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Assemblée des États

Common Strategic Policy Review Panel

Public Hearing

Witness: Minister for Sustainable Economic Development

Monday, 27th October 2025

Panel:
Deputy I. Gardiner of St. Helier North (Chair)
Deputy H.M. Miles of St. Brelade (Vice-Chair)
Deputy C.D. Curtis of St. Helier Central
Deputy M. Tadier of St. Brelade
Deputy A.F. Curtis of St. Clement

Witnesses:
Deputy K.F. Morel of St. John, St. Lawrence and Trinity, The Minister for Sustainable Economic Development
Mr. T. Holvey, Chief Economic Adviser
Mr. H. Harvey, Head of Local Economy

[15:32]

Deputy I. Gardiner of St. Helier North (Chair):
Good afternoon and welcome to the public hearing of the Common Strategic Policy Review Panel. We have the Minister for Sustainable Economic Development with us today. We will ask questions about the Common Strategic Policy delivery and into cross-cutting areas, checking what other risks that are identified and managed, what outcomes are measured and the assessed impact for the people of Jersey during this time of Common Strategic Policy. But before that, we will do the introductions. Deputy Inna Gardiner, President of the Scrutiny Liaison Committee and the Chair of the panel.

Deputy H.M. Miles of St. Brelade (Vice-Chair):

Deputy Helen Miles, Vice President of Scrutiny Liaison Committee and Chair of Corporate Services Panel.

Deputy C.D. Curtis of St. Helier Central:

I am Deputy Catherine Curtis, Chair of Children, Education and Home Affairs.

Deputy A.F. Curtis of St. Clement:

Deputy Alex Curtis, member of the Environment, Housing and Infrastructure Scrutiny Panel.

Deputy M. Tadier of St. Brelade:

Deputy Montfort Tadier, joining online, Economic International Affairs Scrutiny Panel.

The Minister for Sustainable Economic Development:

I am Deputy Kirsten Morel, Minister for Sustainable Economic Development.

Chief Economic Adviser:

Tom Holvey, Chief Economic Adviser.

Head of Local Economy:

Heath Harvey, Head of Local Economy.

Deputy I. Gardiner:

Thank you. The first question is a general question: in what ways does your department contribute directly to the delivery of the 13 Common Strategic Policy priorities?

The Minister for Sustainable Economic Development:

There are 2 priorities which are listed as being linked to me as a Minister and therefore the department, that is the transition to a living wage and the other one is reducing red tape, enhancing opportunities for business, and strengthening Jersey's international reputation. They are the 2 direct ones but there are also other areas which come across which are the ageing demographics of the Island, cost of living, which is also in there as a theme, and we have other elements such as revitalising town which, again, not my priority to deliver but clearly one that I have a significant interest in.

Deputy I. Gardiner:

Are there any C.S.P. (Common Strategic Policy) priorities in your remit that are at risk of delay or non-delivery due to the budgetary or resource constraints? Are there areas that you needed to postpone or say: "Not now", because of budgetary and resource delays?

The Minister for Sustainable Economic Development:
I do not think so in terms of the actual C.S.P. priorities. Transition to living wage is still going on. The money for that in terms of the £10 million a year is still there. Reducing red tape has continued and pieces of legislation which are important to that, such as the Draft Liquor Licensing Law, have managed to carry on as well so they have not been hit. Cybersecurity is mentioned in the C.S.P. That is one which we have carried on with, but I think there is still a conversation over … I cannot remember if it is law drafting time, I think, that there is a still a conversation on about getting law drafting time to bring that through. Cybersecurity is mentioned in the C.S.P. as well. That would be the one that I would say would be most at risk.

Deputy I. Gardiner:
What about the reducing red tape, say, what initiatives did you have the funds to implement and what are some initiatives that needed to be postponed?

The Minister for Sustainable Economic Development:
The Draft Liquor Licensing Law is one. The Public Entertainments Law is still ongoing and so they are still working to plan. There are no delays in them. We have done things such as changing the Tourism Order. We have done that once; we are going to do that again. The fact that we did it once and took away some of the regulations there was very good. We have now identified further regulations that we would like to remove or reduce and so we have put in for law drafting time in that area as well. We are planning to rescind the Shops Law. That will be just an entire rescindment of the law; that is about working hours, that is carrying on. Amendments to the Competition Law are to be debated shortly in the States, so they have carried on. I do not think there is any direct one which … I mean there are things we have not been able to do in the way that we wanted to but not linked to the C.S.P. in this way.

Deputy I. Gardiner:
Okay, and how is your department working with other departments to deliver priorities to cut across the portfolios, for example, childcare, cost of living, upskilling?

The Minister for Sustainable Economic Development:
Cost of living is across Government. I chair the Cost of Living Group and on there we have the Minister for Social Security, Minister for Housing, Minister for Treasury and Resources and the Chief Minister. That meets on a regular basis, minimum quarterly, and we have carried on with that work

there. In terms of the minimum wage and the living wage, that transition is something that we have discussed a lot with the Minister for Social Security and we also discuss that within the group itself. There is a piece of work on the minimum income standards that is linked to that. Now, there was some debate as to whether that would go ahead - that piece of work - or not. My understanding is that still is. Yes, I just wanted to check. While I think we had to state our claims as to why it should go ahead, it is still going ahead so those claims were listened to, which is really good. Cost of living touches so many areas. There is a large piece of work going on there.

Deputy I. Gardiner:
How far has the work gone with C.Y.P.E.S. (Children, Young People, Education and Skills) on upskilling?

The Minister for Sustainable Economic Development:
I would say with C.Y.P.E.S., I think there has been less direct interaction between the 2. There is money in the Better Business Support Package, £1.5 million, for skills development. The idea there was to make money available to employers so they could choose what training to deliver. I would say that there has been less cross-Ministerial speaking. Whether there has been officer exchange, I am not so sure.

Chief Economic Adviser:
There has, yes.

The Minister for Sustainable Economic Development:
There has?

Chief Economic Adviser:
Yes.

Deputy I. Gardiner:
It is okay, we will go a bit deeper in these areas.

Deputy H.M. Miles:
Thank you …

Head of Local Economy:
Town planning were the other 2 areas …

The Minister for Sustainable Economic Development:

Oh, yes, sorry, really good point. Planning, that is a really important one so working with the Minister for the Environment to deliver the planning hub and the revitalisation of town. We have been attracting businesses to the high street. The Minister for Infrastructure has been re-laying the high street, for want of a better phrase - Public Realm and Infrastructure - and I am really pleased with what is going on.

Deputy I. Gardiner:
Are you sitting on the Regeneration Steering Group?

The Minister for Sustainable Economic Development:
I do sit on the Regeneration Steering Group, yes.

Deputy H.M. Miles:
Thank you. The C.S.P. is narrow in its scope, just the 12 core priorities that were decided by this Government and that was later expanded to 13 to include the carbon neutrality implementation. In your view, has narrowing the focus to a limited set of priorities worked well?

The Minister for Sustainable Economic Development:
Given the 2-year length of the Government, I think it was a thing that had to be done because I do not think you could have had a more extensive Common Strategic Policy for Government that was only there for 2 years. I think it is really interesting, so I subscribe to the idea that we need to keep the Government at the right size for Jersey. We have a 20 per cent tax take. That in itself limits the size of the Government that you can have on the Island but I think that it is very easy to say: "Governments should do less" and I agree in many places that they should do less but that is a conversation you need to have with the public because ultimately politicians elected by the public are trying to do the work that they have heard the public want done. If, on the other hand, from an officer perspective, officers are saying: "Well, we do not want to do that work because Government will have to get bigger to do that work" then obviously you are letting down the public. I think there is a real discussion to be had about how much can this narrative of Government do less, how much can that carry on if, in fact, what you are doing is no longer meeting the needs of the public.

Deputy H.M. Miles:
In terms of your role around the Council of Ministers' table, when you are having the discussion about budget allocations to meet the priorities of C.S.P., how successful have you been in getting the necessary funding to meet your strategic priorities?

The Minister for Sustainable Economic Development:

From my perspective, we have not asked for any growth. I mean there were plenty of areas I could have asked for growth, believe me, but the shout went out: "We do not want any growth bids" so I said to our department: "We will live within that." I think the main area where I could have asked for money, which has not happened, would be in marketing/tourism. As you say, the budget for Visit Jersey has remained at approximately £5 million for the last 10 years. There has definitely been inflation in that sector so I absolutely accept that a couple more million pounds would have helped Visit Jersey with the reach that it needs to achieve in order to bring tourists to the Island. I think that would have been my main area of growth. If I had been: "You can have one area of growth" that have been it. But we did not go in with that because we were told upfront: "There are no growth bids." I have got to admit this is not just within this Government, it was the same in the previous Government that I served in as well, Health and Education are winning all the arguments. I think it is really important that Health and Education have money, but you cannot limit the Government to just delivering health and education.

Deputy H.M. Miles:
One of the things that we are finding quite curious as we have gone through the day is there are 13 key strategic priorities but not all of them are attracting funding.

The Minister for Sustainable Economic Development:
That is right.

Deputy H.M. Miles:
The fact that you have just related there that there are not growth bids so therefore do not ask, there were clearly growth bids for Health, there were clearly growth bids for Education, so I think what we are trying to get at is how that prioritisation was done among the Council of Ministers.

The Minister for Sustainable Economic Development:
The answer truthfully is I do not know.

Deputy H.M. Miles:
Okay. I will pass you over to Deputy Tadier.

Deputy M. Tadier:
Thank you, Deputy Miles. My questions always seem to come around quicker than I anticipate. This is just a standalone question, an important one nonetheless, about the Community Risk Register that is to do with emergency situations. The allocations to your department, have they been informed by the Community Risk Register and are you aware of the key risks relevant to your area?

The Minister for Sustainable Economic Development:

Yes, I am aware of the key risks relevant to my area. I do not think it was such an issue in this budgetary cycle. We have in the past, so around, for instance, telecoms security work. If I go back a couple of years, the reason we asked to prioritise the telecoms security work was because of the risk profile and that risk profile is the reason why we were able to prioritise and get the funding to help us do that. There is an element around that on the cybersecurity work as well where the risk has led to support for the Cybersecurity Law being developed further, hopefully to the point where in this session we will be able to take it to the States. So, it has done. I did not put in any growth bids so risk was not part of it, but it definitely has in the past.

Deputy I. Gardiner:

What are your top risks on risk registers?

The Minister for Sustainable Economic Development:

Future economic growth of Jersey not meeting needs of Government revenue or Islander living standards, so effectively the ageing population and the impact of the ageing population on Jersey's economic performance. That has become the number one.

Deputy I. Gardiner:

It is interesting that you mentioned that because the next set of questions by Deputy Tadier will be around ageing populations.

[15:45]

The Minister for Sustainable Economic Development:

Just trying to tee you up there, Deputy.

Deputy M. Tadier:

Thank you. Minister, what steps can the department take to ensure the workforce has the relevant skills to keep pace with demographic shifts but also to deal with changes in the economy, skills et cetera that are needed to make sure that experience is not in short supply?

The Minister for Sustainable Economic Development:

I think this is all rooted in the Future Economy Programme and the Future Economy Programme very clearly puts a skilled workforce as one of its 5 main themes. There is not a question in our mind in the Economy Department that we do need to have a skilled workforce going into the future. Another side of the Future Economy Programme is about the desire to increase productivity and as a result of that have a lower need for future immigration, although there is an acceptance that we will continue to need immigration; it is about minimising that need and that is where the productivity drive comes in. I will perhaps handover in a second to the Chief Economic Adviser, but I still have concerns that the needs of the economy and the skills coming through, or the way Government funds skills development, do not necessarily match. It is not an easy job because it is future gazing and that is really difficult but, ultimately, I am not convinced yet that we really have a system in which the future needs of the economy are being fully understood by those in the skills part of Government but, Tom, you may want to have a …

Chief Economic Adviser:
I think that is exactly right. It is very difficult to get ahead and think what the future does require so I think you come at it from a different perspective in that you build as strong a base as you possibly can, particularly through education in the first instances, but then the skillsets are as flexible as they possibly can be so the economy can adapt as well as it can. Part of that answer has to be through migration so you have to think through what actual skills you think you are going to import or grow yourself and that is an important part of the discussion to have because with the best will in the world we are never going to be able to - no economy can - plug all the skills gaps, all the labour requirements and the whole rest of the world is going through this issue at the moment.

Deputy M. Tadier:
There is clearly going to be a strong overlap between your department and the Education Department so when it comes to lifelong learning, if it is down to a locally educated workforce, as opposed to the ones we bring into work here, how important is it that any education system is fit to be able to reskill people in quite short order sometimes and what is the link between your department and the Education Department?

The Minister for Sustainable Economic Development:
More than ever, I think we are in a situation where the skills training and education need to be incredibly adaptable precisely because the future is so unclear. There was a period probably 50 or 60 years ago, around the time I was born, where people still had the idea of jobs for life so it was much easier to understand what skills you would want into the future. That has completely changed. We know this now and we do need that adaptability. That is one reason why when it came to the Better Business Support Package and the skills side of that, I said: “We need to be led by employers. It is employers who know what skills they are lacking and what skills they need, therefore we need to empower employers to be able to pay for the skills development.” I still stand by that. I do not think Government is well placed and I have been in a number of discussions over the last 3 or so years where it is almost like Government are trying to say: “Right, we will need this skill and this skill and this skill.” We are in far too fast a moving world for that now, so I do not think a central view on

what skills are needed is as useful as it used to be. We need to be in a much more decentralised situation where employers who are on the front line of the economy are the ones who will know what skills they need in the immediate 3 to 5 year period and by empowering them to get the skills they need, that to me is a much better situation to be in because I do not think Government could ever adapt quickly enough otherwise.

Chief Economic Adviser:
There is one very specific piece of work we did, though, which is build the Labour Force Model. You might have heard of it as the Skills Barometer; it changed names as it went along. That is a year or 2 ago that we did that but that gave a lot of information about what future skills would be needed, what the labour requirements would be for the Island, so we specifically inputted into that for another area to go away and help with the policy. That was a very specific …

The Minister for Sustainable Economic Development:
It was, although that was one of the pieces of work which made me sit there thinking: "How long will this piece of work last? It could be out of date within 2 or 3 years."

Chief Economic Adviser:
Exactly.

Deputy M. Tadier:
Can I jump in? Is there a strategy to attract and retain working-age residents then or economic depth of residents to support the ageing population?

The Minister for Sustainable Economic Development:
I do not believe there is a strategy with that sort of name. The Future Economy Programme, as the overall umbrella strategy for the economy, speaks to it. I do not know of a strategy underneath the Future Economy Programme which really speaks to that. In C.Y.P.E.S., they may have that strategy. The Skills Barometer that Tom was just talking about is part of that work, but I do not know of a strategy directly linked to that. Tom, do you?

Chief Economic Adviser:
There are a few things going across work but there is no one strategy. I mean the Future Economy Programme has that at its heart but there is the Diaspora Programme as well seeking to try and get Jersey people to move back to the Island that External Relations are leading on. I think the Future Economy Programme sets a strategy that is what we are trying to achieve. There are then lots of actions that do sit under that even if they are not part of the department's work.

The Minister for Sustainable Economic Development:

Even recently I was thinking along these lines: I do question whether skills and lifelong learning should be in the Education Department or whether it should be more in the Economy Department and I often have that debate with myself. As with anything, there are pros and cons, and you probably need a blend of the 2 but I am not convinced that skills and lifelong learning solely sitting in the Education side is necessarily the best place for it. That is a personal view, not a Government view.

Deputy M. Tadier:

Is there a sense in which you need both? You probably need people with the skills.

The Minister for Sustainable Economic Development:

That is why I say you do need both.

Deputy M. Tadier:

Yes, the wherewithal to be able to learn so it is contingent on learning but then somebody needs to provide the skills which are going to be anticipated.

The Minister for Sustainable Economic Development:

That is right, yes.

Deputy M. Tadier:

Are some of those skills digital skills, presumably?

The Minister for Sustainable Economic Development:

Some of them will be digital skills but there are many other skills. One thing I think that is often ignored in a government sense is soft skills. Many employers have spoken to me about a lack of soft skills and particularly communication skills that they see in younger employees that they take on and unfortunately there is also a reality around the way we discuss things in politics. If something is quite hard, we like it. It is clear. It is tangible. That is fine, we understand it. When something is soft, we struggle with it. The media struggles to understand it. People struggle to understand it but often it is those soft things which are the most important things, and I think it is why art loses out to science. Science is hard. Arts are seen as soft, but the soft side is just as important, if not more so. In this case I think soft skills are something which are often overlooked and really must not be because the ability to communicate, the ability to empathise, the ability to understand your fellow human beings to adapt your behaviour accordingly is absolutely vital in a workplace.

Deputy I. Gardiner:

Okay.

Deputy M. Tadier:
Chair, is there still time for a few more questions in this area?

Deputy I. Gardiner:
I think another couple of questions, yes, can be done.

Deputy M. Tadier:
I will turn to pensions. There was a proposed workplace pension scheme a few years ago, I seem to recall, under Deputy Martin in Social Security. That has been shelved, it appears. How does the decision align with the Government's stated C.S.P. commitment to prepare for the demographic change and ensure long-term economic sustainability, especially for people into older age and living longer?

The Minister for Sustainable Economic Development:
I am going to put my hands up here, Deputy Tadier, and say I am one of the people who has been advocating to delay that piece of work and the reason, quite simply, was - if you think I first came into Government as a Minister in 2022 - the Ukraine war, off the back of COVID and Brexit. I felt, at the time, that to put extra cost on to employers, this was not the right time to do it. I am one of those very frustrating people who sits there and completely accepts that it is an important piece of work that needs to be done and then in the same breath says: "But not now." That is probably the most honest assessment of my perspective on it, so I have been advocating to delay it. I think it is a piece of work that needs to be done, and it is one of those where there is no perfect time for it but on the back of Brexit, COVID et cetera, the Ukraine war, was the wrong time. I think the new Government will likely look at it again. The Chief Economic Adviser's views could be useful on this one.

Deputy I. Gardiner:
Let us move on from this. It is very clear. Do you have another question on this topic?

Deputy M. Tadier:
No, I think I am happy to leave it there. We can come back to it, if we have time at the end.

Deputy I. Gardiner:
Okay, sure. Very quick from me on this topic because it feels like we have diaspora, Future Economy, barometer with C.Y.P.E.S., and provision of lifelong learning and skills development is part of C.S.P. Have you discussed within the Council of Ministers how we are delivering upskilling and skills? Where is the money coming from? Who is delivering it and how are we engaging with

businesses? You said there are 2 areas and they have different budgets. Did you have a joint discussion at the Council of Ministers on this area?

The Minister for Sustainable Economic Development:
At the risk of being wrong, I do not remember having those discussions. I just caveat that with maybe my memory is failing me, but I do not recall having those discussions.

Deputy I. Gardiner:
Have you had a meeting with Deputy Ward specifically about what skills are required, what barometer works and …

The Minister for Sustainable Economic Development:
I do not believe so.

Deputy I. Gardiner:
Okay. I will just leave it.

The Minister for Sustainable Economic Development:
I look at either officer just to correct me, in case I am wrong.

Chief Economic Adviser:
You did meet about the Better Business Support Programme, which then has wider elements to it.

Deputy I. Gardiner:
Yes, Better Business Support but not as a part of the Common Strategic Policy.

The Minister for Sustainable Economic Development:
Yes, and not the wider thing; I do not think so.

Deputy I. Gardiner:
Okay. Thank you.

Deputy H.M. Miles:
I think just to follow up on Deputy Gardiner, it is very interesting if you look at page 3 of the Common Strategic Priorities: “Increase the provision of lifelong learning and skills development.” The sustainable well-being bit is community well-being, but the Island outcomes are linked to children and I think that is very telling in itself. That leads you down the C.Y.P.E.S. route …

The Minister for Sustainable Economic Development:
It does.

Deputy H.M. Miles:
… when it is so much broader and probably would have been better off in business environment and economic well-being.

The Minister for Sustainable Economic Development:
That gets to the heart of the discussion I have in my own head by myself about should it be …

Deputy H.M. Miles:
This kind of separation, yes.

The Minister for Sustainable Economic Development:
Exactly, and one of the things I remember discussing with Deputy Gardiner when she was in Government was this idea that the employers know best what skills they need but also that in an ideal world, we would have people in their 50s or 60s choosing to change careers. They are not going to be able to look at their employers for help to change career because the employer will not want anything to do with that, so we need to find a mechanism for funding the career changing.

Deputy I. Gardiner:
Absolutely, yes.

The Minister for Sustainable Economic Development:
Again, if you have worked your life on a building site, as you approach your 60s, your body is getting tired but you surely need to continue working so people in those situations need to find other jobs and we need to help them as a government get the training they need to change careers.

Deputy M. Tadier:
Chair, I do have one question, sorry. When you need to do the training might not be the time that you need the actual skills. Is there a way which we could encourage either businesses, or could it be done also centrally, so that people who are in jobs are doing C.P.D. (Continuing Professional Development) and skills development on the job even in general areas that can then give them transferable skills if they suddenly become redundant for whatever reason? Is there work going on in that area?

The Minister for Sustainable Economic Development:

Not to my knowledge. I do know after the financial crash in 2008 the Government - with the Back to Work Scheme - was really successful in helping people train for new jobs. In a lot of cases, as I understand it, it really was people who had lost jobs in manual labour and were having to equip themselves to work in an office. It was an entire cultural change that came along with that, but Government did do a good job back then. It was a really successful scheme, but it was discontinued at some point; I am not sure when.

Deputy I. Gardiner:

Okay. Thank you.

Deputy C.D. Curtis:

That is really interesting about the skills and, of course, a lot of businesses just do their own training anyway, do they not?

The Minister for Sustainable Economic Development:

Yes.

Deputy C.D. Curtis:

I have got questions now about the childcare nursery funding. Minister, can you identify what economic outcomes might be expected from introducing 15 hours free nursery funding?

The Minister for Sustainable Economic Development:

The hope is that it will free up labour and capital in different ways. The labour side of it is that it will enable parents to be at work so if there is a primary caring parent, that primary caring parent will be able to go to work, should they choose to. The other side of it is we know that childcare is an extremely expensive cost on young families and so relieving that cost to the tune of 15 hours a week - a family can choose to buy more - will reduce their cost as a family. That enables them to then spend elsewhere or buy other skills or whatever they wish.

[16:00]

Deputy C.D. Curtis:

They will have more money leftover to spend locally.

The Minister for Sustainable Economic Development:

Yes, that is right and ultimately, while I talked about the primary caring parent, most of the time that primary caring parent is a woman and so there is the hope that it will enable more women back into the workplace. Though it is not specifically aimed at women, I think they would be likely the largest beneficiaries.

Deputy C.D. Curtis:
Okay. Have you engaged with employers, business groups and industry sectors to understand how childcare access affects recruitment, retention and productivity?

The Minister for Sustainable Economic Development:
I have not directly.

Chief Economic Adviser:
You have met with the I.O.D. (Institute of Directors) and talked to others.

The Minister for Sustainable Economic Development:
I did. I met with J.E.Y.A. (Jersey Early Years Association) as well a while ago.

Chief Economic Adviser:
Yes, absolutely, and we have had that with representative groups as opposed to direct businesses in Jersey.

The Minister for Sustainable Economic Development:
Yes, that is a really good point. I also met with the Early Years Association discussing that as well.

Deputy C.D. Curtis:
We have heard about the private nursery meetings. Okay, have you received any feedback from businesses regarding the proposed expansion of nursery care?

The Minister for Sustainable Economic Development:
Not from individual businesses. I have had a general sense that this is a good thing. People are pleased with it. I have also had people concerned, and I agree with this concern again, but Government has created a 15-hour situation. No one works a 15-hour week job. If you want to be part-time, you are on 20 hours a week. I am definitely of the view 15 hours is better than nothing. If we could get that to 20 hours, I think that would be much more helpful than 15 because it will match more easily with the part-time working week. Government have a habit of not quite matching with the business environment and this is just another example of that.

Deputy C.D. Curtis:
Yes, because a lot of people, I think, do 5 mornings of 4 hours and things like that, do they not?

The Minister for Sustainable Economic Development:

Precisely. That is exactly right, 9.00 a.m. until 1.00 p.m. That is right, work 5 days a week 9.00 a.m. until 1.00 p.m.

Deputy C.D. Curtis:

Okay, how is the nursery care proposal being integrated into workforce and skills planning, particularly in relation to enabling parents to return to work or upskill?

The Minister for Sustainable Economic Development:

Yes, I am afraid I do not really know on that side.

Chief Economic Adviser:

We were involved in the work from an economic point of view in terms of what the economic benefits would be so we were aware of that and there is no direct plan to link things in, but we were involved in discussions and the shaping of the policy.

Deputy C.D. Curtis:

Is there a strategy to ensure sufficient childcare workforce capacity and quality to meet ...

The Minister for Sustainable Economic Development:

That is the discussion that the Minister for Education has been having with representative groups like the Jersey Early Years Association. I spoke to the Jersey Early Years Association last probably about a year ago or so. They had concerns then. My understanding is that they have been working through those concerns with the Minister for Education. I do not know the conclusion of those discussions.

Deputy C.D. Curtis:

You say that is to do with the Minister for Education?

The Minister for Sustainable Economic Development:

Yes.

Deputy C.D. Curtis:

On that subject around discussions with the Minister for Education and Lifelong Learning, I know you already said about the strategy to attract workers to support the ageing population, that you did not know if there was a strategy in C.Y.P.E.S.

The Minister for Sustainable Economic Development:
Yes.

Deputy C.D. Curtis:
Do you have discussions with that Minister about the childcare expansion and how it is working?

The Minister for Sustainable Economic Development:
I have not had many discussions ... or perhaps it would be better to say I have not had any discussions.

Deputy C.D. Curtis:
So that could be a concern?

The Minister for Sustainable Economic Development:
It could be.

Deputy C.D. Curtis:
Okay, I think that is my questions.

Deputy M. Tadier:
Can I jump in, Chair?

Deputy I. Gardiner:
Sure.

Deputy M. Tadier:
It is just about the purpose of the 15 hours for free childcare. Is the link between an economic driver and free childcare automatic? Does that question make sense?

The Minister for Sustainable Economic Development:
I think it would be quite automatic because there is an immediate cost saving for families and there is an immediate time saving for families. So again ...

Deputy M. Tadier:
I suppose what I am asking is will this necessarily make people go back to work or take up more hours ...

The Minister for Sustainable Economic Development:

No.

Deputy M. Tadier:

... or you could just use the free time to go and have a coffee or read a book or do an exercise class or do whatever, could you not?

The Minister for Sustainable Economic Development:

In that sense, Deputy Tadier, you are correct, and I do ask Tom to correct me if I am wrong. While automatically a family will gain time and they will automatically gain money because the Government is paying for 15 hours of childcare, they do not necessarily automatically then choose to go back to work. That is a choice that each individual parent has to make for themselves and for their family. It will be interesting to see how much the 15 hours does encourage people to go back to work. We will not know until we see it.

Deputy M. Tadier:

Is it a longer term strategy as well to encourage people to have more children? If at the moment you are struggling about whether you have got enough time or money to do it, is it saying: "We do need to solve the conundrum of the ageing population, we need a higher birth rate." Is this both a short term and a longer term strategy?

The Minister for Sustainable Economic Development:

It may be in the minds of the people that have devised it. In my mind it certainly is not. I said this around the Council of Ministers' table, I think I have said it in the States, and I have certainly said it in a meeting today: no Government policy has ever successfully increased the birth rate anywhere in the world. There is a really good article in *The Guardian* at the moment about Poland. It now spends 8 per cent of its revenue on child-focused policies solely in order to try to increase the birth rate, but since it started really funding increase in childcare, reducing the costs for parents, putting vast amounts of money into that area, the birth rate has fallen further from 1.3 children per woman to 1.1 children per woman.

Deputy M. Tadier:

Well I think there are historical examples which some argue have been effective. It is a case of whether you attribute the policy towards the consequence, I think.

The Minister for Sustainable Economic Development:

Maybe. I have just yet to find ...

Deputy M. Tadier:

But I suppose what I am asking is in terms of the general policy, it does not seem that there is necessarily a consensus among the Council of Ministers about (a) what this is for and (b) what it will produce, if it will produce the desired outcome. Is that a fair statement?

The Minister for Sustainable Economic Development:
My understanding is it has always been about trying to ensure children have the best start in life, and it has also been about principally helping women back into the workplace ... not just women, it is parents back into the workplace.

Deputy M. Tadier:
What if the 2 are mutually exclusive? I mean, some argue that the best start in life is having a parent at home with the child for the entirety of their childhood and, therefore, it is the economic factor: "We cannot afford to do that, therefore, both of us need to work" so let us help them do that. Is it necessarily the best start? I suppose, is there a mixed message being sent out and a mixed message in Government?

The Minister for Sustainable Economic Development:
I think that is down to individual parents and families to make those decisions. It is really interesting; I was at an event at the weekend, a woodland event, and a lot of the children there were homeschooled and they were above nursery age but they were being homeschooled. It was interesting. I had never met so many people who are homeschooled, and it showed as well that Government obviously provides an education system but individual families choose to opt-out of that system for their reasons, and I think it is the same here. You have to choose according to yourself as a family.

Deputy I. Gardiner:
A very quick question just to wrap up this area. You mentioned 20 hours, and it does kind of make sense, instead of 15. Have you raised this within the Council of Ministers? Did you have a discussion at C.o.M. (Council of Ministers) if it is 15 or 20?

The Minister for Sustainable Economic Development:
Not that I remember, no.

Deputy I. Gardiner:
Okay, thank you. I would like to move to the next area: cost of living and living wage. Very quickly because obviously your department received business support of £10 million, it has been done in 2025 and going in 2026. What lessons have been learned from the implementation of support

measures in 2025, how did this inform the design of the business support in 2026 and will there be any changes or adjustments?

The Minister for Sustainable Economic Development:
We are not expecting many changes or adjustments; it has been a really successful scheme. The one area which - particularly given our earlier conversation - has not performed to the extent that perhaps we would have liked is the money for skills. We have £1.5 million in the skills pot. The £2.3 million for the productivity support element was taken very quickly by businesses; it was really successful. Because there was a lack of demand in the skills side we were able to move £500,000 of that £1.5 million into the productivity side, so it became £2.8 million instead of £2.3 million. I think that is probably the main area where we have seen some sort of mismatch, but I will ask Tom for his own views on whether there is any other areas.

Deputy I. Gardiner:
They said that because skills had so separated between skills and the employers that your department and other departments are now back to work to question if they can provide the skills. The non-demand on this £500,000, is that because there is no demand or because we do not have a joined system and we are not providing? Because it is very clear from the business community that we do not have enough skills on the Island; we have more demand than we can provide.

The Minister for Sustainable Economic Development:
That is correct, yes.

Deputy I. Gardiner:
So what difference can be made between your department and C.Y.P.E.S., for example, for 2026 to ensure that this money ...

The Minister for Sustainable Economic Development:
Yes, it is a good question. It is one that we need to talk with C.Y.P.E.S. and discuss, and also with employers, because again the idea was the money would go to employers to pay for skills so that they did not have to use any particular training provider. Maybe they had too much choice, and I know that sounds perhaps a bit silly but it is not. Often if you do not direct people down a path they do not take the path at all if they have lots of paths to choose from. There was also the issue with the trainee rate which slowed down take-up of apprenticeships, as I understand it. So that had an impact as well. The reason I ask Tom is only from his kind of official perspective, whether there is a view that you have on the lack of take-up?

Chief Economic Adviser:

I think it is a good point. We do want to make that skills programme a bit more effective next year. We are doing the review at the moment, we are coming to you with that tomorrow. I think sometimes it just takes a little tweak in a programme to make it more successful. I think productivity has shown that; the former productivity support scheme was not overly successful at all. We have tweaked things, we have learnt from that and we have improved it, so now it has had a fantastic take-up in the last year. Hopefully we can do something similar with skills to encourage businesses to take-up the opportunity to invest in their own labour as well. So there could be a couple of things we just want to look at in terms of flexibility amounts, but also why businesses are not taking it up. Some of it is they do not want their members of staff to be away from work, for instance, and we can maybe incentivise that a little bit more. So we are going to look at that from a skills point of view. It is a slight disappointment. We would have hoped there would have been greater take-up but if there is not we want to make sure that businesses are still investing in other parts, even if it is capital rather than labour, so we might look at the boundaries in terms of the amount of money that there is as well, which we have already done this year, to maximise the opportunity.

The Minister for Sustainable Economic Development:
Just very quickly, Tom has talked about an earlier productivity support scheme - I think it was about £300,000 if I remember rightly - and that ran for a couple of years and had almost no take-up whatsoever. But it was learning from that, that then enabled us, when the money was available for this productivity support scheme, to change and deliver a different scheme with a huge take-up.

Deputy I. Gardiner:
Can you give 3 examples from different areas of the productivity support that a grant was given and what the outcome was?

The Minister for Sustainable Economic Development:
Well, the outcomes are yet to be determined because they are over longer term.

Deputy I. Gardiner:
But examples for the grants for the public.

The Minister for Sustainable Economic Development:
In general they are things like businesses investing in new computer systems. I know one organisation that has invested in a client relationship management system, for instance, which enables them to just operate much more leanly. We have also had businesses investing in actual capital in terms of particularly hotels. There have been a couple which have invested in refurbishment which enabled them to charge higher prices, make them more attractive, bring in more

customers. I think those are the main 2 areas, your kind of capital investment versus ... well, they are all capital, but versus your I.T. (information technology) investments.

Chief Economic Adviser:

That is exactly right. Just to build on that, we are going to do some case studies as well to look at where this has worked very well so that other businesses might learn from. So it is not just about money; it is about learning and cross-fertilisation. It is about the businesses that are interacting with the funds as well, the vast majority of which has been on-Island. So we are growing a business support system effectively ... or not growing, helping to enable a business support system that will be in place in 2 or 3 years' time, not just today. I think that is really crucial.

Deputy I. Gardiner:

The timescale for this work?

Chief Economic Adviser:

No, sorry, that is part of the byproduct of the work that has been ongoing. For instance, if a company gets £50,000 they buy from another Jersey company, that company improves its own investment and what it is doing and how it can support businesses in the future when perhaps there is not the support there.

Deputy I. Gardiner:

I mean when can we see the outcomes?

Chief Economic Adviser:

For the case studies?

Deputy I. Gardiner:

Yes.

Chief Economic Adviser:

We will start working on that towards the end of this year to encourage that for next year. At the end of the programme we will do a more full evaluation as well, but this is about supporting it in-year.

Deputy I. Gardiner:

I have a few more questions on this very quickly. Given the States' grant adjustment and support funding is temporary, what consideration has been given to the long-term sustainability of affected businesses once this support ends?

[16:15]

The Minister for Sustainable Economic Development:

This I think is, in my head, a really important question for the new Government come July next year. I think there is a really strong case to say that at least some elements of this Better Business Support Package should remain in place. I think particularly the productivity investment side. We know that Jersey has a really low rate of business reinvestment. That is something which is holding the Island back and definitely stops us increasing our productivity over time. Many people may argue that Government should not have to do this - that is correct - but I would say in the face of the evidence that businesses do not reinvest in themselves, anything we can do to encourage that reinvestment is going to have a really big and positive impact for the whole Island. So I think there is definitely a place to have a discussion in the new Council of Ministers when they come to be setting their agenda and their Common Strategic Policy in 2026, to really look at elements of this Business Support Package and which bits they think should be kept or not kept.

Deputy M. Tadier:

Has any analysis been done about why businesses in Jersey might not reinvest as much as elsewhere?

The Minister for Sustainable Economic Development:

Not that I know of. As a kind of understanding of the environment, it was about a year ago the Chief Economic Adviser was able to come up with those statistics, so since then I do not think there has been much opportunity to analyse it, but Tom knows more than I do.

Chief Economic Adviser:

Analysis may be the wrong word; discussions, trying to understand the theory behind it a little bit more. Maybe not for today, maybe we could have a different scrutiny about it.

Deputy I. Gardiner:

Absolutely.

Chief Economic Adviser:

We could go on for quite some time just about that.

The Minister for Sustainable Economic Development:

It is one for the Economic and International Affairs Panel for sure.

Chief Economic Adviser:

Absolutely. I am happy to come back with that.

Deputy M. Tadier:
We will save it for next time.

Deputy I. Gardiner:
Definitely. I have another question or 2 because of your response. First of all, how are you sure that the businesses will be able to operate profitably under living wage without ongoing support? Do we have businesses that might fold within a year or 2, despite receiving support?

The Minister for Sustainable Economic Development:
There will be a business somewhere which is not going to see out the year. There is no real way for us to know what situation a business is in before they engage in the Business Support Package, but upon engagement we have a close relationship through Jersey Business that helps them manage the investment and also I would hope that they take on board the ability for Jersey Business to provide them with lessons, teaching, guidance, that helps them become stronger businesses. That does mean passing confidential information to Jersey Business, but one thing Jersey Business have shown over many years now is that they are incredibly good at maintaining confidence around all the information that they receive from any business. So I would encourage any business, whether they feel like they are in difficult times or not, to go and see Jersey Business because there is a lot they can help them with.

Deputy I. Gardiner:
One question that we asked all Ministers - because you are members of the Council of Ministers that made this decision - it is about reducing the Social Security Fund. It has retrospectively been asked £50 million for 2025, and for 2026 it is £74 million, and going forwards more; in total approximately £250 million is not going into the Social Security Fund. Some of them are because of the capital, one of investment, but some of them are ongoing revenue spending. Now you mentioned that we need to consider or the next Government needs to consider to support businesses to ensure that businesses reinvest. Again, these funds are coming from the Social Security Fund. Do you think that reducing the grant into the Social Security Fund as an ongoing mechanism is sustainable?

The Minister for Sustainable Economic Development:
It is certainly in the short term. I think obviously the longer that goes on the less sustainable it becomes. What I would say is something I have been really clear about for many years now, which is I think there is a place for the Social Security Fund to be used investing in capital projects in Jersey, capital projects where the Social Security Fund can get a return. So the buying of Union

Street was a good example of that. The Social Security Fund did that and it will get a return released from Government over time, which definitely means that it gets a return for Islanders. I think that is a mechanism that should be used in many places. I am entirely comfortable with the Social Security Fund or the Strategic Reserve being invested in capital projects in Jersey where the fund can receive a profitable return. I think we should use it. You can even do it for something like building a school or something like this, because Government would then pay a lease back to the Social Security Fund. That then frees up the revenue from that year to be used on service spending. So I would readjust things because I am not a fan of any reserves being used for revenue spending. I do not like it. But I would use those funds a lot more for capital spending where there is a return. Sewers, for instance, you will not get a return so you do not want to use the fund to pay for sewers, but where you can, you should, and that will free up revenue for revenue spending.

Deputy I. Gardiner:
Thank you. We will move to revitalising town.

Deputy H.M. Miles:
I think it is priority 11, deliver a plan to revitalise town. Is the revitalisation of St. Helier being factored into the broader strategy of Sustainable Economic Development?

The Minister for Sustainable Economic Development:
Yes, it is absolutely in there. The Future Economy Programme is quite clear about the need to invest in capital as well, and for me I am really keen on the revitalisation of town. I think it is something which is long overdue. I think many politicians - most likely you as well … and you do not have to be a politician to recognise that over the last 20 or 30 years Jersey has not invested properly or sufficiently in its public realm. I am a huge fan of the investment that is going into the public realm at the moment. We can see it: I think we have a really good high street. I am going to keep saying it, we have a great high street and it is getting better all the time. That public realm is really helping with that, where we are seeing new shops moving in today. We have got a lot to be proud of in our high street.

Deputy H.M. Miles:
Does the proposed budget include any funding or initiatives under your portfolio directly supportive of the revitalisation of town?

The Minister for Sustainable Economic Development:
I do not think directly that I can think of, but there is no question when you are redoing Broad Street I see that as economically beneficial from an Economic Development perspective. I cannot think of any direct ... I mean, we have the Opera House. These are capital projects outside of the scope of

that, we have the Opera House, which myself and others led on that, so we are very proud of that and I think that helps us. We also have - via Jersey Heritage - invested in things like Elizabeth Castle, Hamptonne, and other areas as well. In general we are not a department which does much in the way of deploying capital, but we encourage capital to be deployed in areas like public realm where we know it will be of huge benefit to the economy.

Head of Local Economy:
I think you also fund, Minister, the likes of Genuine Jersey ...

The Minister for Sustainable Economic Development:
We do.

Head of Local Economy:
... which bring vibrancy to the high street through their Christmas markets and that sort of thing. So there are a number of areas; our growth bid from a couple of years ago around the visitor economy and that strategy does not go to ... a lot of it comes back to St. Helier. We did some public realm stuff around the market and new bench seats from trees that fell in the storm and what have you; principles of circular economy, not siloed thinking: "Where can we get the best overlap possible with as many other departments of Government?" and likewise overlapping priorities.

The Minister for Sustainable Economic Development:
Our events programme is also around the market and bringing people into town.

Head of Local Economy:
Absolutely.

Deputy H.M. Miles:
Hopefully soon going to be out west?

Head of Local Economy:
Indeed.

Deputy H.M. Miles:
Do you consider it part of your role to ensure that revitalisation supports small and independent businesses as well as the larger businesses?

The Minister for Sustainable Economic Development:

I do in that I think particularly when you talk about our high street, one of the things we have got to be proud of in our high street, it does have small, independent, locally-owned businesses as well as large chain stores. It is a really good mix. Some of the new stores that we are seeing at the moment are locally-owned stores. I think it is important; I do not think it is something that you can easily dictate. You have just got to hope that market forces enable these things to happen. But if you look at the high street today it does have that mix, which is good.

Deputy H.M. Miles:
The Delivering Best Outcomes for Islanders says: "We aim to be a Government that works in an inclusive way for all Islanders." Vibrant and inclusive community is one of the 10 Island outcomes in the Future Jersey Vision. How do you ensure that is reflected in your Economic Development policies and programmes?

The Minister for Sustainable Economic Development:
From an inclusivity perspective, from the perspective of women in the workplace I think we have been quite strong in that area, but I think there are other areas of inclusivity where perhaps we do not have such success. I have been very keen for Jersey's minority national communities to be much more involved, particularly in our arts and cultural programmes, but we have struggled to engage I would argue. I think we have had great success in some areas, and Dreaming Trees is one of the really good ones where I saw huge amounts of people who live in town in the middle of February going to Howard Davis Park and just enjoying that, and it did not matter where they were from, who they were, they were just able to enjoy it. Things like free entry to the Jersey Museum was very much made with the idea of people on lower incomes and possibly from non-British nations, particularly living in town, would be able to go and see the museum for free. We are yet to know whether we have succeeded in meeting those other groups of people or whether what has happened is just the same groups of people have visited the museum more often, because I think it does tend to be British, fairly affluent people who tend to visit. So it is very much in our thinking; it is not always in our success unfortunately, but we do always think about it.

Deputy H.M. Miles:
You are taking steps to monitor that and evaluate the effectiveness?

The Minister for Sustainable Economic Development:
No, I think it is something that we do not monitor properly and we probably should. It is an aspiration and it is one that these guys have heard me talk about many times, but I would say when you talk about monitoring I do not think we do probably monitor it particularly well.

Deputy A.F. Curtis:

Briefly, Minister, as we come to the end, what we have talked about with a lot of Ministers is how some of the priorities cross-cut and Ministers are often acting as champions for certain elements of their portfolio with other Ministers. One area we were interested in understanding your involvement in is influencing where digital investment has been going within Government in the context of the C.S.P. priority about reducing red tape, and noting how the 2023 *Barriers to Business* frequently noted that interaction with Government services was a key barrier. So your role in the last 12 months in trying to champion investment in that area?

The Minister for Sustainable Economic Development:
I do not know if it is championing investment but, for instance, I come back to the Better Business Support Package; it is not about the money, it is about the delivery mechanism. So there we understood - and I think we understood quite correctly - that in order to have an easy way for organisations to access a Better Business Support Package we would need a good web interface. Government probably was not the best place to deliver that so we asked Jersey Business to do so. They did and they succeeded and they have done it in a way which is only 3 per cent admin cost for the whole package. It is has been really successful; 95 per cent of people are using that system really well and happily. So it can be done. In terms of actual interaction via the Government website I still think there is a lot to be desired in that area, as someone who filled in their tax form relatively recently. As many Islanders know, I still think ... I am not trying to criticise anyone who is there at the moment because this is a longstanding issue for Government. I think Government still has a very, very long way to go before it is properly digitally enabled. I think I said it publicly as well; artificial intelligence as we know it today, Government should be using that for a lot of its admin tasks, for a lot of its research tasks. Government should be using these tools but I do not believe it is at the moment.

Deputy A.F. Curtis:
One thing I would be quite interested to understand is Digital Services, who deliver a lot of the work, is under the Chief Minister, and the budgets are significant. This year, £20.6 million in capital was allocated to I.T., next year in the budget it is £25.2 million. How do you work with those Ministers or Ministers who have commissioned work, to say the business community need this from how Government works to deliver against a C.S.P.? Or is that something you are looking to work more on with Ministers?

The Minister for Sustainable Economic Development:
I think it would be latter. If you want to put it diplomatically, I do not think there have been many discussions. I mean, I always worry about Government's digital expenditure because - and I think most of the panel would agree with me on this - we have seen many millions of pounds wasted over

the years on Government's digital initiatives. So at the moment, is it being spent appropriately? I genuinely do not know.

Deputy I. Gardiner:
Do you have joint discussion on all I.T. spending across the Government? Because we know this is going to Health, and this is going to Infrastructure, and this is going to this.

The Minister for Sustainable Economic Development:
Not that I am aware of. If there is a joint discussion it is one that I am not invited to.

Deputy I. Gardiner:
Did you have an option, this is the whole budget, how are we ...

The Minister for Sustainable Economic Development:
No, genuinely, not that I know of. Tom, have you seen that at the officer level?

Chief Economic Adviser:
Again, Mark would work quite closely with Jason, so our Head of Digital in the Department for the Economy does work closely with the Chief Information Officer for Government about getting the Government to a position where it needs to, and I think there have been significant gains recently. But how that might operate back out into the economy ... Mark, our Head of Digital, is always doing that and trying to ensure that can be improved upon.

[16:30]

Deputy A.F. Curtis:
Is Deputy Tadier coming in there?

Deputy M. Tadier:
I have got a new area, so I do not know how far we are off the end, Chair, but ...

Deputy A.F. Curtis:
Could I then ask one more?

Deputy I. Gardiner:
We have been allowed another 10 minutes, so Deputy Curtis will ask a couple more and then we will come to you.

Deputy A.F. Curtis:

Touching back to where Deputy Miles said that this is a reduced set of priorities compared to perhaps previously, in areas where clearly Ministers have separate remits but shared interests is it clear that there needs to be more work as to how cross-Ministerial and cross-department working has to improve to deliver against some of these, like I.T. and digital where there is large amounts of expenditure and there is clear outcomes that other Ministers want? If so, what is stopping that work happening?

The Minister for Sustainable Economic Development:

If we are talking internal Government - this is just my views after having been in and around Government for the last 7 years and so it is not criticising any one person or any one department, it is just the way it is - I think Government struggles with understanding the transformation it needs to make internally in order to deliver the services in the way that Islanders expect them to do. You can pretty much assume that Islanders' expectations are led by private businesses that they interact with outside, so whether it is online shopping or whether it is any other part of ... whether it is my email, via the many free email service providers, or workflow systems that you can get almost for free. The technology world is setting a standard which Government struggles to keep up with. But that standard that is being set is the one that Jersey consumers and Jersey Islanders now come to expect, and Government is kind of down here in being able to deliver that. It is slow to understand the change and it is slow to deliver the change. I think that has been the case for a decade or so at least now, and it will probably continue to be that way until we ... the thing is, this is an area I do not have answers for. I can point to the problems but I do not have answers. It is one that I struggle to understand how Government is going to break out of this cycle of not getting it right digitally. We have spent tens of millions of pounds not getting it right so far.

Deputy I. Gardiner:

Thank you. Deputy Tadier?

Deputy M. Tadier:

Thank you, Chair. It goes back to something that was asked at the beginning and it relates to what kind of budget this is. Clearly there have been choices about where growth bids have been accepted and where monies have been allocated, and I feel, Minister, at the beginning you were starting to tell us about how not investing more in Visit Jersey could be a shortsighted omission. Can you give us any more clarity on that?

The Minister for Sustainable Economic Development:

Yes, and I will work to see if there is a way of achieving more spend for Visit Jersey. It is just a case of the inflation. Visit Jersey's budget has not changed until effectively this year when through the

Better Business Support Package we were able to provide it with £2 million more. I think it needs that to be on a more sure footing into the future because, quite simply, £5 million 10 years ago is worth a lot more than £5 million now, and it bought you a lot more advertising and marketing than it does now. This is the first uplift it has had in 10 years at least, and I just think that needs to be on a much surer footing going forward because at the moment after next year they are going to be back to the £5 million again.

Deputy M. Tadier:
Is there a risk in the sense that this is a shortsighted budget because while it is fine to spend money in areas that we need it in public services, if we do not invest in the economy in the medium term ... that we need those receipts in the future to be coming in to be able to spend. I think we could talk about things like event-led tourism, we can talk about the fact that triathlons and even park runs in Jersey are really useful for bringing in tourists, the air display, the Battle of Flowers ...

The Minister for Sustainable Economic Development:
The marathon.

Deputy M. Tadier:
... these are all things which bring people to the Island to spend money, and if these are not invested in and not kept up is there a risk that we just will not see the tax returns in the future?

The Minister for Sustainable Economic Development:
That is precisely what I have been saying for the past 3 years. It is what the Future Economy Programme points to and has a big neon sign around it. It is basically saying if you do not invest in the economy you will not be able to afford the Health costs of the future. It is and will continue to be my concern that we are providing lots more money for Health and we are not shoring that up with significant investment in the economy, because Jersey's economy on one hand - particularly on the financial services side - yes, can be seen as a world leader, but that leading part has potentially been at the expense of other parts of the economy which in other areas have fallen behind where they need to be. We need to help them and whether we like it or not we need those businesses to invest in themselves and we need them to become highly technologically dependent businesses as well so they can be as productive as they potentially can be. I do worry about the lack of investment in the economy. It does not mean that Jersey needs to have a dictatorial economic policy. I am very much of the view that Government needs to provide the platforms, the level playing fields, and then if it provides money - as we have done with the Better Business Support Package - it is the business or organisation owners who decide how that money is best spent and make the case to Government, or Jersey Business as the case may be. But if we just continue to put money into Health and Education, and only Health and Education, then the Island as a whole will not be able to

afford that in a few years' time. To be able to put more money into Health and Education you need a larger economy. It is that simple.

Deputy I. Gardiner:

Any more questions from the panel? Thank you very much, Minister, for your time and for your officers' time. The public hearing is closed.

[16:36]