

# STATES OF JERSEY

## SCRUTINY COMMITTEE BLAMPIED ROOM, STATES BUILDING

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**Present:**            **Deputy Rob Duhamel (Chairman)**  
                              **Senator Ted Vibert**  
                              **Deputy Gerard Baudains**  
                              **Senator Jean Le Maistre**  
                              **Deputy Phil Rondel**  
                              **Deputy Bob Hill**  
                              **Dr Janet Dwyer (Consultant)**

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### EVIDENCE FROM:

**DEPUTY G. VOISIN**  
**(President, Economic Development Committee)**

**In attendance: Mr C. Newton (Director of Environment)**

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on

**Monday, 20th September 2004**

**(09:04:59 to 09:56:08)**

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DEPUTY DUHAMEL:            It is just after nine o'clock. I have to read you the notice. It is important that you fully understand the conditions under which you are appearing at this hearing. You will find a printed copy of the statement I am about to read to you on the table

in front of you.

Shadow Scrutiny Panels have been established by the States to create opportunities for training States Members and Officers in developing new skills in advance of the proposed changes of government. During the shadow period, the Panel has no statutory powers and the proceedings at public hearings are not covered by Parliamentary privilege. This means that anyone participating, whether a Panel Member or a person giving evidence, is not protected from being sued or prosecuted for anything said during hearings. The Panel would like you to bear this in mind when answering questions and to ensure that you understand that you are fully responsible for any comments you make.

Welcome to this Scrutiny meeting, to Deputy Voisin and Mr Newton. I would like to introduce us, although you know most of us around the table, but there is Dr Dwyer, who is our agricultural adviser and consultant, agri-environment, yes.

DEPUTY VOISIN: Can I just say that Chris Newton is with me today because Jean L’Amy, who I would normally have brought, is away on a longstanding engagement with her husband, and Paul de Gruchy, who is the second person I would have brought, his wife has just had a baby. So Chris is here.

MR NEWTON: Paul La Miere?

DEPUTY VOISIN: Paul La Miere? Why, did I say Paul de Gruchy?

MR NEWTON: Yes.

DEPUTY VOISIN: Sorry, Paul de Gruchy is our finance executive adviser, so I get the two mixed up every now and again. Paul La Miere, yes.

DEPUTY DUHAMEL: Well, welcome to you both anyway. Before we start the proceedings today, I would just like to make one announcement. For the sake of good order and procedures, could we, from our Panel Members, could I actually ask you to raise your pen or your pencil if there is an issue which you wish to raise which is a new one and to raise your finger if you wish to continue to speak on an issue that is being discussed and you wish to contribute to it? Okay, so if we could do that and we will see how things go.

Well, I would like to start the proceedings by asking one or two questions. Deputy Voisin, from the minutes of the States, I notice that, on 25th July, after due consideration of the Agriculture and Fisheries Committee proposition, Part A, you actually did vote with the

Committee in supporting the Agri-environment Scheme.

DEPUTY VOISIN: Supporting the Agriculture and Fisheries Committee?

DEPUTY DUHAMEL: Yes, that is right.

DEPUTY VOISIN: Yes.

DEPUTY DUHAMEL: And you did have some experience as being part of the review group, and I would just like to start off by asking you to outline why you actually supported the scheme and what in it specifically did you feel was worthwhile to actually give your support?

DEPUTY VOISIN: Well, I think the key thing is that the report outlined how the existing funds could be used in a different way. I think that that to me was very, very important. There was always an issue about whether new funds would actually be provided and, to me, during the debate it was always made clear that any funds would have to be approved during the Fundamental Spending Review, so, although the policy had been reviewed and had been accepted by the States, that bid would then have to go forward to the Fundamental Spending Review to be considered with the other spending priorities.

But I was happy to support it because I thought that the policy struck the right balance between trying to effect change by using the existing funds in a different way; for example, decoupling production from subsidy as, for example, we used to pay -- I am sure Senator Le Maistre knows all about this -- we used to pay subsidies based on, for example, the volume of milk produced and we wanted to decouple subsidy from production and pay per head of cattle, for the reasons outlined in the report. So I thought it was worth supporting on that basis, and I was sorry that the other members of the Finance & Economics Committee couldn't agree with me. I know that they felt that they didn't think that we should be supporting a report that essentially tried to maintain the status quo, but I think that they didn't pay sufficient attention to some of the statements in the report that said, you know, "Well, frankly, we are not just wanting to support agriculture as it is at the moment, we do recognise that there needs to be change and that needs to be done over a period of time." So, on that basis, I was happy to support the policy.

DEPUTY DUHAMEL: If I could just continue, bearing in mind your support for the scheme in that case, could you perhaps explain to the Panel how a day later, when discussion had moved on to the financing of the particular scheme, that although you were actually marked as

present in the States Chamber, you were in fact absent for all votes on the financial issues?

DEPUTY VOISIN: I think, as I have mentioned, it was always accepted that ... well, in other speeches you will hear, certainly I think from the President of the Finance & Economics Committee, he was saying that, although the States were going to ... well, by that time they had approved, the States had approved, the policy, the actual funds to implement those policies were going to have to go forward to be considered along with the other items to be considered in the Fundamental Spending Review. So, although the States were going to make a vote, I thought it was pretty well understood that that was going to be always subject to the Fundamental Spending Review.

DEPUTY DUHAMEL: Notwithstanding that, can you actually explain your absence from voting, bearing in mind that, had that been the established procedure that would have taken place, one would have thought that you would have been fully free to actually make your vote known?

DEPUTY VOISIN: I can't recall what I was doing at that time, I'm afraid. I'm here to answer questions about agri-environment, not about where I was.

DEPUTY DUHAMEL: That is right, but you did actually ... it says in the minutes that you did actually return to the Chamber at a later stage for a different debate.

DEPUTY VOISIN: Right.

DEPUTY DUHAMEL: So it does look as if you were having a cup of tea.

DEPUTY VOISIN: Possibly, yes.

DEPUTY DUHAMEL: Right. Do you think that there is perhaps a conflict between wearing too many hats in the States Chamber, bearing in mind that you did have Agriculture responsibilities and Finance and Economics responsibilities; and it certainly looks from the record as if one was fighting the other?

DEPUTY VOISIN: No, because, you know, on Finance & Economics, you were wanting to look after the States' coffers, the public funds, as wisely and as sensibly as possible. The States had made the decision to support the policy. You see, the trouble is, I know that you are going to be asking me questions about the Fundamental Spending Review and whether the FSR process should have the capacity to overrule States' decisions. You see, I think what people forget is that the States make all sorts of decisions throughout a year, indeed

throughout a decade. Those decisions have funding implications. It is not always -- it is just not always, especially in our current financial situation -- possible to fund everything that the States wants to do, so there must be some sort of prioritisation process.

DEPUTY DUHAMEL: One final one. Are you able to say whether or not, in not actually staying within the Chamber and making your vote known ----

DEPUTY VOISIN: Sorry, I didn't catch what you said there?

DEPUTY DUHAMEL: Are you able to say whether or not, by not staying to exercise your vote for the financing of the Agri-Environment Scheme, that you were perhaps bowing to any pressures that were being put on you politically from your colleagues on F&E?

DEPUTY VOISIN: No, I didn't want ... I'm afraid I think that the whole of that debate, the debate on agreeing the specific funds, was rather academic because, whatever the outcome, everybody (or from my understanding everybody) accepted or everybody knew that it was going to boil down to the Fundamental Spending Review so that these spending requirements were going to have to be judged alongside all the other needs. You know, when you have got, for example, as was eventually proposed during the Fundamental Spending Review, you have got a spending requirement to, for example, increase the amount of money going to maintain liquid waste units down at Bellozanne, something dear to the heart of the Deputy of St John's indeed, you have to make some sort of judgment decision on this. Are we going to put money into repairing an existing facility, something that is very important to the Island and something that has been supported over many years by many States' decisions, or are we going to start something new, and this is the judgment decision that the Fundamental Spending Review has to take.

DEPUTY DUHAMEL: Senator Vibert?

SENATOR VIBERT: Yes. I just wonder if we can stay on that particular point, because it would appear from the evidence you are giving to us and shared by a number of other Members of the States, by the way, is that really there is no point in the States debating an issue where funds are earmarked and a principle is laid down and making decisions because the Presidents of the Fundamental Spending Review will just strike it out. So is there any point in actually holding those debates unless it is done within an atmosphere of everybody knowing the financial position that the Island is in?

DEPUTY VOISIN: And indeed not everybody at the States debate in, what was it, July 2002, not everybody knew what the financial situation was. Certainly the only thing that was on the agenda was the agri-environment ... sorry, not the agri-environment, but the whole Agriculture & Fisheries' Policy. We weren't looking at the wider picture. We weren't looking at what was happening to taxation receipts. We weren't looking at the other requirements, for example by Education. Education that year had a significant bid just to cope with the demographics. Now, of course, we have a law in place that requires the Education Department to educate the youngsters of the Island, which is absolutely right.

SENATOR VIBERT: But this was a specific decision made by the States to do a specific thing, and the money was earmarked, which was £700,000 for an agri-environment scheme. It was passed by the States. It went to the Fundamental Spending Review and it was knocked on the head. Can I ask you ----

DEPUTY VOISIN: Can I just say that it wasn't knocked on the head. It just didn't receive funding for 2004.

SENATOR VIBERT: I will stand corrected.

DEPUTY VOISIN: There have been further discussions about the Agri-Environment Scheme and I know that that is also something you want to talk to me about, the transfer as well, because, of course, I only became President of EDC in December 2003 and I went to the Fundamental Spending Review in, what was it, early 2004, January or February of 2004. Later on that year, when we were going through the deliberations of how we were going to reorganise Economic Development and the old Agriculture & Fisheries Department, it was felt that environmental issues and initiatives should be driven by the Environment & Public Services Committee and, of course, the States had decided that that should split into the Environment Department and then another separate department for Public Services, so, in a sense, it is sensible for the Environment Department to be responsible for that, and EDC were involved, but, you know, again, everybody understood that it was always going to be subject to funding.

SENATOR VIBERT: What do you think of the proposal that, once something like that has been passed through the States, it should be starred when it goes before the Fundamental Spending Review, on the basis that the decision has been made and it can't be changed?

DEPUTY VOISIN: But, if you look at the fundings, at the projects and the initiatives that are going to be funded through the Fundamental Spending Review, all of them -- all of them -- have got States' support and a States' decision behind them, even at the point where they are considered by the FSR, you know, the ones I have just talked about. I talked about providing funds to maintain our waste systems, providing funds for our health and social services because we have a policy to maintain a Health & Social Services' service equal to our European neighbours. The funds are earmarked for education.

SENATOR VIBERT: But surely that was a specific item, approved after a long debate -- it was nearly a two day debate -- and a decision was made by the States that that was something we should do and the funds should be provided. The question I am asking you is do you approve of that situation where, having had the decision made by the States, the Fundamental Spending Review can push it out of the picture? Do you approve of that situation?

DEPUTY VOISIN: Only if the States are made fully aware of all of the other spending requirements. That would not be an easy task.

SENATOR VIBERT: On this issue I have just got one last question. You were actually on the Review Panel that reviewed the scheme and you came out very strongly, the Panel, that everything was right and ought to be approved by the States. You personally went as far as to say -- and I'm quoting here from the *JEP*, so I hope I'm getting it right -- that "*Any Member of the States who did not support this did not want to see agriculture develop in Jersey.*" In the light of that strong statement, I wonder if you can put that alongside failing to turn up to a vote as to whether the matter was going to get the finance?

DEPUTY VOISIN: I think my comments relate to the policy and actually I stand by that. I think, because of the policy, we have made, I think, significant strides in helping the agriculture industry. We are soon going to be issuing some figures -- I say this guardedly now. Is this going to get out into the public?

SENATOR VIBERT: Yes.

DEPUTY VOISIN: Right, okay, then I won't. No, I do know that there is certainly one industry that has been going through big problems and we now have statistical information that demonstrates that it is recovering. We have got that information because of the policy report and we have been able to change the way that we use the money and I think it is being

used more effectively. So, you know, I don't have a problem with the policy.

DEPUTY DUHAMEL: Senator Le Maistre?

SENATOR LE MAISTRE: Can I, first of all, seek a clarification from you? You have just stated, only a few moments ago, that you became President of EDC in December 2003, which means that you have been President of EDC just short of a year.

DEPUTY VOISIN: Well, just short of two years. Sorry, 2002. It was December 2002 I became President. Sorry.

SENATOR LE MAISTRE: Time goes quickly when you're having fun, doesn't it?

DEPUTY VOISIN: It does, yes.

SENATOR LE MAISTRE: But I thought that was quite important, because it does reflect on the statement then about the funding for 2004 if you became President in 2002.

DEPUTY VOISIN: Yes, December 2002, but it was in January of 2003 that we had to agree the funding for 2004, yes? That is the way the process works, isn't it? So in January 2004 we were looking at funding for 2005.

SENATOR LE MAISTRE: So what attention was given in 2003, in January, or what credence was given to the fact that the States had actually approved that proposition that funding be provided for an agri-environment scheme? In fact, it was the only vote on the funding side which had been approved. Was there ... are you able to tell us, because you were part of the process?

DEPUTY VOISIN: I stood. Well, I didn't stand. I wasn't allowed to stand in front of the other Presidents, but I sat with them and proposed the spending bid, yes. There was credence given to the fact that it had a States' decision and that the Agri-Environment Scheme, the funding for it, had been approved by the States and, yes, credence was given to that. If you look at the Fundamental Spending Review, if you look at the outcome of it, you will see that the items at the top that were actually funded are largely existing initiatives that we are having to spend more money on simply to keep up with what we were doing, you know, maintenance and ----

SENATOR LE MAISTRE: But no additional funds were made available to Agriculture in 2004.

DEPUTY VOISIN: No, no.



SENATOR LE MAISTRE: That is correct. Can you say categorically that there were no projects accepted in the Fundamental Spending Review for additional funds which had not had States' approval?

DEPUTY VOISIN: Which had not had States' approval.

SENATOR LE MAISTRE: Because you have just said that all projects have had prior States' approval.

DEPUTY VOISIN: Fortunately I did a bit of research on this. **This** is a document that was circulated to all States Members on the ... Well, I can tell you that the first one at the top of the list, the first item, was to fund the court and case costs and really we had no choice other than to do that because, if ----

SENATOR LE MAISTRE: No, States' approval specifically.

DEPUTY VOISIN: Yes, well, we do have States' approval to ensure that we have a legislature and a criminal system that functions properly, so you can't have a situation where the police are finding criminals and we don't have the funds to deal with them in the courts. I would have thought that is pretty important. The next item was basically to continue to invest in the Health Service, to make sure that it achieves the standards that have been approved by States, you know, through States' policies.

SENATOR LE MAISTRE: Was there any specific States' debate on that which resulted in additional funds being voted?

DEPUTY VOISIN: Not before the Fundamental Spending Review, but, don't forget, after the Fundamental Spending Review, all of these proposals do go or are contained within the policy report ... sorry, the Resource Report.

SENATOR LE MAISTRE: Yes. Please, we are all aware of that.

DEPUTY VOISIN: Yes, yes. But, surely, if the States decide that we are going to have a certain standard of Health Service, then which decision of the States is given priority?

SENATOR LE MAISTRE: But the States had decided that we were going to have a certain standard of environmental advance and protection.

DEPUTY VOISIN: But the States have also decided that we will have a certain standard of Health Service.

SENATOR LE MAISTRE: But not as a specific proposition.

DEPUTY VOISIN: Well, it was certainly part of ----

SENATOR LE MAISTRE: It was based on previous decisions.

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: And uplifted year on year.

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: In the case of Health by more than the cost of living, except for certain years where it had slipped, but that is in history. But please do go through the list because I am intrigued to discover which projects had received additional funding which may not have been the subject of States' decisions.

DEPUTY VOISIN: Right. The third item was the Employment and Social Security Department to maintain supplementation and health insurance exemption contributions. That is just to keep in line, again to maintain States' policies as to the level of those contributions. The third bid was the Housing Committee, because there were new properties developed by the Housing Trust, and so the Housing Department had to make sure they had sufficient funds to pay rent rebate. Again, that is an approved policy of the States. The Education Department, they received ... their bid was successful because they needed to fund education for the growth in the number of students simply because of demographic growth.

DEPUTY DUHAMEL: Deputy Rondel?

DEPUTY RONDEL: Can I come in there, please? You mention that now. In fact, in your opening gambit, you mentioned the law was in place that we had to educate children.

DEPUTY VOISIN: Yes.

DEPUTY RONDEL: But the law is in place that children are educated from 5 to 16.

DEPUTY VOISIN: Hmm hmm.

DEPUTY RONDEL: You were supporting that bid knowing full well that money is being spent, and money is being spent without States' debate, on the early years, that is children from three and a half going forward.

DEPUTY VOISIN: Yes.

DEPUTY RONDEL: That being the case, why didn't you use an argument to take money from that particular vote to get the money for the Agri-Environment Scheme that actually had been passed by the States?

DEPUTY VOISIN: And indeed we also used during that discussion the argument, because, from memory, the majority of this funding was to go into secondary school education and the argument was used, yes, well, if this bulge of students is running through the system, then can't you take it from the primary school budget and put it into the secondary school budget? We were told, well, there was a bit of that, but also the bulge hadn't completely cleared out of primary schools, so that is why it was an additional burden.

DEPUTY RONDEL: But that is not answering my question. I am talking about ----

DEPUTY VOISIN: Yes, early years.

DEPUTY RONDEL: Early years, which is prior to what the law states we have to educate our children, where we have been for a number of years pouring money in, and I have got no problem with it, I am happy about it, but we haven't had a States' debate that we are going to educate children from the age of three/three and a half through to what the law states, when we have to pick up the bill for the children. There is a lot of funding year on year going into that area. That is where you should be making your argument, or should have been making your argument. Why didn't you make it in that area?

DEPUTY VOISIN: I think we had, from memory, on this one in particular, we had a pretty robust discussion about the whole education budget. This is nearly two years ago and I cannot remember the exact details of what was going on, but we had a pretty strong argument over it, because initially I think that it got a lower rating and it was increased because it was well into the funding.

DEPUTY DUHAMEL: Senator Vibert?

SENATOR VIBERT: I just want to try and get your argument straight, because I am having difficulty with it, because it appears to me that what you are saying to the Panel is that, because on health we have a commitment to look after our people, that is a States' policy; because on education we have a commitment to educate people, that is a States' policy. But I would remind you, surely, that this was a Fundamental Spending Review, where you were going to actually deal with specific amounts to do specific things, because, if you carry your argument to a conclusion, you will award anything to health because that is their policy, to improve health. Now ----

DEPUTY VOISIN: No, no, no. There is a specific ----

SENATOR VIBERT: Excuse me, can I just finish the question?

DEPUTY VOISIN: Yes.

SENATOR VIBERT: The specific situation here, surely, is a decision was made by the States to provide a certain amount of money to do a specific thing, and the reason we are probing this is to establish how it was that the Fundamental Spending Review was permitted to actually block that decision in the same way it did with school milk, as an example. It was a specific decision made by the States, so it was States' policy that school milk would be supported and a Budget would be provided. It went to the Fundamental Spending Review and it was refused. So you are wrapping the argument up, it would appear to me, on the basis of broad policy as against direct policy and really the issue here is about a direct decision was made by the States. I wondered if you could stick to that.

DEPUTY VOISIN: But surely, a direct decision, when you are talking about a direct decision, you are talking about a specific decision, in other words, a specific decision relating to the funding of an agri-environment scheme. That has got to be done within the broad strategic aims of the States, surely?

SENATOR VIBERT: But the States decided that. That is what they wanted to be their strategic aim.

DEPUTY VOISIN: But they did ----

SENATOR VIBERT: A decision was made by the States to do it.

DEPUTY VOISIN: But they did that within the broader policy outlined of the new Agriculture & Fisheries' policy though, didn't they?

SENATOR VIBERT: I am sorry, I just can't see the obtuseness of that argument. I just can't understand it.

DEPUTY VOISIN: Surely ----

SENATOR VIBERT: Otherwise it would mean every application that is made by whatever department would be based on a very broad principle that we approve, that we wish to look after the people of Jersey. We approve that we are going to house the people of Jersey. But if the Housing Committee had come with a specific argument that said "We want to build X number of houses and we want a budget of 4 million to do it", right, on your basis, the Fundamental Spending Review would have to accept that because that was States' policy, to

house the people of Jersey.

DEPUTY VOISIN: No. It was one of the things that would have to be rated. It would have to be scored.

SENATOR LE MAISTRE: Could we ----

DEPUTY VOISIN: I think what I was saying before, about money being earmarked for maintaining our liquid waste system, that was also approved and also money to deal with our solid waste system, that was also approved. This is not a broad brush approach as far as the sum is concerned. The sum for each of these items is clearly earmarked. For example, dealing with our liquid waste system, the sum earmarked was 300,000 and that, of course, is a sum that is added to the Budget. So, you know, what we are talking about is additional spending. If you want, you know, I suggest you get hold of **this** and actually look at it.

SENATOR VIBERT: We have seen it.

DEPUTY VOISIN: You have seen it, so, you know, everything in **here** is in support of policies that have been approved by the States, strategies that have been approved by the States, or laws that have been approved by the States, but ----

SENATOR VIBERT: But not specific ones, just broad general ones.

DEPUTY VOISIN: So what are you saying then? Are you saying that specific objectives should take priority over broad, long term, strategic objectives?

SENATOR VIBERT: The decision that was made by the States was made in conjunction with the whole of the agricultural policy. It wasn't just a separate item. It was within the broad policy of helping the agriculture industry. That is how the decision was made. It wasn't made in isolation. It was made as a group decision.

DEPUTY VOISIN: Yes, but it was made in isolation.

SENATOR VIBERT: And it was a specific one.

DEPUTY VOISIN: But it was made in isolation of the other spending requirements of the States: health, education and social security.

SENATOR VIBERT: I will leave it at that. Thank you.

SENATOR LE MAISTRE: Could I just pursue one point, because it is important, and I think we need to consider the impact? Are you suggesting that the States should not have propositions which actually involve the spending of money with the amount of money

measured and put forward, approved by the States at any stage? Either that or, if they are approved, actually it is of very little meaning because they will then be subsequently readdressed by a group of Presidents, because are we able to point to a previous occasion when the States has passed a decision which has subsequently been pushed aside, not pursued, through another process? It seems to me quite fundamental that we use arguments for certain areas -- health, education and housing -- but when it may come to school milk or agri-environment or whatever, the same arguments seem not to apply.

DEPUTY VOISIN: First of all, just to deal with school milk, school milk was proposed as a saving by the Health & Social Services Committee, so that, I don't think, can be considered as part of the funding, it is considered as part of the ----

SENATOR LE MAISTRE: Well, the States made a decision to support school milk in the light of Health actually not considering that to be a priority in their budget. The matter was brought to the States ----

DEPUTY VOISIN: After it had been through the Fundamental Spending Review process, it then came to the States and was approved.

SENATOR LE MAISTRE: The matter was brought to the States and approved.

DEPUTY VOISIN: Yes, until when, 2005, I think, isn't it?

SENATOR LE MAISTRE: Whatever, but we do know that when the Fundamental Spending Review took place (because I attended at the RJM on that occasion) the officer recommendations were that school milk should not be funded.

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: Because it was put at the bottom of the list.

DEPUTY VOISIN: And then after that it then went to a States' vote.

SENATOR LE MAISTRE: It was then considered. Do you remember the words "*must do*"? There were items put forward which were "*must do's*".

DEPUTY VOISIN: Yes. "*Must do*", yes, but that, I think, was after. That wasn't in the 2003 FSR agreeing the 2004 Budget. That was in the 2004 FSR agreeing the 2005 Budget, I think.

SENATOR LE MAISTRE: It could be, but the principle hasn't changed, has it?

DEPUTY VOISIN: Well, the principle is similar. But it is the same, yes, because when we had the 2003 Fundamental Spending Review agreeing the Budget for 2004, at that stage the

school milk issue was being put up as a saving, not as a growth, okay? So ----

SENATOR LE MAISTRE: I'm looking at the principle of a States' decision ----

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: ---- irrespective of what surrounds it, the States approving a policy and an in principle funding.

DEPUTY VOISIN: Yes, yes.

SENATOR LE MAISTRE: What I am trying to find out is how this should be dealt with, and I'm asking the question really, do we have evidence of previous occasions when the States has approved a policy and funding, which subsequently has been dropped from the eventual Budget proposals, because clearly these are very important matters in terms of the States and the importance attached to States' decisions? I fully appreciate that when such a proposition is brought forward, it isn't brought forward with all the other funding issues surrounding them, whether it is housing or education or whatever, frankly. If there is a proposition to build a new school, it is not made with all the information of what is required for Social Security, what is required and so on. The principle is made, or the decision is made, on the proposition that it would be good to have a new Le Rocquier or Hautlieu or whatever.

DEPUTY VOISIN: Hmm.

SENATOR LE MAISTRE: And it seems to me that, following from those decisions, the group recognised the States' decision as being important. What we can't understand here is why it is that the issue of agri-environment became a lower priority within the minds of the group when the States had very clearly said "We approve the whole policy and, actually, because of the voting, we place quite an importance on the Agri-Environment Scheme."

DEPUTY VOISIN: Right. You have asked lots of questions there. When you first started speaking, you were asking about whether I felt it was necessary for a States' vote to be taken on specific amounts. I think that what is more important for the States to agree is the policy that we are going to be following. When that funding actually is required is not always clear and, more importantly, it is not always clear how much money the States have actually got to play with. I think that if we have ... if we want the States to engage in proper financial management, then we can't afford to just have a situation where absolutely everything is funded. There must be some sort of financial constraint because we only have a finite amount

of resources, and it is a question of ----

SENATOR LE MAISTRE: What rôle does the States play in that as a body?

DEPUTY VOISIN: Well, we approve the Resource Plan and we approve the Budget. In factual fact, the example of school milk is a good example of how the Presidents did make a decision not to fund school milk, but the States said “No, we want it funded”. So an amendment was brought and it was funded. In actual fact, that is a good example of how it can and should work.

SENATOR LE MAISTRE: Okay. Thank you very much for that. In that case, as President of EDC, having failed to get your funding for agri-environment, should it not have been the responsibility of EDC, recognising the States’ decision, to bring an amendment to the Budget to say, in the same way, “This is considered by the States as being important. We believe it should be funded and here is an opportunity to vote on that specifically”? So somebody failed somewhere along the line.

DEPUTY VOISIN: Well, in that case, I failed, because I didn’t bring the amendment. I certainly believe that I was part of the Presidents’ group that discussed this. We all had our chance to make our bid, to state our arguments, and, as a matter of fact, I thought that the Committee Presidents scored the Agri-Environment Scheme quite highly. But, you know, in all conscience, as somebody that is representing people, okay, I am Deputy of St Lawrence, but, you know, I am thinking about the whole Island. I want to do what is best for the whole Island and I am afraid that, when it compares to funding our judicial system and funding our Health Service, where we have, you know, potentially people dying because we are not providing sufficient funds to buy the right medicines, I am sorry, but I think the Agri-Environment Scheme has got to come behind those very important things. It is like our solid waste and liquid waste. You know, what sort of European country doesn’t have a liquid waste disposal system that is not properly maintained? It would be absolutely unthinkable of Jersey to have a system that starts to malfunction because it hasn’t been properly maintained. I am sorry.

DEPUTY DUHAMEL: Senator Vibert?

SENATOR VIBERT: Yes. I am still quite dissatisfied with the answers that we are getting on this, because we seem to be going round in a circle. I wonder if I could just put a hypothetical



position to you. We are going to shortly be looking at spending over £80 million on our waste situation. Let us assume that the States makes the decision to spend the £80 million and Committee Presidents and officers decide they don't like the fact that it is going to be an incinerator. They don't mind the £80 million, but they don't like the incinerator. They can in fact block it at that stage. Do you think that is right?

DEPUTY VOISIN: Well, in theory -- in theory -- they could not include it in the Resource Plan and therefore the Budget and there is every chance that an amendment might be brought.

SENATOR VIBERT: But this is the whole point. The only way it can be changed is to bring in an amendment and that brings you into conflict with your colleagues who are Presidents because you have already agreed, and I am not suggesting there is any bad motive, but democracy being what it is, if six Presidents say "Well, we want it out" and three say "Well, we want it in", they have lost, so you have to withdraw.

DEPUTY VOISIN: Yes.

SENATOR VIBERT: And you have to fight another battle. But, in fact, it raises the issue that in fact it is not practical for a Member, a President of a committee who feels that his committee has been badly done by, to actually raise amendments in the Budget. It really, from a practical point of view, can't happen.

DEPUTY VOISIN: Yes, but if I felt that the Committee of Presidents was making a serious error of judgment, like, for example, not making sure that we have adequate funding for us to renew our solid waste disposal system, then I think I would have to do something about that.

SENATOR VIBERT: So you didn't put the Agri-Environment Scheme very high on your list of priorities as the President responsible for agriculture?

DEPUTY VOISIN: Yes, as far as EDC and as far as agriculture was concerned, I thought it was important. But I am sorry, I don't think it was as important as some of the other things, the other key things, that we had to do. But that is what the Fundamental Spending Review is all about.

SENATOR LE MAISTRE: Can I just pick up on one point?

DEPUTY VOISIN: I'm not hiding anything here, you know.

DEPUTY DUHAMEL: Deputy Hill?

SENATOR LE MAISTRE: There is an important point that has come out here.

DEPUTY HILL: Go on. It is probably the same point as I was going to pick up.

SENATOR LE MAISTRE: I have picked up the very point you have made, that it is important for agriculture.

DEPUTY HILL: Yes.

SENATOR LE MAISTRE: Sorry, there is a misunderstanding here. This is important for the Island of Jersey. This is not an agricultural issue. I'm pleased that you have said what you have, because, to me -- perhaps you want to expand on this -- you have obviously considered this an agricultural issue. It is what the agricultural industry, surely -- tell me if I am wrong -- is delivering for the benefit of the whole community? These are not agricultural issues. They are what the industry delivers. Please tell me if my understanding is wrong.

DEPUTY VOISIN: You are referring, of course, to the statements in the Policy Report that says that farming or agriculture looks after the environment, the landscape is beautiful and that is as a result of the activities that are involved with farming.

SENATOR LE MAISTRE: No, I am referring to Agri-Environment Scheme.

DEPUTY VOISIN: Yes, but the Agri-Environment Scheme, don't forget, it merely enhances what the farmers are already doing.

DEPUTY DUHAMEL: Deputy Hill?

SENATOR VIBERT: Pardon?

DEPUTY VOISIN: Doesn't it?

SENATOR VIBERT: Can you run that past us again?

DEPUTY VOISIN: Well, the Agri-Environment Scheme enhances what the farmers are doing. For example, it compensates them for setting aside part of their field. It asks them to plant additional trees. It engages them as a partner with the States to allow greater access to land. That is part of the Agri-Environment Scheme, isn't it?

SENATOR LE MAISTRE: So you are actually agreeing that the Agri-Environment Scheme is there for the benefit of the whole community.

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: Growing trees actually benefits the whole Island, surely, and not just agriculture?

DEPUTY VOISIN: I have never said that the Agri-Environment Scheme isn't to the benefit of

the Island community.

SENATOR LE MAISTRE: Okay.

DEPUTY DUHAMEL: Deputy Hill?

DEPUTY HILL: Just to expand on that issue actually. As the President of EDC, with a responsibility for the agricultural community, would you not have thought it was your duty as the President to at least pursue it, and did you report back to your Committee and say “Look folks, we haven’t got what we have asked for. Do you think we should now take an amendment to the States with the view, like they did for the milk, to getting this a greater priority”? So did you take it back to the Committee and discuss it with a view to taking it to the States?

DEPUTY VOISIN: We did discuss the outcome of the Fundamental Spending Review, yes, and, no, we didn’t decide to take it to the States because I think the Committee generally accepted that there were other things of a higher Island-wide priority. I take the point, and I have never disagreed that the Agri-Environment Scheme is about looking after the Island for the community, but I think that there are other things too that have had to be funded as a priority for 2004.

I think the other thing that I would like everybody to understand is that, in not agreeing to something in terms of being funded, doesn’t mean to say that it is just forgotten about. It is still there. It is still being worked on. In fact, the Agri-Environment Scheme is a good example of this. We had another example the other day, the ombudsman law as well. Just because it doesn’t make it into a funding program for a particular year doesn’t mean to say that it is just forgotten about and discarded. It is not as if it has been rejected. It is there. It is sitting there and it is just waiting for its turn, its time.

DEPUTY RONDEL: The fact is that it is in the Strategic Plan as a “*must do*”.

DEPUTY VOISIN: Yes.

DEPUTY RONDEL: Passed by the States, but with a difference, and I wondered if we could just move on to ----

DEPUTY HILL: Could I just finish off the line of questioning, if I could, just to put it into a box, so to speak? So what you are saying is, even though the States gave its blessing to the Agri-Environment Scheme, even though it went to the FSR and didn’t succeed, your

Committee did not think it was worthy enough to come back to the States, even though the States had given it? That is the bottom line of it really, with all the other issues surrounding the Island -- I accept that as a point of view -- but you did not think as a Committee that it was worthy of coming back to the States to seek approval for this additional funding?

DEPUTY VOISIN: Not for 2004, no. If you think that is the wrong decision ----

DEPUTY HILL: No, no. What I am trying to do is to put it in a box so that we know where we are with it, that is all.

SENATOR VIBERT: Yes. Do you believe that Presidents elected by fellow Members on the floor of the House to represent a specific area, i.e., in your case this one was the environment, should not be fighting their corner for that particular issue and take it to the full extent, i.e., bring it back to the House if you don't get what is required? Or do you believe you have to be a team player and actually go with the flow and, if you don't actually come up trumps, as you said, for 2004, you will just accept it? Don't you believe the Members expect more of Presidents of Committees?

DEPUTY VOISIN: I think that it is not so much about being a team player, it is about being practical, because if you have a situation where every President that didn't get their bid accepted by the Committee of Presidents brought an amendment to the Resource Plan of the Budget, then you would have an awful lot of people, every President, bringing all these ----

SENATOR VIBERT: Can I just interrupt there? This was an issue approved by the States and was probably the only issue approved by the States at the Fundamental Spending Review that was actually pushed on to the back burner, so there is a huge difference between that and all the other bids.

DEPUTY VOISIN: No. There is the funding for the new planning law that didn't make it. That was a law that was approved by the States that didn't make it.

DEPUTY HILL: Could I just come back quickly on that? So, therefore, it was incumbent on Planning to come back with it, as indeed we have just had the incident now of Hansard. Hansard was approved by the States. It didn't make the FSR, but the Committee brought it back and, indeed, the States have made a decision that they don't think it is worthy of funding. That is just an example. Possibly a lesson has been learned. Who knows?

DEPUTY VOISIN: To be honest, I found that amendment quite extraordinary, because when

we discussed it as the Committee of Presidents, the Presidents said “Well, we don’t actually need the money for next year anyway, we need it for 2006”, so everybody said “Oh all right then, that’s fine” and then the President brought an amendment.

DEPUTY HILL: But the principle was there, that it was a States’ decision to go with Hansard. It went to FSR. It did not succeed, so I don’t know about what the Presidents said at the FSR review, but the principle was he did bring it back to the States to let the States say “Well, look, folks, you have approved it. FSR have not. Now, would you like to reconsider it?” It went through the process.

DEPUTY VOISIN: Yes, but please understand that, because it didn’t get funding for 2005, it is not the case that it won’t be funded. It was just that it was agreed that it wasn’t necessary to fund it in 2005. But everybody accepts that it will have to be funded in 2006. There is no argument there.

SENATOR VIBERT: I wonder, Mr Chairman, if I can interrupt because time is getting on here? I just wonder whether we can change and go on to conditionality and some other areas that we need to question Deputy Voisin on?

DEPUTY DUHAMEL: Yes, that is fine.

SENATOR VIBERT: Because I think we have given that a pretty good airing.

DEPUTY DUHAMEL: Yes. Okay.

DEPUTY VOISIN: I do have another meeting at ten o’clock, I am afraid. I was informed that I had 45 minutes.

DEPUTY DUHAMEL: Well, we have 11 minutes.

SENATOR VIBERT: Okay. Shall we move on to conditionality?

SENATOR LE MAISTRE: Yes. It would appear that in subsequent submissions the actual policy has been changed without States’ approval, which we find interesting, that the whole purpose of the Agri-Environment Scheme being delivered by the agricultural community should be locked in to direct support and, therefore, the term “*conditionality*” is used, partly because the funding would not be 100%. In other words, there would need to be some contribution from the agricultural community. Could you explain, perhaps in terms of benefits to the Island -- the thing that you are obviously focusing on -- why it is now considered that conditionality should not apply; in other words, that there is an argument obviously being put

forward that funding should be available to those who wish to avail themselves of it, but not to all, irrespective of whether they received direct aid?

DEPUTY VOISIN: I understood that the direct subsidy that we provide is conditional.

SENATOR LE MAISTRE: In your Fundamental Spending Review that was changed. I am pleased to hear that you thought it was otherwise.

DEPUTY VOISIN: Hmm hmm.

SENATOR LE MAISTRE: Because I think there was concern that a matter which had been approved by the States, the platform on which it was built had been changed in some significant way, and it would appear because of pressure from the industry to change it.

DEPUTY VOISIN: So you are talking about the current Committee's policies?

SENATOR LE MAISTRE: Yes.

DEPUTY VOISIN: On the way that we pay subsidies?

SENATOR LE MAISTRE: No. The proposition to adopt and to fund an agri-environment scheme has changed ----

DEPUTY VOISIN: Right.

SENATOR LE MAISTRE: ---- from the States' approved decision.

DEPUTY VOISIN: Okay, but you are not referring to the Agri-Environment Scheme that I took to the FSR in 2003, you are talking about the scheme that went to the FSR in 2004?

SENATOR LE MAISTRE: Yes.

DEPUTY VOISIN: Well, I wasn't ... I didn't sponsor that. That was taken by the Environment & Public Services Committee, because we were trying ----

SENATOR LE MAISTRE: But are you aware of this and what are your views then on it?

DEPUTY VOISIN: What, that the Agri-Environment Scheme was no longer going to be ----

SENATOR VIBERT: Conditional.

DEPUTY VOISIN: Conditional. I would have thought that there would always need to be some sort of conditions attached to an agri-environment scheme. I am afraid I would have read the papers on the Agri-Environment Scheme at the time, but, you know, you read these papers. I am sorry, but I think it might be best if you spoke to ----

SENATOR LE MAISTRE: No, but there is a link here, isn't there? I mean, we are talking about joined up government, aren't we?

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: And I'm quite reassured to hear what you are saying, but it seems to me that there is a gap of understanding here between two committees both dealing with the same subject.

DEPUTY VOISIN: Well, no, I don't think the Economic Development Committee are going to be dealing with the introduction of an agri-environment scheme. We are going to be involved in it, and we have been involved in it, but the environmental issues are being handed over to what will become the Environment Department.

SENATOR VIBERT: Can I just ask whether ... have you not actually seen the paper prepared or response from the Director of Environment about the removal of conditionality from the Scheme, which is actually the one that is currently being pushed forward? I mean, I would find it incomprehensible that the President of the committee that is responsible for agriculture wouldn't be aware of a fundamental change that has taken place in putting the scheme forward. So when it went to the Strategic Plan, for instance, as part of the Strategic Plan, it included the removal of conditionality, and that is a crucial issue for the States. I'm just gob smacked (is probably the word) that, as the President, you are not aware of that.

DEPUTY VOISIN: Right. **(Pause)** You know, I am not aware of ... have I received ... I have received the document.

MR NEWTON: You have seen the response that went to the Panel. **(Deputy Voisin and Mr Newton conferred)**

DEPUTY VOISIN: Right, okay. Sorry, I am not as up to speed on it.

SENATOR VIBERT: Okay. So there is not much point in pursuing it and we will do that with the President of the Committee. There was one issue about it, of course, which is that it fundamentally changes the approval that was given by the States for a particular scheme with no reference to the States at all.

DEPUTY VOISIN: No.

SENATOR VIBERT: I just wondered what your view was about that.

DEPUTY VOISIN: I would have to know more about the proposal.

SENATOR LE MAISTRE: Let me put the question simply. The States approved an agri-environment scheme which had conditionality very clearly attached. You are well aware of

that because you were part of the review group in fact. I believe, or if I recall rightly, you supported that concept 100%. The States approved it and approved the principle and the policy, set aside the funding for the moment.

DEPUTY VOISIN: Yes.

SENATOR LE MAISTRE: Now, if there is to be a change in that principle and policy, do you believe that it is right for that to be done outside of the States or should it be ----

DEPUTY VOISIN: Well, I am sure that the Environment and Public Services Committee will take something to the States to be approved. You know, the last proposals ----

SENATOR LE MAISTRE: I am sorry, but it has gone through this process without ----

DEPUTY VOISIN: The last proposals that went before the FSR were not successful in terms of being funded.

SENATOR LE MAISTRE: No, but the point I am making, or the question I am asking, is that it would appear that that decision has already been made, because it was a part of the process of FSR without reference to the States. Do you believe that is correct or not?

DEPUTY VOISIN: Well, I think that is probably one of the reasons why it wasn't funded in the Spending Review, okay?

SENATOR LE MAISTRE: Right.

DEPUTY VOISIN: These things, States' decisions, are taken into account.

SENATOR LE MAISTRE: So, okay, well we need to understand that. I am sure that is helpful.

DEPUTY VOISIN: Okay.

DEPUTY DUHAMEL: If you do not have any further statements you would like to make, I would like to thank you for attending.

DEPUTY VOISIN: Pleasure. Have a good day.

DEPUTY DUHAMEL: And we will send you a copy of what you said.

DEPUTY VOISIN: Okay.

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