

# STATES OF JERSEY

## OFFICIAL REPORT

WEDNESDAY, 21st SEPTEMBER 2022

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**The Roll was called and the Greffier of the States led the Assembly in Prayer.**

## **COMMUNICATIONS BY THE PRESIDING OFFICER**

### **The Bailiff:**

#### **1.1 Tribute to former Connétable Iris Le Feuvre**

Members will be aware of the passing of a former States Member, Iris Le Feuvre, M.B.E. (Member of the British Empire), on the 2nd of August 2022. I know that there have been many public tributes paid to her since her death but it is fitting that there should be a final one made today here in this Chamber, where she served for so many years; first as Deputy and then as the Island's first ever female Connétable for her beloved Parish of St. Lawrence. Iris Medora Renouf was born in Jersey in 1928 and was the youngest of 3 children. She was educated at St. Peter's Elementary School and then at the States Intermediate School, and left when she was only 13. She then worked as a bookkeeper at Le Masurier's Wine Merchant until she married Eric Le Feuvre in 1948 at the age of 19. The couple made their home in St. Lawrence and it was there that they brought up their 4 sons, Frank, Peter, James and Andrew. Eric was a grower, Iris helped with the family business and as her children got older she began to take more of an interest in Parish affairs. Through her membership of the Methodist Church she was part of the Communicare Council and was responsible for starting a day care centre for the elderly. Having stood for election unsuccessfully in 1975, Iris was sworn in as Deputy of St. Lawrence in December 1978 and during her 3-year term she served on the Island Development, Social Security and Industrial Relations Committees. Unsuccessful in the 1981 election she was determined to remain involved in Parish life and was a founder member of the St. Lawrence Ladies Action Group, affectionately nicknamed the "Slags", which celebrated its 40th anniversary last year and is still very active in the Parish today; fundraising and organising Parish events and providing support to parishioners, particularly senior citizens. On 6th June 1984, having been encouraged to stand by the retiring Connétable and Chef de Police, Iris topped the poll with 651 votes and made history as the first ever woman to be elected as a Connétable. She was re-elected 4 times and held the position for over 15 years. Her many Parish achievements during this time included the refurbishment and renovation of the Parish Hall, the development of sheltered accommodation for parishioners, the creation of a new sports and community centre providing modern facilities for both the St. Lawrence Football Club and the Youth Club, and the introduction of a green lane network within the Parish. But her invaluable contribution to Jersey extended far beyond the Parish community, driven by her passion for improving the lives of Islanders, particularly young people and women. While she served on numerous committees it is for her work on the Education Committee that Iris Le Feuvre will principally be remembered. During her time as president of that committee she oversaw the building of the new Haute Vallée School, the reconstruction of Rouge Bouillon Primary School following a devastating fire, new facilities at Grainville, the remodelling of Hautlieu, the relocation of Jersey College for Girls and its preparatory school to Mont Millais, repairs and extensions to Les Quennevais to increase its capacity, the provision of many new nursery units attached to Island primary schools and importantly, for a girl who left school early, the raising of the school leaving age from 15 to 16. She decided not to seek re-election in her fifth term of office, which ended in 2000, but she remained active in public life, chairing a strategy group considering the impacts of the ageing society and the Co-ordinating Committee for the Eradication of Poverty in Jersey. She became a trustee of the Community Savings and Credit and of the educational charity A.C.E.T. (AIDs/HIV Care, Education and Training), and she was appointed chair of the Child Protection Committee. In December 2001, her service to the community was recognised in the New Year's Honours list when she was made a Member of the British Empire. In 2005 she was selected to be the subject of the Jersey Heritage Citizen's Portrait. She always remained rightly proud of being Jersey's first female Connétable and took part in the 2019 centenary celebrations of the law that allowed some women in Jersey to vote. Throughout all of her very busy and productive life her main passion was her family and we send our condolences

to her 3 surviving sons, Peter, James and Andrew, her grandchildren and great-grandchildren for their loss. The large number in attendance at her funeral service last month reflected the high esteem and affection in which she was held in this Island. She was a proud Jersey woman who was an inspiration to all who knew her.

## **1.2 Tribute to former Senator Sarah Ferguson**

We have also lost of course former Senator Sarah Ferguson. Sarah Ferguson was born just outside of Manchester during World War II, the second of 4 sisters she attended Penrhos College, a Methodist girls' school situated in Colwyn Bay in North Wales, before studying at Manchester University and graduating with a degree in electrical engineering, apprenticing with AEG's heavy transformer division on the plant floor at a time when women were not common in such a role. While she was in higher education her grandparents moved to Jersey, beginning her association and love of the Island and of sailing. She then took her M.B.A. (Master of Business Administration) at Columbia University Graduate School of Business in New York City, majoring in finance and accountancy with a minor in marketing. For a time, she opened and ran Tartans in Broad Street in the 1970s and early 1980s. During this period she also got her private pilot's licence. She worked as an investments analysis and then as auditor with Deloitte before joining the Jersey Financial Services Commission as a compliance manager and banking supervisor. She retired from this position in the late 1990s and found herself with time on her hands and began her second career, first as a Constable's officer and later as Centenier for St. Brelade until her election to this Assembly. Senator Ferguson joined the States in November 2002 as Deputy of St. Brelade No. 1 and was re-elected to that role in 2005 before standing successfully as a Senator in 2008, a position she held until 2014 when she was narrowly defeated by the then Senator Ozouf and subsequently demanded a recount. However her time away from this Chamber was brief and she returned when there was a by-election in September 2016, and she was elected for a final term in 2018. Her contributions to the work of the Assembly were considerable. In the early years she served as Shadow Public Accounts Committee chairman, and on the Health and Social Services Committee. Following the move to Ministerial Government she was a committed scrutineer and she held the positions of chairman of the Corporate Services Scrutiny Panel and president of the Chairmen's Committee from 2008 to 2011. She was always the chairman, refusing to accept the no-gender specific title of "chair" because, in her words, she was not a piece of furniture. She was also an active member of the Public Accounts Committee and held the position of chair from 2018 until stepping down in October 2020 due to her failing health. She also served on the Privileges and Procedures Committee from 2007 to 2014 and was a member of the Commonwealth Parliamentary Association. She continued her commitment to Scrutiny and she was indeed a brilliant scrutineer, unafraid to posing questions and particularly keen to ensure that there was a common-sense approach across the development of policies, especially those pertaining to the management of Island services and assets. She was also a champion of the elderly or "oldies" as she often referred to them, advocating for the needs of older Islanders to be given consideration when policies were made. She was principled and compassionate. She held strong views which did not always align with the majority, especially in relation to global warming. But she had the courage of her convictions and always spoke her mind. She was a staunch supporter of her home Parish and was a co-founder of the St. Brelade's Bay Association, the shareholder in the Biarritz Hotel. She also served with the sea cadets, the air display, the J.S.P.C.A. (Jersey Society for the Prevention of Cruelty to Animals), the St. Brelade Twinning Association, the formation of the J.L.A. (Jersey Lifeboat Association) and Age Concern Jersey.

[9:45]

Not widely known was her work with the Ferguson Benevolent Fund supporting charitable work locally and globally, including the Wesley Grove Centre's redevelopment and expansion. She was also appointed to the Bailiff's Consultative Panel, and in the last 4 years she was a member of the Legislation Advisory Panel, the Future Hospital, OneGov and the Government Plan review panels. A prime example of her tenacity and determination was the way in which she refused to let her failing

health impact on her commitment to Islanders and continued to attend and play an active role in States meetings, despite the fact that often she was joining us virtually from the outpatients clinic while receiving treatment. Indeed, she was an active participant in the Island Plan debate, decrying the popularity among developers to create open plan kitchen and living spaces and, of course, campaigning to protect her beloved St. Brelade's Bay. Members will have their own memories of Sarah and her notorious handbag filled with bricks but I am sure Members will wish to join me in sending our sincerest condolences to her son, Sam, and her extended family for their loss and we express our appreciation for her dedication to her Island and contribution to the work of this Assembly during her life. I would ask Members to stand for a minute's silence in respect of both of the deceased Members. **[Silence]** May they rest in peace.

### **1.3 Swearing in of Mr. William Millow as Deputy Greffier of the States**

The next item of public business is a very important one in the life of the Assembly. It is the swearing in of the new Deputy Greffier of the States. Before I administer the oath to Mr. William Millow, I would like firstly to welcome his family and colleagues to the Chamber this morning to witness this. **[Approbation]** We are all familiar with the work of the Deputy Greffier Designate. He has worked in this Assembly and before that in the Greffe in many different capacities and has, during that period, secured the confidence and respect of Members of the Assembly. I look forward very much indeed to welcoming him and working with him in his new role. I congratulate him warmly on his appointment and I am sure Members will join me in doing so. **[Approbation]** Mr. Millow, would you please stand and come before the Assembly? Please raise your right hand. Do you swear and promise before God that you will well and faithfully exercise the office of Deputy Greffier of the States of Jersey, that you will be faithful and bear true allegiance to His Majesty King Charles III, his heirs and successors according to law, and that you will uphold and maintain the laws and usages of Jersey? Congratulations, Deputy Greffier. **[Approbation]**

#### **Deputy M. Tadier of St. Brelade:**

Would it be appropriate just to say thank you to the new Deputy Greffier for the work that he does on the A.P.F. (L'Assemblée parlementaire de la Francophonie)? He has really been a right-hand man over the last however many ...certainly in my 4 years and he would want to remind Members, I am sure, that today is the last day for putting applications in for anyone who wants to join the A.P.F.

#### **The Bailiff:**

No, it would not be appropriate to do that, Deputy Tadier. **[Laughter]** But there we are. Now I understand that the new Deputy Greffier is about to leave the Assembly. He asks that it is not taken as a sign of anything in particular, but that he has other commitments that he will be dealing with elsewhere.

### **PUBLIC BUSINESS - resumption**

#### **2. Mini-Budget 2022 (P.80/2022): second amendment (P.80/2022 Amd.(2)) - Residential rent controls - resumption**

#### **The Bailiff:**

We now resume debate on the second amendment of the mini-Budget, P.80/2022. Deputy Mézec has already made the proposition, which has been seconded. Does any other Member wish to speak or any Member wish to speak on the proposition?

#### **2.1 Deputy P.M. Bailhache of St. Clement:**

One of the values of the Jersey Liberal Conservatives inscribed in its constitution is fairness. But fairness is a coin with 2 sides. It is no good being fair to tenants if one becomes unfair to landlords. It is no good giving a tenant who has had the average 6 per cent salary increase a holiday from rent increases for 2 years if the pensioner landlady who relies upon the rent for her income and faces exactly the same cost of living challenges as her tenant is going to suffer hardship as a result. I have

absolutely no sympathy at all for landlords who take advantage of the market to impose excessive rent increases. It is the unacceptable face of capitalism. Like Deputy Mézec, I heard a number of such stories in the period before the election. But as the Deputy also says, such landlords are a minority. Most good landlords know that the best investment they can have is a contented tenant who pays his rent on time. Why risk that investment by being greedy? The Deputy's amendment is unfair to landlords and may have all the unfortunate consequences set out in the report of the Council of Ministers, which I will not repeat. Destroying contractual relations agreed between 2 parties is not sensible. One of my tenants has a fixed-term contract and another has an open-ended tenancy. It is what they both want. One wants the security of a fixed term and the other prefers the flexibility of freedom to leave when he wants. Why should the State interfere with contractual arrangements freely made? The problem remains, as the Deputy rightly says, of what to do about avaricious landlords. I do not agree, however, with the Deputy that the Rent Control Tribunal is a toothless tiger. It is not a toothless tiger, despite the ability of a landlord to give notice to quit if there is a reference to the tribunal, because the law allows some relief. The Deputy said that a tenant could be thrown out very easily, and I do not believe that is the case. The law gives the magistrate a wide discretion to order a delay in execution. He or she has a duty to take into consideration all the relevant circumstances, and the fact that the landlord was responding to a reference to the Rent Control Tribunal would clearly be a relevant consideration. When I was in practice, admittedly a long time ago, a delay of 3 years was very common in a case where a landlord simply wanted possession for commercial reasons. But it could be longer and probably would be longer if a landlord behaved outrageously in response to a reference to the tribunal. The consequence of this protection given by the law is that, and I speak from experience, when a landlord really wanted possession and knew a long delay was in prospect, he would reach an accommodation with the tenant. Either he would pay substantial compensation or he would offer the tenant alternative accommodation. I think this amendment is misconceived and I shall vote against it.

**Senator P.F.C. Ozouf of St. Saviour:**

Sir, may I raise the *défaut* on Deputy Farnham?

**The Bailiff:**

The *défaut* is raised on Deputy Farnham.

**2.1.1 Deputy J. Renouf of St. Brelade:**

I too wish to speak against this amendment. It is, in my view, an amendment with good intentions but will fail in its primary objective, while causing significant damage along the way. I want to start by emphasising I agree we need to do more to help tenants in terms of helping to raise standards, which falls under my Ministerial remit. We need to work on security of tenure and we need to do more as far as prices are concerned. I also speak against this amendment without the visceral dislike of intervening in markets that some of my colleagues feel. There are times when governments need to and should intervene in markets. But if you go down that road, you had better be very sure that first the measures you are proposing will achieve your stated objective and there will not be serious negative unintended consequences. The stated aim is to alleviate the financial pressure on tenants by freezing rents for 2 years. How are landlords likely to react to this? I suggest that many will try to put up rents immediately by as much as they can to offset the effects of the impending 2-year ban. Because it could take at least half a year to achieve this legislation in terms of the amount of negotiation over things like exemptions and so on that would be required to take effect, they would have plenty of time to make those rent rises. Therefore, a likely consequence if this amendment is passed is that many landlords who might have held off increasing rents will raise them to beat the freeze. In other words, rents will go up by more for tenants for whom they might otherwise have been stable. This is quite a likely scenario when you consider the landlords who will feel the greatest need to raise rents in advance of a rent freeze are precisely those who have not raised rents by much over the last few years. The rent freeze risks punishing what you might call the good landlords, those who have shown and are showing the most restraint. Let us consider what happens at the end of the

2-year rent freeze. How will landlords react at this point? In most cases I would suggest they would entirely rationally aim to catch up for lost time. When the rent freeze ends, there could well be a sudden rise in rents to compensate for lost income. Will the rent freeze achieve its objective? I fear not because, at best, it will simply redistribute rent increases to before and after the rent freeze and, at worst, it will encourage landlords who had not planned to raise rents and who had planned to keep rent rises to the minimum, to increase them significantly to protect against the effects of the rent freeze.

[10:00]

Deputy Mézec might say that rents have risen well above inflation for the last few years. Huge profits have been made, so landlords can afford to take the hit. The trouble is, as I and Deputy Bailhache have already pointed out, not all landlords fit into this category. The idea that landlords can afford the rent freeze is based on a lazy assumption that all landlords are the same. Their circumstances and behaviour all fit into one category so they all deserve to be treated the same. A rent freeze for every single landlord, regardless of whether they have frozen rents for the last couple of years, regardless of whether they have renovated a property, regardless of whether their mortgage costs are rising. A rent freeze is like punishing the whole classroom when only a couple of students have forgotten their homework. It is throwing away all the fruit in the basket when there are just a few rotten apples. It is carpet bombing when what is required is a surgical strike. What, then, is the answer? Ideally, we would have a way to assess individual cases where rent rises are being proposed, and to intervene where rent rises are clearly excessive. We would then be able to distinguish between justified rent rises and those that are not. We would be able to take into account the particularities of each case and act to stop rent rises when they are not justified. Perhaps we could call this system a rent tribunal. I know members of Reform are sceptical about the Rent Tribunal, but I would urge them to engage with the process. There are many possibilities that open up once the Rent Tribunal comes into effect, and I am sure my colleague, the Minister for Housing and Communities, will explain more. The chance is to engage with the process and strengthen that process because if we accept that not all landlords are bad and agree that not all deserve to be treated in the same way, the task is surely to make the Rent Tribunal work. We will be far better employed bolstering the tribunal than flailing out at all landlords in a way that is clearly not justified and punishes the good, if anything, more than the bad. With regret, I have to vote against this amendment. It does not achieve what it sets out to achieve and its failure is compounded by significant negative consequences.

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

A disappointing conclusion from my colleague in St. Brelade, who I respect and have campaigned with in the past on other issues to do with democracy, but there you go. First, I think transparency is really important for States Members. I have campaigned on the 3 Ts in my 14 years in this Assembly: trust, transparency and teamwork. You will notice I put my light on earlier to declare an interest as a landlord. That is for 2 reasons, the first of which is I recently became the beneficial owner of a property but only in a quarter share that is currently rented out as a legacy from my late mother who died in November, and it is with 4 relatives, including myself. My mother decided to rent the house out for what she would call a modest rent. The problem when you are a landlord or landlady is you do not know how you should asset the rent. You have a house that you own outright and do not have a mortgage to pay. Maybe you have a mortgage and the mortgage is fixed incidentally so your mortgage payments are probably fixed and will not necessarily go up, whereas rents do go up. That is another point we can come back to. She decided to look at income support. What is the maximum component that income support would give for a particular house? This is the maximum component because they will not necessarily give that if it is less than that. In her case, it is a 3-bedroom house in St. Brelade, completely detached on a corner plot next to the fields, and income support would give in the region of £1,550, give or take; it varies every year. That is what the rent was. There is a current lease that will expire next year, after which I am sure the house will be sold and hopefully a local family will move into that and that will be it. I will not have an interest as a landlord and I did



not set out to be a landlord and I do not wish to continue. Because it is already declared in the Orders, and normally one would respect the privacy of family life, my wife owns a cottage that she lived in before we bought our own house last year in St. John, so she has a small cottage in St. Helier that is 2-bedroom without parking. I will not give you the exact location but it can be found in the declaration of interest. She looked at that and said: "What do you rent a property out for in St. Helier, a 2-bedroom cottage? What would the States give?" Income support would allow roughly, give or take, about £1,350, £1,400 for a 2-bedroom cottage as the maximum allowance, so the rent is set at £1,395 a month and that has not gone up for 2 or 3 years with the same tenants. She is very happy with them, they are very happy with the place and that is the way it works. Could she command a high interest, a high overturn? Who knows? When she has tried to use agencies in the past they have said they have been shocked she is letting it out so cheaply and they have tried to say: "You must rent this property out higher because otherwise it would pull down the value for the rest of us." Incidentally, I welcome landlords who have come into the Assembly today, especially representatives from the Landlord Association. It is good to see people take an interest in democracy and in their own interests. You are in good company in this Assembly. I hope all the landlords who speak will show the same level of transparency when they speak. I thought in the last election ...

**Deputy M.R. Scott of St. Brelade:**

A point of order, Sir. I feel Deputy Tadier is perhaps imputing on the integrity of some people here.

**The Bailiff:**

The brunt of it is the declaration was made yesterday as persons interest, both as landlords and as tenants, as I understand it, and the Deputy is suggesting that those who are landlords are bound to have half an eye on their own interests. But I did not take the Deputy to suggest they were other than motivated to do the right thing for the Island and I did not immediately interpret that as an improper imputation. Therefore, no, I think that was all right as far as it went.

**Deputy M. Tadier:**

I am fascinated how that could be imputing improper motives, that is Standing Order 104. I simply said there are landlords who are watching this debate, quite rightly they take an interest and that is to be commended. I wish there were more tenants here taking an interest in what was going on, but let us guess where the tenants are. They are not here. They are out working somewhere to pay their rent that are increasing year on year and some are even leaving the Island. That is the reality of it, so no imputation. I am saying also there is a disproportionate amount of landlords in this Assembly. If you go into the civic world beyond these walls, I do not know what the percentage is in this Assembly, it is probably 40 per cent or 50 per cent potentially, as a ballpark figure. If you go out into the real world, it is 10 per cent maybe. They are not all old ladies who have one flat they are renting out and they have a tenant at a peppercorn rent. That is not the reality of the world that we live in. The next point I want to make is it is fine to stand up and say let us try to be fair to both sides and because someone has received a 6 per cent pay increase, their rent should go up by 6 per cent. The point is the mortgage has not gone up by 6 per cent. If you took out a buy-to-let mortgage 20 years ago, and you have been letting that out for 20 years, you have probably already paid your flat or home off maybe even once or twice over, depending what your portfolio is. But you expect the rent to go up each year. How does that work? I looked at one of the United Nations official websites from the High Commissioner, ohchr.org, and on the page about housing it says: "Housing is a right, not a commodity." The point is, housing is a human right under the United Nations organisation definition of human rights, and while the enjoyment of one's property is also a human right, it is an E.C.H.R. (European Court of Human Rights) right, it is not an absolute one and it is not a right that Government has an obligation on. Government has a responsibility to make sure that people are adequately housed and adequately also means affordably in my book. We have not done that as an Island. We have not built enough social housing. We have not built enough affordable housing and rather than learning from that mistake, we incorporated a housing department and turned it into affordable housing too. The financing model was completely unsustainable for tenants, so we have tenants in blocks of flats

or houses that have been paid for over and over again, that have not been maintained but they are paying full rents and have done for decades for properties that were not historically maintained, and those profits were coming back to Treasury. That was the problem. So they are subsidising the taxpayer, not the other way round with the taxpayer subsidising social housing. We have a complete derogation of responsibility from the Government and this Assembly historically and continuing into the future. Good luck to the new Minister for Housing and Communities. He has a Minister for Infrastructure who does not even talk to him. We have a Minister for Infrastructure who has come in from the private sector, who thinks he can make unilateral decisions in front of the media and say: "The hospital is not going on Overdale and I have decided to stop this housing development that would have delivered 80 or so units for the Minister for Housing and Communities." Then we have no communication supposedly from the Minister for Health and Social Services about the hospital and we have to have the Chief Minister come forward and say: "It is not the Minister for Infrastructure's decision. The decision will come back to the States because it is the States that has to make that decision." How can the States make that decision if we have already had an announcement about that kind of thing? I wish the Minister for Housing and Communities good luck in that. We also have a complete difference of opinion between the Minister for the Environment and the Chief Minister. The Chief Minister thinks it is sufficient just to ask landlords to do the right thing. "Please, landlords, do not put your rents up this year." "Oh, all right." We have already heard that 60 per cent of them will. I think the words are 40 per cent are not considering putting their rents up. They may put their rents up anyway, but 60 per cent already will put their rents up. The Chief Minister thinks that just by asking people to do the right thing ... the Minister for the Environment is much more cynical when it comes to human nature and he thinks if we pass a rent freeze today, the first thing landlords will do is put the rents up straight away to try to cheat the system. We have completely different views about what the Government should do in intervening in the private sector. I do not know exactly how this will pan out. I know if we agree a rent freeze today there will be a rent freeze for 2 years and people would have had knowledge that rents cannot go up for the next 2 years. You are on a rent that will be fixed and that means landlords will have to deal with that in the properties they already own, and if they want to, and the threat always comes: "If you keep on putting too much red tape [what red tape are we talking about here?] then we may have to leave the market." I do not think I have ever heard a more empty threat. I do not know what the analogy is but imagine a boy or girl playing in the field and the mother says: "It is time to come in for your dinner now, otherwise I will put your dinner in the bin." He or she says: "If you do that I will just kick my football away or sell my football" and she will say: "So what? It does not affect me." It is exactly the same with this empty threat from landlords. If you sell your property, so what? Somebody will buy your property and live in it, and that is good. That is one person or family who has a home. Or just leave it empty. Will you leave it empty? Why would you leave it empty? You will just get no rent at all. That does not make sense and at some point we will have to legislate for empty properties. Empty properties are no good to anybody. I do not see where this threat is coming from. I will go back to the O.H.C.H.R. (Office of the High Commissioner for Human Rights) and what they said. Remember this is an official organisation. It is not some left wing think tank that is trying to campaign for rent controls. They say: "Increasingly viewed as a commodity, housing is most importantly a human right under international law. To be adequately housed means to have secure tenure, not having to worry about being evicted and not having your home or lands taken away. It means living somewhere that is in keeping with your culture and having access to appropriate services, schools and employment." Tenants do not have any of that. Even tenants in social housing do not have that right to build up links within their area. I have seen people in St. Brelade who have been there for decades and they are told: "You need to downsize and apply for homes, and if you do not keep on applying, some people who do not have access to the internet or who are not computer literate say just look, keep on looking on the website and you will have to apply for everything or you will be put to the bottom of the queue."

[10:15]

That is current government policy. It has not changed and you have to take the first thing you are given. If you do not go for it, I do not know if the 3 choices have gone out the window. It used to be 3 choices and now it is just expected that you will take what you are given, so you might be uprooting people who have put roots down in certain communities, sending them to a completely different part of the Island, and then expecting social cohesion after that. That will not happen, I am afraid. They continue: “Too often, violations of the right to housing occur with impunity. In part this is because at the domestic level [read at the Jersey level], housing is rarely treated as a human right. The key to ensuring adequate housing is the implementation of this human right through appropriate government policy and programmes, including national housing strategies.” What do we do? If we do not vote for this today, what is the likely scenario? There are other things we could do that I personally, and this is a personal point of view, think we could be looking at rent control. We should be saying if we already have a limit that we give to landlords on income support, maybe that is the starting point. Maybe say that is what you are allowed to charge for a 3-bedroom. That is what you can charge for a 2-bedroom flat, and if you want to be exempt from that you need to prove to us that you meet all the standards, 5 star, you must register, and that is one of the conditions, and then you can let on the open market. Maybe all landlords should be social landlords and they should adhere to the same criteria that we would put to social landlords. There are other options here, but this seems like a moderate option, and we have already done it. That is the point. There has already been a rent freeze and when did it come? It came at the time of a crisis. Then it was largely due to the pandemic because we wanted to give people security of tenure and security of finances. In a period of finances this allows people to plan for the future. The problem is, especially if you are a tenant, and I speak with experience as somebody who has been a tenant for most of my adult life, is to plan from year to year without knowing whether your rent will go up by 20 per cent or 40 per cent. Here is why we are sceptical about the Rent Tribunal. It is because if you do not have the underlying law, if you cannot tell landlords what they are allowed to charge in law, what is the Rent Tribunal going to do? The tenant will come and say: “My rent has gone up by 15 per cent.” The landlord will say: “That is just the market. Market forces have gone up by 15 per cent. I gave it a lick of paint so of course I will put it up.” The tribunal will not want to interfere in that, are they? I know I have 15 seconds left so I am summing up. I think the Government risk making a rod for their own back. I will finish with this point. At the last election, one of the key reasons the Government failed to get re-elected was because they failed to deal with the housing issue, not just to build more housing but they did not take it seriously. They were seen as the landlord party. What we saw at the last election was an eviction of the landlord party. The landlord party got evicted and it was a revenge eviction. The public do not want to see another landlord party take its place and do nothing. Doing something means getting to grips with rents in real terms and reducing them. If this Government can do it, good on them.

### **2.1.3 Deputy C.D. Curtis of St. Helier Central:**

I will not talk about fairness. I will talk about the reality of the effects of our rental market on our Island. Deputy Bailhache asks why the States should interfere. I see a very good reason for that. My panel has been fortunate enough to visit our essential services through August. They are all suffering recruitment and retention of skilled staff. It is a very serious problem. The reason is mainly the private rental market. Their skilled staff are leaving for a better life elsewhere, a place where they can have a home with a garden and it does not take half their salary. Then they cannot recruit from the U.K. (United Kingdom) because what is available here is not suitable. Skilled staff often have children. They do not want basic key worker accommodation. They need to have a house with a garden. They need to bring their pets somewhere. What they find is what is on offer would be a 2-year lease, maybe, so they might have to leave after 2 years. No pets allowed and a huge amount of money from their income to pay for it. I was looking at average rental prices and Andium bases their rentals on average rental prices in Jersey. For a 3-bedroom house their average rental is given as £2,720 per month. We know the median monthly salary is around £3,683 a month. That is the equalised median income household salary. Somebody would be paying around 74 per cent of

their household income on their rent, so something has gone wrong with our rental market. It is affecting our ability to recruit and retain skilled staff. If we want to have a functioning society, we have to tackle this private rental problem, so I will be supporting this amendment.

#### **2.1.4 Deputy A. Howell of St. John, St. Lawrence and Trinity:**

I understand why Deputy Mézec has brought this proposition. I know it is not a competition but I can beat what he said yesterday. We had a young family who we knew were paying £2,000 a month for rent and suddenly they were being asked to pay £3,000. The result was with sadness this young family, who are very talented, left Jersey for a better life in the U.K. I have contacted the Minister for Housing and Communities and he assures me he set up this Rent Tribunal. I do not think any of us in this House condone greedy landlords but neither do we condone bad tenants. There are 2 sides to this story. I wish to say how good various Parish schemes are and the Housing Trust in keeping prices down, but I feel uncomfortable about imposing the will of this House on landlords. There are many good landlords, as Deputy Renouf and Deputy Bailhache have said. I think this is a very complicated problem. I think housing costs in Jersey for people trying to buy or rent are too high, and paying three-quarters of your salary does not leave very much for a good life. I am not convinced we should be freezing rent for the next 2 years, so with regret I will not be voting for the proposition, but I think it is an area that the whole of the States need to come together. Perhaps we need another debate in-house all together to come up with a good solution, but I do not think we should be freezing rents at this time. This is a mini-Budget and I do not think we should be doing that at the moment.

#### **2.1.5 Deputy T.A. Coles of St. Helier South:**

I am going to speak a little bit in the sense of the maths of the open market that I have seen. It is quite fortunate, and maybe slightly ironic, the fact that it was almost exactly 10 years, almost to the day, that I was able to buy my own property and moved out of the rental market, so it gave me a good point to sort of refer back to how I used to live compared to how I live now. When I left the rental market in 2012, I was paying £600 a calendar month for a modest one-bedroom apartment in town with a parking space. On a brief search on a property website in Jersey, I found that a similar one-bedroom apartment with a parking space in town is now renting out for £1,200 a month which is quite fortunate because it is literally a 100 per cent increase on the amount I was paying 10 years ago. So for those who are not that quick with maths, I would just like to point out this is an average of a 10 per cent increase in the rental price per year over the last 10 years. I then took the opportunity to look at the [opendata.gov.je](http://opendata.gov.je) website and looked at the R.P.I. (Retail Price Index) base over the same period of 10 years, basing it on the September R.P.I. index. Now I decided to take the mean average on this because it is the higher average, rather than the middle. The higher average on our R.P.I. over that same period worked out as an average of 3.1 per cent. As we can clearly see, our rental market has far exceeded our general R.P.I. that we see every year on this Island. This 2-year rent freeze would simply give us an opportunity for our incomes to catch up to the demand on the landlords' rents. Nothing further on that. During the election campaign we had conversations with many different organisations, one of which was Jersey Finance. Jersey Finance believe that our housing markets need to be stabilised because it is driving good workers away from this Island. Inflammatory rent increases are not a stable housing market and I feel that is simply all we need to consider in this. We looked at some of the propositions that came before us yesterday and we put away the fact that it would drive good value people away from this Island, and is our workforce not the key of our good value people that we need on this Island? Yes, there are some landlords that have not increased their rents by such a dramatic turn, but unfortunately we have to manage for the lower end of these people to ensure that the rest of our market stays stable and that we are able to maintain a workforce.

#### **2.1.6 Deputy M.R. Scott:**

I very much agree with Reform that our social housing model is broken. I believe this conversation is very much about the clauses in leases that allow rents to be increased by the increase of the cost of living and one size does not fit all. That is my general problem with this proposition because, in fact, to some extent, I do agree in some cases there is a case for rents to be frozen. There is a case for

saying: “I am a landlord who is not needing this money and perhaps I can understand that somebody who occupies a house that I own is not in a situation to pay this rental increase.” I am aware of some landlords who are waiving the increases to which they are entitled under contract but, as I said, one size does not fit all. Some people acquire houses through inheritance, as one of the States Members has pointed out happened in his case. Others, they get mortgages that pay interest, and interest rates are going up. So how can, in all of these cases, we say there should be a rent freeze for everybody because some of the cases would cause a loss and some would not. I also have a difficulty in terms of the reference to fixed-term leases becoming open-ended because in my experience in the U.K. that this is just inviting a model where most landlords rent out what is known in the U.K. as a short tenancy, i.e., there is a clause that enables the landlord to get the property back if they wish to live in it. But in fact, as Deputy Bailhache has pointed out, that in fact gives the tenant less security. I am aware that the Minister for Housing and Communities has been charged with fixing this market but I do expect him to bring in legislation. I do believe that will be based on modifying, I hope, the Dwelling Houses (Rent Control) (Jersey) Law 1946 which at the moment is not ideal either, because it only applies to houses and, of course, not everybody lives in a house or is fortunate enough to. So, I believe my role as a scrutineer is to look at that legislation and by all means say to the Minister for Housing and Communities: “Please can you get on with it because in fact there is a housing crisis.” I am seeing people in my Parish leave who have not got this comfort that their landlord is not just going to take advantage of a windfall of a clause that is in their lease that says that person can put up the rent when he does not particularly need it. I do want to see a Rent Tribunal that will look at the individual circumstances, including return on investment, and decide what is fair in the circumstances.

[10:30]

So much as I understand why Reform would want action to be taken as soon as possible, as do I, I feel that this particular proposition is vague, it is unneeded because I do know that work is going on. I do believe that there is another point in the Assembly, perhaps if we have not seen this - and I am looking forward to hearing when we are going to see this - when we might be more demanding about results.

### **2.1.7 Deputy P.F.C. Ozouf:**

May I start by making a declaration of interest; I was not in the Assembly when the declarations were made? May I make a declaration for the avoidance of doubt as both a landlord of registered and unregistered accommodation and also as a tenant on behalf of a company that rents property. I stand to make these remarks in the context of what is an amendment, a further amendment to a mini-Budget. This is a mini-Budget which is effectively designed and has its essence into the extraordinary cost-of-living increases we are seeing as a result of what other parliamentarians call “Putin’s war”. We are seeing commodity prices rise, we are seeing other cost pressures of food and other matters which are - and this is the issue that is the concomitant, the parallel issue - are making what is an inherited position for this Council of Ministers an even greater issue because of the extraordinary house prices we have seen in the last 4 years which has nothing to do with the commodity prices. One of the reasons why I find myself back here in this Assembly is the frustration of hearing the level of debate on matters such as the housing market in the last 4 years. I understand that Deputy Mézec is seeking to bring forward an amendment which is similar to that which was a temporary increase, a temporary measure put forward in temporary situations for COVID. That was appropriate. For the avoidance of doubt, I was affected by that as a landlord; it was the right thing to do. What is the wrong thing to do is to try and replicate what is a short-term issue disconnected from the reality in now trying to, if I may say, grandstand. I understood all of the previous speakers that have spoken in this debate this morning. I align myself absolutely with the remarks of Deputy Bailhache, the Minister for Infrastructure, the thoughtful observations of Deputy Feltham and Deputy Howell, and the other matters. These are proper issues which raise us. I do not associate myself with the slightly more incendiary comments that have been advanced by Deputy Tadier. I wish to say, just as the

Minister for Infrastructure said, that we need to go back to the classroom. Minister for the Environment, I am so sorry. I am so sorry, I was also concerned by the negativity levelled against the Minister for Infrastructure. But Minister for the Environment - thank you, I am grateful - the very thoughtful points made by the Minister for the Environment when he said we need to be like a classroom; we need to go back to school. So this Assembly needs to go back to school on the big issues that matter for the people that brought us here, the big issues of why we have had a housing market which has seen a 55 per cent increase in a 3-bedroom house in 4 years, why there has been a failure to deal with both the supply and the demand of accommodation and why there has been an absence of any conversation about the issue of the 2-tier housing market. Members will have seen that I tried to catch the eye of the Attorney General to see whether Deputy Mézec's proposal dealt with rents increasing affected lodging houses. I am not sure it does, yet one of the members of Reform, rightly, spoke about the extraordinary difficulties of people who are in registered accommodation; they are in lodging houses. I do not think this proposition deals with that issue at all. At all. Moreover, it is not the only cost that people in lodging houses are dealing with, it is all the attendant additional costs that they face, whether that be the heating, the unfair level of the energy market in terms of tenants having to deal with high-cost energy versus low-cost energy. These are the long-term issues that we need to be dealing with. The Council of Ministers' comment, as articulated by the Minister for Housing and Communities so carefully earlier, made it very clear that this was a sledgehammer to crack a nut. It was using an old law to try and deal with something that simply was not fit for purpose. We know that. We are wasting our time on trying to make a decision that is going to be using an old law, asking the Council of Ministers to amend it, in order to deal with a short-term fix that is not the short-term fix that we are trying to deal with. This is about the cost of living. This debate is about the cost-of-living crisis which is about commodities and Putin's war and all those issues and post-COVID issues. This is not the debate to deal with the inherited long-term positions and a plaster, a band-aid over what is the important issue, the massively important issue, for the reasons that many Members are sitting here, about the housing market. I am confident in rejecting this amendment but making it very clear that as not the Minister for External Relations and Financial Services but as a Member of the Council of Ministers, shoulder to shoulder with other Ministers on matters. I am confident that this Council of Ministers, together with the thoughtful contribution of Members, are going to tackle the issue of housing and supply. I am confident that we are going to understand the different levels of supply and demand that are needed. I am confident that we are going to set a long-term path to making fair housing availability for both owners and tenants and those forgotten people who are the people that are not entitled to enter into a lease because they have not lived here for 5 years, and also the additional costs that those tenants are also bearing, whether those be the additional costs put by employers, by the work permit system, and all the rest of it. This is a mini-Budget. It is not a Budget for all things, for all long-term problems. Those issues are for the C.S.P. (Common Strategic Policy), they are for the Minister for Housing and Communities, for the Minister for the Environment, the Minister for Economic Development, Tourism, Sport and Culture and Minister for Infrastructure together, to work together in order to find long term ... and the Minister for Home Affairs with work permit responsibilities, together with Scrutiny, working to finding proper, thoughtful, informed, educated, understanding unintended consequences of decisions, to find better long-term sustainable solutions for what is a matter of massive public importance. I have returned to this Assembly with great pride. We heard 2 tributes of 2 individuals who made a difference. I want to make sure that this Assembly raises the level of debate, deals with the issues that matter to working people and to our Island community, but basically deals with it at the right time, at the right pace, with the right information. This is a mini-Budget dealing with short-term issues. We should reject this proposition because this is a long-term issue dealing with a long long-term issue and it will not work. The Deputy has been told it will not work and he has been informed that the legislative burden ... well it will not work, it cannot work because of the unintended consequences. I see them disagreeing. I am afraid short-term fixes do not work. This proposition ...

**Deputy M. Tadier:**

Can I raise a point of order, please?

**Deputy P.F.C. Ozouf:**

If it is a point of order, Sir.

**The Bailiff:**

A point of order is raised then ... well, of course, but that is to be established, Deputy. Deputy Tadier, do you have a point of order on ...

**Deputy M. Tadier:**

Let us have a bit of faith that it might be a genuine point of order, Senator Ozouf. Former Senator Ozouf.

**The Bailiff:**

Excuse me, Deputy, you address comments through the Chair, as you well know; you are a very experienced Deputy.

**Deputy M. Tadier:**

There is a Standing Order that deals with repetition and that a speech should not unnecessarily repeat arguments that it has made previously. I just ... **[Laughter]** I do not know what the laughter is.

**The Bailiff:**

Deputy, if that is the Standing Order that you are raising, you may well have noticed over your career in the Assembly that the Chair has been quite lenient on repetitious speeches because, frankly, if it was not, a great deal of debates simply would not happen. But the reality of it is, you are quite right, there is such a thing, and I think if it became unduly repetitious, then the Chair would feel free to intervene. But the reality of it is, that is nowhere near the mark at this point.

**Deputy M. Tadier:**

I am not saying it is boring, I am just saying that he is repeating the same point time and time again. **[Laughter]**

**The Bailiff:**

No, no. I am afraid, Deputy, as you will also have experienced over the last few years, being boring is certainly not contrary to Standing Orders. **[Laughter]**

**Deputy P.F.C. Ozouf:**

Let me remind myself that one of my last acts when I was last here was to put timers up so that we knew how long we were going to speak. I am jolly pleased that those are here as a result of a proposition I brought forward. If I have repeated myself, I apologise. Let me repeat myself in final conclusion in saying that this is not a proposition that should be sitting with a mini-Budget; let us get on with the important issues of the mini-Budget. Let us then attend to the C.S.P. and deal with the medium and long-term issues, together with the supply and demand of the housing market in all of its forms and the other attending issues that deal with our Island economy. I urge Members to reject this proposition and let us get on to the substantive part of the debate.

**2.1.8 Deputy L. Stephenson of St. Mary, St. Ouen and St. Peter:**

I am pleased to follow the Deputy because I think we are coming at this from a very similar place. I lost count of the number of times during the election campaign I was asked if I was a landlord. The answer, just for clarity again, is, no, I am not a landlord and I am not a tenant either. It is a valid question, of course, but the thing that really got me is the way I was asked if I was a landlord repeatedly time and time again. Now, as a journalist, I have reported on a number of elections over the years and I do not think that, perhaps going back 2, 3 elections, that question would have even

been asked. Maybe once, maybe twice, certainly not the number of times that I was asked. Really, that question that was asked so many times and with real distaste just shows how divisive this whole debate has become. It has become toxic, in my view, and it has got to an unhealthy point, and to a point that I do not think it is helping anybody. It is certainly, as perhaps the previous speaker I think was trying to get to, distracting from the real conversations that we should be having and the way we could be approaching this together. The really sad thing about it, and I would not suggest that this is aimed at any individual or that it was indeed done on purpose, but this Assembly has fuelled that toxic atmosphere in the way that it is debated and some of the comments that have been made previously. Again, I will repeat that, that I am not saying that at any individual person or political party, but the Assembly of the past. As a new Assembly, we have got an opportunity to change that and to move forward in a more productive way and one which does not pit one group of people against another. I accept what the Deputy is seeking to achieve with this amendment and, as I have said before, I believe that there are important conversations we need to have here. But to accept this amendment and this course of action as proposed without extensive consultation and development, and having exactly those conversations, is not the new way forward that will move us into a productive way of addressing this. I think it is now the time to build bridges, not deepen divisions, and fear that this would do that. I am afraid I am going to disappoint some Members who spoke yesterday who kind of called on their fellow Members to nail their colours to the mast with where they stand politically. This is not about political philosophy for me, it is about common-sense realism in a small community. So, as I say, at the risk of repeating again, as proposed without that work, without those conversations, this is not the new, more positive way forward. I really would call on Members to think about the way they have these conversations in this Assembly and outside of it and think about what we are trying to achieve here.

### **2.1.9 Deputy E. Millar of St. John, St. Lawrence and Trinity:**

I said yesterday - the declaration of interest - that I was not a landlord, and I am not, but I was some 20 years ago. When I came to Jersey in 1996 for a year, I decided to let the property that I had bought 2 years previously with the full intention of returning to it. It was a very stressful experience. It barely covered my costs; I certainly did not make any income out of it. I regularly had tenants who did not pay, and when I eventually decided to sell because I had decided to settle in Jersey, I was absolutely heartbroken by the cavalier and wanton damage that had been done to what had been my home. There will be many people in Jersey who are letting properties by chance; they had not set out to become landlords but they have a property which they want to let. I would just like to make that point. The second thing I am going to say is entirely uncharacteristic, and it causes me considerable personal dismay to say it, and that is it is not always appropriate to follow what they do in Scotland. **[Laughter]** It really pains me to say that.

[10:45]

### **The Bailiff:**

If you would like to take a short break. **[Laughter]**

### **Deputy E. Millar:**

I may have to, Sir. Compose myself. You will not hear me say it often. Scotland is an entirely different jurisdiction. There are small towns in Scotland, probably have as many homes as exist in Jersey. There are lots of developments. Every time I go there, there is a new housing development being built. They have the land and the resources to build homes and I am not quite sure why the rental issue as such requires rent control. The point I would make is that any one of us, I believe, could go to Glasgow next week and buy a house there and live in it quite happily. Conversely, someone from Glasgow could not come to Jersey and buy a house, even if they are working here, regardless of basis, well, unless they come in as an essential worker. We have a clear need in Jersey for rental properties because of our laws which prohibit people from buying in some circumstances. By sheer chance, I met a Scot last evening who it turns out is a landlord. He owns a flat in Edinburgh



which he lived in for 15 years and he retained it when he moved in with his partner as part of his pension planning. He considers himself to be a good landlord. He wants his tenants to pay reasonable rent but, otherwise, he simply wants them to enjoy the property as much as he did. He contrasts himself with commercial landlords in Scotland who may own 500 or 600 properties and who do not have the same relatively caring attitude towards either the property or the tenants. He thinks it highly likely that the rent controls in Scotland, the rent restrictions, if they come through, will lead to his departure from the rental market. He thinks the stress and the limitation on his earnings from the property will be such that he will likely sell it. That property will then either become bought by a commercial landlord and go back into that pot, or it will be bought and come out of the rental market altogether. I think we need to be very careful in Jersey that anything we do that may limit the number of rental properties that we have must be very carefully considered, and we should not take action without a very careful understanding of what the implications and consequences may be. Lastly, I will simply say, Deputy Tadier has commented, quite rightly, that the human right to property is not unqualified and that Government may have some scope to interfere on occasions. I would simply caution again that we must be very, very careful about interfering with people's rights to enjoy their own property without that same due consideration and understanding of the implications of doing so.

#### **2.1.10 Deputy H. Jeune of St. John, St. Lawrence and Trinity:**

I absolutely recognise why Deputy Mézec has brought this proposition. During the election campaign, I constantly heard stories of these increases, and quite huge increases, that means that families were unable to carry on in their home and were trying to make those terrible choices of seeing whether they can stay in Jersey or have to leave, and I agree that more needs to be done. But I have been hearing about some of the negative unintended consequences but one of them that has not been raised yet is what happens in 2 years' time. I would be really concerned that in 2 years' time there would suddenly be how would we exit this, so that there could be suddenly a perfect storm where we have a massive increase in rents then. I was wondering, and it is a question to the Assembly and a question to Deputy Mézec as well, if there has been any research done into seeing if some of these increases that we have seen in rents has been an unintended consequence of that temporary freeze that we saw during COVID, whether it was the perfect storm where we are seeing at the moment of Brexit, of Ukraine, of the cost-of-living crisis in general, or there was some impact of that rent freeze as well. It will be useful to understand that, and to know if there was that, because I feel that is where we have really got to look, is not the rent freeze for 2 years, and that could be important for those tenants, but what happens after the 2 years. So that is why I do not think I can support this proposition. But I would like to call upon this Assembly that we can then really discuss this in a bigger setting in the future, so we can really have this conversation that we have talked about, where we can have this conversation and consultation and really try to sort out this issue in a wider setting.

#### **2.1.11 Connétable D. Johnson of St. Mary:**

I am conscious of your comments made earlier about repetition but I am not sure enough emphasis has been made on the question of converting to open-ended tenancies. For what it is worth, I was a landlord during the last Assembly, an accidental one maybe, but a landlord nonetheless. In the last 10 years of owning that particular property we had 3 sets of tenants. At their request we agreed the terms. On each occasion the tenants themselves were the ones who decided to vacate. They were all good tenants and why would I wish to remove them if that was the case? I was very happy for them to continue. It suited them to have the term of tenancy they wanted and maybe I was fortunate. We have heard from one Member this morning who had an unfortunate experience; that is a problem or a potential problem. I suggest that entering into a tenancy agreement is, for both sides, not dissimilar to one of employment. You have an interview and you take decisions based on that short period and you trust it all will go well. Occasionally it does not and both sides need to have the comfort of being able to withdraw should things go wrong. On the question of open-ended tenancies, there will be landlords who are fearful of making the wrong decision at the outset and fearful of the difficulties they may encounter should something go wrong. The tenants do not quite see their responsibilities

in the same way, and I do fear that if this amendment were passed that it would act as a deterrent to landlords to rent in the first place, this at a time when we are seeking, and quite rightly seeking, to persuade landlords with properties which are empty to let them among those who will perhaps take a more aggressive approach on those landlords. I think that I would discount the possibility of charging such landlords tax on the notional rent should they not rent, but that is for another day. I do have a genuine concern that if moves were made to open-ended tenancies, that will be a deterrent to certain landlords. Whatever the position now is, we do need landlords to service the private sector. If there is merit to that situation, then I suggest it needs to be the subject of a separate proposition, open to prior consultation, but not here. So that is one of the reasons and, for that reason only, I shall be voting against this particular proposition.

#### **2.1.12 Deputy D. Warr of St. Helier South:**

I urge States Members to reject Deputy Mézec's second amendment to the mini-Budget. This would require significant and detailed changes to primary legislation within a few short weeks. Legal changes of this nature would be likely to result in significant disruption to the rental market with an adverse impact on tenants. In his amendment, the Deputy refers to the emergency housing regulations introduced at the beginning of the COVID pandemic which included a ban on evictions and a freeze in rent increases. These measures were provided under the overarching COVID-19 law introduced to allow the Government to make rapid changes across many laws to support the public health actions needed to control a pandemic. The emergency housing regulations were in force for less than 6 months in 2020. The COVID powers are no longer available. This means there is no existing legislation in Jersey that could be used to quickly impose a 2-year ban on rent increases or the conversion of all fixed-term tenancies into open-ended ones. Deputy Mézec's report suggests that the same type of sweeping measures could be introduced today. This is not the case. Detailed legislation would need to be drawn up and debated and approved in the normal way. The emergency powers which allowed a law change to be lodged on one day and debated and approved 2 days later are no longer available. These changes would need to be carefully written to allow for a range of genuine situations in which exceptions would be needed. In his speech yesterday, the Deputy raised what is happening in Scotland. I would prefer to focus on the important differences between what they are doing in Scotland and what Deputy Mézec is suggesting, which is a 2-year rent freeze. That is not even under consideration in Scotland. There are serious unintended negative consequences that passing the amendment would have for tenants. I have set out some of them in my report opposing the amendment, which I do think bear repeating here. By voting to freeze all rents and abolish all fixed-term tenancies, some landlords may seek to raise rents in advance of the rent freeze, as other Members have suggested. Some landlords may choose to sell their homes and exit the rental market altogether, reducing the key availability of homes for rent; they make up 25 per cent of the market. Some tenants may find it difficult to find new accommodation if landlords are discouraged from taking on tenants without the option of a short lease to cover a trial period. A 2-year rent freeze for Andium, the single largest landlord in Jersey, will hurt its finances and reduce its ability to build affordable homes for local families. A 2-year ban on rent increases are also likely to lead to a deterioration in the quality of rental accommodation impacting both landlords and tenants alike. Landlords are often portrayed as the pantomime villains in these arguments but it must be remembered that many local pensioners own a single rental property which they rely on for income. A 2-year freeze on their income may create hardship for these pensioners. It is also worth considering that the emergency housing measures during COVID lasted for less than 6 months. Similarly, the hugely controversial rent freeze announced in Scotland has yet to be enacted and would be lifted by the end of March. Both the short-term COVID rent freeze and the recent Scottish rent freeze are linked to a ban on evictions. By contrast, Deputy Mézec links his proposed rent freeze to the automatic creation of open-ended tenancies for a 2-year period. This creates significantly more disruption in the rental market and requires complex legislation to be drafted to provide for cases where a tenancy does need to be ended for genuine reasons. What this mini-Budget has been designed to do is to provide a suite of measures that can be implemented without delay and within

the existing legislative framework. I am fully aware of the difficulties faced by some private-sector tenants in these challenging economic times but Government is already taking action to address all the areas covered by Deputy Mézec's amendment. The Rent Control Tribunal is being re-established under existing legislation which will have the power to intervene in respect of unreasonable rent rises for tenancies under its remit. I was surprised yesterday that Deputy Mézec felt the need to question the worth of the Rent Tribunal when "setting up a Rent Tribunal" was one of the priorities of his Reform housing crisis action plan. The tribunal will work with my officers to review its powers and establish a more modern framework for regulating rent levels in Jersey. It is scheduled to get down to work as soon as the nominees for the tribunal are, hopefully, approved by this Assembly early next month. Law drafting instructions for a new Residential Tenancy Law propose changes to the existing types of tenancies and notice periods which will offer flexibility and additional protection to both tenants and landlords. There is provision for the introduction of open-ended tenancies designed to work with a package of other changes being brought forward in the new law. Law drafting is set to commence in January with a view to full public consultation later in the year. Deputy Mézec's amendment acknowledges that the Government has engaged with landlords and estate agents to encourage them to agree to cancel or reduce rent increases in the short term. I am delighted to see that the Jersey Landlords' Association was receptive to this message, urging landlords not to put up rents if they can possibly help it. The type of agile and short-term voluntary measure, alongside the policy delivery I have outlined, is the right approach in the current circumstances. Please do not be swayed by Deputy Mézec's aspersions yesterday that 40 per cent of J.L.A. (Jersey Landlords' Association) affiliated landlords agreeing to halt rent increases means that the remaining 60 per cent will be increasing them. That is simply not true. I would therefore urge States Members to vote against amendment 2 of the mini-Budget, the consequences of which could exacerbate housing challenges at an already difficult time for our Islanders.

[11:00]

**Deputy R.J. Ward of St. Helier Central:**

Sorry, to interrupt but I had a point of clarification in the chat, if possible.

**The Bailiff:**

I beg your pardon, I did not realise that, Deputy Ward. A point of clarification to the previous speaker, is it?

**Deputy R.J. Ward:**

It is, if possible. Do not worry if it is not.

**The Bailiff:**

Well, you have not spoken, so it cannot be a point of clarification of your speech; it can only be a request for a point of clarification of the Minister's speech, so what is your point of clarification?

**Deputy R.J. Ward:**

It is about the Rent Tribunal that the Minister mentioned. Can I confirm from the Minister that the Rent Tribunal will have powers to stop rent increases?

**The Bailiff:**

So you are seeking clarification that the Rent Tribunal the Minister says is being set up will have the power to stop rent increases? Are you able ...

**Deputy R.J. Ward:**

Yes, because I believe he alluded to that in his speech but I just wanted some clarity.

**The Bailiff:**

It is a matter for you whether you respond to that, Minister. Do you wish to respond to it?

**Deputy D. Warr:**

My response to that really is that the panel is yet to be put in place, okay, and it is for the panel to determine whether that will happen or not.

**The Bailiff:**

Very well, I think that is the clarification given.

**2.1.13 Deputy M.B. Andrews of St. Helier North:**

Now, I would firstly like to start off by saying Jersey's housing market is in a position of partial market failure. Now, this has been over consecutive terms where we have essentially seen unfettered demand really distort the prices that we see today in the housing market, especially so when we are looking at explicit rents, so more specifically with mortgages and especially with the interest that is applied on those mortgages too. Again, it is impacting many lower and middle-income deciles and, again, this is a significant issue. Now, I again have to commend the Deputy for bringing this forward for debate. I think this is something that should be re-enforced for being a positive thing, at least, we can be in a position to debate this and debate it in a respectful manner; I think that is really important. There have been some negative comments but I think the Deputy has been quite reasonable in his thinking; however, I will not be in a position where I can support him, unfortunately. I think we have to be careful in terms of when we are looking at private capital investment. If there is a lack of private capital investment in creating new housing supply, then of course that will add to the distortion that we already have within the housing market. In terms of the rental freeze, I think it is probably more complex in terms of getting it legislated in time and I think that is probably the point that the Council of Ministers were making. However, I do understand that, again, with there not being any regulation within the housing market, that has made it considerably difficult in individual circumstances when landlords are setting increases for their tenants. Again, because the distortion is so significant, we are really seeing some landlords make a positive real return, so essentially they are making a return of investment over the rate of inflation. That also will see them have a positive net wealth increase potentially as well. So, again, you can see why there is demand focused in one particular area within our economy but also, as well, I think it is important that we look at the dynamics within our private housing market. We need to see our transient population be housed as well, and I think it is one element that we have probably not really touched on so far. We need people to come here and we need them to work, and essentially where landlords have an implicit rent, so essentially they have no mortgage obligations outstanding, then it means that there is the potential to set a compromise in the rents. However, those who have explicit rents in terms of mortgages, that is where it becomes more complex because essentially you are looking at the demand within the market and also the type of agreement and also the mortgage interest that is again going to really impact those who are tenants. Essentially, I think, as we see in terms of the data that is available through Statistics Jersey, with net income post-rent, again, many people are finding themselves in negative savings. So essentially they are having to expend more than they have the ability to save and that, again, is a significant challenge that we have to overcome somehow. I do think there is room for us as a legislative Assembly to discuss the potential for more regulation within the housing market. I think we have to be working together, all 49 of us. Do not forget, we are a consensus Chamber and we have to be unified. I think we also have to be looking more broadly in terms of the banks as well and all stakeholders. It is a rather complex situation. I do fear that potentially things have gone on for too long and the problem has become exacerbated. When you are looking at, for instance, a median wage relative to the cost of accommodation, wow, it is just a real impact that we have seen. To try and implement economic policy in itself, I know the Minister for Treasury and Resources is going to bring forward stamp duty surcharges, but because I think there is wealth investment in terms of there are some people who are cash buyers, that is further going to distort the housing market. I think really what we do need, is we need data in terms of how many cash buyers there are compared to, say, how many purchases have been acquired, say, through mortgage. I think that would be good data for the Minister for Housing

and Communities to then interpret, to then build on economic policy development. Thank you for allowing me to speak.

#### **2.1.14 Deputy L.V. Feltham of St. Helier Central:**

I find myself today reflecting on what I heard during the election campaign but not just during the last election campaign: the election campaigns that my mother fought over 20 years ago. The cost of housing has been an issue long term and to hear other Members suggest that we need more consultation I find really very disappointing. We have just had the biggest consultation exercise going. We have just had a general election where we have been knocking on doors and listening to people, or at least I hope we have been listening. Going back to my mum - and I will wish her a happy birthday because it is her birthday today [**Approbation**] - I am reminded that there are, I think, 4 Members of this current Assembly that sat in the Assembly with her. Some of those Members today have talked about the difficulty in resolving this. I am reminded that some of those Members have also been previously Members of the Council of Ministers and how disappointed the public are that the previous Governments and previous Assemblies have not done enough to address the housing issues. So, here we are, we have got a cost-of-living crisis and we have got an opportunity to do something. How many times when you were knocking on somebody's door, or having a chat, or at the hustings, did somebody say to you: "The cost of housing is too high. They need to do something about it"? Well, who is the "they"? It is us. We are in the privileged position where we can do something about it and we need to put the people who put us here first. So, for me, I am going to put the constituents of St. Helier Central first and I am going to support this amendment. I cannot support a "do nothing" option. I would like to remind Members that may have sympathy with this amendment but are looking for reasons not to support it, that they had every opportunity to bring an amendment to the amendment themselves. This is the only opportunity ahead of us right now to do something. This is about stabilisation and, as my colleague, Deputy Tadier, pointed out, there are other perhaps more left-leaning options that we could have taken. But this is about stabilisation, giving us the opportunity to put a pause on rents while the Minister for Housing and Communities gathers his data, decides what maybe he might do over the course of the next 4 years but, I say again, doing nothing is not an option.

#### **2.1.15 Deputy R.J. Ward:**

Much has been said. There were a few things that I must raise in this debate. This notion of unintended consequences; I think what Members really must remember is that the unintended consequences of our current completely fixed market is that people are facing rent rises consistently that they cannot afford and are negatively impacting on their quality of life. That is a consequence that is real, it is now. That is what is toxic in this debate: the influence and experiences of the people that we represent. If somebody is horrible to me in a debate, I take that on the chin as part of the role, but if somebody's life is being adversely affected because of what they are having to give up in rent because there is no regulation whatsoever in the market, and it is a fixed market, then that is much more important than my feelings. There are some contradictions that we have heard: "We have a Rent Tribunal, so do not worry, these rent rises. Do not worry, there is a Rent Tribunal that is being set up." But at the same time the Minister has said, and is clear, that the Rent Tribunal does not know what powers it has and whether it has any of those powers to stop rents. Instead, what we have got are warnings from Ministers who would like to do something but, really, the unintended consequences that rents would all be put up all of a sudden, the worst-case scenario, and so we have a contradiction there. That contradiction is that, if that is the case, why is the Rent Tribunal not there to stop that happening so that the States Assembly has some form of control and influence over the lives of the people that we represent? Because if we just leave it to the market and say: "We cannot do this at the moment" we do not do that and we shirk our responsibility, and that is my concern as well. There is this notion of a good landlord, that is where the toxic debate comes up. Because it is not about good or bad or whatever, it is about the reality ...

#### **The Bailiff:**

I am sorry, Deputy, I hope you can hear me because we can no longer hear you.

**Deputy R.J. Ward:**

Well, can you hear me now?

**The Bailiff:**

Yes, we can hear you now. I am not quite sure what happened there; please carry on.

**Deputy R.J. Ward:**

They did adjust the volume earlier, so they might have turned it down too much. For some, obviously it will be enough but there you go. Can you hear me now?

**The Bailiff:**

Yes, at perfect volume.

**Deputy R.J. Ward:**

Sorry, this is not the way I wanted to have done this but that is the way it goes. There is not an equal law. For a start, in terms of good landlords or good tenants, landlords can take out insurance to ensure that what they rent, the homes that they rent, are protected. Also, the ability for landlords to take action against tenants is greater than the ability for tenants to take action on landlords, so I think that is an important thing that we need to see. There has been a lot of talk about the need for a consistent increase in rent in order that the, if you like, profit margin on it, the take from renting out, is maintained. That has not happened in the minimum wage, for example, and it has not happened to many people's wages or incomes. In fact, it will be very interesting whether the public sector, when they come for their pay claim, will be able to play that argument and it will be accepted by the Council of Ministers in the same way. We need this increase because of the costs that we are facing. If we adapt the same approach, then it should be absolutely fine: "Yes, we get that, it is the same as landlords, you have to increase your rent because you have got these extra costs. So, yes, we will increase your wages accordingly." Let us see whether that happens. Instead, what we have is a form of, what I would refer to as "trickle-up" economics that draw from those who have no choice but to rent a home. This is not optional. It is not a bag of crisps that you can leave on the shelf, it is not whether you have a filter coffee or not, this is about the place where you live, the home that you should have as a base for your existence on this Island, and that is why it is such a fixed market. That is the toxicity of this, that this fixed market is influencing people's lives. We must remember that. We have an opportunity to change that just in some small way today by looking at limiting those rent increases.

[11:15]

It does not mean that we are going to cut rents, it still means that people will be paying high levels. For those who do not have a mortgage, they will still have a significant income, but it means that those rent rises will not increase at a time where there is a cost-of-living crisis. Because if we do not do that and rents increase, any action taken by the Government to increase the money in people's pockets - and there is a debate over that to still be had as to what it is going to mean - will quickly be eaten up by rent rises. Now that needs to be remembered if we are going to have an impact. It seems to me that some Members want to try and determine the parameters for debate. I am afraid, you are not going to do that; we have the right to debate anything that we want in this Assembly. It seems to me about the reverence to C.O.M. (Council of Ministers) that we need to have at the moment. There was a very interesting speech yesterday regards the way you approach things, whether you go out to dinner and propose or do it in a fast-food joint. If what we have to do to get anything done is pay some sort of audience to the Council of Ministers and bring offerings, then I do not think that it is the sort of democracy that we want in this Assembly. But what we need to do is look at this in terms of its impact. The Council of Ministers in their Budget did look to say that they: "... will work with landlords and estate agent representatives to encourage them to agree to cancel, or reduce, rent

increases”, reduce increases, at no point is there going to be a drop in rent, so let us get rid of that red herring, “in the short term given the current cost of living issues. If rents do rise in line with the high R.P.I. figures now being experienced, these increases will feed into future R.P.I. rates, keeping inflation higher for longer than necessary and having a negative impact on the overall economy.” Surely, it would be financially prudent for the Government to stop those rises now in order to put one protection in against R.P.I. increases. But, no, that fiscal responsibility has not been taken in the opportunity to do so. It is a disappointing approach for those who face temporary increases and the money going straight to the landlords. Now, I may remind Members that there is no regulation on the increases and indeed no form of licensing of landlords. It was voted against by many Members of the current Council of Ministers. That was the vehicle where we could have had quick action but it was chosen not to be taken. Yet again, that failure to act because it wanted more information or because of supposed impacts leads us to where we are now, which means that again the argument is being made: “Oh, we just cannot do it. It would be nice. I want to sort of satisfy my conscience but I cannot really do it.” I am sorry, but I have to say that I do not feel that the Jersey Landlords’ Association is truly representative of all landlords. I do not know what their membership is. I know they have a disproportionate influence and indeed have been invited on to a Rent Tribunal as a member, but I think we need to look wider than that. Where is the voice of tenants in all of this? Where is the active movement from the Government to talk to tenants and understand that experience? I agree with Deputy Feltham, we have had that, we were on the doorstep recently. The new Minister does seem very keen to communicate with landlords, letters on empty homes, for example. So let us be more positive, let us try and find a way around this, something tangible, shall we? Perhaps I can suggest an approach developed by our experiences in the height of the COVID pandemic. During this period, to show our support, appreciation and encouragement to healthcare workers, and indeed all essential workers, we stood on our doorsteps and we applauded. It had no cost but genuine sentiment behind it, so perhaps this needs to be repeated at the time of the cost-of-living crisis. Why not get tenants to have a regular session of applause for landlords? It would show appreciation and, like our public sector workers, it would mean that any limit to pay in this case can be justified. Let us be straight about this, when public sector pay comes up into the future, we know what is going to happen. It will not be cost of living and they will be told that: “We have taken some action of cost of living, that is instead of your pay rise.” Like a form of cryptocurrency, perhaps we can call it “claptocurrency” although I am immediately regretting saying that as soon as I have said it, to be quite frank. Perhaps “applaude-coin” would be a good idea. Tenants can use this to offset any rise in rents. It appears much more tangible than simple encouragement from the Council of Ministers in their report. It is a metaphor of cryptocurrency for where the value of it varies widely like the wide and varying quality of housing people pay so much for in Jersey. It is this type of out-of-the-box thinking that is needed. Yes, it is a meaningless gesture with no real economic impact but it looks good in the media and can be promoted using the Government’s Communication Unit. Perhaps large signs with the slogans “Putting landlords first” with a smiling house emoji and a happy tenant. We could have a “Landlord of the month” award; add it to the “Pride of Jersey” awards and get the J.E.P. (Jersey Evening Post) onside. Perhaps separate awards for those providing free parking spaces or accepting children and pets; a category for those providing homes for those on income support. Truly recognise the social value of owning more homes than you can live in, in an unregulated and fixed market. The reality is that we desperately need rent control over rents both in our social housing and our private rentals. The free market, when it comes to the essentials of life on a small Island with limited stock, is a myth. This is a fixed market where the customer, the tenant, have no option but to pay the prices dictated to them and those who face rent rises have little option in opposing them. My concerns over the makeup of a rental tribunal is not a personal attack on individuals and drawing us into that really negates what we are here for. It is the underlying principles of genuine representation and understanding. It is not anti-landlord; it is about fairness and the reality of life for so many who struggle in large part because of rental levels. I have great concerns over the plight of Andium tenants who face huge rent rises after refurbishment of their homes. This market-driven approach exposes the disconnect from the real lives of people and the financial pressures they

face. Telling pensioners that they can go to income support to help when there are rises fails to understand the damage this may do to proud people. I find that difficult, really difficult, to think about, the long-term challenges of reliance upon income support for those on fixed incomes. It is no good for the Minister for Social Security to say they will be helped by the Citizens Advice Bureau. That system is not something you want to be trapped in as a pensioner. Then there is the circulation of money from government departments to a States-owned entity. Andium cannot simply be the government's property development arm using the same failed market forces with disregard to the consequences for whole sections of our society. The cost of living is not a holiday home investment opportunity on the coast of the Mediterranean, it is a real experience for so many. I met with those running a food bank in my constituency right in the heart of our wealthy Island. Our communities are increasingly making the difficult but brave decision to use emergency provision. For information, a bag of essentials includes 2 tinned food vegetables and a soup, a packet of pasta and sauce, perhaps a frozen ready meal and one toilet roll. This is what living on the breadline looks like. There is a huge increase in the provision of hygiene packs, real basics of life that we take so much for granted. Provision of baby milk is increasing all of the time. The biggest pressure on their income is rent, without a doubt. Until we have a Government brave enough, thoughtful enough, willing to put aside vested interests and genuinely regulate on rents, this will not change. I look forward to the outcome of this debate. I hope some people were sat there wondering whether this is the right thing to do and taking on board the arguments which I think have been so misplaced because we are here in a new Assembly to make decisions, to improve people's lives. The previous Assembly was toxic, I totally agree with that. It was unpleasant at times and that was because the vested interest ran and ran and ran. We have an opportunity to put a stop on that, to put a hold and say let us do something right for the people of Jersey. Let us stop rent rises for 2 years, let us implement the cost-of-living budget, I will support that. Shame about our amendments but we will support that absolutely because it will make some form of difference, and let us take every measure that we can to improve the day-to-day lives of people in Jersey and make it affordable long term to stay here. Both for young people who want to stay here and build their lives, old people who have built their lives here and want to have a decent retirement, even though they are not particularly wealthy, and for those families on middle incomes and people just getting on with their lives day to day, who should not be thinking: "How on earth am I going to pay my rent if it is increased?" because that is reality for so many. Now, I finish there because I am running out of time. I feel passionate about this because the concentration of housing in the centre of St. Helier, where this affect is so great, is there. I would say to all Deputies, if you choose not to do this today then I hope that you will meet those people who face rent rises and explain to them face to face why you cannot support this limit on rent rises. Any of your constituents who come to me in St. Helier I will pass them on to you so you can explain that away. With that, and I am trying desperately to time this at exactly 15 minutes, I urge people to support this proposition.

**The Bailiff:**

One second over, Deputy, but we will not hold you to that. Thank you very much. Does any other Member wish to speak on the amendment?

**2.1.16 Connétable A.N. Jehan of St. John:**

I will not trouble the clock. Yesterday we heard that Scotland has introduced a rent freeze. Indeed, they have but I believe that is for 6 months and not for 2 years. The Minister for Housing and Communities said the 2-year proposition was not under consideration in Scotland. Well, a 2-year freeze was actually rejected by their Assembly in June and I believe that we should do the same by rejecting this proposal. The proposal targets all landlords, including all those good landlords who charge below market value. These landlords will also be impacted. In my commercial experience, regular, small rises are much better than having a few large increases. I believe we would see large increases introduced at the end of the 2-year period and, sadly, I believe that some landlords may put large increases before the clock starts to tick. Deputy Tadier was of the view that mortgages would



be fixed in buy-to-let properties. Well, just like other mortgages they will but, like other mortgages, they will be coming up ... they will be set for different lengths of time and landlords will have their mortgages up for renewal throughout the proposed 2-year period. They would be impacted by the freeze. We have relied on private landlords to provide properties where we have failed and with the ongoing shortage of supply. While we want to increase home ownership we do still need people to make their properties available in the private sector. We do have the ability to work with the major landlords on the Island, such as Andium and other housing trusts, and we should encourage them to continue to be sensible with any increases they make. I believe that Andium have a 4 per cent cap on increases and I would ask the Minister for Housing and Communities, if he is not already doing so, to work with the others in that area to apply a similar kind of cap. The mini-Budget is looking at providing support to people during this cost-of-living crisis and we should get behind the main proposal to do this and not accept this amendment.

**2.1.17 Deputy C.S. Alves of St. Helier Central:**

Over the past 2 days I have heard my party being called opportunist, grandstanding for bringing this proposition and other amendments forward. Now, we bring these things forward because this Island needs action and we are listening and sticking to our election promises. This Government has not included any real action to what is being proposed here. The only thing in relation to housing in the 100-day plan was bringing forward propositions to create prefabricated homes to address the Island housing crisis, which could take quite a while, and introducing limits on the number of homes that can be built over 3,000 square feet for a period of time in order to focus on tackling the housing crisis. That does not deal with the action that we need now. We have data. We know that housing costs are a significant percentage of people's income. It is a fact that if you pay more than a third of income on rent or on housing costs that puts you in rental distress. Okay, how many times have we heard stories about people who are paying a significant amount in rent but cannot get a mortgage for a similar amount? Has the minimum wage kept up with these rises? Well, let us look at that. On the minimum wage, after social security and before tax, you will be earning on a 40-hour week approximately £1,500 per calendar month, a third of that is £500. Good luck finding somewhere to rent for £500 a month. I am not even sure you can get a garage for that price anymore. I have heard a lot of people in here talk about the pensioners that have a property that they rent out for an income for their pension.

[11:30]

I sympathise with those pensioners. I know that things are not easy, especially for that sector of our society, however I have spoken to local property lawyers and the problem is not those local pensioners that have one property that they rent out to subsidise their pension, in fact those pensioners what they are doing now is selling their properties before they pass away at a discounted rate - this is what the lawyers have told me - to their grandchildren so that their grandchildren can buy somewhere on this Island because they cannot. These lawyers have told me that what used to happen was that families would help out with deposits but even that is not enough anymore. What I have been told is that actually the problem is those that are buying multiple buy-to-let properties. Now, I heard the Minister say he had spoken to landlords and estate agents, well I suggest the Minister for Housing and Communities also talks to law firms and maybe looks at the court property listings. I have heard some stories here as well about bad tenants and I am sorry that some of you have had experiences with bad tenants, however there is - like Deputy Ward mentioned - such a thing as landlord's insurance. I would not drive a car without insurance. Even when you get out a loan nowadays you can get insurance to cover you in case you become unemployed. Why would you not get landlord insurance? I bought a property, I have life insurance. It was a very uncomfortable thing doing a will and life insurance at the age of 25 but I did it to protect myself and to protect my family. Deputy Jeune mentioned what happens in 2 years' time? Well, in the meantime a lot can happen. The Government can bring forward multiple propositions. There are new propositions coming to this Assembly all the time that substitute other things that have been agreed in this Assembly, that is

democracy, that is what happens. There is nothing to stop anyone from doing that. The Constable of St. John mentioned that Scotland had rejected a similar proposition in favour of a 6-month freeze instead. Again, nobody amended this. Anyone could have amended this but nobody did. The Constable of St. John also mentioned something that Deputy Tadier picked up on about fixed mortgages and how these mortgages will not be increasing and that they will be up for renewal. I am finding myself in that situation where my mortgage is up for renewal next year and I am a bit worried. However, my property has doubled in value in 10 years. So what has that done? That has actually bought down my loan to value ratio percentage, which means that my interest rates for my mortgage are in the bottom bracket. Now, let us not forget, we had a Housing Policy Board last term as well who did a fantastic review with a number of recommendations that would help tenants now. Why have any of these not been fed into the 100-day plan? Again, is this going to be another Government that is going to ignore reviews that provide an inconvenient truth, because those reviews cost money as well and that is taxpayer's money. Why do people rent? I have mentioned before most people rent because they cannot afford to buy. My property doubled in the 10 years, my wages certainly have not nor have my partner's. If was to buy my property now I would not be able to. Even selling it now I would not be able to buy a property of the same value. Most people rent because they cannot afford the deposit. Most people stay at home because they cannot afford a deposit. I do not think we are really thinking about the unintended consequences here. Do we want our young people to be independent or do we want them to keep living at home until they are in their 30s? I know couples that are married and that have had children and have had to keep living at home, both in full-time employment, because they cannot afford to buy their own places. Another unintended consequence of keeping rents high is the ugly face of things, which we do not really talk about, people do not see and nobody has mentioned today, which is things like domestic violence and people feeling forced to be in an environment because they cannot financially afford to move out and be on their own. The number of couples that I know that have come together and within a couple of months or maybe even less are living together simply because they want a bit more independence and they cannot afford to be where they are and financially it works out better. But when that relationship starts turning often one of them feels trapped and they cannot come out of that. These are things that nobody has mentioned in this Assembly but I have seen it and I had a number of constituents begging me for help but there is only so much I can do. I really think this Assembly needs to think very carefully about the real-life impact of things that are brought into this Assembly. Yes, okay, maybe 2 years is not ideal but, like I have said, there is nothing to stop anyone from bringing forward another proposition, be it in a couple of months' time, or whatever, with proposals that they feel are better. But right now we need action because there are people out there suffering and it is not good enough.

**The Bailiff:**

Thank you very much. Mr. Attorney, your light is on, is it meant to be on? Does any other Member wish to speak on the amendment? If no other Member wishes to speak then I close the debate and I call upon Deputy Mézec to respond.

**2.1.18 Deputy S.Y. Mézec of St. Helier South:**

Thank you to all Members who have taken part in this debate. The tone that I wanted to start with was to build upon some of the points that were made by Deputy Stephenson in her speech about how these debates have become toxic. We can often see that, not just on social media but in other interactions that we have with those who have become deeply concerned about this issue of the housing crisis. I am sorry to say, though, that I think Deputy Stephenson's solutions to that were misguided and here is why. They have been tried before. It is not the case that we are in this toxic atmosphere when it comes to debates on the housing crisis because we just do not talk to one another enough, because we just do not use polite enough language or we do not break bread with others and bring them to sit around the table. That is simply not the case. We have done it before and it has not worked. I took part in the Housing Policy Development Board project which at the culmination of its work produced what I considered to be the blueprint for solving Jersey's housing crisis. That

exercise involved wide consultations with all sorts of bodies in the Island that are involved in providing housing. The political membership of that board was made up of 2 Reform Jersey members, 2 Alliance Party members, although they were not part of the party at the time, it included one other I would say slightly left-leaning member and 2 other slightly right-leaning members. It had majority of right-leaning members but it was a good body of members that worked by consensus and put this blueprint together. Great job, exactly the kind of approach you would want to see. When the proposals made their way to the floor of this Assembly, for political reasons some Members started U-turning at that point. They lost the courage of their convictions there. The process had been great but it was ultimately the politics that destroyed it there. The other example, of course, was the rented dwellings health and safety regulations, or as it is more commonly known, the landlord licensing proposals where the Ministers who were behind that put more hours into consulting on it than I can possibly recall. I remember so many meetings at the Town Hall, inviting stakeholders to those largely through the Jersey Landlords' Association but independent landlords as well, very heavily involved in that. There were 2 Scrutiny reviews. Not one but 2 Scrutiny reviews. The proposals changed at multiple points along the way because of those consultations; they were so useful and helpful. Again, they reached the floor of this Assembly and the proposals were killed for political reasons. Politics is not about the vibe, it is about the substance. It is ultimately a case of us in this Assembly deciding do we have the guts to do something or not. If that upsets some people from time to time, while sometimes that is just a consequence of making decisions. There is a quote that many Members would have heard, which you would probably think was attributed to Winston Churchill but I googled it before and quite poetically it is actually Victor Hugo who said it originally, who said: "If you have made enemies in life, good, it means you have stood up for something." What this Assembly is going to, I hope, realise is that the reason that the Alliance Government suffered a revenge eviction at the election previously was not because of the language we used, not because of the types of consultation that we engaged with, it was because of poor decision-making. It was because they had opportunities to make changes, they did not, and those decisions were out of touch with the public of the Island who are frustrated at looking at an Assembly that appeared to be taken over by vested interests to not introduce things like the Landlord Licensing Scheme. The most moderate scheme you could possibly think of to make a tangible impact on improving rental conditions for people who live in substandard accommodation. They refused to introduce those rent regulations that were proposed in the Housing Policy Development Board. They voted against establishing a rent tribunal, not the Rent Tribunal in the 1946 law but a rent tribunal, one that was fit for purpose, and they did not take the opportunity to do it. What this Assembly must understand is that talk is cheap, action is what matters. The phrase that really irritated me from the Minister for the Environment is he dismissed this as "carpet bombing when instead what we need is a surgical strike." I tell him I would be up for that if he was proposing one but what he is proposing is firing a blank. The problem with firing a blank is you hear the shot and you think: "Oh no, have I been hurt?" and when you check yourself out you realise it was blank and you can carry on doing what you were doing before. If we are not prepared to say what we will actually do then do not be surprised when nothing changes. When people out there still get their rent increases coming through of £300 a month, £400 a month, even one of £1,000 a month that we were told of before, everything else you say is no consolation to them. To say: "We are going to bring in prefabricated homes", no consolation to those people. "We are going to unpeg Andium rents from the private market" which is a great idea that I support, but it is no consolation to people who live in the private sector who are not eligible for Andium Homes or for any social housing and who get that letter saying: "£300 a month increase, thank you very much." It is no consolation to those. The only thing that would be consolation to those people is some form of tangible action to say we will cool things off for a bit while we develop something more reasonable and better that fits into the wider context. Some comparison was made to what has been done in Scotland where they are introducing a rent freeze. Members pointed out that their rent freeze is for only 6 months whereas I am proposing 2 years. There is a very specific reason for that. In Scotland they are almost ready to bring in a package of reforms to the private rental market and those are reforms along the lines that I have described previously about the

Europeanisation of the rental experience there. They are looking at open-ended tenancies, they are looking at rent stabilisation, all of the stuff that in some European jurisdictions works really well. They are looking at all of that and they are almost ready to go but not quite. They have recognised that in these few months when all of this pressure is being put on the cost of living and rental costs in that country, that immediate action ought to be taken until they are ready for a much more comprehensive system to take over, which they will be ready to do early next year. I am proposing 2 years because we are not ready yet. The Minister for Housing and Communities pointed out that there will be a draft residential tenancy law published. I cannot wait for it. I am going to go through it with a fine-tooth comb and study that very carefully but there will then be a consultation period. I will tell you what I am scared of, I am scared of the vested interests getting their say and just one too many Members being swayed by their lobbying for it then to end up with what we had with the Landlord Licensing Scheme and other things before, which is eventually when it makes its way to this Chamber, it dies a death and we end up with nothing at the end of it. That is why we need to commit to action and not be distracted by the kind of language that we use: "I do not like what he said" or: "We did not talk to this body enough." You just have to have the courage of your convictions and make some decisions at some point. Deputy Ozouf, who unfortunately is not sat in the Chamber for this point, in his speech he talked about how this was the wrong time to be debating this measure. Of course debating a cost-of-living measure cannot possibly be done during a cost-of-living budget. He reminded me of my favourite scene in what I think was regarded as one of the greatest films of all time, which is "Dr Strangelove" and you may remember that scene in it where they invite the Soviet ambassador into the war room to try to avert a nuclear war as it is about to happen, a rather enthusiastic American general starts a fracas with the ambassador and the president intervenes and he says: "Gentlemen, you can't fight in here, this is the war room."

[11:45]

Deputy Ozouf is telling us we cannot have a political debate in a political debating chamber. I mean what absolute nonsense. There is no better time to be debating this kind of cost-of-living measure than in this. He showed signs, I think, of still not understanding the problem where he routinely referred to the issue of supply and demand. Again, in my view, a naïve and misguided view that somehow market forces on their own will fix everything, so long as we can provide some extra supply. I am afraid it does not work for 2 reasons. One, a market is not going to provide an excess of a commodity if it is going to devalue that commodity. It is just not a rational thing for players in a private market to do, to devalue what you are trying to make profit out of is just not how capitalism works. Secondly, most people in Jersey have a home but they are still feeling the consequences of the crisis. Most of my friends are out there living in homes that they are quite happy with but they still thinking of leaving the Island, they are still in some instances suffering hardship, not because there is not the supply for them, the supply is fine for them, they have a home they are otherwise happy with it, the problems that they have are the fact that they can get kicked out at 3 months' notice at any time and there is nothing they can do about it, and it is the fact that at any point they can receive a letter saying your rent is going up by hundreds of pounds and they simply do not have the money. This idea that if we build more prefabricated homes in 5 years' time is no consolation to them. What they need is action right now. Deputy Bailhache spoke, and I was pleased that he started by referring to the philosophy of the Jersey Liberal Conservatives. I am pleased he did that and I agreed with what Deputy Andrews said yesterday about philosophy does play an important part in these debates. If you do not believe that market intervention is the right thing to do you will probably just not have much in common with those who think it is the right thing to do and our democratic process means we will have a debate and the side that is on the majority will ultimately win, and we will see how they do. He talked about unfairness as a coin with 2 sides. He used the example of the pensioner who owns a rental property to supplement their pension and how this measure might have an adverse impact on them. Obviously that is not what we want to do. We do not want to harm pensioners who are still on relatively modest incomes. But it ignores the context in which we are having this debate, which is it is the context of a mini-Budget which contains lots of good measures

which will help people across our society. If you are a pensioner who has a rental property to supplement your income you are going to benefit by the States pension going up, you may benefit from other forms of supports that are due to go up and you may benefit from the tax allowances going up. The suggestion is that on top of receiving their benefits from the cost-of-living budget that they should also be entitled to take away the benefit to their tenants from their cost-of-living budget as well. To say: "They are getting extra income because tax allowance is going up or this or that, we should be able to increase our rent so we get 2 lots of the benefit of the cost-of-living budget." That is not fair either. To say we are all in this together and that means that some of us will not be as well off by the end of this as they would have liked to have been but measures must be taken to have the best macroeconomic impact. If that means making decisions which for some people's microeconomic interest is not the best thing, well it is not our job to try to find a system that delivers the best microeconomic impacts for the largest amount of people if the overall macroeconomic impact is negative. The Minister for Housing and Communities, let us get on to that shall we? I will tell you what, I will go easy on him because I am going to go much harder on him in a later debate, when we come to the Rent Control Tribunal debate. I think he did make some statements that were not really fair or accurate, unintentionally of course, but I think it was a flippant phrase he used when he said: "Deputy Mézec suggested this could be done today." Well, of course, that is not the case. We have a process to go through to put legislation together, that is why the date of 1st November is built into the proposition. So obviously it cannot be done today, it would take time to be able to put it together. He talked about needing exceptions to allow tenancies to be ended and that might be a complicated thing to put into the law. I thought that before this debate as well because that is a legitimate point. We are not in the stage of the pandemic that we were last time we implemented an eviction ban where the health advice was do not go outside. That is why we stopped evictions from happening. That is not necessary now. This proposition does not say we will ban evictions because evictions absolutely should be taking place these days if people are breaking their tenancy contracts. There is no reason why people who are breaking contracts, refusing to pay rent, trashing the properties they live in, should not be subjected to evictions if they have broken those contracts. There is no health reason for that to be stopped. That would still be an option here. But if 2 parties to a tenancy - a landlord and a tenant - decide that they are happy for a tenancy to end they can agree to do that. They can agree to say mutually: "This contract is now over." But what we would be taking away is the right to unilaterally issue them with 3 months' notice where they have no right of appeal and nothing that can be done about it. I was very intrigued by the comments that were made by Deputy Bailhache, who is of course a very experienced lawyer, about the courts and what they would do to protect tenants in those instances. He did not quite get close to using the specific language to describe what that court hearing would be. That would be eviction proceedings. Evictions come after notice to quit has been issued and ultimately been ignored. So if it got to that point it would be because the relationship has broken down and that the tenant has no option left available to them but to essentially become a squatter in that home and then be forced through those proceedings. Yes, it is the case that the court has the ability to provide a stay of execution of an eviction so they can be offered extra months beyond the notice period that they were given but there does have to be some basis for it. If the Residential Tenancy Law says that it is entirely legal and proper for a landlord to issue 3 months' notice and for a tenancy to be over, on what basis would a court be overruling what is in the legislation to say: "No, we are going to give you months and months extra just because you fancy it." No, they will not do that, they will apply what the law says because they are required to apply what the law says. The only circumstances where they would not do that is if there really is severe hardship or some fault somewhere along the line from the landlord in how he or she pursues that eviction. So it really is not the protection that he was suggesting it is. Deputy Andrews used only one phrase that I am going to pick on, just to correct him, he referred to this Chamber as a "consensus Chamber" and he is wrong. It is not a consensus Chamber and the proof of that is what we have on our desks in front of us, voting buttons. We do not have consensus, we are perfectly free to disagree with one another and that is absolutely right and proper in a democracy. Our horseshoe shape is taken from European Parliaments that developed the concept of left-wing and right-wing.

That is the history behind why they are shaped like this. It is not a consensus Chamber, I think that is a myth. So we have no duty to simply abide by or just rubberstamp what the Government tells us because they are not keen on this idea or they prefer to do something different. We have the ability to say to the Government: "Thanks, but no thanks, we require something more from you on this instance." Their action in asking politely for landlords not to increase rents is inadequate. It is inadequate purely by logic. It was obvious that it was not going to be the case that that would be enough because the good landlords are already doing this. The good landlords do not need to be told because they know what is what, they know what the right thing to do is. Those good landlords will not even notice this if it is passed. Will not even come across their desk because it would have been something they would be doing anyway. Those who either maliciously want to take advantage of the crisis, who are a very small minority thankfully, but they are a dangerous minority that will cause hardship for people, or those who naively think it is okay to increase rents at a difficult time for people will still be out there and still be causing hardship. We have received the evidence from the Landlords' Association itself who said in their correspondence with us - and I think the Minister for Housing and Communities slightly misquoted this in his speech - that 40 per cent of their respondents say that they would not increase rents at all this year. Well, that does mean that 60 per cent are thinking of doing it. So this has been a failure. That communication with that body, perhaps done in good faith to achieve that outcome has failed and the people who have admitted that are the recipients of that request. They, themselves, have admitted that a majority of their membership have got that ... sorry, a majority of respondents among their membership who have got back to them have said that they are planning to put rents up. Okay, it is by different amount, it is not all inflationary amounts, some are below R.P.I. but that is the case that that policy has failed and it is quite clear from that. So in the space of failure we have an opportunity to fix it and make compulsory what we were asking politely to be done. This amendment provides the opportunity to do that and I say to Members if they are not interested in doing it this time I give them notice that there will be plenty of opportunities to take tangible action in the future and we will be making sure of that. We will bring these measures forward time and time again if we have to. If you want to do something to get rid of that toxic atmosphere that is developing among society, that division between renters and landlords, the way that you deal with that is by taking tangible action, it is not by saying that we just need to try a different approach, because we have done all that before and it has not worked. The only thing that will work is taking action. I call for the appel.

**The Bailiff:**

Very well, the appel is called for, I invite ...

**Deputy P.F.C. Ozouf:**

A point of clarification, if I may.

**The Bailiff:**

Would you give way for a point of clarification, Deputy?

**Deputy S.Y. Mézec:**

Depends what it is.

**The Bailiff:**

Well, no, I think you are either prepared to give way or you are not, I do not think you can ... you can always refuse to answer the question when it is asked.

**Deputy S.Y. Mézec:**

Yes, I will see. Yes, let us hear it.

**Deputy P.F.C. Ozouf:**

I made observations about the category of people which other Members have spoken about which are those that live in lodging houses that are not renters and I just wanted, for the avoidance of doubt, to ask the Deputy kindly if he would just simply signal that he accepts that this motion does not deal with that because it has been raised by myself and other Members?

**Deputy S.Y. Mézec:**

That is a very fair intervention, so I guess I have to take it. The wording of this amendment which asks us to introduce residential rent controls for a period of 2 years to include but not limited to - key phrase there - the suspension of rent increases, the transference of both fixed term and periodic tenancy to open-ended tenancies and with the Minister for Housing and Communities instructed to bring forward legislation to amend the above for debate before the Assembly on or before 1st November 2022. The wording of that does not make a reference specifically to the Residential Tenancy Law, although it is obvious that part of that work would refer to the Residential Tenancy Law, which does not cover lodgers. That is correct but the wording to this amendment does not say it is exclusively the Residential Tenancy Law, it would be for the Minister for Housing and Communities to decide if there were another law that governs how lodgers are dealt with to implement it in that as well. It would be down to them to find that solution and I would hope around the Council of Ministers table Deputy Ozouf would be making representations on that.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on the amendment and I ask the Greffier to open the voting. If Members have had the opportunity of casting their votes, then I ask the Greffier to close the voting.

**Deputy R.J. Ward:**

Could I just confirm you got mine online, please?

**The Bailiff:**

We do have yours and I am adding it to the total now, Deputy.

**Deputy R.J. Ward:**

Thank you.

**The Bailiff:**

Very well, the voting is closed. The amendment has been defeated:

<b>POUR: 9</b>		<b>CONTRE: 35</b>		<b>ABSTAIN: 0</b>
Deputy M. Tadier		Connétable of St. Brelade		
Deputy R.J. Ward		Connétable of Trinity		
Deputy C.S. Alves		Connétable of St. Peter		
Deputy S.Y. Mézec		Connétable of St. John		
Deputy T.A. Coles		Connétable of St. Clement		
Deputy B.B.S.V.M. Porée		Connétable of Grouville		
Deputy C.D. Curtis		Connétable of St. Ouen		
Deputy L.V. Feltham		Connétable of St. Mary		
Deputy R.S. Kovacs		Connétable of St. Saviour		
		Deputy C.F. Labey		
		Deputy S.G. Luce		

	Deputy L.M.C. Doublet		
	Deputy K.F. Morel		
	Deputy M.R. Le Hegarat		
	Deputy S.M. Ahier		
	Deputy I. Gardiner		
	Deputy I.J. Gorst		
	Deputy L.J Farnham		
	Deputy K.L. Moore		
	Deputy P.F.C. Ozouf		
	Deputy D.J. Warr		
	Deputy H.M. Miles		
	Deputy M.R. Scott		
	Deputy J. Renouf		
	Deputy R.E. Binet		
	Deputy H.L. Jeune		
	Deputy M.E. Millar		
	Deputy A. Howell		
	Deputy T.J.A. Binet		
	Deputy M.R. Ferey		
	Deputy A.F. Curtis		
	Deputy B. Ward		
	Deputy K.M. Wilson		
	Deputy L.K.F Stephenson		
	Deputy M.B. Andrews		

[12:00]

## **2.2 Mini Budget 2022 (P.80/20200) - as amended**

### **The Bailiff:**

That brings us to the end of the debate on the amendments and we now resume the debate on the main proposition as amended. Does anyone wish to speak on the main proposition?

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

If the mood of the Assembly is just to go straight to the ...

### **The Bailiff:**

I have one other person wishing to speak.

#### **2.2.1 Deputy P.F.C. Ozouf:**

All right, I will make some brief observations as I was the first. I commend this mini-Budget to the Assembly but wish to - in light of the remarks of the last debate - make it clear that this is a short-term fix for a short-term problem and that the observations made by a number of Members is very



clear that while this is a short-term issue in a short-term world there are some medium and long-term issues that must be dealt with, which is the unqualified, as it was regarded, it is the charges that are levied on people in their homes and it is also the price of goods at which members of our community have to pay for in monopolies and cartelised markets. This is a matter that is commanding the attention of great concern in other jurisdictions, making markets work competitively, lowering the price of goods is an important issue, which unfortunately is unable to be dealt with in the short term and is one of those issues that must be dealt with in the longer term. I hope that Members will give the Council of Ministers all of the encouragement from the very positive comments that have been made and the absence of any amendments to it will give the encouragement for the Council of Ministers, with the blessing of this Assembly, with the consent of this Assembly, to deal with the whole of the cost-of-living challenge that Jersey has had, not just in the last ... because of this issue of the invasion of Ukraine but at the other cost-of-living pressures that arise because of COVID, because of Brexit, because of supply lines and because of the entrenched nature of a small Island community. I wholeheartedly support the Chief Minister's drive to bring this in very early course and I hope Members are going to overwhelmingly approve it because it is going to make a really big short-term issue, in the measures that it has been made, in terms of tax, social security and the other measures it attends to.

### **2.2.2 Deputy R.S. Kovacs of St. Saviour:**

I want to highlight a few points on some of the propositions brought with the mini-Budget. I am starting by referring back to my oral question to the Minister for Social Security yesterday and the answer I received. A Community Cost Bonus was initially introduced as food cost bonus to cover the ... for the G.S.T. (Goods and Services Tax) in 2008. Since then until 2021 there were only an average of 1,000 applicants per year with the Minister informing of just a bit over 600 applicants so far this year, although there has already been some publicity made since the mini-Budget was announced. To me this still highlights the worry that the jump from the average of 1,000 claimants per year to the targeted 7,000 eligible, or even better to 14,000 if considering Deputy Feltham's amendment passed, looks very difficult to be achieved. This involves an application process to which many eligible people either will not have the time, the knowledge or could be ashamed to apply. If the target is achieved at all there are still thousands of people still struggling with the very high cost of living and will not be eligible for this. Therefore I consider that further consideration should be given to more ways of helping the low and middle-class population that needs support and will not benefit from what has already been proposed to this or the mini-Budget. I also want to respond to what Deputy Ferey, the Assistant Minister for Social Security, had said yesterday on the easiness to apply for benefits if someone is in need and that the ones needing income support should have no reason to not have the ability to get it if eligible as Citizens Advice is also there to support them with the application. Citizens Advice Bureau are doing a great job in supporting Islanders with a range of different problems, however they are not open 24/7 and not everyone has the time or the awareness to approach them. Also, as someone who has worked until before the elections in the Income Support Department, I have seen many eligible applicants struggling to apply or withdrawing their application before a response was obtained on the grounds of too much bureaucracy, too long process and waiting times and no capacity or availability of appropriate support with application. I am also aware of similar issues when it comes to applications for other benefits from the other departments within Customer and Local Services. This comes to show that it is not so easy to apply for benefits and besides the stigma associated there is also still a lot of red tape around the process that is putting people off applying, even if they are in great need. Going back to the mini-Budget proposition, to 12 per cent increase to the personal tax threshold and allowances, I can say it is very welcome, certainly a lot more than some previous years. However, I want to highlight a few downsides to this that should still be considered. What is the actual inflation rate going to be, considering the prediction is to be a 2-digit rate, and how much of this actual increase offered would be eaten up by real life inflation? I have seen no evidence that there would be any moderation of rent increases, therefore this 12 per cent could be eaten up by rent increase. Wage increases are usually seen to be between 3

per cent to 6 per cent, therefore this 12 per cent increase in allowances would not be fed through into people's take-home pay, especially for lower paid workers. A salary increase is disproportionate. There has been some criticism about lack of consultation with community organisations, especially like Age Concern. Looking at this, there are many people in the older community that would not benefit, especially if only on a basic old-age pension. In the current economic crisis everyone is facing, there is still a very large number of people struggling that earn above the threshold limits proposed for a tax allowance. Even after these thresholds would be increased as proposed by the 12 per cent to 18,550 per year for a single person or a 29,750 per year for a married couple or civil partners, the benefit, especially for the ones above the threshold, including the allowances related to children and second earners, is going to go almost unnoticed considering all I said before. I also want to raise some points regarding the 2 per cent reduction in contributions proposed. During the COVID pandemic one of the measures taken was to reduce contributions by employers to the Social Security Fund. I have been looking back at changes that have been made regarding contributions into the Social Security Fund and I wish to highlight a number of areas where less money has been paid in 2020. P.96/2020 was approved which said: "The Council of Ministers proposes to temporarily reduce social security contributions for 9 months to increase the take-home pay for approximately 55,000 workers and self-employed Islanders." The financial implication of this work: "The temporary reduction in social security contributions would reduce contribution income into the Social Security Fund by about £26 million during 2020 and 2021." Today we are being asked to approve another £9 million as a reduction in contributions, making a total of £35 million in 2020 to 2022. I would ask Members to be mindful of this while the previous reduction dealt with unprecedented circumstances of COVID, I am not sure using a reduction in contributions to help with inflationary issues is entirely within the scope of the original intentions of the Social Security Fund. It was set primarily to fund pensions and benefits for the working and the retired members of the community. Also, it is important to remember whose fund this is. It does not belong to any Minister or the Council of Ministers. It is a fund that has grown with sound investment and prudent use. It is not there to be raided to support other things such as inflation and cost-of-living issues. Many people, some still working and many retired, rely on the fund for sickness and other benefits and pensions are paid from it to thousands of people, many of whom have no other income. My reason for saying this is that the fund currently has over £2,000 million in reserve, however I would ask Members to note that during the pandemic the States grant to the fund did not happen over a number of years. In 2020 £65.3 million was not paid. Similarly, in 2021. In 2022 and 2023 an estimated £160 million was not or will not be paid. In total, this is around £300 million that the States through an annual grant over 4 years did not pay. Although the support given to the community through this is beneficial, my reasons for highlighting this are that combined with the reductions in employer contributions during the pandemic and now as part of the cost-of-living measures the States 4-year break from contributing is going to create a future shortfall and people will have to pay more. A sustainable way to fund the reduction in social security rates could be by scrapping the contributions gap, something that Reform Jersey has proposed on a number of occasions. This would also move the burden from those who can least afford it. Therefore, I would like the Minister to give this Assembly some reassurance that she will seek the shortfall of States contribution to be made good before others, like our children, will be asked to pay more. In conclusion, as much as I welcome these proposals with specialists also warning that the worst part of the economic crisis globally as well is still to come, I believe due consideration should be given by the Council of Ministers to include additional methods of support that would show benefit for the longer term as well for everyone needing it.

### **2.2.3 Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:**

I too am pleased to commend this mini-Budget to the Assembly and Deputy Ozouf hit the nail on the head when he absolutely rightly pointed out that this is a short-term solution to what is, at the very least, a medium-term challenge. I think that is perhaps why many of the very good amendments did not make the cut today, because they were longer term, permanent amendments in some instances, which I think need a little bit more consideration. But we do have to address, again, some of the

amendments that were rejected, because some that were rejected are certainly worthy of reconsideration in the context of a longer term or perhaps more permanent restructuring of our finances or our tax structures in the future. I am sorry, I am put off because the Minister for the Environment is smiling. I am not sure that he is smiling at me but not a sight I often see from a Minister for the Environment.

**The Bailiff:**

I am not entirely sure that is contrary to Standing Orders. **[Laughter]** I think smiling, if anything, is to be encouraged in the Assembly rather than discouraged.

**Deputy L.J. Farnham:**

It is nice to see a touch of that breaking out towards the end of the debate. While this is rightly a mini-Budget for individuals and Islanders, I have to be slightly disappointed there is not a little bit more in there to help business. I know the Minister for Treasury and Resources will not mind me sharing a brief exchange that we had over the seats here when I said that to him. He said: “Yes, but this is a Budget for the individual businesses. You gave businesses £150 million of payroll support.” Of course, that is correct, we did do that, and I think that is something that the last Government did get right - well, this Assembly did get right - to provide that level of support, that huge level of support to business. But that was not just to business; that was to protect and maintain people’s jobs, and I think that is why our economy is still in a good position, and Deputy Andrews still referred to some of the supply and demand challenges that we have, which is why we have to be careful when we are looking at how we levy taxes and so forth, so that we can manage the amount of money that is being spent in the economy. But I would remind Members that this is, at least, a medium-term challenge, perhaps it will go into the longer term. Inflation is forecast to continue to rise, and businesses, and we must remember when we say “businesses” we are not just talking about the big Jersey businesses or the international businesses that operate in Jersey. Something like 80 per cent, and Deputy Morel knows this because he did a lot of work on it as Assistant Minister, of our businesses are small businesses and they have faced unprecedented rising costs. For example, by the time we get to January of 2023 the J.E.C. (Jersey Electric Company) are going to put another 5 per cent on their tariffs. That is an almost 15 per cent increase in electricity charges between 1st January 2022 and 1st January 2023. Luckily, because of the foresight and the hedging that was put in place by our energy providers, we are not as vulnerable as the rest of the U.K. currently, but that is going to change during the course of 2023 and perhaps into 2024 when we will be more vulnerable.

[12:15]

The minimum wage rises and a move towards a living wage is of course welcome. It is perhaps overdue, but it is very welcome. I am fortunate enough to sit next to the Minister for Social Security, who is unfortunate enough to sit next to me during these times and when we were talking about minimum wage she said: “Yes, but it will only affect 900 people.” Well, great, but of course I suspect it will mean that businesses will have to completely restructure their payroll, because it is not just the people on minimum wage. Everybody in the structure moves up, so I suspect businesses will be implementing increases for several thousand employees, and again that can be welcome, but we have to remember businesses have to find the profit to pay for those increased costs, and of course that is an element of sharing some of the money that we are giving out today. We have also put some of the burden of that on to business, so I think the message from me is, yes, this is good. It is very welcome, it is a short-term solution, but please, my plea to the Chief Minister and the Government is not to forget that businesses will need help in facing the challenge of high inflation and coming through this, so we emerge with a strong and sustainable economy.

**2.2.4 Deputy L. Stephenson:**

I just wanted to make one hopefully very quick point. It is hoped that we will approve this shortly and we have heard throughout the conversations over the past few hours and yesterday about how this is an opportunity to put money back into Islanders’ pockets, but we have also heard how there

are already situations where there are more people eligible for some of these benefits than are claiming them, and that that is going to widen further. The Minister for Social Security yesterday talked about a communications piece of work that will happen around that, but I would just emphasise something that was raised yesterday, that we have all got a part that we can play in that. We can all raise that and put that message out there and speak to people about it. Talking and sharing is really powerful, not just in getting the message out there, but helping to reduce some of the stigmas that people have started to talk about. I would appeal to Members but also the public as well to check in on your relatives, your friends, your neighbours and talk about these things. We do have an opportunity now. What I would hate to see happen is that in a few months' time we look at the figures of how many people have claimed. How successful was your communications policy? The communications policy is an important part of it, but so are we.

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

I do not think I congratulated Deputy Stephenson on her election and indeed on many of the new Members who I have not managed to speak to. I was particularly struck by the comment that she shared with us during one of the amendments, that when she was on the doorstep she was asked the question: "Are you a landlord?" and that was repeatedly asked to her. She has come to the conclusion that there is a toxic atmosphere in politics and that needs to be changed, presumably, and a better way is the way to do it maybe both in official name and what it means. The problem is that I would prefer to look at why people were asking her that on the doorstep. I do not think they were simply asking: "Are you a landlord?" I think they were asking: "Are you the same as the other lot who came and knocked on my door 4 years ago and who maybe ended up in Government?" Indeed, there was one of them who was a very vocal and prominent advocate of the Landlord Association. I know we have had that debate, and I am just alluding to that in the greater scheme of things, and I think they were really asking: "Are you more of the same? Can we trust you? Many of us have stopped voting and we are not sure if we are going to vote this time. I may be voting, but I just want to know that I am not going to waste my vote again, because I got fooled last time and I do not want to be fooled again." I think for many of the public the jury is still out on that. I go back to the old political adage, I see everything in this Assembly panning out exactly as I thought it would before the last election. Maybe the French adage *plus ça change, plus c'est la même*. I also think of the other thinker who said that you have pessimism of the mind, but optimism of the will, a bit like Sisyphus coming back to the hill pushing up the boulder, realising that you have just got to keep doing it again and again. Without wanting to expose you to too much of my mind, I will probably get back to the point. I do not think that this mini-Budget does address the fundamental issues. We say this is an emergency Budget, but we should know about the way that economics works. I think it was Gordon Brown who claimed to have fixed boom and bust, and maybe I misremember that, but we see ourselves again in the cycle. We see ourselves in that cycle where every so often this thing happens again and there is something called a recession and it is called an emergency for working people who can no longer afford the cost of living, whether or not they are renters, they own their own places. Housing costs go up, heating costs go up, fuel costs go up, the price of food goes up. I think it is really important to remind ourselves that not everybody loses during a recession. The reason that there are not any fundamental changes to the system is that it works very well for certain people and Governments remain in place because they are co-opted to do the bidding of those people for whom it very well works, and not just for people, but the corporate structures, so as it ever was in Jersey since 1948. That is what the Assembly, I believe, is ultimately here for and nothing has fundamentally changed. So when we look at this budget, there are certainly some things that I will be voting for, and there are some good amendments that have been adopted and I am really pleased that Deputy Mézec was able to lead our project for the living wage, which has now been adopted by the Minister for Social Security and Government. That is a positive. But as she says quite rightly, it will affect 900 people and that will be really important, but there is the rest of the community that we need to look at. What I am saying here is that this is really a sticking plaster when we need to look at a systemic problem, and I do not believe that this Government have it in them to look at the underlying issues that affect

Islanders. They do not want to change. We have heard a lot of the shiny new faces, who I personally would have hoped better of listening to them, because when I speak privately to them I know that they are not conservative, but when they come to this Assembly, when they are given a binary choice, the early indication is that they will err to the side of the majority, they will follow the herd, and they are voting by and large with the M.o.G. (Machinery of Government), the Ozouf-Gorst Government. The reason why I say that *plus ça change* is because I am fascinated when Senator Ozouf stands up. I mean, I was worried during the election period ...

**The Bailiff:**

Deputy Ozouf. It is not Senator Ozouf, it is Deputy Ozouf.

**Deputy M. Tadier:**

Old habits, Sir. Old habits die hard. You can see we have a relationship that goes back very far. Simple old Deputy Ozouf, all the same now, are we not, Sir, apart from maybe one category and we can deal with them at another time. Where are all the women, by the way? I thought there were some women Constables. Only 10 males today. That is the problem, by the way, when it comes to diversity in the Assembly, the Deputies have got it sorted. It is just the old guard now that we need to sort out on that side.

**The Bailiff:**

Deputy Tadier, this is a debate on the mini-Budget, not the composition of the Assembly nor inclusion or anything of that nature.

**Deputy M. Tadier:**

The reason that it is relevant, Sir, is that unless we have an Assembly that is representative of the people, we will be passing bad decisions that do not represent the people. I think that runs through everything that we have and that is not to denigrate any of the individual Constables. I get on better with them maybe because they are men. You know, we can have a bit of an argy-bargy in the coffee room, but I have got to deal on my own unconscious biases. I say that with tongue in cheek, Sir.

**Deputy K.F. Morel of St. John, St. Lawrence and Trinity:**

Point of order, Sir. We are meant to be kept on a relevant line towards this debate.

**The Bailiff:**

I had attempted to do so ...

**Deputy K.F. Morel:**

I appreciate that.

**The Bailiff:**

... with my last interjection, but it appears to have not been entirely successful. If you could stick to the relevant points that we are supposed to be debating, Deputy Tadier.

**Deputy M. Tadier:**

This is how it starts, Sir, 15 minutes are introduced to curtail what Members can say and then it is up to people to decide whether what you are saying is relevant. This is relevant to the debate. As I have said - and I keep on getting interrupted - if we are not a representative Assembly, and while we may have lots of women in here and we have got a great Assembly, and I look forward to working with all the Members, we still have an Assembly which is predominated by landlords and the landlord interest, by finance, and until that fundamentally changes and until we have ordinary people getting voices in this Assembly they will find themselves needing to come out on the streets. What I predict in the next few months is that we are going to see some of that take to the street, because if you cannot achieve what you need to through democracy as we know from the corn rioters, they needed ... even

though it was over 200 years ago, the church warden from Trinity nonetheless, not a radical, somebody who himself had some questions to answer about his activities in America, he needed to come down to town and lead a group of people to come to the Royal Square to demand change, and I believe the people of Jersey also need to do the same today and they need to demand better and they need to demand real change from the Government, not just sticking plasters from the policies that we are seeing coming forward today.

### **2.2.6 Deputy M.R. Scott:**

I would like to assure Deputy Tadier that I know who I am representing. I am representing people who need help, who need constructive help, who do not need to just have me grandstand in any way, but to look at what is being put before the States Assembly and to think: “Does this work? Can I improve it? Can I improve it in this time?” This mini-Budget is a quick fix. It has been presented as that. I would call it rough and dirty. I am sorry it is in perhaps not a parliamentary term, but I would love to change it in lots of ways, but none of us had much time. I am a new Member. I am not a member of a political party who knows process, who knows that sometimes it is better to withdraw an amendment, work on it again so that you can pull it in so it will not be rejected for 3 months. I am not somebody who is trying to promote a political party, I am not somebody who is trying to vilify anybody who votes against my amendment when it does not work technically. I am somebody who is trying to help people right now get some money into their pockets and I very much apologise to the constituents, to the old-age pensioners who I did wish to help in this sitting and present some propositions for, and I realised it does not work. I do believe that the Council of Ministers made some valid comments, which I have accepted. I have withdrawn those amendments. I will work on them. I will come back with them, and I will help the people I am representing and I will not be put off by people who suggest that I am a bad person because I do not support an amendment that was not properly thought through, that was brought at the wrong time. I will be supporting the mini-Budget. I accept it is not perfect and I will hold these Ministers to account that in their Ministerial plans they will do something that does address the fundamental issues. I will hold their feet to the fire, because I have a job to do and I accept Deputy Curtis’ remark that what we really want is more economic productivity. You know something else that people would like from us? It is more productivity as a States Assembly, and I will be looking at those Ministerial plans. I will be scrutinising the Government Plan, as will other Back-Benchers, because that is my role as a scrutineer. Let us all remember that, that there is a difference between trying to advance your own agenda and in fighting the Government to deliver and to scrutinise and ensure they do.

### **2.2.7 Deputy S.Y. Mézec:**

I will try in my contribution to attempt to make it clear which hat I am wearing when I make which point. Of course, I am the chair of the Corporate Services Scrutiny Panel and was very pleased to work alongside Deputy Andrews, Deputy Alves and Deputy Southern to put together a report responding to this mini-Budget, and I have to say I am pleased so far in how some of the recommendations made have been received by the Government. We were very grateful to have received many communications from members of the public on these issues. We helped to try to spread awareness of what was in the Budget and get feedback from members of the public and of course stakeholder groups offered us their views that helped inform what we put in our report.

[12:30]

Of course, and I take that hat off and put on another hat, which is that of the leader of the Reform Jersey party in this Assembly, I will have comments to make about that as well, but I will confirm at this point that we will be voting in favour of this mini-Budget because it will enable action to be taken which will leave people better off than they otherwise would have been, and whatever points we may wish to make about the specifics of that, that certainly is better than nothing. I guess I can say this wearing both hats at the same time, but it is good that the Government took the initiative to put this proposition together and I hope that way of doing politics continues. It is important that Governments do not simply get lazy or complacent, but that they do take a stand when that stand

needs to be taken. Wearing the Scrutiny hat and making some comments in relation to the points that we have made in our report on this, we established ourselves fairly quickly to go through what was in it, and make some constructive recommendations on it. I think we can be fair in saying to the Government that whatever recommendations we make we are bearing in mind that this was put together at great speed out of necessity, so some of the slight points of criticism we made are made in that context, and it is simply food for thought and for the future there, in that it is clear that when you do something so quickly like this, there is a limit on how much consultation you can do. We did find that there was not much stakeholder consultation in the putting together of this mini-Budget. That is simply a fact, and the Government may wish to think about that in future, if measures like this have to be done. It is also the case that there is not quite the access to data that we would like to be sure that every measure that is proposed in this really is as best targeted as it could be. We do not have real-time live data on how every household is making up its income and therefore what effect some of these measures would have on different household types and different income bands. We can try to guess and we can try to be logical, and that is good, and in the absence of having real-time data that is the best you can do, and so that is a good thing and I commend the Government for doing that, but if in the future it were possible to have better access to data it would just mean we could perhaps be more effective in our targeting on this. The one thing that I was initially disappointed with when we saw the mini-Budget produced is that it was not accompanied with any form of a children's rights' impact assessment. Fair enough, it is not a legal requirement to do that yet, but it will be and I hope that will be as soon as possible where, when the Government produce things like this, they will be required to put forward an impact assessment that specifically says how the measures in there will impact on children and the fulfilment of their rights, which we are obliged to do under our signing up to the United Nations Convention on the Rights of the Child. Giving some leeway, it was put together at short notice. When we made that recommendation that in advance of this debate something be put together to explain the impacts that this may have on children's rights, I have to say that I expected something coming back that was maybe a few pages long, and so to see that we did get something that was more detailed than that I am very pleased with, so I thank the Government for doing that. I guess I would reiterate that even though it is not a legal requirement at this point it would be good to start seeing that practice coming in, in advance of that, so I thank the Government for taking that on board this time and I hope we get there. Now, the real point that I was disappointed with is in the course of our engagement with Ministers on this we asked a long series of questions about the process that had been undertaken to put this together, about how measures were targeted and what alternative measures were considered and all of that and the Government provided a very helpful response in the form of a letter that went through everything and it was pleasing. We noted some comments that were made in it to do with the impacts that this would have on inequality in Jersey, and I said when I stood for chair of Corporate Services that the issue of inequality would be one that would certainly be on our agenda, so we did ask the question: "What consideration was given to how these measures would impact on inequality in Jersey?" because, and this is despite what Deputy Ozouf said, not everything in here is short term. I do not know why he kept emphasising that. He is wrong there. Part (a) is not short term. Part (a) is permanent, unless there are secret plans to withdraw those tax allowances in future, which I hope there are not. That will have a long-term impact and raising personal income tax thresholds does not help the poorest people in Jersey because they are already beneath those thresholds. The absolute amount that people will feel the benefit of from raising the tax thresholds are greatest at higher ends of the income spectrum than those who are only just above the thresholds. It is still a good thing to do anyway but the absolute amount extra that they will get to keep as a result of that is not as high as it is for the upper end of marginal rate payers, which you could argue is not as progressive as you would like it to be, so there is a question there on that. Social Security contributions, again, that measure is more progressive, but it will end at the end of December and be taken over by a measure that is slightly less progressive. I am not saying that is good or bad, but it does raise a question about what the long-term impact there will be on inequality in the Island. I do have to say, and I know he will not like me saying this, but I struggled in our hearing to get what I thought was a good answer on this and,

believe me, I gave plenty of opportunities for that, asking: “How was this question of inequality considered when deciding what to put in there?” and I found we went round in circles too much on that and I was not happy with that. So, I say that now to give advance notice to whoever may appear before our Scrutiny Panel at any point in the future, get ready for that question, because it is coming. Please, if you are going to attend those hearings be ready that we are going to ask questions like this and we will keep asking them until we get satisfactory answers to them, or at least clear answers, whether they go the way we want them to or not. I guess the overarching point that is made in that Scrutiny report is that there are things we can start thinking about now to look at how we develop better systems for targeting of these measures in future, because if we are going to spend tens of millions of pounds or lose out on tens of millions of pounds of revenue to try to support people through a cost-of-living crisis, then we ought to do so in the most effective way possible. One recommendation that is in that report that I very much hope is taken on board, and I look forward to what is put to us in response to the Government, is the third recommendation in the report, which is that the Council of Ministers must consider the timeline to implement the fair rents plan and examine whether it should be expedited or amended to prioritise the cost-of-living crisis. So that goes to the debates that we have just had about a rent freeze, where if that is not the will of the Assembly to do that, some stronger recognition that tangible action is necessary should be considered and whatever plan there is in place inherited by the previous administration, if the Government are prepared to take a second look at that with a view to expediting it, saying: “Is there a way we can get changes to the Residential Tenancy Law brought faster? Is there a way we can have still as good a consultation but maybe a bit quicker so that the final result of it can be on the statute books quicker?” that ought to be something that is considered, because that will eventually lead to tangible action that will help the people and it is the case that when it comes to rent there is not anything tangible in this mini-Budget. So, if consideration can be given to expediting whatever else is on the agenda for that, that would be a good outcome from this. Scrutiny hat off, Reform Jersey leader hat on. As I said earlier, we will support this Budget because it does take important action to support people who otherwise would not be getting this kind of support. It was right to do that, and we know that we can vote in favour of those measures in good conscience, knowing that if we are voting to increase the Community Cost Bonus we are helping people. If we vote to increase the cold weather bonus and cold weather payments we are helping people. By reducing social security contributions, albeit temporary and not for as long as we might like it to be, we will be helping those earners on lower salaries and that is the important thing to be doing now. I would say it has been our longstanding policy that one of the ways that you can improve the sustainability of the Social Security Fund, get more revenue going into it and enabling you the flexibility you may need to take these kinds of measures and know that you are not having an overall harmful financial impact, is to lift the regressive cap which is on social security contributions, which sees the employers of the very wealthiest people in Jersey, people earning above £250,000 and that is as an individual, not as a household, so really some of the best-off people in Jersey get a way out of paying the same rates as the rest of us, and that is not fair, and by having that cap we lose out on revenue that we could be using to provide either more support to people, or provide a more sustainable Social Security Fund in the long-run. If the Government will not consider doing that, I can assure them that we will bring it to the Assembly one way or another. We have done it before, and we will do it again. In terms of Part (a) of the proposition and the personal income tax thresholds, the points I made before still stand. They are a good thing to do; people will benefit from them, but it does not benefit the lowest earners in the Island, because they are already beneath those thresholds and we maintain our position that a fairer tax system would be one that taxes people equally, on the same basis, and if you do that across the board you end up raising revenue, which means you can either invest it into your public services, or you can find other ways of supporting people through direct payments, which as the O.E.C.D. (Organisation for Economic Co-operation and Development) has remarked is an effective way of helping people through the cost-of-living crisis. To conclude on that, we are pleased to support this Budget. It does not go far enough in some key areas and rent is the big one there, and we will bring other proposals



to the Assembly in future, and I hope a different approach is taken at that point, but this is certainly better than nothing, and it will help people who need help, so we will be supporting it.

**Deputy E. Millar:**

Sir, this may be a point of clarification.

**The Bailiff:**

A point of clarification from the previous speaker?

**Deputy E. Millar:**

Yes, from Deputy Mézec.

**The Bailiff:**

Will you give way for a point of clarification?

**Deputy S.Y. Mézec:**

Yes.

**Deputy E. Millar:**

This may be a question for another Member of the Assembly, and I may also have become confused about which hat Deputy Mézec was wearing during some of his remarks. I understood him to be saying that all of us in Government could expect Scrutiny to be asking us questions about income inequality and what we were doing about it when they were scrutinising propositions. I am just asking as a point of information for my own benefit whether it is the role of Scrutiny to apply what appears to me to be a political concept in its Scrutiny work and are Reform Jersey's policies becoming confused with the work of Scrutiny. I am just asking for clarification.

**The Bailiff:**

There is a point of clarification there.

**Deputy S.Y. Mézec:**

I disagree entirely with any suggestion made by the Minister. It is entirely legitimate for Scrutiny to in its work programme prioritise particular issues and it has a democratic mandate to do so. When I stood for chair of Corporate Services, I did make it clear that the issue of inequality would be one that would be factored into our work programme, so I have the mandate to do that and the support of my panel members to do that. It is entirely democratically appropriate. Could we call for the adjournment?

## **LUNCHEON ADJOURNMENT PROPOSED**

**The Bailiff:**

Yes, the adjournment is called for. Very well, the Assembly stands adjourned until 2.15 p.m.

[12:43]

## **LUNCHEON ADJOURNMENT**

[14:14]

**Connétable of Trinity:**

Sir, before we start could I raise the défaut on the Constable of St. Helier?

**The Bailiff:**

Yes, the défaut is raised on the Connétable of St. Helier. We resume the debate upon the main proposition for the mini-Budget and does anyone wish to speak on the main proposition? A number have indicated a desire before.

[14:15]

### **2.2.8 Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter:**

Before lunch I was going to take umbrage at some of the things that Deputy Mézec had said, but post-lunch I feel in a better spirit but I did, and I think I alluded to this in some of the earlier amendments, refer to the challenge which he has and he himself alluded to when he kept removing one hat and adding another. That of course will be something that he will have to continue to find the appropriate line on, or the appropriate time to change that hat. I think my perception is that during this review the panel, and he is chairing it and has done that very well, there is only one particular instance where I am not quite so sure which hat he was wearing, and that was in regard to the commentary that he made in regard to the answers that I gave to a particular question, because I certainly did not give the answer that he was looking for. I probably gave the answer that he was expecting, and he reminded the Assembly that he would keep asking Ministers who appeared before his panel that same question, and he knows that again we come to Deputy Andrews' point about political philosophy, that he and I share a different view of needing to ensure that the rich are poorer so that the poor can be richer. My focus is much more on, as this mini-Budget has done, supporting those Islanders who are most in need at this time. I am extremely grateful to my Council of Ministers colleagues for the thoughtful and considered way in which they have brought together this mini-Budget at, as we have said, great pace in the course of 21 days and I think that we have got a package which puts money back into Islanders' pockets, by increasing the tax threshold next year, so all things being equal Islanders will see a reduced I.T.I.S. (Income Tax Instalment System) rate. That does benefit those who are lower earners, who are paying tax, that is right, who are paying tax, because if we take the benefit to a single earner of over £500 a lower earner feels the benefit of that £500 far more than a middle and higher earner does, and it really does make a difference to their budget. So, I am extremely grateful to Ministerial colleagues for their support that they have given myself and I know that the Minister for Social Security feels the same. We are very grateful to the leadership of the Chief Minister, whose idea of a mini-Budget to deal directly and quickly with the cost-of-living crisis she included in her 100-day plan, and I am pleased to support her in helping to deliver those actions within the 100-day plan, which I believe will make a direct and tangible improvement to Islanders' finances. I hope that Members are going to take this Budget in the spirit in which it is presented, a piece of work done quickly. I think probably unprecedented speed has been applied to this problem in a way which I have never seen before a new Government undertaking action as quickly as this. Others have talked about what is missing. We can always find something else that we might like to have put in, but we did what we could to the maximum and greatest benefit within the timescale which we were rightly constrained by. This is unapologetically a Budget to help individuals and families across our community. It was not directly focused on business for that reason. Of course, the business community and those businesses that employ individuals who will feel the direct benefit of this Budget, will by default have some relief as well, but we are mindful that we are at this point in the war in Ukraine and we remind ourselves that that really is the overriding cause of the cost-of-living crisis, driven by high energy and supply costs across Europe arising out of that conflict. We also remind ourselves that that situation, as it ebbs and flows, becomes more volatile. We have the words of the President of Russia and his spokespeople ringing in our ears during the last 24 hours, which means that we are right to be careful and cautious in the measures that we bring forward at this point, because there may need to be more measures taken in the future. We know that our energy company has protected us to some extent against the rises in the cost of energy, but that cannot go on indefinitely and so the longer the crisis goes on the more likely we will be to need to support Islanders in that regard as well, and we need to think about how we do that. If that is the case that will then have a knock-on effect to businesses as well, and that would be the right time for us to think about a wider package for businesses, not at this time. I am confident about Jersey's future. We have a strong economy. It is at maximum capacity when it comes to employment levels, the historic levels of employment and the historic levels of unemployment as well. There are issues that will need to be addressed around the way that immigration is dealt with arising out of the

Brexit settlement, but I know that other Ministers are seized on those issues. There are other issues that our community faces; probably the top priority is the housing crisis. I support those Members who said that that also needs action, but it needs careful and considered action. A word that has been used in some of the amendments today has been an action of stabilisation and stability in the housing market, and I support actions that deliver stabilisation and stability. What I do not support is actions that deliver instability and all of the on effects of an action taken in the housing market which has unintended consequences and leaves Islanders who already have mortgages in a dire financial situation. That crisis would be far greater than the cost-of-living crisis that we are dealing with here, so we remind ourselves that those actions must be taken carefully and in a considered way, and that is why I support the work that the new Minister for Housing and Communities is taking on. We cannot get away from the fact that in dealing with that crisis we will need to address the supply side issue. I think about the words of Deputy Stephenson, that this particular issue, the housing crisis issue, has been a divisive issue. There is never just one lever that needs to be pulled to deliver answers. I think we have to think about any number of levers in order to deliver that and Treasury stands ready to support the Minister for Housing and Communities in that regard. We also remind ourselves that right now working, and I am not sure of the hours that they work, but we have got our very own housing company, Andium Homes, who are delivering first-time buyer houses, that are delivering modern, fit-for-purpose and for the future social housing. It seems to me that the most sensible approach is to continue to partner with them, but at a faster and greater scale, to allow them to help us solve the housing crisis. I do not think it is insolvable. I think that if we support the Minister for Housing and Communities and the Chief Minister in their 100-day action plan we can start to see it solved. There is step after step that we should and will be taking. I commend this mini-Budget to Members, and I am grateful for the support that they have already indicated, and I look forward to working with the Corporate Services Scrutiny Panel on other measures and all that might be brought forward in due course.

### **The Bailiff:**

Before carrying on, the Connétable of St. John, could you switch off the Connétable of St. Martin's microphone? Thank you very much indeed, otherwise it is showing up on the screen as somebody not there.

### **2.2.9 Deputy E. Millar:**

I would just like to make a couple of comments. One of the things I would like to emphasise is that this mini-Budget does involve payments being made directly to individuals who are entitled to them. Some individuals are already receiving payments, the C.O.L.T.S. (Cost of Living Temporary Scheme) payments. C.O.L.T.S. was a scheme established in April to help with the cost-of-living crisis and has been increased from £20 to £40 per person per month, and that payment began in August of this year, so there are some 11,000 low-income Islanders who are already receiving C.O.L.T.S. payments as a result of this mini-Budget. The Community Cost Bonus , as I mentioned yesterday, we have had 600 applications for that already. I did look on the website just before lunchtime, following the comments made by Deputy Kovacs about the application process, and was somewhat surprised to see that the change proposed by Deputy Feltham has in fact already been reflected on the website, and it does indicate that if you have a tax liability you may apply for it. Also in response to the Deputy's comments this morning, I do not believe it is a difficult application process. We discussed yesterday the reasons why people have to apply for the Community Cost Bonus . I did look at it on my phone before lunchtime. It is very simple online. It appeared to me to be very simple. I accept that not everybody will be open to doing online applications. People can also phone the department and apply online. It is so simple, it can be done by phone, and they can also go into La Motte Street where someone will help them make an application, if need be, or they can phone and make an appointment to go into La Motte Street for help. It is not correct to say that this is a difficult process. The Community Cost Bonus is very easy for people to apply for. We heard a couple of comments over the course of the last day and today about the complexity of

applying for benefits. I would remind States Members that benefits are ultimately paid by the taxpayer, either through their social security contributions or through their income tax, and it is entirely appropriate that the Social Security Department makes reasonable checks to verify those applications and to make sure that we are genuinely paying money to people who are entitled to it. I have no doubt that if it was found that the Social Security Department was handing out cash without any checks there would be an outcry. I received a phone call last week from a person who was very upset that a person he knew of was receiving money on long-term sick to which he was not entitled, and we have looked into that. People do complain if they think that anyone is playing the system and it is correct that the department makes checks to make sure that people are not playing the system. As Deputy Ferey mentioned yesterday, there are other sources of assistance through Citizens Advice, although the department remains open and available to help people who need help with filling in the forms. The only other thing that I would like to comment on briefly, because we have not really discussed it over the last 2 days, is the winter fuel payment, the cold weather payments, which again have been increased this winter. Jersey is thankfully somewhat shielded from the energy price rises being seen in the U.K. but it would be foolhardy to think that we are totally protected from what is a global energy crisis, particularly with the ongoing situation in Ukraine. We want to make sure that low-income Islanders are not worried about their energy bills this winter, and the Government have been actively engaging with providers to ensure that they are doing everything they can to look after the Islanders who need the most help. The cold weather bonus and cold weather payments are made to lower income pensioner households and to income support households during the winter months. Usually these payments are made in times of low temperatures only, again fortunately things that we do not see a great deal of in Jersey.

[14:30]

The average cold weather payment over the past few years has been around £35 a month, with payments typically triggered for 5 months each winter. This year, due to the mini-Budget, eligible households will receive a guaranteed £70 per month, and this will apply for the 6 months from October to March inclusive, regardless of weather conditions. We will discuss the regulations separately, but the law has been amended to ensure that the current increases in fuel prices will be fully accounted for when the normal scheme starts again the following winter. Lastly, I would just like to say that I am grateful for the role the various Scrutiny Panels have played in reviewing the mini-Budget. Working collaboratively with our colleagues in Scrutiny is vital to ensure the resilience of the policies that this Government bring forward, but I remain of the view, like my fellow Ministers, that the mini-Budget takes bold action to address the cost-of-living crisis and if anyone remains in any doubt I urge all Members to support it.

**Deputy S.Y. Mézec:**

Sir, could I ask a point of clarification of the previous speaker?

**The Bailiff:**

Yes, would you give way for a point of clarification?

**Deputy E. Millar:**

Yes.

**Deputy S.Y. Mézec:**

Thank you. If I misheard, then please do correct me, but it sounded like at one point in her speech she suggested that a change had been made to the government website updating information about what support is available. Was she referring to a change in support that has technically not yet been passed by this Assembly?

**Deputy E. Millar:**

Yes, I was slightly perturbed to see that on the gov.je website, the benefit section, the details of Community Cost Bonus had already been amended, as I read it, to reflect that it was available to households which had a tax liability of less than £2,735. That is possibly extremely efficient, rather optimistic but possibly also rather hopeful of the approach that the States will take today, given that Deputy Feltham's amendment was agreed yesterday, but I accept it is a little premature.

#### **2.2.10 Deputy K.F. Morel:**

That may be a little premature, but I hope that it is an indication that this mini-Budget will pass the Assembly. In so doing, I would like to refer to the words of Deputy Gorst, who talked about pride. Should the mini-Budget be passed by the Assembly I think it would be right to be proud of that mini-Budget because the election that I took part in a couple of months ago was one in which the Island called for action, and in my view the mini-Budget is exactly that. It is action. I know some people in the Assembly have tried to characterise the last couple of months as lacking action, but we all know that no Government have ever done this before, come into Government and within 2 months turned around a mini-Budget that will have a real impact on people's lives, and will help them deal with the cost-of-living crisis more easily. In so doing, that is through effectively the tax cuts, by increasing the rate, the thresholds, but it is also by the benefit increases, which the Minister for Social Security so ably listed just now. So, to think that this is focused on one area, one group of people, is completely incorrect. This is a mini-Budget which helps all Islanders and, as a result, I think we should be proud. I would also like to refer again to Deputy Gorst, who touched on a point that I wanted to make as well, which is about businesses. This is not a mini-Budget which directly gives something to businesses in that direct fashion, and it is not designed to be. That is not the point of this mini-Budget, but if Islanders are able to find it somewhat easier to live in this Island, to pay their bills, to live the quality of life that they want to live, then they are much more likely to stay here and continue to work in the businesses that so desperately need staff. So, it does help businesses and it should be seen as helping businesses. I will leave it at that, but I ask the Assembly to support this mini-Budget, and in doing so every single Member of this Assembly can be proud that we have taken action so very quickly into this term of office.

#### **2.2.11 Connétable P.B. Le Sueur of Trinity:**

Like Deputy Morel, I am proud that the Government have brought forward this mini-Budget in short order, and I am sure those beneficiaries of the increased benefits will be eternally grateful, but I would pick up on his comments about industry and the sectors and my appeal is to both the Minister for Economic Development, Tourism, Sport and Culture and the Minister for Treasury and Resources to spare a thought for the farmers, who are going to have to pay their workers an average of £50 at least more per week, yet we do not pay any more for our potatoes today than we paid probably 10 years ago. If you need a reminder of food security, I walked back from here last night, popped into one of the supermarkets on King Street, and was staggered at the number of empty shelves. We need to support our farming industry and I would really appeal to the Ministers to bring forward proposals which actively support our farming industry before it is too late. Go for a drive through the countryside today and see how many fields are lying fallow, because they have not got the workers and they have not got the incentive to grow crops here. With that, I say thanks to the Government for doing what they have done, but there is some more work that urgently needs to be done to support our agricultural industry.

#### **2.2.12 Deputy M.R. Ferey of St. Saviour:**

Much has been said about the communications around the benefits, particularly Community Cost Bonus, winter fuel payments, and cold weather bonus. We have been working up a communications plan, not least with utility companies, namely the J.E.C. who head up a group of charities and other partners, to help communicate a clear message when this is finalised who will be eligible, how to seek that support and, like the Minister for Social Security, I can confirm that the online process is simple. Claims are coming in already by the day, by people who are used to making that claim, and we are already almost at 750-plus. So last year there was 1,000. We are going to get way past that

figure. In relation to the wider charitable support, yesterday I mentioned about one particular charity, but of course that is just the most prominent charity that came into my head. There are many other partner charities who will be working with us, not least Salvation Army, St. Helier Methodists, Caritas, Community Savings Limited, who are all part of charitable groups that work together to communicate consistent messages. We want to work with those trusted partners and with those utility companies who know their clients, know the people who are going to need that support and are happy to provide good, clear information on who can claim that benefit.

### **The Bailiff:**

Does any other Member wish to speak on the proposition? If no other Member wishes to speak on the proposition, then I close the debate and call upon the Chief Minister to respond.

### **2.2.13 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:**

I would like to thank all Members for their contributions and support so far for the suite of measures that we propose to ease the cost-of-living issues that Islanders are facing as winter approaches. There has been some interesting debate and some thought-provoking amendments. At its heart, this mini-Budget has been targeted to follow the O.E.C.D. guidance and puts money back into the pockets of many Islanders of all age groups, workers and also those who rely on fixed incomes. The aim is, of course, to do so as quickly as possible rather than trying to contain price rises through legislation. This also supports businesses who will themselves be facing rising costs, along with the pressure to meet inflation in salary increases, by taking some of that strain forward for them, as Deputy Morel just described. We do this because we understand that the cost of living is impacting households across the Island and this is putting pressure on our ability to recruit and retain skilled people in jobs in both the public and private sectors and to keep families together within our communities. We do this before we understand that every household faces different pressures. For example, some will rely on a gas supply to heat their homes whereas others use electric or oil. We have sought to introduce broad measures supporting all Islanders but especially those who are more vulnerable to sharp increases in prices. This mini-Budget ensures that Islanders have more money to spend and it has been timed to effect change ahead of winter as well as ensuring that effective rates will be changed to increase pay packets as of 1st January. Deputy Kovacs' concerns about the reduction in social security contributions is an example of exactly why we sought to only do this over the quarter 4 period of this year. The Assembly quite rightly rejected Deputy Catherine Curtis' amendment to continue social security reduction along with the increase of tax allowances that this mini-Budget will deliver for the first quarter of next year. With regard to the Social Security Fund position, which was also raised as a matter of concern, that will have to be part of our longer-term thinking and it is most certainly something that is not forgotten by this Government. I am particularly proud of the Minister for Social Security's proposal to double the community costs bonus to £515 and her determination to communicate that bonus to ensure that members of the public who are eligible come forward to claim it. We have also unanimously supported the amendment brought by Deputy Feltham, which introduces the community costs bonus to people with a reduced tax liability. I hope that Deputy Scott in particular will agree that this measure, as amended, will help the pensioner group that she rightly identifies as one that needs greater support within our community. Clearly there is more to consider through the lifetime of this Assembly to ensure that our economy remains competitive and more productive. We look forward to debating many more proposals to achieve a better and stronger Island community but for now this is a rapid response to the position that we have inherited. It demonstrates that Islanders now have a Government and an Assembly that is on their side, that understands the pressures we are all facing and will act to assist where we can. This is rightly an ambitious package, which will cost over 2 years £56 million, but it is funded. We are in, I would say, an almost unique position in the world in order to be able to deliver a package of measures such as this one with a funding stream beside it and also to be able to achieve a balanced budget again next year. My thanks particularly go to the Treasury team who have responded to this considerable challenge with pace and careful consideration. Deputy Gorst described it as work at an

unprecedented speed and he is right there. I am very grateful to everyone who has contributed to this package, including those who have scrutinised it within the very challenging timeframe. I thank them for their efforts and also the helpful recommendations, which is, of course, the strength of their roles. One of those recommendations was a reminder to deliver early on the agreement of the previous Assembly to include the C.R.I.A. (Children’s Rights Impact Assessment). If Members have had an opportunity to look at the children’s rights impact assessment, they will see that this mini-Budget supports children by assisting their families in boosting their disposable income. But we remain on watch. We will continue to listen and we will continue to respond as necessary, particularly as the Minister for Housing and Communities set out in relation to affordability and the supply of affordable homes. Let us not forget that we are today 71 days into the term of office. We have a Government Plan and a common strategic priorities paper to lodge by 4th October, and of course we will do that. Then we get on to the business that we have committed to delivering and responding to over the next 4 years. As parliamentarians, our duty is to represent our electorates and to ensure that Islanders see a future for themselves, not just a future of subsistence but one where they can enjoy a good quality of life. That is why today we are taking this first action to assist with just that. I commend this mini-Budget and I call for the appel.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. I ask the Greffier to open the voting and Members to cast their votes. I think it is working now, so Members to cast their votes.

[14:45]

If Members have had the opportunity of casting their votes, I ask the Greffier to close the voting and the proposition, the mini-Budget, has been adopted:

<b>POUR: 46</b>		<b>CONTRE: 0</b>		<b>ABSTAIN: 0</b>
Connétable of St. Helier				
Connétable of St. Brelade				
Connétable of Trinity				
Connétable of St. Peter				
Connétable of St. John				
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Ouen				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy C.F. Labey				
Deputy M. Tadier				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy R.J. Ward				
Deputy C.S. Alves				

Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy P.F.C. Ozouf				
Deputy P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B.S.V.M. Porée				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				
Deputy M.B. Andrews				

**[Approbation]**

**3. Draft Finance (Budget - Cost of Living) (Jersey) Law 202- (P.81/2022)**

**The Bailiff:**

The next item is the Draft Finance (Budget - Cost of Living) (Jersey) Law, P.81, lodged by the Minister for Treasury and Resources. For the purposes of this debate, the main respondent will be the chair of the Corporate Service Scrutiny Panel. I ask the Greffier to read the citation.

**The Deputy Greffier of the States:**

Draft Finance (Budget - Cost of Living) (Jersey) Law 202-. A law to amend the personal allowances and reliefs in the Income Tax (Jersey) Law 1961 and to amend the commencement of amendments to the Goods and Services Tax (Jersey) Law 2007 made in the Finance (2022 Budget) (Jersey) Law



2022. The States, subject to the sanction of His Most Excellent Majesty in Council, have adopted the following law.

**3.1 Deputy I.J. Gorst (The Minister for Treasury and Resources):**

As those Members who have sat in this Chamber before will know, this is the legislative change to give effect to the tax changes which have just been approved earlier in this sitting, so it increases the personal allowances, the thresholds and delays the requirement for offshore retailers to register under the G.S.T. law. I propose the principles.

**The Bailiff:**

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? Those in favour of adopting the principles kindly show. Those against. The principles are adopted. Does the Corporate Services Scrutiny Panel wish to scrutinise the matter?

**Deputy S.Y. Mézec (Chair, Corporate Services Scrutiny Panel):**

No, Sir.

**The Bailiff:**

How do you wish to propose the Articles, Minister?

**3.2 Deputy I.J. Gorst:**

I will propose them *en bloc*, if I may, Sir. They are straightforward in the order as described in the legislative amendment. Thank you.

**The Bailiff:**

Are the Articles seconded? **[Seconded]** Does any Member wish to speak on the Articles or any of them? All those in favour of adopting the Articles kindly show. Those against. The Articles are adopted. Are you proposing in Third Reading, Minister?

**3.3 Deputy I.J. Gorst:**

If I may, Sir, and just echo the words of the Chief Minister in grateful thanks to not only the colleagues in my department but the policy support colleagues for the Minister for Social Security and the Chief Minister. They worked at pace. I think they have done us proud, contrary to sometimes a popular opinion of civil servants but they have helped Ministers and, in their way, served Islanders and supported them in this time of great difficulty. **[Approbation]** Thank you. I maintain the amendment in Third Reading.

**The Bailiff:**

Is it seconded for Third Reading? **[Seconded]** Does any Member wish to speak in Third Reading? Those in favour of adopting the law in Third Reading ...

**Deputy I.J. Gorst:**

Sir, could I call for the appel, please?

**The Bailiff:**

That is called for. I invite Members to return to their seats and ask the Greffier to open the voting and Members to vote. If Members have had the opportunity of casting their vote ...

**Deputy R.J. Ward:**

Sir, can I just confirm you are getting my online votes, sorry?

**The Bailiff:**

You were certainly counted last time, Deputy, so I am pretty sure we are getting it this time as well.

**Deputy R.J. Ward:**

Thank you.

**The Bailiff:**

I ask the Greffier to close the voting. The law has been adopted:

<b>POUR: 46</b>		<b>CONTRE: 0</b>		<b>ABSTAIN: 0</b>
Connétable of St. Helier				
Connétable of St. Brelade				
Connétable of Trinity				
Connétable of St. Peter				
Connétable of St. John				
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Ouen				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy C.F. Labey				
Deputy M. Tadier				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy R.J. Ward				
Deputy C.S. Alves				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy P.F.C. Ozouf				
Deputy P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B.S.V.M. Porée				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				

Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				
Deputy M.B. Andrews				

#### **4. Draft Finance (Budget - Cost of Living) (Jersey) Law 202- (P.81/2022) - Acte Opérateur**

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

We now come on the Acte Opérateur, which is described as the addendum, which is the next piece of legislation which brings the law into immediate effect, in other words removes the necessity for a delay while it goes for Royal Assent. I ask the Greffier to read the Acte.

##### **The Deputy Greffier of the States:**

Draft Act declaring the Finance (Budget – Cost of Living) (Jersey) Law 202- has immediate effect. The States makes this Act under Article 12 of the Public Finances (Jersey) Law 2019.

##### **4.1 Deputy I.J. Gorst (The Minister for Treasury and Resources):**

I think you just did my job for me by describing to the Assembly what this Acte Opérateur does. It is indeed, as you have said, a mechanism which allows these amendments to the finance legislation to have immediate effect and I commend it to the Assembly.

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

Is it seconded? [**Seconded**] Does any Member wish to speak on the Acte Opérateur? All those in favour of adopting the Act kindly show. Those against. The Act is adopted.

#### **5. Draft Social Security (Amendment of Law - Temporary Reduction of Contribution Rates) (Jersey) Regulations 202- (P.82/2022)**

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

The next item of Public Business is the Draft Social Security (Amendment of Law - Temporary Reduction of Contribution Rates) (Jersey) Regulations, P.82, lodged by the Minister for Social Security. For the purposes of this debate, the main respondent is the chair of the Health and Social Security Scrutiny Panel. I ask the Greffier to read the citation.

##### **The Deputy Greffier of the States:**

Draft Social Security (Amendment of Law - Temporary Reduction of Contribution Rates) (Jersey) Regulations 202-. The States make these Regulations under Article 50 of the Social Security (Jersey) Law 1974.

**5.1 Deputy E. Millar (The Minister for Social Security):**

I would like to propose the regulations. Following the Assembly's agreement of the mini-Budget and support package for the cost of living, these regulations will enable me to temporarily reduce social security contributions by 2 per cent from 1st October to 31st December 2022. The 2 per cent reduction of contributions will apply on earnings and self-employed income up to £4,764 per month, which is equivalent to £57,168 per year. Employers will deduct 4 per cent employee contributions rather than 6 per cent contributions from workers' pay packets. This will increase the take-home pay of approximately 54,000 workers and self-employed people, putting an extra £9 million into their pockets to help with the increased cost of living until further measures are introduced at the start of 2023. It is a key part of the cost-of-living package and I would like to propose these regulations.

**The Bailiff:**

Those are the principles of the regulations. Are those seconded? **[Seconded]** Does any Member wish to speak on the principles? Those in favour of adopting the principles kindly show. Those against. The principles are adopted. Does the Health and Social Security Scrutiny Panel wish to scrutinise the matter? Deputy Bailhache, I think you are the second after Deputy Southern. Deputy Bailhache, may I assume your panel does not ...

**Deputy P.M. Bailhache (Member, Health and Social Security Scrutiny Panel):**

Sorry, Sir, my mind was elsewhere. I apologise. No, there is no intention to scrutinise.

**The Bailiff:**

Thank you very much indeed. Minister, do you wish to propose the regulations as amended?

**Deputy E. Millar:**

Yes, Sir, please.

**The Bailiff:**

Are they seconded as amended? **[Seconded]** Does any Member wish to speak on the regulations as amended? Those in favour of adopting the regulations as amended kindly show. Those against. Do you propose in Third Reading, Minister? Sorry, I should announce the amendments are adopted in Second Reading. Do you propose in Third Reading, Minister?

**Deputy E. Millar:**

Yes, Sir. I would like to propose the regulations *en bloc*.

**The Bailiff:**

In Third Reading. Very well, are they seconded for Third Reading? **[Seconded]** Does any Member wish to speak in Third Reading? Those in favour of adopting in third reading ... the appel is called for. I invite Members to return to their seats and ask the Greffier to open the voting. If Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. The regulations have been adopted:

<b>POUR: 46</b>		<b>CONTRE: 0</b>		<b>ABSTAIN: 0</b>
Connétable of St. Helier				
Connétable of St. Brelade				
Connétable of Trinity				
Connétable of St. Peter				

Connétable of St. John				
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Ouen				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy C.F. Labey				
Deputy M. Tadier				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy R.J. Ward				
Deputy C.S. Alves				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy P.F.C. Ozouf				
Deputy P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B.S.V.M. Porée				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				

Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				
Deputy M.B. Andrews				

**6. Draft Community Costs Bonus (Amendment) (Jersey) Regulations (P.83/2022) -as amended**

**The Bailiff:**

The next is the Draft Community Costs Bonus (Amendment) (Jersey) Regulations, P.83, lodged by the same Minister. For the purpose of the debate, the main respondent will be the same chair of the Health and Social Security Scrutiny Panel. I ask the Greffier to read the citation.

**The Deputy Greffier of the States:**

Draft Community Costs Bonus (Amendment) (Jersey) Regulations 202-. The States make these Regulations under the Order in Council dated 28th March 1771.

**6.1 Deputy E. Millar (The Minister for Social Security):**

As Members will recall from the debate, these regulations will double the value of the Community Cost Bonus in 2022, make households with a combined tax liability in 2021 of less than £2,735 eligible to apply for the bonus and finally allow applications to proceed up to the end of July 2023 for the 2022 bonus. I propose the regulations.

**The Bailiff:**

Those are the principles of the regulations. Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? Those in favour of adopting the principles kindly show. Those against. The principles are adopted. Deputy Bailhache, again does your panel wish to carry the matter through?

**Deputy P.M. Bailhache (Member, Health and Social Security Scrutiny Panel):**

Sir, there is no wish to scrutinise, thank you.

**The Bailiff:**

Thank you very much indeed. Again, there are 2 amendments that have been lodged, Minister. Are you accepting the amendments to the regulations or not?

**Deputy E. Millar:**

Accepting the amendments, yes, Sir.

**The Bailiff:**

Do you wish to take the regulations as amended?

**Deputy E. Millar:**

Yes, please, Sir.

**The Bailiff:**

Are they seconded as amended? **[Seconded]** Does any Member wish to speak on the regulations are amended or any of them? Those in favour of adopting the regulations kindly show. Those against. Do you propose in Third Reading?

**Deputy E. Millar:**

Yes, Sir.

**The Bailiff:**

Are they seconded for Third Reading? **[Seconded]** Does any Member wish to speak in Third Reading? All those in favour of adopting the Regulations in Third Reading kindly show. Those against. The regulations are adopted in Third Reading. If I go faster the heart rate will go up. **[Laughter]**

**7. Draft Cold Weather Bonus and Payments (Miscellaneous Amendments) (Jersey) Regulations 202- (P.84/2022)**

**The Bailiff:**

The next is the Draft Cold Weather Bonus and Payments (Miscellaneous Amendments) (Jersey) Regulations, P.84, lodged by the same Minister and with the same Health and Social Security Scrutiny Panel as the main respondents. I ask the Greffier to read the citation.

**The Deputy Greffier of the States:**

Draft Cold Weather Bonus and Payments (Miscellaneous Amendments) (Jersey) Regulations 202-. The States make these regulations under Articles 8 and 18 of the Income Support (Jersey) Law 2007 and Article 4 of the Social Security (Bonus) (Jersey) Law 2014.

**7.1 Deputy E. Millar (The Minister for Social Security):**

As Members will recall from the debate and my comments earlier today, these regulations will set the value of payments to £70 per month, will guarantee payments for this year's winter months, being October to March, and ensure that when the formula reverts in 2023 fuel price increases during 2022 are taken into account when the new value is calculated. I propose these principles.

**The Bailiff:**

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? No Member wishes to speak. All those in favour of adopting the principles kindly show. Those against. Again, Deputy Bailhache?

**Deputy P.M. Bailhache (Member, Health and Social Security Scrutiny Panel):**

No wish to scrutinise, Sir.

**The Bailiff:**

How do you wish to propose the regulations?

**Deputy E. Millar:**

I propose the regulations *en bloc*, Sir.

**The Bailiff:**

Are they seconded in Second Reading? **[Seconded]** Does any Member wish to speak in Second Reading? Those in favour of adopting the regulations in Second Reading kindly show. Those against. They are adopted in Second Reading. Do you propose the matter in Third Reading, Minister?

**Deputy E. Millar:**

Yes, Sir.

**The Bailiff:**

Are they seconded in Third Reading? **[Seconded]** Does any Member wish to speak in Third Reading? Those in favour of adopting the regulations in Third Reading kindly show. Those against.

They are adopted for Third Reading. In case the newer Members are getting the impression that things move intolerably fast in this Assembly, most votes do not happen this quickly. [Laughter]

## **8. The States of Jersey Development Company Limited: Appointment of Non-Executive Director (P.85/2022)**

### **The Bailiff:**

The next is The States of Jersey Development Company Limited: Appointment of Non-Executive Director, P.85, lodged by the Minister for Treasury and Resources. The main respondent is the chair of the Corporate Services Panel and I ask the Greffier to read the citation.

### **The Deputy Greffier of the States:**

The States are asked to decide - (a) to appoint Belinda Crosby as an additional non-executive director of The States of Jersey Development Company Limited, S.o.J.D.C., for an initial period of 3 years, in accordance with the Memorandum and Articles of Association, to take effect from the delivery to the company of the notice referred to in paragraph (b) below; (b) to authorise the Greffier of the States, for and on behalf of the States, to deliver a notice to S.o.J.D.C. in accordance with Article 21(b) of the Memorandum and Articles of Association to give effect to such appointment.

### **8.1 Deputy I.J. Gorst (The Minister for Treasury and Resources):**

Members will have read the C.V. (curriculum vitae) of Ms. Crosby from the proposition lodged. They will note from the Deputy Greffier's reading out of the proposition that it complies with the Articles and Memorandum of Association which were approved by this Assembly when they adopted P.70 on 14th July 2020.

[15:00]

It would seem to me that Ms. Crosby is eminently suited to be a non-executive director of S.o.J.D.C. She has served on several local boards with specific interest in real estate and private equity. She is also currently a member of the Audit and Risk Advisory Panel at the office of the Children's Commissioner for Jersey, so her experience is broad and I think she is an eminently suitable person for this Assembly to approve.

### **The Bailiff:**

Is the proposition seconded? [Seconded] Does any Member wish to speak on the proposition? Those in favour of adopting the proposition kindly show. Those against. The proposition is adopted.

## **9. Composition of Rent Tribunal (P.89/2022)**

### **The Bailiff:**

We now come to Composition of Rent Tribunal, P.89, lodged by Deputy Southern. The main respondent is the Minister for Housing and Communities. As with Deputy Southern's amendments earlier and in accordance with Standing Order 68A, notice has been given to the Greffier that Deputy Mézec will take this forward on his behalf and I ask the Greffier to read the citation.

### **The Deputy Greffier of the States:**

The States are asked to decide whether they are of opinion to request the Minister for Housing and Communities to amend Article 3 of the Dwelling Houses (Rent Control) (Jersey) Law 1946, as amended, to appoint a Rent Control Tribunal which is constituted as follows - (a) one member to act as chair of the Tribunal; (b) one member to represent landlords; (c) one member to represent tenants; (d) one member to represent Andium Homes as the Government of Jersey's largest social homes provider; and (e) one member from the charitable sector with an understanding of homeless/consumer issues.

### **9.1 Deputy S.Y. Mézec:**



I guess I should start by, in his absence, thanking Deputy Southern for the work that he did to put this proposition together. He did so extremely quickly after the news was released about the proposed makeup of the Rent Control Tribunal, and certainly when he explained his intentions to me I was impressed - as I usually am - at how he puts his long experience in this Assembly to good use knowing how to make a positive impact when these issues arise to try and make good out of a bad situation. I am sorry to say that it does start with a bad situation. The reason for this proposal being brought forward is that - I am sorry to say - when it comes to the Rent Control Tribunal we are heading towards a car crash. What is proposed by the Government is not adequate and it is setting us up to have an amount of time and resources wasted to not get to a good outcome which we want, which is to have some form of tribunal in place for those in the private rental market to seek assistance or adjudication from when faced with a dispute which otherwise could cause great hardship or difficulties for landlord and tenant relationships. In making this proposition we are asking that the 1946 law for the Rent Control Tribunal be altered so that it is required as a matter of law to have a balanced makeup. It currently has no such stipulation in it and what is proposed by the Minister for Housing and Communities is an unbalanced tribunal which will not command the confidence of the people who need to benefit from this tribunal. That is problematic on its own because it means that few cases will be taken to this tribunal. It is bad enough that tenants will know that they can simply be subjected to a revenge eviction for which there is no route of appeal and no protection from if they take a case to the Rent Control Tribunal. That is of course bad enough but it is the stated intention of the Minister that one of the purposes of this Rent Control Tribunal will not just be to hear cases that come before it, they will not have much time dedicated to that, let me assure you, but it will be to help formulate proposals for an updated law to provide a more fit-for-purpose Rent Control Tribunal. That is of course a perfectly acceptable role to put on a Rent Control Tribunal but not acceptable to do when such a tribunal is proposed which is unbalanced. We must address that issue from the start and if a Rent Control Tribunal is to do that work in providing proposals for a better form of tribunal, its membership should be balanced from the start. It should not be, as is currently proposed, unbalanced. I can say this making no personal remarks about the Members who are proposed as individuals, most of them I do not know, I only know one of them, that is the proposed chair who in my view is a perfectly ... I was going to say a perfectly acceptable candidate for the role; he is better than acceptable, he is an excellent choice to be chair for that role. But one Member who is proposed holds a role which is not compatible with also holding a role on a rent control tribunal, and that is to be the chair of a membership organisation whose members may be subjected to claims against them through this process. So that is not a personal remark about that person's integrity or capabilities; I pass no comment on that at all. It is simply by virtue of holding that role, the head of a membership organisation, that he cannot hold the role here because there will at the very least be a severe perception of a conflict of interest. I think the best analogy to use there would be it would be like having the president of the police officers' trade union being a member of the Police Complaints Authority. It would be completely unacceptable there because they would also be representing a membership whose conduct would be potentially brought before that body. It is inappropriate and the Minister, in my view, ought to think that again. My view is that he ought to withdraw his proposed membership for the Rent Control Tribunal and accept the proposition made by Deputy Southern, have a quick amendment to the 1946 Law, that can be done relatively quick because what it is asking for in terms of its membership is relatively easy. Then if that tribunal is then to be set up in a balanced way it can then do the work without fear or favour and with the confidence of a much wider cross section of the community and political representatives in order to do that job. If it can do that job fairly we will all be supportive of that. But what we risk happening by starting off on this journey from an inappropriate place, we risk undermining the work before it has already happened and we risk whatever proposals come forward at the end of it are being dismissed by some as a *fait accompli* put together by a panel that was not suitably made up to make the best recommendations it possibly could. That, surely, is not something any of us wants. If we want to have a Rent Tribunal set up properly then we have to have confidence in the process to get us there. Deputy Southern proposed this proposition to be constructive and enable us an opportunity to start this journey on the right foot.

I hope Members will accept that in the spirit that it is intended and I, on the behalf of Deputy Southern, make the proposition.

**The Bailiff:**

Is the proposition seconded? [**Seconded**]

## **9.2 Composition of Rent Tribunal (P.89/2022): Amendment (P.89/2022 Amd.)**

**The Bailiff:**

Very well, there is an amendment lodged by the Council of Ministers and I ask the Greffier to read that amendment. But before doing so I wonder if I could remind Members that not only should phones be on silent but vibrate is not an option because the vibrate when it goes off does in fact interfere with both machinery and indeed people's ability to listen. So I would be grateful if Members could put their phones on completely silent if they would be so kind. Very well, please read the citation.

**The Deputy Greffier of the States:**

(1) Page 2, for the words "as amended" substitute the words "as part of a wider modernisation of the Law". (2) Page 2, paragraph (b), for the words "who represents landlords" substitute the words "who is a landlord". (3) Page 2, paragraph (c) for the words "who represents tenants" substitute the words "who is a tenant". (4) Page 2, paragraph (d), delete paragraph (d), re-designate paragraph (e) accordingly and insert the following new paragraph - "(e) Additional members as necessary to maintain a balanced and expert Tribunal able to make informed judgements".

### **9.2.1 Deputy D. Warr (The Minister for Housing and Communities - rapporteur):**

My amendment retains the spirit of Deputy Southern's proposition while promoting an appropriate balance of perspectives on the tribunal and the flexibility to adapt expertise as needed. It also recognises that the tribunal, once reappointed, is already mandated to modernise legislation around the tribunal's role and function. It is a shame that Deputy Southern is not able to be here today as I believe that my amendment could have been agreed between us as it supports the principles that the Deputy puts forward, while at the same time acknowledging the practical aspects of operating an effective tribunal. My amendment makes some simple changes to the original proposition. It tackles that the law under which the Rent Control Tribunal operates dates back to 1946, and one of the first tasks of the new tribunal will be to review its powers and functions and to make recommendations on updating the law. The composition of the tribunal will be part of that review. It is not clear to me why Deputy Southern singled out Andium Homes to be written into the tribunal's legislation. It seems inappropriate to include the States-owned affordable housing supplier on a private sector tribunal. It also contradicts Deputy Southern's own argument around the need for an independent tribunal. My amendment removes the inclusion of a tribunal member representing Andium Homes. My amendment acknowledges the proposal to include a landlord, a tenant and someone with knowledge of homelessness and consumer issues. However, to ensure that the tribunal can take decisions based on a thorough understanding of private sector rental issues I have added an additional category of member to allow for experts to be included as needed. Taken together my amendment guarantees a broad and appropriate balance of perspectives on the tribunal, while grounding the change within my existing plans to update the law. So to sum up, while I have shown a willingness to embrace the spirit of the proposition I cannot support it as originally drafted. My amendment provides a balanced way forward and will be incorporated into my existing plans to start work on modernising the tribunal as soon as the members are appointed. I respectfully urge Members to support my amendment.

**The Bailiff:**

Is the amendment seconded? [**Seconded**] Does any Member wish to speak?

### **9.2.2 Deputy S.Y. Mézec:**

The Minister used a phrase, which I made a note of, which was that this amendment will allow him to ground change in his existing plans. Parts 2, 3 and 4 of this amendment are not particularly problematic. It is our view that it is right that Andium be represented on this tribunal for the very simple fact that they have extremely good expertise in this area. I had a recent catch up with an officer at Andium very recently and he reminded me that one of his first jobs in this area was as an officer for the old Rent Control Tribunal when it existed. They know what they are talking about, they know how these things work and they also understand the economics of this as well because they are a large provider. They are very well placed to make an extremely positive contribution in this area. However, if it is the view that there is a more sensible way or more open way of providing membership to this tribunal for somebody who has good expertise - and maybe that will be someone associated with Andium, maybe it will be somebody associated with something equivalent - that is not a problem. So parts 2, 3 and 4 on here not so much a problem there although it remains our preference that Andium are represented because we have certainty that they have excellent expertise here. But I am afraid that part 1 of this amendment is problematic and I urge Members to oppose it. Part 1, which seeks to add in the words to the proposition “as part of a wider modernisation of the law”, my interpretation of that is that it allows the Minister to still go ahead with his planned appointments and set up an unbalanced tribunal to do the work on that wider modernisation of the law, which that makeup is not fit to do because it will not have the confidence of those who need the service to protect them.

[15:15]

For that reason I hope that Members will reject that part of the amendment and instead require the Minister to start this process on the right foot, not to appoint those who he plans to appoint because he is setting up the body to firstly not be respected by those who we want to respect it, to not have the confidence of those who we want it to have the confidence of, and to not be able to put forward those wider proposals for change without them being undermined because of that process. If he does what the original proposition asks him to do, which is to sort this out before making those appointments, he will undo all of those preconceptions that there will be. Nobody will be able to complain about the process, nobody will be able to say it was a *fait accompli*, nobody will be able to say that there was not a balanced membership doing that work, consulting with who they need to and starting off properly. Instead by putting this simple and seemingly innocuous phrase in there he seeks to get around that and enable a flawed tribunal to be set up in the first instance. So I ask Members, if you are persuaded by the Minister’s case that the membership that is proposed in the original proposition is not flexible enough then, fair enough, if that is how you feel then by all means vote accordingly. I will have nothing negative to say about those whose preference is different to mine there. But part 1 is dangerous. It will see us waste a lot of time and resource setting up this body to be a failed endeavour and that is not in any of our interests. If we remove part 1 from this amendment and then do what you like with the other parts we will be getting off on the right foot, setting up a tribunal that is fit to do the work that it is being instructed to do. If we do not do that we will be coming back to this Assembly next time around to debate the proposed membership of the panel as it is currently proposed and that is not going to be a very pleasant experience, I am afraid, because that will be a fractious debate because some of us feel very, very strongly that a bad decision is due to be made at that point. We can calm this down and have a much more constructive approach by removing part 1 of this amendment and then accepting whatever of the rest of the proposition Members feel most comfortable with.

### **9.2.3 Deputy M.R. Scott:**

I have to confess I am a little confused about Deputy Mézec’s interpretation of the first part of the amendment because I just simply cannot read it in that way. I know that he is not able to say if he has taken advice from the Crown officers but I do not understand how if I agree that an amendment takes place that this Rent Tribunal is composed in a certain way as part of a wider modernisation of the law that somehow I am proposing a different composition. I also very much would like to see a

wider modernisation to the law because, as I have said before, the law needs that modernisation. It only refers to houses and dwelling houses and I believe we all want it to extend to accommodation like apartments. An amendment has been put in to say, well, let us amend it in this way so that we delete this, so I will be supporting the amendment as proposed amended by the Council of Ministers because it just makes more sense to me.

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

I can understand Members taking a view on Deputy Southern's wording but I think the amendment we have got here is worse than what Deputy Southern has got. Deputy Southern's is good of course - I have to say that in case there is any doubt - because it replaces with 2 words which are much more prescriptive, which I am sure Deputy Scott will be concerned about. Deputy Southern says to have a representative of landlords and to have a representative of tenants. The problem is, under the Minister's suggested amendment it then substitutes "a landlord" and one member who is "a tenant". Of course you can be a tenant and a landlord; we know it from the declarations we have had in this Assembly. So one person could theoretically fulfil those 2 roles. Entirely possible. What does the Minister do if the best person for the job ... because what we have got here is a quota system being put in. We have got the Council of Ministers saying: "We think rather than having the best people for the job apply for the role" I mean, I do not know why they have gone down a quota route. Deputy Southern thinks it is a good idea, so do I, to have a composite system and he has amended what the Minister was originally proposing. The Minister is saying that: "I need one landlord and one tenant", they may not be the best people for the job. It may be that the best person for the job is somebody who is both tenant and landlord, they might just be a homeowner, they may not even live in Jersey full-time, they may come to work here quite a lot. So I do not see why we would go for this much more prescriptive ... I think Deputy Southern's idea is to have a representative, so rather than having somebody from the Landlords' Association automatically, if we are going to have that let us choose somebody who they might put forward, and it could be that the Landlords' Association want to put forward somebody who is not a landlord to represent them. There may be, after consultation with the Landlords' Association or indeed other landlord groups which might include Andium and might include social housing providers, they might suggest putting someone else forward, who is not a landlord, who has got expertise in dealing with that, i.e. somebody who is an agent. So there are lots of people who work as agents for landlords, who are not necessarily landlords themselves, entirely conceivable that is the case, and they may want to put themselves forward for this role and they would be immediately precluded from doing so. It is complete nonsense. Similarly, the same goes for tenants. Somebody could stop being a tenant overnight, so what happens if you have got a very good representative of a tenant's agency who has got some kind of mandate from a group in consultation with the Minister to put themselves forward, and they stop becoming a tenant because maybe they decide to buy their own home, maybe they buy an Andium property and live in it. They are no longer a tenant, does that mean they stop being on the panel? Does it mean we need to have a new panel completely? That does not really make any sense to me. So I can see the logic in wanting to reject both Deputy Southern's underlying proposition and the amendments, but I do not see how we are in a better position by adopting the Minister's, which is much more prescriptive, and then being left with something of a curate's egg I think is the phrase, something which nobody really wants. So I think the only logical position, which I will be doing, is to vote against the Minister's and to support Deputy Southern's. Obviously I will do that and I agree with it as well, but other Members I do not think should be tempted by this halfway, wishy-washy house which does not really do what it says on the tin. If the Minister wants to do it his way let him come back and do it his way and stand on his principles and he can make that point. But let us reject this amendment and I think get to the merits of Deputy Southern's proposition as it stands, win or lose.

#### **9.2.5 Deputy K.F. Morel:**

I am really pleased Deputy Scott spoke because she articulated my confusion as much as I am sure many other Members' confusion as well. But it is directly in response to Deputy Tadier that I stand

to speak, and that is with regard to effectively the removal of the word “represent” which is what the Minister for Housing and Communities has done. There is a very good reason for that, and that is the Rent Control Tribunal is not there to have the views of one area represented and the views of another lobby group represented. The Rent Control Tribunal is there to look at particular cases and to decide whether in that case the rent is wrong and should be adjusted, whether the contract is wrong and should be changed. It is the experience of the people as a landlord, as a tenant, that the Rent Control Tribunal is pulling on. I would be really worried if the Rent Control Tribunal was there to be politicised by having groups representing another group. That was the mistake that the Minister for Housing and Communities is trying to change here and is trying to correct. We do not want a politicised Rent Control Tribunal; we want a Rent Control Tribunal applying the benefits of its experience to determine whether the rents being charged in individual cases are fair or not. That means we have someone who is a landlord, they can bring that experience, we have someone who is a tenant, they can bring that experience, but they do not represent landlords and they do not represent tenants. That is what is really important here. There is also the other bit which is Deputy Mézec said that Reform Jersey were quite happy with parts 2, 3 and 4, so I think that there is some confusion there. But that is the reason the word “represent” has been dropped; it is really, really important. It is the experience that is important, not the representation.

#### **9.2.6 The Connétable of St. Mary:**

Members may be surprised that I have sympathy with what Deputy Tadier has just said. I hear what Deputy Morel has replied but I can see that a representative of a landlord or representative of a tenant may in fact have far more experience than one individual landlord. I would be happier if there was a representative of a landlord and a representative of a tenant they must bring broader scope to the situation and I am, therefore, in a difficult situation. I simply wonder at this stage whether each item will be taken separately so one can vote on the individual paragraphs.

#### **The Bailiff:**

That is entirely a matter for the Minister who brings the amendment. He is entitled to require that it is taken as a single amendment or they are quite capable of being taken separately in terms of their interpretation, so it is a matter for him as to whether he wishes to take them separately or not.

#### **The Connétable of St. Mary:**

Well I will leave it to the Minister then but I have difficulty in the amendment as is.

#### **9.2.7 Deputy E. Millar:**

I share Deputy Morel’s concerns with the use of the word “represent”. It seems to me that it will create a polarised view on the tribunal with one person saying: “I am here to represent landlords and I must take one view” and another person saying: “I am here to represent tenants and I must take another view.” That will not to me result in a harmonious working environment and a constructive working environment for that tribunal. I have not checked the law but my recollection of the Employment Tribunal is that it requires one member to have experience of being an employer or acting for employers and another member to have the experience of being an employee and acting for employees. As Deputy Morel suggests, what we need to establish here is someone who has experience of being a landlord or experience of being a tenant and can approach it with that view rather than representing one group over another, because I think that is just an argument waiting to happen.

#### **9.2.8 Deputy R.J. Ward:**

I would like to thank Deputy Tadier for raising the point that he did, which is effectively the semantics of this. I do not agree with Deputy Morel that if you have the word “representative” it becomes some politicised, automatically conflicting process, and the same with Deputy Millar. It does seem to me that what we have got at the moment is a developing culture whereby anyone who purports to represent or say on behalf of someone is politicising and that seems to be negated. That worries me

enormously because I think what we are doing is we are watering down the effectiveness of people's experience. For a long time I think the representation of landlords has been very strong. Now, that is not a political representation. It is an interest representation, and that interest ... we do not live in a vacuum of non-interest where we walk in as a *tabula rasa* to every situation. We come with experience and we come with a view and if we do not, to be quite honest, I do not know why we are here. With the Rent Tribunal I think the wording from Deputy Southern gives what is a balanced representation of different views from which a consensus can then be developed. Not having a view or not representing does not produce consensus. Representing, discussing, understanding, that will produce a consensus in the end that will come up with a meaningful law. It does seem that this Rent Control Tribunal, with the amendment, has a much larger impact on the modernisation and the development of the law. Therefore, it has to be representative. We are getting into a semantic argument here, which I think is quite important. As such, perhaps I would say that a member to act as a chair, that makes sense. This is the original proposition and I mention that now because I think that - dare I use the word - the juxtaposition between the amendment and the original is where the important understanding is.

[15:30]

A member to represent landlords: that will be the case because it cannot be a single view of one person's experience. That is not going to be healthy at all because if you have a landlord who has had a fantastic experience of being a landlord with no problems, there will not be an understanding of where there were problems for landlords. A member to represent tenants: if you have one tenant who has had a fantastic experience of being a tenant, it will not necessarily be a view that represents the wider experience of tenants. Now, this is going to be a difficult job for whoever takes on this role because of the situation we are in with housing, but it will need to be done. I think a member to represent Andium Homes is important because it is the largest social homes provider. There is a link between the private sector and Andium Homes with the level of rents and that written-in level of rent. So, subsequently, I think that voice has to be around that table. A member from the charitable sector with an understanding of homelessness and consumer issues: that is a representation of homelessness, perhaps, and those who face difficulties in terms of the cost of living. So that is absolutely acceptable. I wonder if where we have got to, and I say this genuinely, openly, is we are just at the moment saying ... I wonder if we have just got to this point now where Government has a lot of control over what is going on here now and any amendment from Government will come through and just be accepted. I think we need to be careful of that and we do not need to be fearful of the proposition by Deputy Southern that it has any motives other than trying to widen the representation. Now, this is the key point in this. If we cannot have representation that is wider and brings these different views, will we genuinely get a balanced view or will we create an echo chamber of views which does not move things forward? For any group, be it a political party, a tribunal, an organisation, a government, getting into an echo chamber of views is dangerous for outcomes, particularly when you are trying to represent a diverse population on the Island. With housing, it is a very diverse situation that we have. So I would urge Members to not support the amendment and support the main proposition. I will also add that over time if this is not working in this way, then the Minister can bring back an amendment to the tribunal, bring the reasons as to why and the evidence as to why it is not working, and I will then, if that is the case, absolutely support that change. But at the moment I think the semantic difference that we are talking about here is important and I really do not think that the amendment achieves what people are believing it will. So I urge you please, do not accept the amendment to this proposition and support the main proposition when it comes up unamended.

### **9.2.9 Deputy J. Renouf:**

I have just one minor point really but an important one, I hope, building on the point that Deputy Morel made. I think there is an even more fundamental point about this business of representation, not just will it promote conflict or not, it is the question of what is a representative and who decides who is a representative of landlords or tenants. I could put myself forward as a representative of

tenants or a representative of landlords and I guess almost anybody could, so there is a tremendous ambiguity I think in the question of who is a representative. I think the reason for the amendment is to try and give clarity as to who qualifies in different categories, and that is the purpose of the amendment. A paradoxical reading of the original amendment by Deputy Southern would be that, you know, who is a representative of landlords? Well, probably the preeminent representative of landlords would be the head of the Jersey Landlords Association. I had formed the view that perhaps Reform did not think that that person should be on the tribunal, but that would be one reading of this. So I think the reason, the simple reason, for this and the simplest reason in my mind for this amendment to the amendment is that we need clarity and there is no clarity in the question of who represents somebody. It is entirely open to presentation by whoever puts themselves forward and gives no real help, whereas clarity around the position does give some clarity on that.

#### **9.2.10 Deputy M.R. Ferey:**

In relation to the amendment by the Council of Ministers, the first question that pops into my head is: why did the Rent Tribunal fall into disuse in the first place? Because it was established under the 1946 law. It fell into disuse because there was a perception, real or otherwise, that the tribunal had no teeth and no real opportunity to make a real change to tenants' lives. So, that is why it fell into disuse, so I welcome the first part of this proposition, which looks at a wider modernisation of the legislation because that is exactly what is needed. In relation to Members who are landlords or tenants, the nearest comparison that I can draw is that of the Employment Forum, who had representatives from different categories, one of whom was an employer, one of whom was an employee, and one of whom was an independent. They were not representatives of those bodies, they were individuals who had that lived experience of being in that position where employment law affected their everyday lives. That is the best quality to bring to any decision-making body, is where people have that real lived experience and are not representatives of an organisation. In relation to part (e), that widens out the scope of Deputy Southern's original proposition with a representative from Andium Homes because that person could still fall into part (e) if it was deemed necessary or, indeed, any other housing provider. Because while Andium Homes are the largest housing provider in Jersey, they are not the only housing provider and there are many other influential housing providers who could fit that category if needed.

#### **9.2.11 Deputy L.V. Feltham:**

I wanted to bring attention back, really, to part 1 because I think we are in danger with talking too much about the semantics surrounding parts 2 to 4 that we are missing the point of what is quite a substantial change in part 1. The original proposition was worded in such a way that a relatively quick change to the law could be made. By accepting the original amendment, we will not be stopping wider modernisation of the law, which is planned to happen anyway. If this amendment is approved as is written, what we are in danger of is holding back on the changes to the very important membership of the tribunal itself. We all know that wider modernisation of laws takes a lot of time. We could be waiting a number of years before that law comes back to us. This tribunal, as Deputy Mézec said, if we accept this part 1, will be voting in just a matter of weeks on the membership as it stands. So if you have an issue or you perceive that there is a potential conflict of interest with the membership as proposed or you feel that the membership could be broader and more representative of those people affected, then you should be rejecting part 1 of this amendment because what you will get if you accept it is a tribunal as it stands for the foreseeable future.

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

I am struggling with understanding what the effect of this amendment is. The amendment is to change the law and I am struggling to understand how an amendment in the law without the advice, if I may, of the Attorney General can be of assistance. The amendment is asking for Article 3 to be changed. That requires a substantial law change, unless I have misunderstood it. I am looking at the original law. I understand absolutely what the Minister for Housing and Communities is trying to achieve is basically setting up the tribunal, getting it working and then working to achieve a number

of modernisations. I do not understand how we can make a fast change in relation to this amendment. I am struggling. Is the Attorney General able to assist me in understanding the amendment, the amended amendment, and could he kindly confirm that this is an amendment of a principal law which requires tabling before this Assembly with the requisite notice, then with the requirement of a substantial law change sent to the Privy Council for Crown approval? I just do not understand how I am to hear an accurate portrayal of a fast amendment rather than a long amendment, and may I invite the Attorney General to kindly explain?

**The Bailiff:**

Mr. Attorney, are you able to assist?

**Mr. M.H. Temple K.C., H.M. Attorney General:**

I hope so. So, Article 3 of the current 1946 law does not provide any criteria for the members of the tribunal, so what is proposed is to include amendments which make clear that members are coming in various capacities, whether it be as landlords, tenants or representatives thereof. So, if the amendment is accepted in its original form, then it is open to the Minister to cause officials, and with the assistance of my department if he wants it, to bring an amendment to the 1946 law which will just simply focus on changing Article 3 to the current law and not carry out a wider updating of the 1946 law. So that is the implication of the amendment as originally proposed by Deputy Southern. So the Minister's amendment, though, seems, as Deputy Feltham I think was saying, that the amendments to Article 3 will be as part of a wider modernisation of the law, so that will take more time. Clearly, the 1946 law does need much attention, in my view, and so that process, as Deputy Feltham says, would be expected to take a longer time than if the narrower approach of Deputy Southern was followed, which was simply to focus on an amendment to Article 3. I hope that assists the Deputy in relation to his question, but either way, in my view, it would require an amendment to primary law so it would be by proposition that is brought to the Assembly with the requisite notice, whether it be in one part or in 2 parts, and then it would have to go to His Majesty in Council for approval.

**Deputy P.F.C. Ozouf:**

If I may speak following that, then, Sir?

**The Bailiff:**

Well, yes, it was a question for the Attorney General and you had not finished your speech necessarily.

**Deputy M. Tadier:**

Sir, I was going to ask if we could have a question to the Attorney ... could I ask the Attorney General a question while there is a pause in play?

**The Bailiff:**

Well, if there is a pause in play and it will assist it may change what you wish to say, Deputy, so shall we have a further question to the Attorney at this point? Yes, very well, Deputy.

**Deputy M. Tadier:**

I thank the Deputy for giving way. It is to follow on from that point. I had a similar concern. Is it problematic in any way, either legally or in terms of the process for good law-making, that we set up a tribunal, effectively, and prescribe the membership before we as an Assembly know what any modernisation of the law that they are going to be working in and under is?

**The Attorney General:**

The Deputy raises a good question. If a narrower amendment to Article 3 is simply pursued, then that is not in the context of a wider consideration of how the law is to be updated as a whole. So he



raises a valid question. I think both approaches have their merits and demerits and it is a matter for Members to choose which one is most appropriate.

**The Bailiff:**

You wish to continue with your speech, Deputy?

**9.2.12 Deputy P.F.C. Ozouf:**

I am and I think that in conclusion what I have heard is that effectively on the one side the Minister for Housing and Communities has brought forward an amendment to the amendment which clarifies a problem in terms of representation, as has been clearly articulated by the Minister and the other remarks by the Minister for the Environment.

[15:45]

If we want to get on with this, the fastest way forward is to not make any substantial changes to the law, for the Minister to take further counsel of the membership of the tribunal, which is the subject of a States debate, but I think we are at risk of effectively putting a pause on the creation of the tribunal and moving forward in terms of its working with the spirit in which it goes. It is a very old law. It does not really work in the modern parlance. It is effectively before even ... it is the 1946 Dwelling House Law that even predated the 1947 Housing Law and it is all pretty archaic. It may work as a signal, effectively, as a job of work for the Minister to progress forward, but it does not seem to me a sensible use of this Assembly's time, of law drafting time, to effectively make an interim principal amendment to the law which inevitably will stay the creation of the tribunal and its work and then do another set of amendments later. It just seems to me that the right thing to do, if I may say, is to accept the Minister's amendment. The ideal thing is the proposer of the amendment would then withdraw it, but it does not seem to be in the remotest bit sensible to accept an amendment to a principal law which the Minister himself has said: "I will work with it but I want to work with a series of modernisations." So as it stands at the moment, I am going to vote in favour of the Minister's amendment, but if I have now understood it, this is going to require a substantial law change brought back to this Assembly. We are going to be probably not here before March until we have a Rent Control Tribunal which would work. If that is good from Reform, then I do not think it is. I think it would be better to get the Rent Tribunal back, as the Minister signalled, working with the legislation that they have and work on an overall modernisation. So it is yes to the Minister for Housing and Communities' amendment but probably no, if the Attorney General's advice is to be clear and I have understood it, to a waiting period until March of the Rent Tribunal getting to work on its important work that it can do and its modernisation. I hope those are helpful observations.

**The Bailiff:**

Deputy Scott, do you have a question for the Attorney?

**Deputy M.R. Scott:**

Yes, I do, Sir. I just wondered if he would just confirm my understanding that the current provisions in the law regarding quorum of the Rent Tribunal will not be affected, they will not change with this amendment, because basically it says that the quorum would be the chairman and 2 other members of the tribunal. So it is not clear about maintaining that balance, which that would need to be changed if you were going to have a balanced quorum.

**The Attorney General:**

Firstly, obviously, this is in principle, it is an in-principle proposition, it is not changing the legislation itself, so the quorum remains as it currently is in the law, which provides that the chairman and 2 other members of the tribunal constitute a quorum. So that is not going to change as a result of Members voting either way on this in-principle proposition. If the Minister is undertaking a wider updating of the 1946 law, as he wishes to do, then it would be open to him to change that quorum requirement, but again that would have to be the subject of a proposition that amends the legislation

and goes through the requisite process and which ends up with His Majesty's approval in Privy Council.

### **9.2.13 Deputy P.M. Bailhache:**

I think that Deputy Ozouf has persuaded me to vote in favour of the amendment of the Council of Ministers but to vote against the amended proposition, assuming the amendment is carried. The reason for that is that it seems to me to be not a very well drafted proposition. It will read: "To request the Minister for Housing and Communities to amend Article 3 of the Dwelling Houses Law." Well, the Minister cannot amend Article 3 of the Dwelling Houses Law. That is a matter for the States. Then it goes on and rather suggests that the Minister for Housing and Communities might appoint a Rent Control Tribunal. Well, as we all know, the law provides that the States appoints the tribunal. I am not very happy with either the amendment or the proposition itself. I would go with the amendment because I think it improves the proposition, but what we are really concerned with is to ensure that the Rent Control Tribunal, if it is to be resurrected, is objective and independent and applies itself in that sense to the very difficult task of assessing what is a reasonable rent. "Reasonable" is the word which is currently used in the law. But I do not think that any advice has been taken from the legislative drafter. I do not think that any advice has been taken from the Attorney General's Chambers. There are some quite important things to be considered. Should the tribunal have to assess a reasonable rent or should it have to assess a fair rent? What is a fair rent? How do you define it? There are all kinds of issues which need to be considered which have not so far, to my mind, been considered at all. The real reason why I am going to vote against the proposition as a whole, whether it is amended or not, is that what we will be required to do, it seems to me, if the proposition is adopted, is to have 2 bites at the cherry of amending the Dwelling Houses Law. The first bite will be to change the composition of the tribunal, which at the moment under the law is at large - it merely says that it shall be 4 or 5 persons to make the qualifications that the proposition provides for and the amendment provide for - and then after a mature consideration as to what needs to be done to the law as a whole we will come back and have a second bite at it to decide what the law should actually say after 70 years. That does not seem to me to be sensible. We need to approach this in a practical and appropriate way, which means considering in the round what amendments there should be to the law before the legislative drafter is given instructions to draft something which the Minister can bring back to the States. So, as I say, I think the Council of Ministers' amendment improves the proposition but not sufficiently, to my mind, to merit support, so I shall ultimately vote against the proposition.

### **9.2.14 Deputy T.A. Coles:**

Forgive me, as someone who has already admitted making mistakes in this Assembly through his tenure already, I am just wondering whether it is ... I say wondering, it is the point that we have spent most of this afternoon voting on approving on legislative changes which are only temporary and will be readdressed and reaffirmed in March with the Government Plan and future debates, if I am not mistaken. So this act of a double bite of the cherry is something that we have already done today and will be doing again in future. But going back to some earlier points which have been made about the difference between a representative and a person who is a tenant or who is a landlord, the tribunal in itself should be faced by preventing a fair rent ... deciding on what is a fair rent, which will require a certain level of non-biased opinion. I look to what the Connétable of St. Mary said. Yes, you get a much more rounded view of an individual who is from an agency acting for either the landlord or a tenant than you would from an individual landlord who may have had a single bad experience with a tenant or a tenant who has had a single bad experience with a landlord. So this panel should be made up of rounded individuals who can take a broader perspective, something that you will not get from someone who simply is or is not one of the defined parts of this. So, yes, I will leave it there.

### **The Bailiff:**

Does any other Member wish to speak on the amendment? If no other Member wishes to speak on the amendment, then I close the debate and call upon the Minister to respond.

### **9.2.15 Deputy D. Warr:**

I think one of the problems is we got ahead of ourselves here with all the fight around who is on the tribunal and who is not on the tribunal. We need to get a tribunal in place and I think helpful comments have been made in that respect. I will leave it to States Members to decide whether that is the right thing to do or not. While it is true the tribunal nominees - and this is where I understand Reform's concern - were identified before I became Minister for Housing and Communities, I know that the selection was open and fair and without any political influence. The Jersey Appointments Commission was involved from the outset with its representatives chairing the interviews of all the short-listed candidates. While the commission's mandatory involvement only extended to the role of the chair, the commission was nevertheless involved in the recruitment of all the members' roles, recognising that the tribunal was being reappointed after a long hiatus - we have already heard that is 10 years - and not replacing members in the normal course of business. Because the reappointment of the tribunal is understood to be a politically sensitive matter, Government officers with subject matter expertise in housing policy, environmental health and human resources also served alongside the commission on the recruitment panel. They took active steps during the interview process to consider any conflicts of interest, including for those candidates who were landlords, and were satisfied by the impartiality, professionalism and commitment of the nominees they interviewed. Ultimately, the nominees were successful at interview because of the strength of their performance. I am satisfied that the nominees I am putting forward are all community-spirited individuals with a broad range of experience and expertise in areas relevant to the needs of the tribunal. They wish to give up their time to make a positive difference to the lives of Islanders, which is, of course, to be welcomed and lauded. The tribunal nominees have a mix of backgrounds, including the private landlord sector, banking, tourism and finance, as well as an individual in the key role of chairman Deputy Mézec recognises as an outstanding individual. It did not escape my attention that this part of the C.V. was conspicuous in its absence from Deputy Southern's proposition. However, I have listened carefully to feedback about the makeup of the tribunal and agree that we should take the opportunity to widen the range of perspectives within the tribunal. That is why I have advertised for a fifth member. I have made it clear that I am particularly keen to hear from Islanders who have tenants' rights or consumer affairs backgrounds. I also want to draw attention to the availability of allowances to cover expenses for tribunal members. The 1946 law does not allow for any of this. You cannot be paid as a panel member. All of these things, we have to remind ourselves this is a 1946 law that we are trying to update to the 21st century. This is indeed to encourage applicants from as wide a background as possible. Although existing legislation does not allow remuneration, as I have just said, there is no reason why it cannot be part of the tribunal's review. I do not know if Deputy Southern or any of his colleagues have encouraged any candidates from a tenants' rights background to apply for the tribunal during the original recruitment campaign. Regardless, they have an opportunity to do so now. The job advert has been live since 5th September and the closing date is 30th September. What we need to do now is nominate our Rent Control Tribunal so it can get on with the important work of delivering a modern statutory mechanism for the protection of tenants against unfair rent increases. I think that once we have recruited the fifth member to join we will have a working tribunal that will reflect the composition this very amendment seeks to bring about. It should be able to offer a mix of perspectives and technical expertise. I hope that is helpful.

### **The Bailiff:**

Do you call for the appel or shall I take ...

### **Deputy D. Warr:**

I call for the appel, thank you.

### **Deputy S.Y. Mézec:**

Sir, is it possible to ask the Minister if he is willing to take part 1 separately to the other parts?

[16:00]

**The Bailiff:**

Minister, it is a matter for you. Are you prepared to take any of the parts separately?

**Deputy D. Warr:**

No, Sir.

**The Bailiff:**

Very well, then ... has the appel been called for?

**Deputy D. Warr:**

Sorry, Sir, I misunderstood that.

**The Bailiff:**

The question was, Minister: are you prepared to take part 1 of your amendment separately from the other parts so that the Assembly has the opportunity of adopting it or rejecting it as it sees fit?

**Deputy D. Warr:**

Can I clarify, then, Sir, that this means that the words "as part of a wider modernisation of the law" is voted on separately to the rest of the paragraphs?

**The Bailiff:**

Yes.

**Deputy D. Warr:**

Okay, Sir, I will give the Assembly an opportunity to vote that separately.

**The Bailiff:**

So you are prepared to take that separately. I cannot recall, was the appel called for or not?

**Deputy D. Warr:**

It was.

**The Bailiff:**

It was. Very well, the appel is called for. The vote is firstly on the first paragraph of the amendment, specifically the addition of the words "as part of a wider modernisation of the law" and removing the words "as amended". I ask the Greffier to open the voting and Members to vote.

**Deputy A. Howell:**

I am so sorry, Sir, I am not ... I am just a bit confused dotcom about this. I am so sorry. I am not quite sure what we are voting on now. I am so sorry.

**The Bailiff:**

That is quite all right. You are voting on paragraph 1 only of the amendment. You are not voting on the other paragraphs. So if ... very well. The voting is still open. It is open to anyone still to cast their vote. You have your light on, Deputy Scott. Is there a reason?

**Deputy M.R. Scott:**

Oh, I am sorry.

**The Bailiff:**

Very well, I ask the Greffier now to close the voting. The amendment has been adopted:

<b>POUR: 31</b>		<b>CONTRE: 14</b>		<b>ABSTAIN: 1</b>
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Connétable of St. Helier		Connétable of Grouville		Deputy B. Ward
Connétable of St. Brelade		Connétable of St. Mary		
Connétable of Trinity		Deputy C.F. Labey		
Connétable of St. Peter		Deputy M. Tadier		
Connétable of St. John		Deputy L.M.C. Doublet		
Connétable of St. Clement		Deputy R.J. Ward		
Connétable of St. Ouen		Deputy C.S. Alves		
Connétable of St. Saviour		Deputy S.Y. Mézec		
Deputy S.G. Luce		Deputy T.A. Coles		
Deputy K.F. Morel		Deputy B.B.S.V.M. Porée		
Deputy M.R. Le Hegarat		Deputy C.D. Curtis		
Deputy S.M. Ahier		Deputy L.V. Feltham		
Deputy I. Gardiner		Deputy H.L. Jeune		
Deputy I.J. Gorst		Deputy R.S. Kovacs		
Deputy L.J Farnham				
Deputy K.L. Moore				
Deputy P.F.C. Ozouf				
Deputy P.M. Bailhache				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy R.E. Binet				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy A.F. Curtis				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				
Deputy M.B. Andrews				

**The Bailiff:**

The vote is now on parts 2, 3 and 4 of the amendment and I ask the Greffier to open the voting and Members to cast their votes. If Members have had the opportunity of casting their votes, then I ask the Greffier to close the voting. Paragraphs 2, 3 and 4 have been adopted:

<b>POUR: 36</b>		<b>CONTRE: 8</b>		<b>ABSTAIN: 2</b>
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Connétable of St. Helier		Connétable of St. Mary		Deputy B.B.S.V.M. Porée
Connétable of St. Brelade		Deputy M. Tadier		Deputy R.S. Kovacs
Connétable of Trinity		Deputy R.J. Ward		
Connétable of St. Peter		Deputy C.S. Alves		
Connétable of St. John		Deputy S.Y. Mézec		
Connétable of St. Clement		Deputy T.A. Coles		
Connétable of Grouville		Deputy C.D. Curtis		
Connétable of St. Ouen		Deputy L.V. Feltham		
Connétable of St. Saviour				
Deputy C.F. Labey				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J Farnham				
Deputy K.L. Moore				
Deputy P.F.C. Ozouf				
Deputy P.M. Bailhache				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				
Deputy M.B. Andrews				

### **9.3 Composition of Rent Tribunal (P.89/2022) - as amended (P.89/2022 Amd.)**

#### **The Bailiff:**

We now return to the debate of the main proposition as amended. Does any Member wish to speak on the proposition?

#### **9.3.1 Deputy P.F.C. Ozouf:**

I have heard the Minister for Housing and Communities and it appears that the genesis of this proposition emerged out of an individual which certain Members felt was inappropriate, having been the separate proposition about the appointment as the ... as Deputy Bailhache quite rightly says, it is the Members of this Assembly that appoint the Rent Tribunal. This emerged out of a problem, an inherited problem, that the Minister had in respect of a short list of candidates approved and he has now given an undertaking that he is going to widen that proposal to bring forward members of this tribunal to work. He has also explained in terms and has given effectively an undertaking to this Assembly that he wants to do this as part of a wider modernisation. We all know what he is trying to do. We understand what a statement in this Assembly means. I have heard him. I accept what he is saying and I do not think that the interim step of a legal change changing this Article 3 of an archaic law which needs that much wider review should be prevented from happening. I have heard the Minister. We have now understood the reality of the legal position and I am afraid to say I cannot agree with a request for one amendment because of an individual rather than the big changes that we have all agreed is absolutely necessary. So, it was an amendment I think for reasons that the Minister has now accepted of widening the membership. He has already said he is going to do the overall law. I reject the amendment. I see no benefit of public money resources being used for a single amendment when we all know that there has to be a wholesale set of amendments brought forward to the law, so I am afraid I am going to vote against the amendment. I see no good use of public money being spent on this single item.

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

There is the occasional cultural reference which I think is useful and my generation is probably ... it is not the most high-brow reference but it is that of "Red Dwarf". There is a situation where Lister is questioning why on earth the computer decided to bring Rimmer back on to the ship. Of course, those who do not know the programme ... or those who do will know that Rimmer and Lister just did not get on at all. They argued like cat and mouse or dog and cat. I am not sure which was which. It turned out that the computer had deliberately chosen to bring Rimmer back to the ship, even though he was insufferable to Lister and vice versa, entirely to keep them sane for the eternity that they were going to spend together in space. Sometimes this 4 years looking ahead feels like it will be an eternity and I sometimes feel like that when I look at Deputy Ozouf because he is compelling when he speaks, but I cannot help feeling that when he was making his speech to the amendment I was agreeing with 90 per cent of what he said, thinking: "Yes, absolutely, that is right, that is right", until he got to the very end and came completely to the wrong conclusion. It is like somebody saying: "Smoking is bad for you and if you smoke it is proven to give you lung cancer and you will definitely on average die younger, and that is why I am going out tonight and buying a pack of 20 and sitting at the pub and smoking them all in one go." Because I think Senator ... Deputy ... these difficult titles and he has had so many titles, of course, Deputy Bailhache I think is closer to the mark because he will know the expression: "*ne faut pas mettre la charrue avant les boeufs*." For those anti-French in this Assembly, you should not put the cart before the horse. It seems that is exactly what we are doing here because what we are saying is that there was quite a straightforward amendment. Let us look at the actual what happened, and I put it down to perhaps goodwill and political naivety here, is that the Minister for Housing and Communities says: "We are going to get a Rent Tribunal up and running" and, of course, I think he made a fundamental flawed mistake. Look at the social media backlash, quite rightly. He stacked it with landlords and it was perceived like that. That was how it was perceived. The Minister can respond if he wants to. That is how it was perceived out there in social media. This was not a Reform position that was taken. They could not believe the fact that this was

going to be stacked with landlords. It is set up to fail. So we have an amendment coming forward from Deputy Southern to deal with it. Then we have a counter amendment here. Certainly, when I asked the question to the Attorney General, as did Deputy Ozouf, he did not come down on either side. He was quite clear to say: "I ask the question: is it sensible effectively to set up a tribunal when we do not even have the law in place?" When Senator Ozouf - former Senator Ozouf, maybe we will bring them back one day, who knows - Deputy Ozouf said this ...

**The Bailiff:**

That is entirely a different debate.

**Deputy M. Tadier:**

It is an entirely different debate to bring it back. Okay, so let us bring it back. He said himself he knows it is going to take a very long time to do a piece of work here. It is a very old, archaic law. We have a Rent Tribunal which will still have no teeth. Just before we get to the amendment and what we are debating here, the clock has gone ... oh, that clock has gone off. I thought Christmas and my birthday had all come at once there.

**The Bailiff:**

No, we still have a clock running here.

**Deputy M. Tadier:**

It will take a long time to put this law ... so we are effectively saying: "Let us set up a panel completely blind" and we do not even know what the law ... so hang on, Deputy Ozouf is saying no, the Minister for Housing and Communities is nodding his head, so I am not sure what to read from that. We have no law under which to operate. The second point is let us look at the membership. This is so poorly worded that again I think Deputy Bailhache would be embarrassed if he were Minister for Housing and Communities to have brought this forward. It says that there is to be one member to act as chair of the tribunal. Well, I think we have found the common ground there. It is the lowest common denominator that there should be a chair. No one is going to argue with being called a chair anymore. It is no longer a piece of furniture, with respect. Now, the second point is it says there is only going to be one chair. It is very clear there will be one member to act as chair. You cannot have 2 chairs because it says one member to act as chair. But it says you can have one member who is a landlord. You cannot have 2 members who are landlords. You cannot have 3 members who are landlords, only one. Part (c) you can have one member who is a tenant. Okay, not 2 members who are tenants, only one that is a tenant. So you have already made it very narrow by proposing this. So that means you then get to (d), you can have one member from the charitable sector with an understanding of homeless consumer issues, but that person cannot be a landlord or a tenant, by the way, because we have already used up that one on part (b) and (c). Now there is shaking of the head from Deputy Curtis there, for those who are at home listening, all one of you. Or maybe there is a coalition of landlords, who knows, all somewhere in a big lodging house somewhere, tuned into A.M. (amplitude modulation) radio.

**Deputy P.F.C. Ozouf:**

But this is not about lodging houses.

**The Bailiff:**

No.

**Deputy M. Tadier:**

That does not mean they cannot be listening from a lodging house.

**The Bailiff:**

That is true but that might be the least of the problems. [Laughter]



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

They may have kicked out all their tenants because there is too much red tape on the horizon and they say: "We are just going to use this lodging house now to hang around in the daytime when we are all asleep and listening to that because we have kicked out all of our ..." It is just far too much trouble nowadays to be a landlord. So part (d) ... and we can, of course, ask the Attorney General for his opinion on this as to whether, in fact ... because he may well say if he is going to come to the ... who is it, Bob Hill, used to say that, I think, Deputy Bob Hill ... anyway, we are going off on one. I would ask the Attorney General or let someone else ask the Attorney General whether he thinks my interpretation is wrong because it may well be that by saying one member means at least one member, so you have to have definitely one member, but that is not the wording that we apply to the chair. Because we are not going to have 2 chairs, are we? If somebody else comes along and says: "I also want to be chair" we are not going to say: "Well, we have at least one chair." So the way I read it is quite straightforward: one tenant, one landlord, very prescriptive. What if those 2 people are not the best people for the job? We have to have them because we have a quota system in, political correctness gone mad. The last bit is you have additional members as necessary to maintain a balanced and expert tribunal, as if part (b) and (c) were not doing that already. I thought part (b) and (c) were to make sure that we had balance. Surely the insertion of part (e) means that it obviates the need to have parts (b) and (c) in the first place. We should just be saying - this is how we should do it in a logical world - go away and bring us back a law that is fit for purpose, if indeed we need a tribunal. The jury is out for me as to whether we need a tribunal anyway. What I think is that we need a fit-for-purpose law which tells landlords what they can and cannot put in their contracts. You do not need a law, you do not need a tribunal then, necessarily. Maybe I am wrong, though. Let us listen. I am open-minded on that. But I think you need something in the law which tells landlords what they can and cannot do and tells tenants what their duties are and what they can expect. If there are not sufficient laws in place at the moment you have that in place. The reason I think some of us are so sceptical as to why a tribunal is necessary in the first place is that it is the free market that dictates rents, supply and demand, so there is nothing in any law that says how much you can put your rent up by. That is not going to change if we have a tribunal. We are kind of arguing about angels on pinheads here. What colour hair should the angels that are on the pinheads have and should they represent people or should they not or should they be certain types of angel, one angel, one demon maybe? That is a nice balance, is it not? Maybe we should just have people who are experts on that panel, but have a law in the first place and bring it back in a year or so when it is done properly. That is one point of view. I will leave that out there. Still got 7 minutes on the clock so I will leave that to somebody else.

[16:15]

### **9.3.3 Deputy P.M. Bailhache:**

I am not going to repeat what I said in relation to the undesirability of having successive bites at legislation without thinking through properly what one wants to achieve, but Deputy Tadier has pointed out another reason why this proposition should be rejected. Because I do not know whether he is right in his interpretation of the resolution which the States is being asked to adopt, but it seems to me that if more than one member of the proposed tribunal which the Minister for Housing and Communities is going to propose or has proposed is a landlord, there may be a difficulty because this resolution says one member who is a landlord. If the Minister for Housing and Communities is going to propose a panel which contains more than one landlord, then it seems to me that potentially there is a problem. If we want to do anything about the serious problem of grasping landlords, then we ought to reject this proposition because the only way in which to ensure that a Rent Control Tribunal is established in the reasonably near future is to reject this proposition and to rely upon the proposition of the Minister for Housing and Communities in due course. The Rent Control Tribunal under the 1946 law is not a toothless tiger. It has very substantial powers which can be deployed to the public good. It is not perfect. It needs amendment, that is perfectly true, but it does achieve that which the

Minister for Housing and Communities seeks to achieve and I urge Members to reject this proposition.

#### **9.3.4 Deputy T.A. Coles:**

I forgot to mention this in my first time round but I want to say thank you to the Minister for Housing and Communities for setting about re-establishing the Rent Tribunal after a decade-long hiatus, even if the composition is not quite how we would all agree. I am just taking some bits from what Deputy Tadier said and Deputy Bailhache said. We seem to be missing 2 other members of our society that can sit on this tribunal. That is, of course, homeowners, owner occupiers, and, of course, those who own lodging houses. So we can fill up at least 2 other seats on that tribunal with somebody who is actually unbiased.

#### **The Bailiff:**

Does any other Member wish to speak on the main proposition as amended? If no other Member wishes to speak, then I close ... Deputy Curtis, I have issued a direction that when I come to the words "I close the debate" there is no room for any further speeches.

#### **Deputy A. Curtis of St. Clement:**

If I have left it a little too late, that is fine.

#### **The Bailiff:**

Now, working on cliff edging in these sorts of matters is generally to be avoided, so I am not going to permit a speech at this point. I close the debate and I call upon Deputy Mézec to respond.

#### **9.3.5 Deputy S.Y. Mézec:**

Yes, we did agree at a previous debate that we do not like cliff edges, do we not, when it came to those tax changes? This is not a nice point to have to make when you are closing a debate on a proposition that you had started out enthusiastically supporting and wanting to convince Members also to support, but by virtue of the fact that part 1 of the Minister's amendment has been adopted, I am sorry to deliver you the news that the situation is now unsalvageable. The course that we are now set on, unless we choose to reject the proposition due to come from the Minister at the next States sitting, is that we are due to spend time and resources setting up a tribunal that is not fit for purpose, that will not be able to carry the confidence of those who we need to have confidence in it and who will feed into a process making that process flawed because of what will be perceived at least as being the biased nature of that panel. The Minister for Housing and Communities asked the question of whether Reform Jersey members had recommended people apply to be on the tribunal, and I am sorry to say to him that if the tribunal goes ahead as he currently intends it to do, as a constituency representative I will not be able to in good conscience recommend that my constituents engage with such a tribunal because I believe I will be making my constituents homeless. I cannot do that because ... you can shake your heads as much as you like, the Residential Tenancy Law says you can issue 3 months' notice. I will not be able to say that to my tenants; you go to this tribunal but, by the way, even if you do get a brilliant victory at that tribunal, you are opening yourself up to a revenge eviction. That is simply the fact of the matter because we do not have the wider modernisation of the law done first before establishing it. That is a fact. Shake your head as much as you like. It is not a responsible thing to recommend to constituents that they potentially put themselves in an even more vulnerable position, and that is why this situation is now so far from ideal in that we have an out-of-date law which is not fit for purpose, which everybody in this Assembly I am sure recognises is not fit for purpose, yet we are choosing to go ahead with it anyway and re-establish it rather than modernise it first so that it can stand on its own 2 feet in the first instance with the powers it needs and the safeguards in place to ensure that it can do a good job. Let us not forget there is a reason it became defunct and it is because it was not fit for purpose even as recently as 10 years ago. In that meantime, knowing that this body will not see many cases come to it, an unbalanced membership is proposed. It is so bizarre that we would even countenance the idea of proposing an unbalanced membership.

So I know I overuse this term in the Assembly, but the fact that the Minister has brought this amendment and the fact that after he made his initial proposals for appointments to this he is suggesting adding a fifth member is a case of *res ipsa loquitur*. That is itself I think evidence that he has made a mistake with his proposition. He got annoyed when Deputy Tadier accused him of stacking it with landlords and said that he was not, but I think you will find it is his title on the proposition. He does not have to go ahead with it if he does not want to; he can withdraw it, take a breather and put something together which is in accordance with what he himself now is suggesting is what he wants, which is a tribunal made up of the kind of membership that has just been adopted in this amendment. So, we are set to set up a tribunal which will be a waste of time and which will feed into a process of that wider modernisation of the law without the confidence of those whom we want to have the confidence of. What a sorry situation we seem to be in and I am disappointed that so few seem to realise it. Perhaps we have not gone as far forward as I hoped we might have done on this particular instance. So, I guess on that basis I sit down making no recommendation whatsoever to Members on how to vote on this since it is a waste of time.

**The Bailiff:**

But you are not seeking to withdraw it?

**Deputy S.Y. Mézec:**

I am seeking to still hold the vote, though, Sir.

**The Bailiff:**

You still wish to hold the vote?

**Deputy S.Y. Mézec:**

Yes.

**The Bailiff:**

Very well.

**Deputy P.F.C. Ozouf:**

May I ask a point of clarification, if I may?

**The Bailiff:**

Yes.

**Deputy P.F.C. Ozouf:**

I have been very confused in the remarks made but I am looking at the law and I see that it is possible for the Minister to do as he said in relation to increasing the membership of the tribunal. I just do not understand why we are ...

**The Bailiff:**

What point of clarification are you seeking?

**Deputy P.F.C. Ozouf:**

So the point of clarification is would the proposer accept that the law as unamended allows the Minister to do what he said, which is bring forward an additional member of the tribunal to make it work? Because we seem to be going on all sorts of stories. Is it possible to do what the Minister said and then reject the amendment because he can do it anyway?

**Deputy S.Y. Mézec:**

By virtue of the fact he is doing it, it is clear that the law does provide that option, but I am sorry to say that one tenant does not ... one extra tenants' representative or someone who is a tenant or however he seeks to fill this position does not make the tribunal balanced. He would need to add

more than one member to do that. He would need to add at least 3 to do that since the current composition that has been proposed is at least 3 out of 4 - possibly 4 out of 4, I do not know about one of those members - is a landlord. So even with that fifth member this tribunal is not balanced.

**The Bailiff:**

Very well. All those in favour of adopting the amendment kindly show? The appel is called for. I ask Members to return to their seats. I ask the Greffier to open the voting. The vote is on the adoption or otherwise of the proposition as amended for the composition of the rent tribunal.

**Deputy M.R. Scott:**

Sir, I am sorry, we are confused over here. We are voting on the amended proposition?

**The Bailiff:**

Yes.

**Deputy M.R. Scott:**

Thank you.

**The Bailiff:**

If Members have had the opportunity of casting their votes, then I ask the Greffier to ...

**Deputy R.J. Ward:**

I do not seem to have any ... I have no idea what is going on. I have no sound, I am afraid.

**The Bailiff:**

Well, provided you have typed in your vote ...

**Deputy R.J. Ward:**

Oh, I do have sound, sorry, Sir. It is just that you just stopped talking, sorry.

**The Bailiff:**

I asked the Greffier, therefore ... yes, I went quiet, Deputy, because we were waiting for you to type your vote in. So I ask the Greffier to close the voting.

**Deputy R.J. Ward:**

Okay, thank you, Sir. Yes, I effectively will not be able to do this for much longer. Thank you.

**The Bailiff:**

The proposition has been rejected:

<b>POUR: 12</b>		<b>CONTRE: 23</b>		<b>ABSTAIN: 11</b>
Deputy L.M.C. Doublet		Connétable of St. Helier		Deputy M. Tadier
Deputy K.F. Morel		Connétable of St. Brelade		Deputy R.J. Ward
Deputy S.M. Ahier		Connétable of Trinity		Deputy C.S. Alves
Deputy I. Gardiner		Connétable of St. Peter		Deputy S.Y. Mézec
Deputy L.J Farnham		Connétable of St. John		Deputy T.A. Coles
Deputy K.L. Moore		Connétable of St. Clement		Deputy B.B.S.V.M. Porée
Deputy D.J. Warr		Connétable of Grouville		Deputy C.D. Curtis
Deputy H.M. Miles		Connétable of St. Ouen		Deputy L.V. Feltham
Deputy J. Renouf		Connétable of St. Mary		Deputy H.L. Jeune

Deputy M.R. Ferey		Connétable of St. Saviour		Deputy R.S. Kovacs
Deputy A.F. Curtis		Deputy C.F. Labey		Deputy B. Ward
Deputy L.K.F Stephenson		Deputy S.G. Luce		
		Deputy M.R. Le Hegarat		
		Deputy I.J. Gorst		
		Deputy P.F.C. Ozouf		
		Deputy P.M. Bailhache		
		Deputy M.R. Scott		
		Deputy R.E. Binet		
		Deputy M.E. Millar		
		Deputy A. Howell		
		Deputy T.J.A. Binet		
		Deputy K.M. Wilson		
		Deputy M.B. Andrews		

**The Bailiff:**

The next item is the Pension Plus Scheme, P.90, lodged by Deputy Scott. The main respondent will be the Minister for ... sorry? It has been withdrawn. Well, in which case it has been withdrawn.

**10. External Relations Common Policy Report (R.124/2022) - defer to next day**

**The Bailiff:**

We now come on to the final item, which is the in-committee debate. Now, I have allowed a half day for the in-committee debate and I am entirely in the hands of Members as to whether they wish to start now or whether it may be more sensible to start and do a clean half-day tomorrow morning at 9.30 a.m. in the normal way. As I say, I am in the hands of Members because Standing Orders provide we continue until 5.30 p.m. unless the States resolve to do to the contrary. Do you wish to make any ...

**10.1 Deputy P.F.C. Ozouf:**

The helpful suggestion of the Chair is very helpful. We have suggested it should be a half day and Members may wish to reflect overnight and come fresh in order to have the in-committee debate tomorrow morning on the External Relations Common Policy. I move that proposal that we adjourn now.

**The Bailiff:**

Is that proposal seconded? **[Seconded]** Does any Member wish to speak on that question of adjournment?

**10.1.1 Deputy R.J. Ward:**

Yes, I think we should continue today. We have another hour and the hour can be taken up of tomorrow. Just because it is a convenience for the Minister ... I mentioned that I think we should have delayed this entirely, but now that we are doing it, it seems we delay it at our convenience. But then I suppose ... I do not know. I just think we are hard and loose with the rules at the moment and it just seems to be whatever Members of the Government fancy doing and I think it is completely wrong.

**The Bailiff:**

Well, does any other Member wish to speak on the proposition that we adjourn until tomorrow morning?

**10.1.2 Deputy M.R. Le Hegarat of St. Helier North:**

I would agree with Deputy Ward. I think we should just carry on until 5.30 p.m. and that means we finish earlier tomorrow.

**The Bailiff:**

Does any other Member wish to speak? If no other Member wishes to speak, then I close the debate and Senator Ozouf ... I beg your pardon, I am falling into the same trap. **[Laughter]** Deputy Ozouf, do you have any ...?

**10.1.3 Deputy P.F.C. Ozouf:**

I am grateful, Sir. I do beg your pardon, Sir, I am even getting my applause and microphones confused. We have had a long day dealing with legislative matters, with a mini-Budget. An in-committee debate is a completely different style of debate. It is a discursive one without a conclusion and, therefore, I strongly believe that we should come back tomorrow morning with the spirit of the in-committee debate, which is very different from passing legislation.

[16:30]

I hope Members would agree with that helpful suggestion and have a good morning tomorrow, a full morning, debating the in-committee External Relations Policy, and I look forward to seeing Members fresh and able to deal with that. They have some extra reading time to deal with the helpful reports we have circulated. I move the proposition.

**The Bailiff:**

Those in favour of adjourning the States until tomorrow morning kindly show? The appel is called for. I invite Members to return to their seats and I ask the Greffier to open the voting. A vote pour is that we adjourn until tomorrow morning at 9.30 a.m., a vote contre is that we continue at least until 5.30 p.m. If Members have had the opportunity of casting their votes, then I ask the Greffier to close the voting. The proposition has been adopted:

<b>POUR: 32</b>		<b>CONTRE: 13</b>		<b>ABSTAIN: 0</b>
Connétable of St. Helier		Connétable of St. Brelade		
Connétable of St. Peter		Deputy C.F. Labey		
Connétable of St. John		Deputy S.G. Luce		
Connétable of St. Clement		Deputy L.M.C. Doublet		
Connétable of Grouville		Deputy K.F. Morel		
Connétable of St. Ouen		Deputy M.R. Le Hegarat		
Connétable of St. Mary		Deputy S.M. Ahier		
Connétable of St. Saviour		Deputy R.J. Ward		
Deputy M. Tadier		Deputy K.L. Moore		
Deputy C.S. Alves		Deputy P.M. Bailhache		
Deputy I. Gardiner		Deputy H.L. Jeune		
Deputy I.J. Gorst		Deputy A.F. Curtis		
Deputy L.J. Farnham		Deputy M.B. Andrews		

Deputy S.Y. Mézec				
Deputy P.F.C. Ozouf				
Deputy T.A. Coles				
Deputy B.B.S.V.M. Porée				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F Stephenson				

Accordingly, the Assembly stands adjourned until 9.30 a.m. tomorrow morning.

**ADJOURNMENT**

[16:31]