Could you just outline which co-ordinator groups sit under the Strategic Co-ordinating Group please?

Director General, Justice and Home Affairs

The group that I chair is the Strategic Co-ordinating Group that has other directors general on, our utility companies, emergency services, the prison, the customs and immigration service. Below that is the Tactical Co-ordinating Group chaired by the chief fire officer that has operational leads who can then deliver the operational effect on the ground. I then sit on a strategic command group that the chief executive chairs to ensure he has complete oversight of the response to COVID-19 across the whole of the Island and then that feeds up into the competent authorities and the Emergencies Council. Those meetings are stood up at a moment's notice, if necessary. Otherwise we have a regular planned 2 or 3 times a week.

Senator K.L. Moore:

Thank you. I presume minutes are taken of those meetings and if we could request copies of those minutes in a timely fashion we would be very grateful. With regards to rapid procurement issues, how is it envisaged that that should happen please?

The Chief Minister:

I will let the chief executive handle that one.

Chief Executive:

So where we need to make decisions where potentially we go outside of our normal supply chain lines, which we have had to do on occasion, we go and try and verify the supplier, the specification and also we look at the payment arrangements and how whatever it is that we are ordering is freighted in. So we have had significant numbers of requests to help us where the supply chain has not proved to be robust, where the quality thresholds for the goods that we potentially may procure

have not been to the standard that we would require, particularly in the medical field. Thirdly, we have had a huge number of instances where people have been requesting money upfront in a way that would be completely against our standing order arrangements and our Public Finances Law. We have had though, in one instance, a situation where we have taken a view on a risk-based basis where we have taken that decision through to Ministers in their competent authority role to get clarity about an instruction to be able to procure, to be able to manage then the opportunity that is afforded, where we have taken a view that the supply chains from the U.K. are not coming through as quickly as we want and we need to look after and protect the interests of our staff where we have had to make that particular purchase. We have done that with a full audit trail, with all the arrangements being documented, but what we have not done is compromised the Public Finances Law and/or we have gone outside and not looked at the thresholds from quality, repayment, et cetera, for goods and supplies. Unfortunately, in this time, you get a lot of people who will profess to have good supply chains, which may not be as robust as we require.

Senator K.L. Moore:

Thank you for your answer. Chief Minister, will we expect to see or will we see in the near future a single prioritisation plan which will be presented to the public outlining the full details of both the Government's response and recovery plan please?

The Chief Minister:

What we have said we are doing is we are continuing to communicate what is now called the contain, delay, shield strategy to the public and alongside the restrictions that go alongside each phase. Obviously what we are doing, which I am sure you would be expecting, is we are currently in the phase of establishing in some detail, but we are at very early stages, a recovery plan. I do not know if anybody wants to add to that.

Senator K.L. Moore:

Okay. If we could just refer back to the previous answer of the chief executive in response to procurement under emergencies measure ... I think he answered that. What we might do now is pass on to the next section, if we could, which Deputy Perchard will lead the questioning in that section.

Deputy J.H. Perchard:

Thank you. Chief Minister, do you intend to share additional data with Islanders regarding COVID-19 such as how patients were infected, for example distinguishing between those who have contracted the virus on-Island or through travel? I know that given it is in the community now the majority of cases will be on-Island but it would perhaps be helpful to know the proportions.

The Chief Minister:

So we are looking because Ministers have been asking for and State Members have been asking for and members of the public have been asking for to get some further information out to Members. The Deputy will recall the briefing we gave yesterday, which was in relation to where we are in the progress on the curve, to use the jargon, that if it is not online already will be going online shortly in a ... I do not know if it is exactly in the same form but broadly speaking Islanders will be able to look where we are. I think the intention then is to do an update to that once a week, probably on a Thursday. That is obviously to be confirmed. So overall there is some work going on with Statistics Jersey to develop a broader set of information that we can give out. I do go back to the point, and I will see if the chief executive wants to add to it or not, because we are dealing with very small numbers of information in a small community that does constrain us. So in other words, if a country the size of Italy or South Korea or even Israel put out information they are dealing with quite large numbers of people relatively. If we identify that 4 people brought the disease in on-Island, for the sake of argument, with dates that makes it a lot easier to identify them. The whole point around that is privacy of the individuals and depending on their circumstances at what might be difficult times. So that is the overriding caveat that health officials drill into us all the time, is about respecting their privacy of those individuals. But within those parameters we are working on getting some extra information out to States Members and the public.

Deputy J.H. Perchard:

Thank you, Chief Minister. Just while we are talking about the curve. Are you able to tell us how far we are from the peak in terms of time?

The Chief Minister:

If you give me about 30 seconds. Sorry, it is a case of just finding the right file. If we base it on the presentation that States Members were all given yesterday, in theory ... sorry to pause. I emphasise this every time I refer to this - this is based on the information we have got today or, in this instance, what we were given yesterday - it may change.

Deputy J.H. Perchard:

Yes.

The Chief Minister:

It may change, it might come forward or it might go further back because it depends on the measures that we have taken over the last 3 weeks-plus as to how effective they are being in flattening that curve. On the basis of the presentation we did yesterday, which is, as I understand it, what will be online, if it is not already, shortly we are looking at the peak being roughly end of April, beginning of May, first week or so of May. But the overall period is that we are going to be at the least towards

the back end of June before we are clear of this and bear in mind that is very much the present information and it always ... sometimes the advice can change, sometimes the data you get from, based on the studies that are happening in the other jurisdictions, that might suddenly change the profiling. So that is the information we have as of now.

Deputy J.H. Perchard:

Thank you, Chief Minister. You are absolutely right, it is important that the public consistently hear from Scrutiny and the Executive that this is statistical modelling and not a crystal ball, so thank you for that clarification. In relation to our curve, at what stage will the recovery working group be formed and when will it begin its work?

The Chief Minister:

I think, as I have alluded to earlier in probably the remote States sitting yesterday, so there are already some discussions taking place as to what this will look like. What we will be doing is bringing individuals from both within the organisation and externally to come together in a similar way to the work the chief executive referred to that is done for the business support; that was done at least 2 or 3 weekends ago. So those discussions are happening. It is an informal process at this stage because, as I also said yesterday, we have got to focus over the next, let us say, 10 days plus, on making sure we have got as much preparation ready for when the peak hits us. So there is parallel piece of work but the prime focus at this stage is the final preparations for the peak.

Deputy J.H. Perchard:

What information are you using, what data or information are you collecting, to determine the likely effects on businesses of the outbreak?

The Chief Minister:

What I will say is I will do a high-level one and then probably refer to the Treasurer, who hopefully is listening. He has extricated himself and he has gone off to somewhere else in the building. Obviously we have had the F.P.P. (Fiscal Policy Panel) advice; we know that. We are watching what is happening in other jurisdictions. We have had advice from the chief economic adviser of the States and I think those high-level ones. So essentially receiving feeds externally and internally. I will hand over to the Treasurer on that front, I think, for the time being. We will just make sure the Treasurer has picked that up. Hold on one second.

Assistant Minister for Treasury and Resources:

Chief Minister, if I just come in first and the Treasurer can add anything he wishes to.

[14:45]

I am not exactly sure what you might be referring to in information because, as the Chief Minister has said, the F.P.P. wrote to the Minister for Treasury and Resources with that document which talked about the downturn and the slowdown in the economy, a contraction there of 6 per cent this year. There was also economic advice attached to that, economic forecasting. I am wondering though if your question is more about the information we used to develop the co-funding payroll scheme and if it was that of course what we did was take statistical information from the Jersey Stats Unit. That arises from the Business Tendency Survey and in quite short order we made some assumptions about, at the point that we announced that scheme, which sectors and businesses would be and were being affected. We were having real-time feedback through Senator Farnham's business committee and through Jersey Business and what we are doing now of course is post the lockdown, which started this week, officials are going through those exemptions. We are working with Jersey Business and we are reconsidering our assumptions around the effect that the lockdown has had on those businesses so that next week we will be in a position to come forward and talk more about that. Of course the first one which is already in the public domain is construction. When we initially modelled our scheme we knew that at some point it was very likely that construction would not be able to abide by social distancing therefore we modelled construction in the scheme and we knew that we would, when we had to say that construction sites would close down, that they would be looking, and rightly accessing, the co-payroll funding scheme. So of course as of 6 o'clock this evening that is the case and they will be in the scheme. But we are currently, as I say, now doing further review work to test our assumptions, using direct feedback, and you can expect us to say more about that by the middle of next week.

Deputy J.H. Perchard:

Thank you. That has been very helpful. I do have a follow-up but again you might just repeat that this is a coming in a week's time but obviously we now have a number of emergency measures that are in place and being implemented to deal with medical and economic risks, in particular. What we are interested in are what are the key residual risks that Government is battling with? What are the constraints to resolving those residual risks?

Assistant Minister for Treasury and Resources:

Could you give me a little bit more of an understanding of what it is you are referring to as the key residual risk because there are a whole host of residual risks with a very long tail, which the F.P.P. indicate in their letter to the Minister for Treasury and Resources? They are what is being picked up, as the Chief Minister indicated, in the recovery work. If you mean risk to business here and now, they are the residual risk that are being picked up by officials in the review of our assumptions. If you meant something else then I will try and answer the something else if you can just perhaps give me further details.

Deputy J.H. Perchard:

Sure. No, I was referring to the residual risk for businesses but also I think more generally it is about risk analysis on the whole because I think residual risk is any risk that is not immediately dealt with by risk management and we want to know who is doing risk analysis and who is responsible for mitigating against any significant economic risk but also perhaps the less predictable risks and things that come up as and when they have an impact on people and people's lives. But perhaps we will wait for your update next week and then perhaps drill down into more detail from that.

Assistant Minister for Treasury and Resources:

There are a number of pieces of work, if that is the question. Thank you for that clarification. There are a number of pieces of work going on in that regard. There are officials in my, let me call it my everyday department in Financial Services, and Lyndon's department of the economy, working together with Treasury officials thinking about those residual risks for businesses, together with Jersey Business in real time. But of course there are also the other business risks, which are about the emergency planning area, which again fall under the Chief Minister's remit that Julian, from an officer point of view, is in charge of. So that supply chain risk. So that is dealing with Condor, it is dealing with Blue Islands, it is dealing with those supply chain companies. There is a number of work across government thinking about those risks and then they get co-ordinated with the political decision-making that comes through the competent authorities.

Deputy J.H. Perchard:

Thank you, that is incredibly helpful. Just a very brief question on the structure of that then. The Emergency Measures Plan is an older document and our panel have been referring to it because it is all we have in written form, but it would be very helpful if the Government could provide or make public the new structure with the level of detail that is in the E.M.P. (Emergency Measures Plan) because the E.M.P. lays out very clearly 8 guiding principles that the States of Jersey are said to be following in an emergency. The eighth one is risk identification and analysis, for example. Are we still following those 8 guiding principles that were detailed in the E.M.P. and if not can we please be updated with what may have been deemed more appropriate given the context of this emergency?

Assistant Minister for Treasury and Resources:

I think that is a question for the Chief Minister to answer so I will leave that for him.

The Chief Minister:

If it helps, Deputy, what I will do is I will hand over to Mr. Blazeby who lives and ... I will not say lives and breathes risk but certainly is the one who has been handling a lot of what you have been asking about. As you can see he is ready to go.

Deputy J.H. Perchard:

My follow-up question is not specifically about risk, it was about the E.M.P. and whether it has been implemented in the form that it is in and if not what form is it being implemented in, and may we be made aware of the significant structural changes between the E.M.P. and what has been set up as deemed more appropriate, given the context of this emergency.

Director General, Justice and Home Affairs:

Obviously we are aware of the E.M.P. and a number of our colleagues were involved in the original concept of that and are very familiar with the civil contingencies procedures in the U.K. We are following the main principles of the plan. Risk is clearly throughout all that documentation and the structures I touched on in my earlier response to the chair is critical to that. The Strategic Co-ordinating Group will review a variety of risks across both within government and our utilities and then we action tabletop exercises, we have had 2 this week, and we review business continuity plans to ensure that the risk profile, whether it is 35 per cent absence rate due to the COVID or whether it is supply chain issues, and we bring in different people around the table to answer those questions and assess them. For example, we had a specific S.C.G. (Strategic Co-ordinating Group) on health yesterday to look at the ambulance, to look at P.P.E. (Personal Protection Equipment) and to look at opportunities around the field hospital. So all those structures that you clearly read in terms of the plan are being adhered to and, like any plan, they will be flexed to meet the demand of the incident.

Deputy J.H. Perchard:

Absolutely and it is reassuring because obviously this plan was not ... reading the E.M.P. you can tell that it was not written with this specific kind of emergency in mind, so that is completely understandable. Just for clarity, when you refer to the S.C.G. you are referring to the Strategic Co-ordination Group?

Director General, Justice and Home Affairs:

That is correct. The Strategic Co-ordinating Group, that is the group I chair.

Deputy J.H. Perchard:

The other S.C.G. command group, is that the emergency planning board equivalent?

Director General, Justice and Home Affairs:

No, that is again, as you say, the plans ... the thing about plans is they do not always survive contact with the enemy. So that is a group the chief executive has rightly set up because the plan was written originally on specific incidents, for example a flood or one incident that does not necessarily

affect the whole Island whereas this pandemic does. So the chief executive set up a strategic command group, so he rightly has oversight of everything across government and beyond. The emergency planning board you referred to has been replaced by the Jersey Resilience Forum, and that is nearer the set-up in the U.K. with local resilience forums and that enables us to connect back, into the U.K. in terms of support around civil contingencies.

Deputy J.H. Perchard:

Thank you. The resilience forum, is that completely internal as well or does that include stakeholders from outside of government?

Director General, Justice and Home Affairs:

It is flexible. It certainly includes stakeholders outside government, for example our state-owned entities, and depending if there is a particular thematic we want to explore we can invite other partners as well.

Deputy J.H. Perchard:

Fantastic. Are you in the process of or is there any intention to, or maybe you already have, subgroups that sit underneath these different strategic and command groups that are specifically focused on, for example, business or health or environment? Any particular cells, if you like, that sit underneath these co-ordinating groups?

Director General, Justice and Home Affairs:

Yes, there are a number of cells that are already set up and we will continue to set up others. So we have got a retailer group, we have got a P.P.E. group, we have got a number of them set up and we will continue to look at that. We set up a new one yesterday. We have a travel group, we have a hotel group for accommodation and those cells will continue to work within the T.C.G. (Tactical Co-ordinating Group) process.

Deputy J.H. Perchard:

That really is very, very helpful. Would you be able to provide Scrutiny with a list of those cells and maybe clarify again are they internal or are they including stakeholder organisations from outside of the States?

Director General, Justice and Home Affairs:

We certainly can provide you a structure in terms of those cells as they have emerged and they are absolutely not restricted to government. We bring in the third and voluntary sector and other partners. The reason why we do that is we need to have the best capabilities possible to meet the challenge and we are not mutually exclusive just to government.

Deputy J.H. Perchard:

I am massively reassured by that, Director General. That is really helpful. If there are organisations out there who think that they are significant players in these areas and have not been asked to join a group, is there a mechanism where they can approach you or provide you with information or evidence that might be appropriate to that particular cell?

Director General, Justice and Home Affairs:

Yes, that would be very welcome. We have got a good reach already, if I look at the community taskforce, through Citizens Advice and others but I would be very happy to take any comments back in from any organisation.

Deputy J.H. Perchard:

That has been so very helpful, thank you. I am going to hand over now to ... I believe Deputy Ahier is next.

Deputy S.M. Ahier:

Thank you very much, Jess. Ten days ago Dr. Muscat advised the Assembly that we would know in up to 14 days whether our rate of spread of infection was trending along the mitigated by social distance curve or the unmitigated curve. Are we yet able to tell which curve we are on?

The Chief Minister:

That is basically the information that was provided to States Members yesterday and which he then did a media presentation on also late yesterday which, from memory, has been watched by at least 5,000 people so far. But to answer the question: at present, so with all the caveats I said to Deputy Perchard earlier, we seem to be on the social distancing curve. What we have got to make sure is that people still keep respecting measures. Do not suddenly start relaxing and particularly, for example, the first weekend coming up with good weather that could ... if people do not still act responsibly that could put us back. That is a really clear warning we are going to be giving and I am very happy to reiterate that publicly now to Scrutiny. Because we are very much at the early days of that curve, if people do not continue to follow that sort of behaviour you could slip or we could slip.

Deputy S.M. Ahier:

Chief Minister, is it true to say that the cumulative number of confirmed cases is below the projected number of confirmed cases as of 24th March briefing?

The Chief Minister:

I think on the basis of the figures that both you and I have been looking at, at this stage it would appear to be the case and the reason I say “appear” is that as we know we do have a slight delay between results coming back from the U.K. and so it will depend whether ... so when the things are plotted on the graph the dates that are put in are I think the dates when the symptoms should have first been occurring rather than the date the test was taken. Certainly, for the States Members presentation we had a graph that had some green dots on and some red dots.

[15:00]

The green dots, which were in the earlier days, we are reasonably confident or Dr. Muscat is reasonably confident that we are not going to get any more data for those days that is going to change those results. The red ones are where it is likely that we will still receive some data from, for example, tests that might be pending. But at this stage you are correct.

Deputy S.M. Ahier:

What is the current turnaround time for testing?

Chief Executive:

So we are getting tests on a variable basis. For example, earlier in the week we were getting the tests in 24 hours. At the beginning of the week it was taking some days. Towards the end of the week it's gone back to some days and that is partly because of the U.K. situation. Hence why the decision has been taken and actively pursued around Island-wide testing and increasing the capacity to test on-Island. All of that would have started earlier had we been able to get further supplies in quicker but there are bigger issues afoot with the U.K. supplies on that front. So at the moment, we are on average getting some testing results every day but the volumes are the key issue. Clearly, on the back of the announcement of yesterday, you will see that 2 days ago we had a lower number in the backlog, today we have got a higher. That also reflects where we are testing. We are doing some bulk testing at the moment to ensure that health workers, we are clearly aware of where they are in relation to infection rates.

The Chief Minister:

It is probably worth reiterating as well, Deputy, that relative to the size of the population - always a caveat with smaller populations - we are testing quite significantly proportionately more per head of population than the U.K. are. But obviously we are always dealing with smaller numbers.

Deputy S.M. Ahier:

Absolutely. That is reassuring. Chief Minister, what strategy is in place should we find that social distancing has been successful and we are trending along the mitigated curve and conversely what

strategy is in place should we find that social distancing has not been met and we are on the less desirable curve?

The Chief Minister:

Obviously if we are on the curve ... sorry, I will just rewind slightly. It is really worth reiterating the whole principle of being on what we are calling the social distancing curve or even better than that curve is it reduces the impact on the health service. That is the crucial thing. So if we are doing better than the curve we are trying to follow that would be fantastic but is not an excuse for it to relax everything suddenly. If we are doing worse then well, bluntly, one would have to have even stronger measures than where we are and that might include reducing the scope of essential business. It might include further limiting non-essential business activity. It might include extending the duration of the stay at home instruction. There are all sorts of measures there. We will have to see, as the next couple of weeks progress, whether our track on that curve stays and also - apologies because it is a long answer - we have just got to keep an eye on and make sure the advice does not change. By that I mean we keep getting updates and studies coming out of other jurisdictions, a lot of people doing a lot of work, and sometimes the scientific view might say if you do X you get a better outcome or if you do Y you get a different outcome. If data comes down which effectively says yes, what we have been doing up to now is working well but we could do something that is going to make it better, then that strategy might change. It is always based on the advice we are getting.

Deputy S.M. Ahier:

Thank you, Chief Minister. What additional resources, aside from ventilators, have been ordered by the Government to deal with the COVID-19?

The Chief Minister:

Obviously as you know, we have the ventilators on order. We have a lot of P.P.E. on order. Some of which is coming into the Island. I believe we are expecting the next instalment to come in either today or tomorrow. Then obviously, and I will let either the chief executive or Mr. Blazeby to expand on this, in terms of health professionals, they have been doing different types of training to make sure more of them can handle the equipment they need to handle. To an extent, in terms of resources, that takes us back, for example, to the agreement with the G.P.s., which is around bringing more resources directly into the health system. This may sound slightly odd, it depends how wide you take the answer, one of those first decisions we took when the Emergencies Council met on the 12th, which was about getting the G.P.s to be contacting I think it was about 17,000 vulnerable Islanders, that is about getting people into the right place, making sure they have got the medicines they need, all that type of stuff. That is about essentially a greater resource to protect the vulnerable at an early stage. But I will let Mr. Blazeby I think expand on that, if that is okay.

Director General, Justice and Home Affairs:

Thank you, Chief Minister. Yes, I can add some additional comments to that. So additional P.P.E. has clearly been ordered, not just for the government but beyond an Island-wide approach to make that better. We are making good use of volunteers and other employees who, because of the difficult situation they face, we have taken them from sectors where they are out of work and deploying them into areas where we can use them. Another example is where we have taken over St. John's Ambulance and Normandy Rescue. They have agreed an M.O.U. (memorandum of understanding) where they are now working with the States of Jersey Ambulance Service, to ensure that we have greater resilience in the ambulance services. There are a number of different areas where we are boosting our resources. It takes us back really to our business continuity plans to see where we can maintain those critical services.

Deputy S.M. Ahier:

Chief Minister, what is the Island's procurement process? Are we still using our usual procurement process or are we on an emergency process?

The Chief Minister:

I will hand over to the chief executive briefly on this. The summary is that where appropriate we are obviously trying to use existing governance around procurements, because they are reasonably able to respond without delaying solutions required. However, we are, if we need to, going down some emergency lines as well. I will hand over to the chief executive briefly.

Chief Executive:

Just to follow up from the Chief Minister, there are parameters in which we obviously have to work. I referenced this earlier about requests where we go outside our normal supply chain routes. We look for exemptions when those things happen. We look to secure where there have been any breaches in any procurement and that is all documented as well. The reality is that we have a fast-moving situation and colleagues are working round the clock to ensure that we get all of our agreements in place. There will be some situations where we have used, for example, a streamlined business case proposition to help us with the decision-making or that we have ensured that where we are using new supply chains that we do as much due diligence as possible around the authenticity of those supply chains. However, we are taking a pragmatic approach. If it requires us to take decisions and it is in the interests of everybody to ensure that we deal with the situation as much as we can then we are able to do that.

Deputy S.M. Ahier:

How long does it take for sign-off to be approved when supplies are requested?

Chief Executive:

It depends. If we have supplies going through our normal supply chains the sign-off is very, very quick. The question then is whether we get the supply chains to deliver in the timelines that they originally promised to deliver. Where we are going through something which is new, the sign-off arrangements take possibly longer, because we need to ensure that we are signing off the right things in the right way and fitting in within the frameworks that we operate within. It is really horses for courses, Deputy.

Deputy S.M. Ahier:

Are there any requests currently awaiting approval? What are they for and how long has the sign-off been pending?

Chief Executive:

At any one time there will be outstanding requisitions waiting for approval. We are not aware of any significant delays for critical purchases. There are also some very big decisions that we are making at the moment, which do take a little bit of time to ensure that we get all of the appropriate arrangements done in the right way. I am not alive to any problems with sign-offs, but clearly it depends entirely on where we are in the current situation.

Deputy S.M. Ahier:

Thank you. Chief Minister, can we expect further enhancements to be made to the testing policy for COVID-19 to maintain Island safety?

The Chief Minister:

The very short answer is yes.

Deputy S.M. Ahier:

Good. Will Jersey be working in tandem with the U.K. on the potential roll-out of new testing opportunities, such as antibody tests? Has there been any collaboration with Guernsey in this regard?

The Chief Minister:

In relation to working in tandem on testing opportunities, the short answer is yes. Obviously in relation to antibodies and things, we announced that yesterday. The antibody test is the 150,000 kits, of which the first tranche is 50,000. Obviously we are not saying exactly what date we are expecting them, other than this month.

Deputy S.M. Ahier:

That was my next question, because on Monday you announced that testing kits would be on the Island within 48 hours. When are they now due to arrive and why has there been such a lengthy delay?

The Chief Minister:

There are 2 issues in that. The kits that we were expecting to come in within the 48 hours, this week, were the COVID-19 tests, which are specific ones for detecting whether you have got coronavirus. That was originally the 5,000 kits. Essentially, where we are now, there was a delay from the coming out of the U.S. (United States). The quality on these is absolutely paramount. I am presently informed that 1,500 of those tests have arrived into Europe and in transit to Jersey. They have been approved by the right medical authorities. As of today, they are on their way. The confusion was that the date that was issued by the supplier was taken, not just by Jersey but by a whole load of other places that had their same orders in, as being the date of arrival at us and other people, as opposed to the date of dispatch. Without going into all the details, the supplier has apologised and put their hands up for the confusion that arose. The confusion was not just in Jersey. I have explained that publicly already. The antibody tests are the 150,000, of which the first tranche will be 50,000, hopefully, is about testing whether one has had the disease or not. That is important as we move through the wave for understanding how the disease has spread. Then, on the basis, well the advice is, that hopefully they then have immunity and are no longer spreaders or potential spreaders and can then go out more into the community based on the advice that will be developed around that. The antibody test is crucially important.

Deputy S.M. Ahier:

Of course. What orders are in place for additional P.P.E. including for workers in healthcare settings, who are not in constant direct contact with patients, but are often nearby, such as porters and cleaners?

The Chief Minister:

I will hand over to the chief executive on that one.

Chief Executive:

We have just finished a full audit of what the Island's P.P.E. requirements are. It has become apparent that a number of parties who would normally have ordered their own P.P.E., as part of their business continuity plans, have not necessarily got stock that was originally thought would have been available for this type of pandemic. As a result of that, we spent some time talking and looking at all of the requests to ensure that we now bring a single procurement arrangement for the whole Island across all categories where P.P.E. is needed.

[15:15]

The second part of that is guidance. We have different requirements for what P.P.E. is needed by different types of worker or people who interface with activity that may or may not be involved in supporting the COVID-19 arrangement. Unfortunately, to date, some people have interpreted what would be, for example, a requirement for the medical P.P.E. to be the same as it would be for, by way of example, a bus driver. I use it just to make the point. The reality is that there are gradations within all of that. That guidance, which has been confirmed with Dr. Muscat and also other advisers is now about to be issued to help us then deal with the demand so that we are apportioning the P.P.E. accordingly. We have now set up a central arrangement for the distribution of the P.P.E., which has from it an order form to ensure that we are matching the requirements against the specification of what people need. Then that process will flow and hopefully ensure that we get the right equipment to the right level of workforce that needs it. Finally, we are then looking now across Island for all other P.P.E. orders. We are placing orders wherever we can to ensure that we are meeting the requirements as per the different categories.

Deputy S.M. Ahier:

Are there problems with the supply chain for P.P.E.?

Chief Executive:

There are problems for P.P.E. across the whole of the world, because the 2 biggest production places for P.P.E. happen to be the U.S. and China. As you know, both of those areas have been affected. European supplies are variable. We do have supply lines back into other parts of Europe now that have been set up. We are confident that we can draw down those where possible. We have used diplomatic channels to ensure that we can bring our P.P.E. supplies up the list, because we were experiencing different levels or prioritisation through the U.K. supplies, from the Crown agents. That has been pursued by Ministers, where appropriate, and officials. We have spent a lot of time this week unblocking some of the issues around supply timelines and also looking at widening our supply chains through normal channels and also European channels.

Deputy S.M. Ahier:

Thank you very much. Lastly, for the Chief Minister, will the Government go further than the current lockdown? If so, what eventuality might trigger this?

The Chief Minister:

We have partially covered that in one of the earlier questions, but, yes, essentially we will continue to monitor the impact of all the measures that are currently in place. It is very much about identifying where we are in the curve. Just as a slight aside, can I really congratulate the people who have

done that work in producing the model? Not only now, but also going forward, it will give us a lot better data, again, as to where we are. That will impact on the decisions we need to make. If it looks like we are not getting the outcomes that we need then there may well be additional measures which I alluded to in one of the answers.

Deputy S.M. Ahier:

Thank you very much, Chief Minister. I will now pass over to the Constable of St. Peter.

Senator K.L. Moore:

If I could just interrupt for one second, I am very mindful of the time. Obviously we started late, due to the technical issues that we experienced. The Treasury team, I know, have to go to some meetings, but if it would be okay for us to at least rattle through some of the finance questions, I would be very grateful, if you were in agreement with that, Chief Minister.

The Chief Minister:

I know we started late and I have taken that into account. I have been watching the time and we commenced about quarter past in the end and we are now on an hour and 5 minutes type of territory. We do have some meetings in play, some of which are dealing with the issues we are all trying to unblock or move forward. The chief executive has to go within about the next 5 minutes. I have a meeting that I was meant to be at about 20 minutes ago. I am sure the Treasury team would be delighted to answer some of your questions. I am guessing that the Treasurer probably has to attend one of the meetings that are coming through. If they are able to answer and say whether they can confirm whether they can do 10 minutes or so, I would certainly be very supportive of that. It is whether, Senator, you want to ask either Senator Farnham, the chief executive, Mr. Blazeby or myself anything in the next 10 minutes or not or if we hand over to Treasury.

Senator K.L. Moore:

Thank you. We would be handing to the Treasury next, I believe. If we could just quickly go to Constable Vibert and we will try to get through that section as quickly as we can.

The Chief Minister:

Thank you. I will wait as long as I can, but I will have to go shortly and I will sign off when I go.

Senator K.L. Moore:

Of course. We will send you the remaining questions, if that is okay. Hopefully there will not be too many more of them, so that you can respond to them as quickly as possible.

The Chief Minister:

Okay. Thank you very much.

Connétable R. Vibert of St. Peter:

Senator Gorst, thank you very much, can you reassure the public that the Government and public services have adequate procedures in place to ensure the services can continue and staff are safe?

Assistant Minister for Treasury and Resources:

It would be useful if we were focusing on Treasury matters, because, as I indicated in the chat box, the Treasurer and I need to also go. We are 20 minutes late now. That is another matter. Hopefully, Constable, you know the firm foundations upon which the finances sit as we go into this crisis. The brave decisions that those before us have made around, not only the Social Security Fund, as we were discussing, which has £1.6 billion in it; but the Strategic Reserve, even after the stock market collapse has got over £750,000 in it; and the Stabilisation Fund. All of those brave decisions of the past mean that we start facing this crisis from a strong financial position. One of the first tasks that we have undertaken is to review the liquidity position, so that we can continue to pay those staff in the front line services, and meet the liabilities of Government, in the way that you have indicated would be the right thing to do. That is what our priority is at this time.

The Connétable of St. Peter:

Thank you very much. I will move on to a more Treasury-related question, some of which you have answered. The Assembly agreed to defer the transfer of £65 million to the Social Security Fund this year, to release money and improve cash flow. How will the Island's short and medium term spending plans change to cope with COVID-19? Can we expect greater spending to keep the economy going?

Assistant Minister for Treasury and Resources:

I said, when I spoke to Scrutiny and I communicated this to Members yesterday, the change will be drastic and dramatic. Some Members for political reasons misread what I was saying. What I mean by that is: we have no choice, from a Treasury perspective, but to draw a line under the Government Plan. That is not saying that there were not some really important political priorities in that plan and there are some issues that the Island faces which it cannot do anything other than support. It is right that we are spending money on Children's Services to correct the problems of the past there. However, what I mean by that is: all of the political aspirations, the spending plans, the new money that we set out on a journey of hope last year we need to stop. We need to review what we are proposing to spend. We need to consider, in light of the changed situation that we find ourselves in ... I cannot say this strongly enough, everything has changed because of this crisis. This is not just a health crisis. It is also, as your chair so eloquently said, a crisis of lives and livelihoods. We, at Treasury, understand that money comes into all of those issues. It would be irresponsible for the

Government to do anything other than to draw a line under that plan and ask ourselves, and we will need to do this in concert with Scrutiny as well, whether what looked necessary in December in light of this crisis is necessary today? Is it necessary? Is our system of prioritisation that we had back then still appropriate for today? The answer to that has to be: no, it is not appropriate. We are going to have to come together, as an Assembly and as a community. As we come through the health element of this there is going to need to be a great deal of healing across our community, because of the measures that we have put in place, which are going to challenge people's everyday lives, and decide how we want to spend our scarce resource in the future. We are going to need to decide: how are we going to repay back this borrowing? £500,000 is not an insubstantial amount and we do need to pay that borrowing back, let us be absolutely clear. As we go to the banks to arrange this borrowing we have to be agreed that that is a necessary part of our spending. We are also going to have to accept the change to our economy from spending the amounts that we are spending. We have already announced a £280 million spending just for this stage of the crisis. We are also going to need to acknowledge the change that will have to happen in our economy in order to pay for these services in the future.

The Connétable of St. Peter:

I entirely agree with you regarding the plans we had at the end of last year. Obviously we voted on those in the State Assembly, but in effect this crisis has overtaken those. On that line, do you have a strategy yet to identify and prioritise areas for spending and for raising money in the future?

Assistant Minister for Treasury and Resources:

We do not yet think we have a strategy. We are undertaking the early work to see what elements of spend have been started. That is where we need to start this process. What elements of income look to be under risk? That is general income into departments, which is separate from what the Income Forecasting Group will do, which is looking at overall tax take. They are going to be doing that as well. Once we have looked at the spend side of things and what departments themselves think they could defer, then that will come to Ministers and Ministers will have to have that very difficult conversation and thrash out where their political priorities now lie. That is a piece of work that we will need to do and share closely with Scrutiny. We will then have the Income Forecasting Group projections which will help us understand better the envelope. First quarter returns, which are now due any day, may not give us a very good indication of the state of the economy in 3 months' time. We are going to need to wait for the second quarter's returns to really get a good understanding of what is happening in real time in the economy and the money that we have coming in. Although we are going to get started on this recovery plan and this reprioritisation, it is not going to be able to come to fruition for a number of months, because we need those data points in order to fully determine the situation. However, we certainly need to put the brakes on everyday spend

as soon as we possibly can, because of the sheer quantum of amount that we are going to have to spend exceptionally to support Islanders through this health crisis.

The Connétable of St. Peter:

I agree. We cannot underestimate the amount of work involved post the end of the health crisis, because there will be a massive undertaking for economic recovery.

[15:30]

Assistant Minister for Treasury and Resources:

The reality is that some of us, who are living with this day to day and, as I know all Islanders are, but it is living with it in a different way, there is a lot of work and planning going on to the health element of the crisis. I said all along, from my perspective and from a Treasury perspective, health is only one-third of the element of this crisis. Decisions need to be balanced around health now and the support that we are going to need to give Islanders into the future when we are deep in the despond of economic downturn and the amount of money that we are going to need to spend to stimulate the economy there. That will give us some challenging questions. We will need to challenge ourselves, and I say this from my political persuasion, on the structure of our tax system. Let us not kid ourselves that there are many untapped areas where we can suddenly raise a lot more money, like some would have us believe. I do not for a minute think there are. However, we are going to need to think about that restructure and what our economy looks like. We are going to have to think much more carefully about the sort of economy we are, from whether it is a low-waged economy or whether it is a living-waged economy. Again, from my perspective, we should be looking to drive our economy to a living-waged economy, but that will bring other challenges. Even now in this health crisis, we find people saying that the Government should provide the support exactly as the U.K. provides. Yet for the last 20-plus years we have not been taxing either Islanders or businesses in the way that large economies have. We are going to have a really important question to ask ourselves, that we have never really answered satisfactorily: are we remaining a small, nimble economy or are we legislating for a large economy like someone that is in the European Union? We are going to have to face those questions pretty much head on. They are questions which must be answered by the whole of the States and not just by the Government.

Senator K.L. Moore:

Sorry, I thought I better just interrupt at this point, because I am noting that it is now 3.30 p.m. and we have already taken up more of your time than we had requested, for which I apologise. As you know, we had some technical issues. Are you able to continue, Minister?

Assistant Minister for Treasury and Resources:

Does the Constable have one last question?

The Connétable of St. Peter:

I can ask you one last question. This relates to the Social Security and G.S.T. (goods and services tax) referrals, as part of the package that has been agreed. How long do you think we will be able to defer those? At the moment is it a 3-month deferral?

Assistant Minister for Treasury and Resources:

Constable, if I could just clarify, we have announced a deferral for 2 quarters. Those 2 quarter payments, we are saying they do not need to be paid at the end of that third quarter, the payments we are deferring for a year, if you understand that.

The Connétable of St. Peter:

Right, okay, I sort of misunderstood. That is already a generous package. I suppose we will have to see how the economy develops, as to whether that would be extended.

Assistant Minister for Treasury and Resources:

Yes, it is difficult to see that it would be extended, as I sit here, for all of the reasons of requiring cash flow and needing money for the recovery plan.

The Connétable of St. Peter:

Okay. Thank you very much.

Assistant Minister for Treasury and Resources:

Thank you. Chair, can I apologise again that we are having to leave and not able to answer all of your questions in person?

Senator K.L. Moore:

Thank you very much. I am sure we will get out additional questions to you and we look forward to finding more occasions to question you in the future.

Assistant Minister for Treasury and Resources:

Thank you.

Senator K.L. Moore:

Thank you all for your attendance today and for staying for that extra bit of time. It is greatly appreciated.

Assistant Minister for Treasury and Resources:

Thank you.

Senator K.L. Moore:

I close the hearing.

[15:36]