## STATES OF JERSEY

## **SCRUTINY COMMITTEE**

## BLAMPIED ROOM, STATES BUILDING

\_ \_ \_ \_ \_ \_

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

**EVIDENCE FROM:** 

**Policy and Resources** 

Senator F. H. Walker

(Mr. Jeremy Harris - Officer)

on

Thursday, 8th July 2004

(10:30:36 to 16:06:28)

\_ \_ \_ \_ \_ \_

(Digital Transcription by Marten Walsh Cherer Limited, Midway House, 27/29 Cursitor St., London, EC4A 1LT. Telephone: 020 7405 5010. Fax: 020 7405 5026)

\_ \_ \_ \_ \_ \_

SENATOR VIBERT: As we all know, today is a very special one for the whole scrutiny process, because scrutiny has been set up by the States of Jersey as part of the Clothier Report, and that was on the machinery of government and we are part of that proposal. This is the

first public hearing by the Scrutiny Panel, which makes this a landmark day.

Now, today and tomorrow we are going to be hearing witnesses on the Agri-Environment Scheme. Now, the terms of reference for this are to (1) review the policies to safeguard and enhance the environment, which was approved by the States on 25th and 26th July 2002, and subsequent related work undertaken to implement the policy; (2) to consider submissions to the Fundamental Spending Review in support of the scheme; (3) to make recommendations to the appropriate committees; and (4) to assess the consequences of non-implementation or partial implementation for the Island as a whole and the countryside in particular. So, in simple terms, in July 2002, the States approved a policy for the agricultural industry to be given financial aid to carry out this work and they voted £700,000 for the scheme to commence.

This enquiry is going to look into why and how that happened and the likely consequences of this failure to implement the policy. All of the hearings are in public and the public are welcome, but the public have no participation in the proceedings.

The process of scrutiny, as outlined by the States, has to be evidence based, and the purpose of it is to determine matters based on evidence presented to us. I need to make the point that this is not a Star Chamber and no member of the public or Member of the States should fear it at all.

The Chairman of the Agri-Environment Panel is Deputy Duhamel, and I now invite him to take the Chair and begin the first public hearing of the scrutiny on the Agri-Environmental Scheme. Thank you, Rob.

DEPUTY DUHAMEL: Thank you. I would like to just welcome the few States Members and members of the public who are about to attend and in the future for coming and call our two first witnesses, which are Senator Walker and Jeremy Harris.

## EVIDENCE OF SENATOR WALKER and JEREMY HARRIS (POLICY AND RESOURCES PRESIDENT AND OFFICER)

DEPUTY DUHAMEL: Good morning. Welcome. 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. I would like to welcome you here to the first Scrutiny Panel hearing and I would like to open the proceedings by asking the first question.

Now, Senator Walker, would you outline to the Panel your understanding of the proposed in 2002 Jersey Agricultural and Fisheries Agri-Environment Scheme?

SENATOR WALKER: The basis for the proposal?

DEPUTY DUHAMEL: Yes, the basis of the proposal and your understanding of those proposals as they were agreed.

SENATOR WALKER: Yes. I can't pretend that I have an encyclopaedic knowledge of it. My memory is restricted, and my information is restricted, to the somewhat peripheral involvement that the Policy and Resources Committee of the day had. But, basically, it was, as I understand it, a scheme to maintain true agricultural means and the environment of the Island, the rural environment of the Island.

DEPUTY DUHAMEL: And do you, as President or current President of the Policy and Resources Committee, actually still support those aims?

SENATOR WALKER: Well, no, let me be clear here. My Policy and Resources Committee have not been involved in deliberations on the scheme. This predated the debate and the proposition of Senator Le Maistre predated my Policy and Resources Committee and this was an issue which was discussed and decisions taken by the previous Policy and Resources Committee. I made it clear at the time, as did other Members, a majority of the Policy and

- Resources Committee of the day, that I did not support the scheme and I actually spoke against it in the States.
- DEPUTY DUHAMEL: Right. In that context, are you aware of the strategic aims within the strategic policy document that your committee successfully brought to the States Chamber the other day, whereby, under Strategic Aim 4, "to protect the natural and the built environment", quite a few of the aims are actually very similar to those aims that were proposed in the Agri-Environment scheme?
- SENATOR WALKER: They are similar and, of course, I am aware, well aware, of those. That doesn't, however, necessarily mean that they would be achieved in the same way as was previously recommended. There is no doubt that there has been a colossal change in the rural environment and the rural economy over the last two years and probably in the last year in particular, and there is a decline, sadly, in the use of land for agricultural purposes. My very strongly held view, which I think is shared by -- I know is shared by -- my current committee is that we need to be looking now at probably entirely new and different land use policies to reflect the reality of what is actually happening in the countryside now, other than or rather than what was happening in the countryside two, three, four or five years ago, which is very different.
- DEPUTY DUHAMEL: One final point. Could I ask you to, or press you to, define, as far as is possible, the differences between policies that you have just indicated you could support ----
- SENATOR WALKER: Sorry, I am having trouble hearing you, Chairman.
- DEPUTY DUHAMEL: Could I press you to actually define the differences that you have already indicated that you do fully support as head or President of the Policy and Resources Committee and to highlight those differences as compared to the proposals that were put forward in 2002, because ----
- SENATOR WALKER: I am not going to do that in absolute detail because there are so many fundamental changes in the rural countryside and the rural economy and you will have noted that we are calling in the Strategic Plan for the Economic Development Committee to come up with a plan for land use and for the future of the agricultural industry, and it is not for me, I think, to prejudge because I am not intimately involved with the countryside or indeed with the agricultural industry, or indeed with environmental issues. Those are matters dealt with, of course, by other committees. It is not for me, I think, to prejudge what conclusions and recommendations those committees will be making, suffice to say that I am very confident that the strategic plan lays the framework, lays the base, the foundation -- call it what you will -- for the committees with responsibility for the countryside to come forward with strategic plans, with business plans, action plans -- again, call them what you will -- in a very short timescale, which I am hoping and assuming and expecting will come up with cohesive and rigid, firm, acceptable policies for both the agricultural industry and for land use reflecting -- I repeat again, reflecting -- the new reality of what is happening in the countryside. I just don't think it is possible today, or realistic, to compare the countryside in 2004 with the countryside in 2001 or 2002.
- DEPUTY DUHAMEL: Thank you. Do other Members have any other points?
- SENATOR LE MAISTRE: Yes. I think we need perhaps to better understand the statement you made concerning the Agri-Environment scheme and that it was not supported by yourself. Could you elaborate on that in relation to how you saw or what reasons you felt that the agri-environment scheme could not be supported at that time and how you say the countryside has changed and how that fits in with your inability to support the scheme in 2002?
- SENATOR WALKER: I don't think the fact that the countryside has changed fits in with my inability to support the scheme in 2002, although I do recall saying -- whether or not I actually said it on the floor of the States or said it at Policy and Resources Committee meetings or indeed meetings with you, Senator, and your chief officer of the day -- but I do recall predicting and having a very clear belief that the agricultural industry was then already in decline and that that decline would accelerate, which of course sadly is exactly what has happened. You will recall that not as president of Policy and Resources, because I was not President of Policy and Resources of course at the time, I was Vice-President, that is true, but,

as a member of Policy and Resources but more particularly as a Member of the States, I spent many hours in discussion with yourself and your chief officer and others trying to get the clearest possibly understanding of what was being proposed and the overall nature of the scheme.

I think I can do probably little better than refer -- and I imagine you have this Act of 6th September 2001 of the Policy and Resources Committee, which refers to the "lack of rigour and credibility" of the proposals put forward in P126/2001. Despite spending many hours -- and you will, I know, agree with me that I did indeed spend many hours -- seeking to establish the merits of the scheme, I was unable at the end of the day to come to the conclusion, with regret in many respects, that the scheme indeed represented the best way forward for the agricultural industry. I did not think it had, as the minute of P&R says, "sufficient rigour and credibility", given the changing nature of the industry, which was apparent even then, and therefore did not feel it was appropriate to support it. And, of course, that is absolutely my right and ability as a Member of the States.

SENATOR LE MAISTRE: That gives a general overview, but the fact that it had no rigour, perhaps you could elaborate on that, because we will come, perhaps later on, to some points which are more detailed. I think, in order to understand, your inability to support such a scheme which was quite detailed, it would be reasonable to ask what is meant by the "lack of rigour".

SENATOR WALKER: I find it slightly strange that I am being asked to explain a decision which I arrived at, along with many other members of the States, in 2002. I opposed the scheme. I conclude again that there were aspects of it certainly that didn't have sufficient rigour and I recall I was particularly concerned about the lack of a full explanation on the funding proposals; and that, you will recall, Senator, is a question I raised with you and your chief officer on countless occasions, to try and get more detail on that particular aspect. The biggest problem that I had and other members of the Policy and Resources Committee had, and of course many Members of the States had, was also that we didn't think the targets were sufficiently clearly explained. Again, you and I had many a discussion, as I did with Mr Griffiths, who was then the chief officer. I had many a discussion on that aspect. But the fact is that, at that time and at that date, I came to a conclusion I could not support the scheme, which I repeat was a conclusion I am perfectly entitled to arrive at; and, of course, I was not alone. Other members of the Policy and Resources Committee and a very considerable number of Members of the States took the same or a similar view.

DEPUTY DUHAMEL: Any further questions from anyone else?

SENATOR VIBERT: Yes, if I may. I am just interested in how you saw the change back in a couple of years ago when you were actually considering it, what changes you saw that actually affected your view of the scheme, what particular changes you saw that you thought would make the scheme either unacceptable -- that is the first question -- and the second one would be relative to the funding of the scheme. What were the areas, if you can remember -- I know it is difficult for you to go back, but it is important that you do, because we are dealing with that particular scheme -- that you saw and that you felt was too weak to actually support?

SENATOR WALKER: Yes. The concerns about the future were that I regarded or I think my overview of the overall policy as presented in P126 was that it was seeking to protect the past basically. It was certainly seeking to maintain -- and, again, I had many discussions on this point with Senator Le Maistre and his then chief officer -- it was certainly seeking to maintain a significant number of small farmers in business. I felt at the time, and with no great joy, I have to say, and I have the same view today, that there was an is an inevitability that the agricultural industry was going to polarise around a smaller number of bigger farms, and I do not believe the strategy, the policy, actually recognised that and, indeed, was seeking to prevent it.

I think one of the other things that had clearly changed was the market. The market, as we all know, has become totally supermarket dominated; whereas, for many, many years, it was anything but and the supermarkets gradually assumed more control over the markets so that they now have a stranglehold over the market and I think the scheme was unrealistic in suggesting that we were capable of turning the tide almost of supermarket buying practices and policies. I don't think it faced up to the new reality basically. I think I can probably only

go back to what I said just a minute ago. I think the scheme -- and it is a very defensible strategy, I just didn't happen to agree with it -- I think the scheme was seeking to preserve an agricultural industry which, for factors beyond Jersey's control, was just not capable of being delivered. That was the view I took at the time.

SENATOR LE MAISTRE: Can I come in, because I am sorry, but I think there is a bit of confusion here. The scheme does not relate to large or small units.

SENATOR WALKER: That's right.

SENATOR LE MAISTRE: The scheme does not relate to marketing. The scheme relates to protection of the countryside.

SENATOR WALKER: That's right.

SENATOR LE MAISTRE: And the scheme was very clearly detailed on what it was intended to achieve, extremely detailed. All the information was passed to P&R and F&E at the time. It seems to me, from the replies that are being made, that there is actually confusion as to what the objectives of the scheme were and actually what was required to implement them. I accept that they may have had an overlap with some of the other activities in the countryside, but certainly the Agricultural-Environment Scheme, as such, stands alone and will cope with changes in the structure of the industry as well as of the marketplace. So I think we need to try to draw this out, because it will be helpful.

SENATOR WALKER: I am still not clear, Senator, I have to say, why it is necessary for me to explain in detail why I opposed the scheme.

SENATOR VIBERT: Perhaps I can interrupt and help here. We have in fact read a lot of documents and, from those documents, have come some strong, very strong, views expressed by Mr John Mills to the Committee about the financial aspects of the scheme.

SENATOR WALKER: Yes.

SENATOR VIBERT: He is clearly very concerned about it and, I think, saw it as a prop to the industry.

SENATOR WALKER: Yes.

SENATOR VIBERT: That is the impression that we have from the papers. So the first question I put to you is do you think that was his particular view, because he is not here to express it but you dealt with him. He certainly expressed it in writing and we have certainly got some sections where he was very strongly against the scheme, but on financial grounds rather than on environmental grounds. There seems to me to be a very clear situation. I believe what I've heard you saying (and I want to get it right because it is important that we do get it right from our point of view) that you were certainly in favour of the environmental protection side, but you were concerned about the way in which the controls were going to be in place to fund it. Is that it?

SENATOR WALKER: That is absolutely one of my concerns, absolutely right.

SENATOR VIBERT: So you would in fact be looking at it very much, because at that time, of course, you were not Policy and Resources, you were Finance and Economics.

SENATOR WALKER: Yes.

SENATOR VIBERT: So you were looking at it very much as a financial matter; whereas now your position perhaps to some degree has changed, in that you are now Policy and Resources and you would be looking at a strategic matter.

SENATOR WALKER: Well, I hope I was doing that anyway, but whether you take it from a financial perspective or a strategic perspective, I didn't agree with the scheme and that's a fact. I don't agree with Senator Le Maistre actually that there is confusion. I think there is disagreement, which is, I think, very different.

SENATOR LE MAISTRE: Well, perhaps it would be easier for us to understand if you explained maybe in a little bit more detail. I know that is difficult, perhaps, but I would like to be sure in my own mind, as part of this process, because we are trying to have it as evidence based, that actually the opposition to the scheme, which has subsequently come through in other decisions, was based on the reality of what the scheme was proposing rather than what was believed that it might be proposing.

SENATOR WALKER: I can't answer that. I had a belief of what it was proposing and I took my decision based on that belief. I believe that belief was accurate, but I have to say I think

my opposition ... I am perfectly entitled to give no reason for opposing any proposition.

SENATOR LE MAISTRE: Yes.

SENATOR WALKER: I thought that I was going to be here this morning to discuss why, when the States took a decision to support the scheme in principle but then failed to deliver the funding, why the funding was not delivered.

SENATOR LE MAISTRE: Well, we are getting there.

SENATOR WALKER: But I maintain my view. I believed and believe now that I had good reasons, both strategic and financial, for opposing the scheme.

SENATOR VIBERT: Could I ask you about the conflict there was between John Mills and the environmental ... Michael Romeril? There was clearly, from all the stuff that we have seen, a very clear, almost a personal conflict there. Did that affect the decision of the committee in any way, in that there was some side-taking in this?

SENATOR WALKER: I can't say obviously that it didn't affect Mr Mills' advice to the committee. I can say that it didn't, to the best of my recollection, ever arise as a subject that was discussed by either P&R or F&E.

SENATOR VIBERT: Okay.

DEPUTY HILL: Could I come in, please, on the question and ask something? There are a couple of points I would like to clarify actually. You said early on when you spoke earlier that you thought the decline in the industry has gone down. I think we all accept that. Would you put that down, do you think, to lack of morale within the industry because they have failed to get political support, i.e., the support that the States agree to a policy, yet they don't agree to its funding? Do you think that could in some way be part of the reason as to why there has been the decline in the number of farming businesses in the last two years?

SENATOR WALKER: I imagine it is quite conceivable that it is part of the reason. It is not my view that it is the main reason. The main reason, in my view, I have to say, is straightforward economics. The fact is that, as I said earlier, the supermarkets now dominate the market, whether we like it or not, and they control prices and that has had a hugely adverse effect on Jersey's agricultural industry. In addition to that, there is competition. Whereas the Jersey Royal, up until relatively recently, had its own very highly regarded niche in the market, so that Jersey Royals were on the market early, Jersey Royals had a reputation for high quality and prices reflected that and Jersey Royals were being sold at premium prices in the market and we had a real niche and the agricultural industry prospered for many years, based on that niche. What we have seen now is a huge, often a total change in buying habits caused by the supermarkets and their aggressive nature and aggressive tendency to buying practice. What we see now, of course, is a tremendous growth in competition, so that we are seeing potatoes on the market as early and in some cases even earlier than the Jersey Royal and it has to be said, sadly, that there is no longer anything like the distinction in quality between the Jersey Royal and some of the competitors. So I think the decline is market driven. I believe very strongly that we have been trying to grow too many vergees of Jersey Royals now for a reasonable length of time and we are unable to effectively sustain that level of growth in the current market. So I think the major decline, without question, is economic.

DEPUTY HILL: Yes.

SENATOR WALKER: But I am not sure what the States could have done to reverse that because it is largely out of our control.

DEPUTY HILL: Could I elaborate on that, because I think that this is where there may well be possibly a problem with the decision as to how, or an understanding of what the Agri-Environmental Scheme was. It wasn't, in my opinion, to ensure that the farmer can get a good price for potatoes. Surely the Agri-Environment Scheme should be a whole to ensure diversification within the countryside and maintain as many people within the industry. That would have been the purpose of the Agri-Environment Scheme, as opposed to seeing how much money they can get from the supermarket, because I accept what you are saying, that it could be market driven. I know the supermarkets are king as far as potatoes, but I think the Agri-Environment Scheme was wider than just selling potatoes.

SENATOR WALKER: Yes, indeed, but the scheme ultimately could only work if there were ... if the land remained under agricultural management basically, and we have now seen a

huge amount of land come out of agricultural management, which is precisely why we have in the Strategic Plan a call for, which we will provide, a new land use policy. We believe we have to face up to the reality of today, which is that we will never go back to having the amount of land, at least in the foreseeable future, the amount of land farmed that we had five years ago/ten years ago or whatever and alternative land uses are now pretty much, very much, required, in my view.

DEPUTY HILL: Yes, but don't you think that was the point missed by F&E and P&R when this was being discussed, because I think in many ways what the Agricultural Committee of the past was looking at was it was looking to the future, showing up at the end of the day that, you know, we were the only part within the western section without an agri-environmental scheme. So really what we were trying to do, or what the Ag and Fisheries was trying to do was trying to ensure that we were keeping up with things. Do you think the Committee may have missed the point?

SENATOR WALKER: No, I don't.

DEPUTY HILL: And were looking at the possibility of a market driven rather than a good agricultural environment?

SENATOR WALKER: Maybe I am referring perhaps more widely than I should to the entirety of the proposition that Senator Le Maistre brought to the States, because we weren't talking just in fact about an Agri-Environment Scheme, we were talking about a whole host of other related issues. I think they did, as the propositions show, come together as a package.

Just to pick up a point, a question asked by Senator Vibert about the possible antagonism between Mr John Mills, the then Chief Officer, and Mr Mike Romeril, the Environmental Officer, it wasn't just Mr Mills's advice that the Policy and Resources Committee relied upon. We did in fact have extensive research undertaken and extensive reports written -- I am not aware of whether you have copies of them or not -- from both our economic adviser and the environmental adviser at that time.

SENATOR VIBERT: Isn't that where one of the problems that there would have been is that the battle was really between the environmentalists and the money people; in other words, "Yes, this is good for the environment, but we simply can't afford it"?

SENATOR WALKER: I don't think so. I don't think so. I mean ----

SENATOR VIBERT: I didn't mean by the Committee, I actually meant by the officers.

SENATOR WALKER: I don't think so, because, again, it is no secret (and you picked it up in your question, Senator, that there is no secret) that there was an issue between Mr Mills and Mr Romeril. I said earlier, I don't know whether that affected the advice Mr Mills gave the committee or not. I have no idea. But, as I have just said in response to Deputy Hill, we were also looking to our economic and environmental advisers for support as well and their comments certainly and there, too, there was no clear cut recommendation at all that the committee should support the scheme, indeed, again, very much, certainly as much in terms of the economic adviser, very much in the negative.

I support wholeheartedly, and I did then, investment in the countryside. I do today, I did then. I just didn't happen to believe that the proposition put forward was the right way of going about it. As I have already said, and Senator Le Maistre will, I know, agree, I did personally try very, very hard to get to the bottom of it and I spent many hours up at the States Farm and elsewhere discussing the scheme and, by the time we got to the States debate, I was unable to confidently say that I believed it was the right way forward. I didn't have that confidence. I had significant doubts. I retain those doubts today. I think there are new ways and other ways of dealing with the issues of the countryside.

DEPUTY DUHAMEL: Deputy Rondel?

DEPUTY RONDEL: I am getting the distinct feeling that there was, or the impression that there was, a conflict between senior officers here, out of what I am hearing from yourself, Senator. Would you agree on that?

SENATOR WALKER: Oh yes. I mean, I don't think there is any secret there at all, and it didn't just extend to this scheme. That conflict spread across many aspects of States work. There was a tremendous issue between the environmental adviser and Mr Mills, the Chief Officer, over, for example, the sustainability report which Mr Mills thought very little of and,

of course, Mr Romeril staked a great deal, attached a great deal to. I have to say that, whatever the rights and wrongs of it, this sustainability strategy is repeatedly referred to or has been in States debates in recent times, but if one reads it again and reads it carefully, there are no specific recommendations in it and that is the problem, the problem with it. I think Mr Mills, who was pretty much a black and white person, was looking for specifics, which he didn't feel were there, and there was a culture clash, yes, absolutely. But to what extent -- I think I have really answered that when I answered Senator Vibert -- to what extent that affected Mr Mills's advice to the committee I don't know. I don't believe it had a material affect on the committee's decision.

DEPUTY RONDEL: Thank you. You say there were no objectives in the scheme, but I --

\_\_

SENATOR WALKER: Which scheme are we talking about?

DEPUTY RONDEL: The Agri-Environment.

SENATOR WALKER: No. I was talking ... when I said there was no objectives, I was talking

about the Sustainability.

DEPUTY RONDEL: Thank you.

SENATOR VIBERT: What you are really saying is that he spelt out what needed to be done,

but not the path to do it.

SENATOR WALKER: Sorry?

SENATOR VIBERT: He spelt out what he felt needed to be done to sustain, for instance, the population of, I think it was, 87,000, but didn't spell out a pathway as to how that could be

achieved.

SENATOR WALKER: Yes, absolutely.

SENATOR VIBERT: That was John Mills's view and John Mills was very much one for

saying "Well, tell me how it can be done."

SENATOR WALKER: Yes.

SENATOR LE MAISTRE: Can I come back to the question of the scheme? The policy had many components, as we saw before. I suspect part of the problem was that it did have a number of components, but that is the nature of the industry, the countryside and so on. The objectives of the scheme were clearly stated, and I was wondering whether I could read them out and you can tell us which ones you did not agree with.

SENATOR WALKER: Senator, I will, providing I am aware, if I may, Chairman, of the purpose of that particular line of questioning. I am not at all sure why it is appropriate for me to explain why I opposed and voted against a proposition. I mean, we all do that every States sitting.

DEPUTY DUHAMEL: I think all we are interested in, from a scrutiny point of view, is the overlap between decisions that are made by previous committees and current committees and the interaction between committee members who have actually been in the position to sit on both committees.

SENATOR WALKER: Well, okay. I absolutely ----

DEPUTY DUHAMEL: And in terms of procedural controls, to what extent we can actually find ways to actually recommend benefits in terms of procedural changes to actually bring about an easier flow to the work and a greater consistency. I will come back to it, but one of the big issues is in fact that, although presumably -- and I would ask you specifically now whether or not you do -- you actually agree with the central decision making authority of the House?

SENATOR WALKER: Of course.

DEPUTY DUHAMEL: Presumably you do. But, in this respect, there does appear to be an element of inconsistency here because, although the decision to actually adopt the Agri-Environment Scheme to a certain extent was endorsed and, again, with some of the monies being forthcoming for the first year, when we actually got to a position to actually determine budgets further down the line, efforts were made from various directions to actually circumvent that particular decision. In fact, we ended up with the position where the scheme wasn't funded. Quite clearly, in terms of overall Government control, there is an element of inconsistency here if we do believe, as you just stated, in the central authority of the House.

One would expect that a decision called for an and agreed for on the floor of the House should find a way of rising to the top of the priority queue and to find the funding there that had been previously agreed, but that didn't happen.

SENATOR WALKER: I understand the point. I absolutely understand that point completely, and that is really what I thought in the main I was here to answer, if you like. The fact is that the States approved the policy of the then Agricultural and Fisheries Committee but did not approve the funding of significant elements of the policy.

SENATOR VIBERT: No, but that specifically answers the key issue. Although there was an element of discontent, if you like, on behalf of some members that they didn't like the whole of the package, the Agri-Environment Scheme per se, which was to actually inject monies into the environmental issues for nitrate reduction or reduced levels of pesticides or increased tree planting, which indeed is part of the new strategic thrust that we agreed the other day, those elements are identical.

SENATOR WALKER: No, they are not identical at all. I am sorry, they are not. What we in P&R ... let me go back to your first point.

SENATOR VIBERT: I think we are mixing the question up here. SENATOR WALKER: Yes. Let me go back to your first point.

SENATOR VIBERT: The first question is the one I think you are going to deal with.

SENATOR WALKER: Why wasn't the funding carried through.

SENATOR VIBERT: Yes.

SENATOR WALKER: The funding, as I think everyone knows, went to the Fundamental Spending Review. The Fundamental Spending Review, of course, the team that undertake the work, assisted by many officers and so on, are the presidents. The Fundamental Spending Review outcome was a recommendation against funding. Other priorities came higher up the list and that is what was put to the States. But, of course, it was up to the States. The Fundamental Spending Review is only and the Resource Plan and the Budget indeed are only effectively recommendations and the States could, either in the Resource Plan debate or perhaps more appropriately in the Budget debate could have overturned the recommendations being put to them at that point and could have reintroduced or insisted on funding being introduced for the Agri-Environment Scheme, but that didn't happen. So, at the end of the day, it was the States themselves who took the decision.

SENATOR VIBERT: But do you agree, or would you agree, that once a decision has been made by the States and funding had been set aside by the States, that when it goes to the Fundamental Spending Review, do you not think that should carry a priority level that has been approved by the States and almost should never be struck off the list of the States if have approved it, because otherwise we end up with what happened, which was we had the debate that approved and then we had the debate that disapproved and the disapproval was because the prioritisation of it just didn't fit the pattern, and that could partly have been (and that was one of the reasons, I think, for the earlier questions you were asked) because there was this fundamental view held by the Finance and Economics Committee that it really was not a scheme they wanted to support, and that is a pretty powerful committee.

SENATOR WALKER: Yes, it is true, but the president of the Finance and Economics Committee is only one voice among nine in the Fundamental Spending Review, and he or she can be outvoted and -- I speak from personal experience -- have frequently been outvoted at Fundamental Spending Reviews. The fact is that the majority of presidents decided that there were other priorities. That is not to say they didn't wish to fund this; there were other priorities, given the amount of money available, that they felt ranked higher than the Agri-Environment Scheme, rightly or wrongly.

But I think the point of your question is of real importance. How much attention should be paid to a States' decision in this regard? The answer has got to be a great deal. There can be, in my view, no doubt about that. Now, I can't go back, my memory simply cannot go back, to the discussions that the presidents had on this particular issue two years ago and what weight or not was given to the States' decision. I would be astonished, because we have been there before and since, I would be astonished if considerable weight wasn't given to the States' decision. I think people who, States Members who, have observed the presidents

acting in the Fundamental Spending Review will have heard, on more than one occasion "That's a States' decision", and I know that there have been some instances where the fact that a States' decision has been taken has been considered to be binding or effectively or as near as does not matter.

Why that was not the case in this context, I am sorry, I cannot recall, but I would go back to my earlier point. I don't recall anyone -- and again I could be wrong and I stand to be corrected -- but I don't recall any States Member either in the Resource Plan debate or in the Budget of that year saying "This isn't good enough. The States approved the funding of it. What's happened?" Now, I don't know, Senator Le Maistre may have done, but certainly there is obviously no evidence that the States supported that view. I go back to my earlier point that, at the end of the day, it is the States and only the States who ultimately take these decisions

SENATOR VIBERT: But wouldn't you agree that it is a difficult position for the States to be in? Once it has gone through the Fundamental Spending Review, it is a very difficult position for States Members to go against the argument of the Fundamental Spending Review. It is not an easy process to take place because the argument is that it has gone through all the filters -- chief officers have filtered it and they have made their recommendations, the Fundamental Spending Review have made their recommendations -- who are States Members to query that kind of filtering system.

SENATOR WALKER: But it hasn't stopped them.

SENATOR VIBERT: I really wanted to ask you to express an opinion. Do you think it is something that should be pursued, that some formality should be laid down that once a decision has been made by the States and funding set aside, that when it goes to the Fundamental Spending Review, it is starred as being that the decision has been made? What is your view?

SENATOR WALKER: I think that is absolutely legitimate, once the States have taken the decision. I don't think it is possible for any States Member to argue against that principle.

SENATOR LE MAISTRE: Could I also come at it, but from a slightly different angle?

SENATOR WALKER: Sorry, before you do, Senator, could I just go back to a point made by Senator Vibert? Is it difficult to oppose/amend the Resource Plan or the Budget? Well, yes, it is, but not impossible and there is a record of States Members bringing successful amendments to both in recent years. So it is not easy, I agree, but it is certainly not impossible. Certainly Deputy Rondel has brought amendments to the budget in the past, not many of them, I think, successful, but nevertheless he has brought amendments.

DEPUTY RONDEL: I have brought a successful one, if you remember, so I know it does happen.

SENATOR WALKER: Indeed, yes. So it can happen.

DEPUTY RONDEL: It can happen, but it is hard. It is really very hard.

SENATOR WALKER: It would have been, I think ... sorry, I accept that. It would have been a very interesting debate, I think, had an amendment been brought to the Budget which said "We don't approve this, we want ..." I forget what the level of funding specifically for agrienvironment was, but "We want funding for the Agri-environment Scheme". It would have been a very interesting debate.

SENATOR LE MAISTRE: The question then I pose is, is it right for the onus to be on individual States Members to bring about that change, or rather shouldn't it be the other way round, that once the States has made the decision, as it did in this case, that rather, as a result of the Fundamental Spending Review, there should be a proposition to rescind that decision, because that usually is what happens where a matter is not pursued.

SENATOR WALKER: Yes.

SENATOR LE MAISTRE: And it seems to me that it is putting the cart before the horse, if you forgive the use of that phrase, to put the onus on the House to actually change a recommendation. The reality is that the House has already decided and I can understand if, as a result of the process, the decision is made not to pursue it. But surely the onus should then be on the President or the Finance Committee to preface that by a decision to rescind.

SENATOR WALKER: I don't think that is really ... let us put it another way. I find that

difficult to argue with.

SENATOR LE MAISTRE: It is a general principle and not just this scheme.

SENATOR WALKER: I mean, the fact is that if this continues in this vein, I expect that one of the outcomes of your deliberations may be a recommendation to tie up and to tighten up on States procedures. I would have no problem with that at all, but I think the fact is that procedures as they existed at that time were adequately followed. There was no breach of procedure, certainly.

SENATOR VIBERT: No, no. No one is suggesting that.

SENATOR WALKER: But I absolutely hear what you are saying and I think if a recommendation was made that made that very point, that if the States take a decision to fund a particular proposition or whatever, that that then either should go through or should be the subject of a rescindment motion does not seem to me to be unreasonable. I think there is one caveat, however, or addition I would make to that.

The States are well known for taking funding decisions in isolation of the big picture and without reference to the overall budget and then waking up at the end of the day saying "Oh my goodness me, how do we find the money to fund that?" Now, I think probably things have improved quite a lot in that respect, but I think there is another aspect to that, that no decision requiring States funding should be taken completely in isolation of the consequences of that decision, given other funding priorities and a very clearly states established limit on how much should be spent in any one particular year.

DEPUTY DUHAMEL: I would like to come in at that point because, again, if you go back to the decision we just made for the strategic policy a few days ago, we do appear to have actually agreed to pick up on a whole load of ----

SENATOR WALKER: Which particular number and on what page, Deputy?

DEPUTY DUHAMEL: I am looking at page 4.1 "Traditional Landscapes and Urban Issues."

SENATOR VIBERT: 4.1. SENATOR WALKER: 4.1.

DEPUTY DUHAMEL: Strategic Aim 4, but not just confined to that particular section. SENATOR WALKER: Sorry, I am having trouble hearing you, Chairman, I am sorry.

DEPUTY DUHAMEL: It is not just confined to that section, but within the whole of the report. It would appear that, based on your comments, you seem to be suggesting that, in order for States business to conduct itself in an effective way, we should have some idea of the financial implications that strategic decisions in their agreement are going to have on the overall finance of it.

SENATOR WALKER: Absolutely.

DEPUTY DUHAMEL: And, in that respect, the whole of the strategic policy didn't actually pick up on any -- any -- costings, although we actually agreed on the strategic aims. It does seem to be a contradiction there. I would agree that that is a better way to go forward, if you can marry the two together, but, again, from a procedural point of view of how we do our business. We have a very current example of actually doing things the wrong way, whereby we have agreed to a whole host of policy changes without knowing how much they would be likely to cost in the future.

SENATOR WALKER: No, Chairman you haven't. You haven't agreed to any specific propositions here at all. What you've agreed to is a comprehensive list of aims and objectives and a work list, which is action which is necessary to be undertaken before specific propositions, which would have to be, in my view, put together with financial consequences before those specific propositions come to the States. The States has committed itself to nothing specific in this context, and if you look at the ... if you take 4.1, "Implement comprehensive policies for effective, innovative and intelligent band use and development control, lead responsibility, environment and public services", there is no specific recommendation there. 4.1.2 is "Review the Island Plan". All it is saying is review it. They are not saying change it and whatever. 4.1.3: "Protect and promote Jersey's environment as one of its most important assets". These are high level strategic aims. They are not specific proposals which at this juncture would require any funding decisions at all.

DEPUTY DUHAMEL: No.

SENATOR WALKER: At a later stage, assuming that changes would be proposed on the back of these strategic aims necessarily to reach the objectives, then of course that is a very different matter.

DEPUTY DUHAMEL: That is right. So you do not deny that at some stage there will be a cost or a bill to actually pick up if some of these aims actually are translated into reality?

SENATOR WALKER: Of course I don't deny it, no. That may well be the consequence.

DEPUTY DUHAMEL: No, but that actually backs up my point, in that there is an element of time distance between agreeing to an aim and to agreeing to a set of proposals to actually carry out those aims.

SENATOR WALKER: There is indeed a time distance.

DEPUTY DUHAMEL: And not understanding the financial aspects of achieving those aims.

SENATOR WALKER: I mean, a simple answer to that is I don't know what the financial consequences or aspects are at this point because the work hasn't been done.

DEPUTY DUHAMEL: No.

SENATOR WALKER: But these are high level aims.

DEPUTY DUHAMEL: But if you look at the Agri-Environment Scheme, this was perhaps a difference in the approach, the Agriculture Committee at the time not also only brought forward a strategic policy document, but they did actually have it costed. So the two were together.

SENATOR WALKER: Yes, but there was some considerable discussion and disquiet about the costs as presented and the financial rigour that went with the scheme.

DEPUTY DUHAMEL: Right.

SENATOR VIBERT: I think the reason why Deputy Duhamel has picked up on that, and I see the difficulty as well on your last statement, where you spoke about the need to fit in a cost to the budget, as it were, are because the timescales are going to be so different. I am not sure how it would be practical all the time we have government without executive government. Our difficulty is, of course, which we are all facing, that a lot of the proposals we are talking about now are actually going to be effective when executive government takes place because the whole budget will come as a package, which will include most of these costings. So, you know, we are in difficulties as States Members for, I think, the next 12 months in trying to sort out how this is all going to work until executive government comes in. Do you see the difficulty that many of the States are in in that respect?

SENATOR WALKER: Yes, I do. I still don't accept the points made by the Chairman.

SENATOR VIBERT: No, no, that is fair enough.

SENATOR WALKER: At all. There are timescales against the aims and objectives in the strategic plan. If you take 4.1.1 and 4.1.2, for example, it says 2006, which suggests that no specific proposal will come forward for implementation should a specific proposal indeed result (and I sincerely hope they will) that no specific proposal for implementation will come forward for effect until the year 2006. So, again, I think it fully supports my point. These are strategic aims, which should not and indeed cannot be costed at this juncture because there is no binding decision here of the States to spend money on anything as an output of this plan. But what it clearly does is give a framework in which committees will work and in which ultimately committees will come forward, be it Policy and Resources or whoever, with specific propositions which -- and I go back to my point and re-emphasise it -- at that point must have the financial consequences.

SENATOR VIBERT: I get that point well.

SENATOR LE MAISTRE: Can I bring it back to some of the points?

DEPUTY DUHAMEL: Before we do that, I would like to ask one final question. Bearing in mind that we have just have a statement that perhaps no detailed developmental plans will be in place until 2006 and 2008, did you say, could I ask you to actually outline any detrimental aspects to the States not actually picking up with the previously proposed Agri-Environment Scheme and the fact that it would appear that, if no monies are forthcoming and no plans are going to be finally laid to rest until 2008, what would be the detrimental aspects to the countryside in terms of the environmental improvements that we all want not actually being able to take place until that time?

SENATOR WALKER: Well, 2006 is of course a target and I know, as Senator Vibert will know, who is a member of the Environment and Public Services Committee, my understanding is that that committee is working actively on land use issues and on conservation issues in so far as they affect the rural environment.

DEPUTY DUHAMEL: But everything within existing budgets.

SENATOR WALKER: Sorry?

DEPUTY DUHAMEL: But everything within existing budgets.

SENATOR WALKER: I still can't hear you. I am sorry.

DEPUTY DUHAMEL: But everything within existing budgets.

SENATOR WALKER: I still haven't heard you. I am sorry, my hearing ----

SENATOR VIBERT: But everything is still within existing budgets. I think the chairman

does not appreciate that these microphones do not work.

DEPUTY DUHAMEL: Okay.

SENATOR WALKER: Fair enough. I am sorry, Rob, I am being informal, but you do speak somewhat softly for me and my hearing is not that great. My hearing is not what it used to be. All within the existing budgets currently, yes, of course. Clearly there is no question of Environment and Public Services or any other committee breaking agreed budgets. I mean, those have been approved by the States, so it would be sort of a contradiction of one of the points that we have discussed and, I think, agreed on this morning were that to be the case. But that is not to say that Environment and Public Services can't come forward with recommendations for increased spending in this area in the next spending review, the next spending round.

SENATOR VIBERT: Can we move on to another area now because I think we have exhausted that one?

SENATOR LE MAISTRE: Could we ask this? The decision of the House was clear, but it has been frustrated by the process which has taken place subsequently. That is a fact. There are a number of things which come out of that, which are the consequences of non-implementation of a scheme which is not directly linked to the performance of the industry. Perhaps, if I can just list the objectives that were stated clearly, you could help us by telling us whether you agree broadly with those objectives but it was actually the implementation

SENATOR WALKER: Yes.

SENATOR LE MAISTRE: The first was "To improve the care of the Island's countryside, enhancing biodiversity, protecting wildlife and the landscape."

SENATOR WALKER: Who could argue?

SENATOR LE MAISTRE: "To bring additional environmental benefits to the population of the Island. To minimise the risk of pollution from agricultural sources, primarily from slurry and nitrates. To enhance the image of farming as adopting progressive practices that benefit the environment. To support the marketing of Jersey produce based on environmentally friendly agriculture. To improve the image of Jersey with benefits to other industries." That was the stated objectives. I accept that everybody will have their interpretation of how it works out. However, one of the consequences of non-implementation is the continued concern about nitrate levels and the risk of pollution from slurry, because of the size of the slurry tanks. Have you any views on the risks which the Island has if there is non-implementation?

SENATOR WALKER: Yes. I think I am not au courant with nitrate levels and their rise or fall or whatever.

SENATOR LE MAISTRE: They are about double what they should be.

SENATOR WALKER: Okay, and I am not au courant with slurry issues. I am aware that they are issues, quite obviously -- I don't think many people in Jersey would not be -- but I think we are in a position now where the problems of the countryside extend far beyond, important as they are, the levels of nitrate and issues relating to slurry. There is a serious, serious problem in the countryside now with fields lying idle and, if we are not very careful (and we have seen many examples of this already) nearly being overtaken by weeds and becoming unsightly and with all sorts of consequential knock-on problems. That, I think, the Strategic Plan effectively, without perhaps spelling that out in the sort of clarity I hope I have, I think

- specifically recognises and is specifically seeking to address. I believe this is minuted, but I did bring pressure to bear, and considerable pressure to bear, on the previous Environment and Public Services Committee to frankly get their act together in terms of the inevitability of what was happening in the countryside and to come up with some proactive policies pretty quickly. I am saddened that that didn't happen, but I have some confidence that the current committee will be doing that and in pretty short order.
- DEPUTY HILL: Could I come quickly into that, because that is the area I was trying to expand earlier? I do believe actually that the concept was maybe because of the tension between the environmentalists and the financial issue, that one looked and concentrated too much on the financial issues rather than the environmental issues. Taking it from your answers, you said you weren't aware of the nitrate levels and you weren't aware of the slurry levels ----
- SENATOR WALKER: No, I didn't say I wasn't aware of them. I may have been aware of them at that time. I said I am not au courant with them today.
- DEPUTY HILL: Yes, I know. I am not looking to look for blame, but I am just wondering whether the committee really were, as individuals, fully aware of really what the Agri-Environment was all about. It wasn't about whether we could sell potatoes to supermarkets, but it was about protecting the countryside. Do you think there is a possibility that that might have been missed, or the importance of it might have been missed?
- SENATOR WALKER: No, I don't think so because, as I said earlier, the committee did ask for extensive reports from a number of people and I personally -- and I go back to what I have said two or three times already -- I personally spent many hours with Senator Le Maistre, the then president and his then chief officer, trying to get to the bottom of the scheme and still came away and that had nothing to do specifically with the environment on the one hand and funding on the other. It was real doubts about, in fairness, about where the overall proposition was taking it rather than the specific agri-environment bit, but real doubts about where that proposition was taking us. I still have concerns, although the overall objectives that Senator Le Maistre just read out are very similar to those in the Strategic Plan -- and who could argue with them because basically they are just such fundamental common sense -- but I still have concerns about the methodology being proposed at that time to achieve those objectives.
- SENATOR LE MAISTRE: I understand what is being said because I think, in fairness, of the total amount of time spent debating the policy, the overall policy, the amount devoted to debating the Agri-Environment Scheme was actually small in the total context.
- SENATOR WALKER: Yes.
- SENATOR LE MAISTRE: I think the overall funding of the policies was what took up the major amount of the time. But it leads me on to the next question, which is we continue to be the only part of Europe, Western Europe, without a proper government funded agrienvironment scheme. Now, you may call it something else, but essentially what are your views -- you started to elaborate on them -- in terms of that position, because in the papers submitted to P&R at the time of the debate there was an issue raised by the chief officer then about the relationship of Jersey's position with Europe in relation to not having an agrienvironment scheme. Now what are your views because there obviously must be a view that P&R have on this?
- SENATOR WALKER: Yes.
- SENATOR LE MAISTRE: There was the question raised as to notification of this issue both to the UK and to Brussels.
- SENATOR WALKER: It has not arisen subsequently, to the best of my knowledge, at all. It has certainly not come to my attention or my committee's attention.
- SENATOR LE MAISTRE: No. The question that was raised was the fact that, at some point, there is a question mark which could be raised by either the UK or Europe, because of our export situation, that we do not actually have in place a scheme which is protecting the environment and the countryside.
- SENATOR WALKER: Yes. Of course it is possible that that question would be raised. I can only say that I note the point now. It certainly hasn't crossed the radar screen of either myself or my committee at any stage.
- SENATOR LE MAISTRE: Does it concern you that we do not have such a scheme?

SENATOR WALKER: Sorry?

SENATOR LE MAISTRE: Does it concern you that we do not have such a scheme?

SENATOR WALKER: Yes, it does, but that doesn't necessarily mean that I support the scheme originally proposed, and I think my committee has made it very clear that we support the protection of the environment in a number of ways.

SENATOR VIBERT: But you support the objectives that Senator Le Maistre read out.

SENATOR WALKER: Absolutely.

SENATOR VIBERT: Really the problem is that you didn't agree with the way in which it was going to be achieved?

SENATOR WALKER: No, I don't, and I maintain a point I made right at the outset, that I do not believe that aspects of that scheme are deliverable in the way that it was planned for them to be delivered, given the new reality in the countryside. That is a view I still hold.

SENATOR VIBERT: I understand that.

SENATOR WALKER: Can I just ... Mr Harris has very helpfully given me a report, which again I assume you have got, but I think it is worth me quoting, in view of the suggestion that there was a fallout, which I have accepted, between the environmental adviser and the then chief officer, but this is comments to the Policy and Resources Committee of the environmental adviser. This is the environmental adviser. This is his report, undoctored.

DEPUTY DUHAMEL: Is that dated?

SENATOR WALKER: It is dated 17th August 2001. I just quote one paragraph from it under the specific heading, paragraph 2 "*The Agri-Environment Proposals*." I will read the whole thing, if I may.

DEPUTY DUHAMEL: Yes.

SENATOR WALKER: "The concept of an agri-environment scheme is welcomed and has much to commend it as a means of achieving a changed philosophy to agriculture in the Island. I believe that there will be considerable merit in such a scheme in Jersey. There are many examples elsewhere of schemes, some more successful than others. Jersey should therefore learn from those successes and seek to adopt a type of approach which mixes the best of successful schemes elsewhere, but especially having regard to the Island's own particular characteristics. However, whilst fully supporting the concept, I am concerned that the Agriculture and Fisheries proposals have not been fully worked up and leave too many questions unanswered. For example, what are the specific levels of support and for which activities? There is concern too that some of the schemes proposed, e.g., slurry tanks, are about measures that one could argue should part and parcel of the normal operations of a farm holding."

It goes on then at some length, but I hope you have got this report. I think the point is there that any disagreement that there may have been on other issues between Mr Mills and the environmental adviser, Dr Romeril, clearly don't cover this particular area, because Dr Romeril's advice to the Policy and Resources Committee was entirely consistent with the advice that the committee of the day received from our economic adviser and from Mr Mills. There was no major diversity or divergence of view between all the advisers to whom the committee turned before reaching its final decision.

SENATOR LE MAISTRE: Can I pick up on that because I think it is important because it is a dating issue?

DEPUTY DUHAMEL: We are running out of time, so if you can be brief on that and then we will have one final question from Deputy Rondel.

SENATOR LE MAISTRE: It is a dating issue. Senator Walker is absolutely right. That report was written on 17th August 2001.

SENATOR WALKER: Yes.

SENATOR LE MAISTRE: And he is absolutely correct that the detail of the scheme had not been worked up at that point.

SENATOR WALKER: At that time.

SENATOR LE MAISTRE: It was actually worked up long before the debate took place in July 2002 and that document, which is here, was submitted to P&R, I think, in about March that year. So those points, whilst valid at that time, ceased to be valid in those precise terms

because the information was then available.

SENATOR WALKER: I have no recollection, Senator, that the advice of the environmental adviser actually changed.

SENATOR LE MAISTRE: That is possible and, of course, I wouldn't know that. All I am saying is ----

SENATOR VIBERT: Sorry, but would you know whether the final report went to the environmental advisor?

SENATOR LE MAISTRE: Yes, it did. SENATOR WALKER: Yes, yes.

SENATOR VIBERT: And you didn't actually get his report, as far as you know?

SENATOR LE MAISTRE: Which is interesting ----

SENATOR WALKER: I am not making a statement here, Senator. I am saying, to the best of my recollection, there was no change of recommendation from the environmental adviser.

SENATOR LE MAISTRE: That is interesting, because it doesn't actually pick up on quite a fundamental point, which it seems to me perhaps should have been reported back to the committee after the information was given, to state that either it was satisfactory or it wasn't.

SENATOR WALKER: Well, that may well be. I do not know.

SENATOR LE MAISTRE: Well, there is no documentation here which picks that up.

SENATOR WALKER: I do not know.

SENATOR LE MAISTRE: There are a number of papers produced by OXERA, for example, which again was August 2001.

SENATOR WALKER: Indeed.

SENATOR LE MAISTRE: And it all predates the information that was requested effectively and which was worked on.

SENATOR WALKER: I agree. I accept that point, but I am not aware of any change of advice. Now, that is not to say that that is the case.

SENATOR VIBERT: You are just not aware of it.

SENATOR WALKER: My recollection is that I am not aware of any change of advice.

DEPUTY DUHAMEL: Final question from Deputy Rondel?

DEPUTY RONDEL: Yes. At the time of debate, did you believe that any funding put into the Agri-Environment Scheme would go into the farmer's pockets, being seen as additional aid to the industry, not in helping to put in place the bigger picture of the Agri-Environment Scheme for the Island?

SENATOR WALKER: No, not specifically. I think, as I have already said, I supported the objectives of the Agri-Environment Scheme. I don't think you are going to deliver an Agri-Environment Scheme without some incentive to those responsible for managing the land to deliver it. So, no, that wasn't a specific issue for me at all.

SENATOR LE MAISTRE: There is actually a final point, which is conditionality.

SENATOR VIBERT: There is no guillotine.

SENATOR LE MAISTRE: Which we have not touched on. If the Agri-Environment Scheme were to go ahead in some different form, do you believe that there should be a condition placed on that scheme in terms of benefits of direct aid? In other words, the policy report actually within this section placed a conditionality which was fundamental actually underpinning the scheme that no one should benefit from direct taxpayers' money if they didn't subscribe to the scheme. Would you believe that that should be maintained or do you think that farmers should still be able to continue to receive direct aid without committing to environmental goods?

SENATOR WALKER: No. I think the conditionality is appropriate.
SENATOR LE MAISTRE: You would believe that to be fundamental?
I think the conditionality is appropriate, yes.

SENATOR LE MAISTRE: Okay. It is just that it didn't come through in any of the papers.

SENATOR WALKER: No, I think it is appropriate.

DEPUTY DUHAMEL: Right, okav.

SENATOR WALKER: Chairman, president ... sorry, what are you, chairman or president?

DEPUTY DUHAMEL: Chairman.

SENATOR WALKER: Chairman, okay. Could I just make two points very briefly, and I will be very brief. I think the line of questioning has, in some respects at least, been very valuable and I think the issue we discussed earlier about how binding is a States' decision is a real issue. I would very warmly welcome recommendations which tightened up procedures in that respect. I think that would be very valuable. On the issue though of the strategy of how we deal with land use and the agricultural industry and the environment of our countryside now, I think it is very important that we do look forward rather than back to 2001/2002 because conditions have charged alarmingly almost.

SENATOR VIBERT: It is a living document.

SENATOR WALKER: It is, and what I'm looking for from the committees concerned, which are Environment and Public Services and Economic Development primarily, are hard and fast proposals, proactive proposals, which almost certainly will require funding, but that is an issue for somewhat further down the piece, but hard and fast proposals as to how we are going to not only protect, but, in my view, hopefully enhance, the beauty of Jersey's countryside and the management of it. So I think now we need to look forward and I think that is what the Strategic Plan attempts to do. I very much hope that that is the way the States will now approach this issue.

DEPUTY DUHAMEL: Okay. Thank you for attending. Thank you.

SENATOR WALKER: Thank you very much. Very impressive. If this is how Scrutiny works

. . .

DEPUTY DUHAMEL: You haven't read out report yet.

SENATOR WALKER: That is true, but then, as I said in another context yesterday, I am a

cockeyed optimist. Thank you very much.

DEPUTY DUHAMEL: Thank you.

**Senator Walker and Mr Harris withdrew**