**STATES OF JERSEY**

**OFFICIAL REPORT**

**WEDNESDAY, 3rd JUNE 2020**

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[9:31]

**The Roll was called and the Dean led the Assembly in Prayer.**

# PUBLIC BUSINESS - resumption

## 1. Economic Recovery In-Committee debate (R.54/2020) - resumption

The Deputy Bailiff:

We now return to the in-committee debate on economic recovery. I indicated yesterday that we anticipated spending the remainder of the morning on this debate. That being the case, if Senator Farnham is minded to make a speech winding up the debate, he may wish to consider doing so at about 12.30 p.m. Who wishes to speak next in the debate?

### 1.1 Deputy S.G. Luce of St. Martin:

I had not really expected to talk again so early. Maybe I can just say a few things that might get other Members going. Yesterday I spoke very briefly about the importance of the Island Plan and I appreciate that the plans that we had, that the Minister had and C.O.M. (Council of Ministers) had for the new Island Plan have had to be very much put on the backburner while civil servants go off to do more important work. I have already written to the Minister about the importance of those Officers going back to duties at the Planning Department, in Environmental Health and all these areas where we have taken civil servants away to cope with the COVID crisis, but we need to have them back and get our regulation and the work we do to keep the construction industry going and approvals, applications approved or rejected. That work needs to be back in action as quick as possible. The Island Plan to me is possibly the most important document that we have and we see through the Assembly and we approve. It is a long-term plan, much longer than a Government Plan. I appreciate it is not a Sustainable Energy Plan. We know that our Energy Plan goes out much further, but the Island Plan is a 10-year plan and it sets out lots of rules and regulations and directions of travel, and for me it is a most important document. I think that it is important that we make some changes to the Island Plan. We know housing is so desperately needed. There was some talk about population yesterday and, yes, we do have to get to grips with the population but right here and now, regardless of whether we have any more people or any less people on the Island, we know we have a desperate need for more housing and we have to get on and start doing that. Building more houses does lots of things. Not only does it create work for the construction industry and give people a better standard of living, it also drives down the price of rent. I am a great believer in supply and demand and to me the way to reduce the cost of rent and the cost of houses on this Island is to provide more supply. I know others will say we cannot have the Island built all over. Coming back to the plan, I would like to say a few things. I have mentioned we need to get back to making decisions on applications and things like that, but I spoke yesterday about the importance of the short term because we have got to get things up and running again and then we can deal with the medium and the long term. There is no point having long-term plans if you cannot get through the short term. So, in the short term I have made suggestions already along the lines of making some fundamental quick changes to some of the planning regulations. They will not be popular with everybody, I appreciate. I would say right at the outset that I would like them to be very short term, but we could do some things about increasing the amount of al fresco. I know there is a lot of work being done on al fresco but we should be looking at taking maybe a few parking places away where a retail outlet or a restaurant or café have an opportunity to do more al fresco outside. We should not be charging for those applications. We should be prioritising them and making them really important to get through the system really quick, but there are other things we could do as well. We are all aware that building control have to come on site to any construction site that is going and you wait for your Building Control Officer to come and approve what you are doing before you move to the next stage. This would be a very short-term measure but I would like to see things like building control allowing construction to continue provided they follow the rules with the option of a spot check. That would allow people to move much faster through construction phases of buildings and properties and would allow people to just get on and work. I would also like to see some short-term changes to the wildlife and to the historic law so that we could say to people that if they are prepared to put mitigation in for all sorts of reasons, wildlife and what have you, they would not be subject to survey. I am aware that a lot of people in construction wait considerable periods of time for survey work to be done by civil servants. What I am saying is there are some opportunities, in my mind, to say to them: “You can go ahead with your building. If you are going to put mitigation in for these birds or these animals and we know you are going to do that, you do not need a survey to find out exactly what you have got there beforehand.” So that is just a few ideas, but I think the Island Plan is vitally important and we have to find a way of coming up with some new policies and direction of travel in the Island Plan very quickly. If it is not a full plan, we may need to do some specific bits, but I think the Minister for the Environment has got a great part to play in getting this Island back up and running again.

### 1.1.1 Deputy G.J. Truscott of St. Brelade:

I was not going to pitch in quite so early but it seemed that people were reluctant to press their buttons, so here we go. For me it is just how bad is this going to get and these are my concerns and just how deep is the financial hole going to be.

[9:45]

Our financial experts have predicted a loss of £106 million, £350 million over the next 4 years, but you have just got to look at events around the world, our economies globally flattened. You have just got to look at statistics in America, for example. The jobless benefit claims have passed 40 million; 40 million Americans are now on benefit claims. They are talking of 24 per cent of the working population unemployed, which is close to the peak during the 1930s Great Depression, which was recorded at 25.6 per cent. The US is to borrow a record $3 trillion just to get the economy through this. The E.U. (European Union) Finance Ministers agreed a €500 billion rescue package for the Eurozone just recently. I think it puts everything in context of just how bad things are. So I think it is important to think about that while we are having this debate and I think a lot depends on where this is all going. For me, it is about a lot of “what ifs” that will determine which levers we press and when we press them. There are various scenarios out there. What if, for example, there was to be another wave of the coronavirus coming through the Island this autumn? What then? What if there is to be a hard Brexit; what are the implications for the Island? What then? What if there is to be another Great Depression? I am sorry to sound so gloomy but I think you have just got to take all of this into account when we are considering what to invest, what levers to pull and what the future is going to be like. It is going to require a great deal of deep thinking, some thinking outside the box, and I think the first priority is to … and I congratulate the Government in doing what they have done so far. They have stabilised things. They have protected jobs, and that was so important. Let us face it, the economy has flatlined and it is so important that we get it upright again as soon as possible. I think the longer this goes on the greater difficulty there will be in rejuvenating and re-energising the economy. We have done the “what ifs”. Is the future bright? Really, as I say, I do not know and experts have been called in and they have given us their predictions. I have already had a discussion with the Chief Minister and the Minister for Economic Development, Tourism, Sport and Culture. I am happy to serve in any way I can but, as I say, for me it is important to get the economy up and running as quickly as we can. As I say, I was not going to pitch in quite so early. I probably had a few more things to contribute. The Deputy of St. Martin did absolutely pitch in and it is right that we should be building houses but it is important that we also have stable jobs for our people. You need to be able to service a mortgage and pay the rent, so we need to build jobs and secure jobs and jobs that are lasting. I have lent my support to the living wage. I think it is important that we go down that route. The timing is not necessarily now, but one has got to realise if we go the living wage route it is the companies that will be taking on that extra liability, the payment of the extra wage will go away from the taxpayer, which currently subsidises wages, and the businesses will have to take that on. That will be reflected in inflation locally as they put up their prices to take on the extra expenditure. It is so important that people are paid a good wage. There are so many opportunities. We are so lucky and it is about prudence of the past. We have got a rainy day fund; we have got Stabilisation Funds; we have got great reserves. We are in a good place and I think at the moment we need to have a serious look at the big picture, concentrate on reviving the economy, getting things going again and then look at the longer term and see what we can do. Obviously climate change still should play a part in our thinking and I think Deputy Young yesterday picked up on it. We should also look at renewables and it would be great if all the Islands - and we could do this as a pan-Island type project - could become self-sufficient through renewables. I think that would be a tremendous achievement and something we should all strive for. I will probably leave it there at the moment. I will pitch back in later on. Just finishing, I think it is so important. I think the Minister for Treasury and Resources is going to announce some fiscal stimulants and I think that is welcome at the moment. It is essential to get the economy going again and then we can get on with the long-term strategic thinking.

### 1.1.2 Senator K.L. Moore:

I am grateful to the Minister for Economic Development, Tourism, Sport and Culture for inviting this debate. I think it is a really helpful opportunity and very timely for Members to be able to express their views on this really important matter and to also give the public hope for the future to hear that we are discussing this. There are very many futures riding on the decisions that we make as an Assembly in the coming months and years. It struck me while watching the launch of SpaceX on Saturday evening that the early part of the speech given by the President of the United States was striking. Whatever one might think of him personally, the messages he gave were simple. A man who had a vision for America, he decided that putting Americans back into space was something important that he wanted to achieve during his administration, and there it was, he had done it. In my opinion, what the Government need to agree is a vision now for the Island’s future and its political attitude to what it believes is the right environment to create that future. This is the single thing that will help to move on from this situation. There is not time now to take copious amounts of advice or to delve into the detail. The rest of the world will be on to their second or third lap of recovery by that time. What the Island needs us to do is to set values, vision and to do that with determination. The role of Government is to set tone and the rules of engagement such as, for example, the attitude towards regulation and standards within our community. It does not need to decide what business will work here and what will not. That is a matter for those who have the capital or can raise it, however large or small, and are minded to take a risk, however large or small that might be, to put effort into building a business. Our job as an Assembly is to set that tone and to give people confidence to decide whether or not this is a good place for their business to grow. Number one is expressing that vision and building public confidence. This can be in small ways as well as big ticket items. Business needs government just as government needs business to succeed in order to provide the revenue stream. It is essential that we focus on smoothing the path for those who want to do business, employ people and generate wealth for all. This, of course, is a very political matter and I appreciate that colleagues and particularly those at Reform Jersey who have set out their vision - and I congratulate them for doing that - will have a different opinion to that which I express today. However, it is important that we discuss, deliberate, listen but drive a decision as to which political vision we, as an Assembly and particularly the Government, holds so that people can understand where we are coming from and where we are going, more importantly at this time. For example, messages such as taxes having to be raised quickly in order to pay back any monies borrowed swiftly will have caused ripples of concern among some areas. I really would counsel the Government to think very carefully before making such announcements because they need to be clear, they need to understand that people are listening very closely and intently to what is being said and they are taking decisions upon what they are hearing. We do, of course, operate in a very competitive international marketplace. It is critical that we demonstrate not only to Islanders and Island businesses that we are open for business. Boards will be sitting down right at this moment and considering how best to reduce their costs and respond to the crisis for themselves. It is more important than ever that we stand out as a jurisdiction in which they want to maintain a presence. For example, we have brought, as an Assembly, emergency legislation which helped to simplify regulations to allow people to make their wills remotely. We could have broadened that and encompassed perhaps the C.D.D. (customer due diligence) for some businesses, which I believe some jurisdictions have chosen to do. As another example, I have been troubled this week to learn that the Island is losing business due to a simple matter such as the Income Tax Office not being able to answer the telephone and respond to phone calls from people who are wanting to set up new structures and just to receive advice. Our message, and I appreciate again this is a political view, needs to be one where we say we know what we are about and we are open for business. The best and the most sustainable changes in general happen because they are part of a natural progression and they take the opportunity that presents itself to build upon or diversify from existing bases, like the roots that thrive in rich soil and develop strong leaves and branches. The job of Government is to ensure that that soil is fertile, that at the moment it is time for manure, some healthy watering, nurturing, perhaps even talking to those plants. If we look back to a previous round of fiscal stimulus, for example, one decision that has stood out throughout this period is the rollout of fibre-optic broadband throughout the Island. That has paid such serious dividends and has enabled an almost seamless move to home working and home schooling for many, many Islanders. We are one of the most digital communities in the world and we have been able to prove it. It is time now to build on that and to consider perhaps what new infrastructure we can lay down that will be of equal use and value for the present and for the future. Well-being and sustainability are the 2 watchwords of the moment and, of course, they can mean many different things to different people. As an Island with concerns about whether our transport links could continue to serve us throughout this crisis, the issue of self-sufficiency has been much talked about. This is certainly an area in which I think we could make a helpful investment. Looking back, Howard Davis Farm was a centre of experimentation and research. It would make sense, perhaps, if we are to drive forward with a different agricultural model, to reinvest and strengthen that facility. We have already seen the development of a Master’s in Marine Biology through the Jersey International Centre of Advanced Studies. Perhaps such a partnership could be driven forward by a commitment and complement other areas of industry in the Island that are knowledge-based, for example the agriculture example, but there could also be other areas where we could seek further knowledge-based work, perhaps with a medical school. There is a blossoming of bright minds who have been developing digital health ideas in the Island and perhaps now is a time to enable that to become a reality.

[10:00]

There could also be a complementary and cohesive package of measures that could make us stand out in the world and encourage further research and advances as each element gathers momentum. It was good yesterday to hear the Minister for the Environment talk about climate change. That is, of course, a major concern around the globe. The Minister for Economic Development, Tourism, Sport and Culture and myself have written to him with a proposal for investment from the Climate Emergency Fund. I do apologise for the aeroplane that is about to go past, so I will pause just momentarily. My apologies. It does not happen so often nowadays but hopefully it will happen more regularly again soon. The Minister for Economic Development, Tourism, Sport and Culture and myself have written to the Minister for the Environment to ask him to consider placing monies from the Climate Emergency Fund into the Race to Zero Emissions, which is a request for a hydrogen-based yacht to be developed. Well, it has already been developed but it is for investment in hydrogen-fuelled yachts that would be raced around the world by a local man, Phil Sharp. He has developed a fascinating and collaborative project along with hydrogen specialists who themselves have developed a hydrogen-fuelled bus. As the previous speaker, Deputy Truscott, mentioned, there is enormous potential in seeking out the use of renewable energy sources and hydrogen also has its place. I have seen recently BMW is now launching a hydrogen-fuelled car as well as the many electric cars that they have provided. Another example could be to set a timetable for us to remove petrol-fuelled engines from our roads. That would be a really important and positive message. I have to say it was rather disappointing this morning to see there was certainly a lot more cars out on the roads after so many people have been choosing to cycle and walk around the Island in recent months. I digress. Work, of course, is not a simple transaction that just puts a family’s bread on the table. It can be so much more and returning to the idea of well-being, economic well-being is an important factor that we can, as an Assembly, help to deliver. That would drive more engagement in the community, a greater sense of self-worth among those people who see their personal circumstances improving as a result of that new focus and determination from Government. Yes, of course, people should be paid in such a manner that they can live a reasonable lifestyle within the cost of living and without having to seek assistance from the state. I fully support a move to the living wage but, of course, a person or an organisation that is paying that wage has to be able to pay that bill as well. In my view, there are free market solutions to recovery that have a better and a stronger impact on people’s quality of life and, in my view, they will promote a far stronger future for the Island than alternatives. We as politicians have to decide how it is that we want to respond to this crisis politically and we must communicate that clearly. Essentially, we are either free marketeers or we follow a different approach, perhaps that one laid out by Reform Jersey. The situation we find ourselves in with a Government that has secured unprecedented levels of debt for Jersey is totally unique and it cannot last. What we have not yet considered in this debate so far is how we can invest in our community to ensure that its economic future and the protection of the livelihoods of Islanders is secured. Unless we get the pitch and the message right, we will see a complete implosion of the economy as people who previously invested here will simply protect themselves and leave for other shores. I would really like to hear this Assembly and our Government make a steadfast commitment to clear messages that will give people the confidence to do or continue to do business here, to live and to thrive here.

### 1.1.3 Deputy J.H. Young of St. Brelade:

I was thinking about this overnight a lot and obviously yesterday I spoke very, very briefly on green issues, but I wanted to shift to a broader scope. I think the first thing to recognise is that no matter what views we may have, we are looking at how to climb out of this disaster that has affected the whole planet. I think what is going to be key to that is how people’s behaviour changes and the choices they make. They will decide when they are ready to go back and partake in commercial businesses, become active consumers and do all the things that normal life requires. So I think that helps us with some principles here, that as an Island I think it is absolutely essential, right at the heart of our recovery plan, that we build and maintain public confidence in our Government and what we are doing to manage the threat while it exists until a vaccine comes. That means the messages that we send to our community are vital, certainly I would guess for at least probably 18 months. A fundamental of that for me is a commitment that this Island will be maintained as a place with a very low risk of infection and we will not allow the infection to run out of control, which is why the points that were made by Deputy Doublet and the debate we will have on the Public Health Strategy coming are going to be really important. What I had planned to speak about is about the Island Plan issues and may I congratulate the Deputy of St. Martin. He is absolutely right about the importance of the Island Plan and indeed many Members have asked me about this. What I would refer Members to do, rather than cover the process in full, is please have a look at the written answer that I put yesterday - and it is on the website - to Deputy Maçon, which sets out in detail the disruption that has happened to our work and how we propose to take it forward. I think the Deputy will be comfortable with that but what I am planning to do there is to have an in-committee debate as well where we will have a structured paper on the issues, which will enable us to give some feedback on the process and how that plan can be. But looking now, I wanted also to pick up that I do personally think, and I think they are always personal choices, I do not favour building our way out of this crisis, I **[offline]** which has meant, for example, that we have avoided the tragedy of Grenfell and other places and I want to protect our heritage. Our environment and our heritage are a major part and important assets that are crucial to how we benefit economically in the future. Now, scanning through a number of sectors, I have got some thoughts here and I think I will put these for Members to think about. Agriculture. There is no question I think there needs to be major change here. We have already seen a recognition by our community of the importance of using local supply and to encourage our growers and I think this means less focus on cash cropping where we try and have high volume, really low value and compete with the rest of the world on volume. I do not think that is where we are, that our products should become premium products and we should move away from the kind of intense cropping facilities, which result in damaging and polluting our environment. That will enable us to emphasise our premium products. Similarly with fishing. With fishing, again we have seen the need to build our local market and that means us building infrastructure, providing support for that industry, infrastructure and marketing to help that local business thrive, which I think is culturally important. Retail. I think whatever happens, people are going to be nervous before they go back to full-on shopping and queueing up in sales and so on. We have seen the internet, we have seen some businesses adapt, and I think adaptation is the key during this period of recovery of 2 to 3 years. Those businesses that were able to launch internet sites within the Island and do local delivery services, I think have done very well. I think that is a trend that I would strongly encourage because we see lower prices, we see reliable delivery. Going on, finance. Key to this is home working. We have seen successful businesses adapt, within days transform their model of working and it has really worked. So I think what we are going to see - and this is relevant to the Island Plan - is that there will be less demand for office facilities. Office facilities are expensive and I think what firms will probably need is portals or hubs where people come together, and it means that our land assets can be used for other purposes. Potentially here I flag up the waterfront and also the repurposing of empty office buildings, because I think we will see that. That will reduce potentially our housing costs and, if I am right, then this reduces costs and overheads and helps us be more competitive, but I absolutely want to praise here. It has been the quality of our digital infrastructure and the wisdom of that investment in fast broadband that Senator Moore highlighted. I absolutely agree, that has been our saviour and it has got to be a prime feature of our recovery and how we promote ourselves. Then there is the importance of arts, heritage, culture, biodiversity, and I think we have got a world class product but we have under-invested. We need to invest in that and because we have got that potential here that somehow or other we have never done so, but there are going to be some difficult areas that are going to need support. I am not trying to be negative but I think restaurants are going to find it difficult because I cannot see that until there is a vaccine we are going to be able to relax social distancing within restaurants and cafés. That will mean they have less covers, they have less turnover, and therefore I think some of those businesses will not be able to make it and they need help to make the transition. Al fresco is absolutely part of that, but no question, I cannot see people going into restaurants and cafés that are not safe and nor do I think Government should allow it either. Hotels are a very, very big issue and there I do not personally think we are likely to see an influx of tourism in the short because even if we have the flights back and we have measures of testing and quarantine, many people are not going to take the risk of travelling and exposing themselves until they feel more comfortable. In the meantime I would very much like to see arrangements where we can have travel bubbles in some way or other with jurisdictions and countries with low infection rates. Here the top of my list will be Guernsey but there are others, the Isle of Man and so on. We need a transition and I think the travel industry will respond to that but, of course, I think we have to recognise that certainly for the foreseeable future I do not think people should expect to see low-cost air travel back where you can buy airfares for £20 and so on. Personally I think this is good for climate change. I think sea travel will be more important and I think we need to be more selective in how we set these things, but we need to be trying to build an adapted set of transport arrangements that allow businesses that can function to do so and we will need to help that transition, but none of this can be done by exposing our community to risks, in my view, or should not be done. There are issues about - and I flag this up, I think this will be an issue for the Island Plan - if I am right and hotels, those key assets, have to go through a period of several years, how will we protect those key assets.

[10:15]

Because otherwise they are likely to be lost to residential, which we ironically need but I think we should be investing - as other speakers have said, invest, invest. I have written - in public infrastructure, arts, housing, sports and Fort Regent as well as renewable energy. I think this is a time to be bold and invest and looking to the future in 3 or 4 years’ time and accept the fact we have to go through this transition. In terms of our industries, I have always argued we should build a renewable energy skills base. That means training people, it means employment, and opening up and expanding the solar, wind and tidal opportunities. What I have tried to do is give a broad span of many changes, which I think effectively have already started to happen. What I think I am doing is reflecting where the public are, the changes that have happened so far, which I think we should recognise and try and find ways of looking at each of these and how Government can help to make sure that in 3 years’ time or whatever we have managed to get our economy into a decent shape. There will be lots of other social policies, which I am sure other speakers will speak about, which will help us do that, and we will have the Island Plan discussion where we can talk about those in more detail in the in-committee debate. We might carry on speaking until lunchtime so I would like to hear what other Members think about some of the things that I have said.

### 1.1.4 Deputy L.B.E. Ash of St. Clement:

Firstly, I apologise for starting with a macroeconomic view of the world rather than focus on Jersey but I will discuss the Island in more specific terms as I move on. Although I have a lot of faith in our economy, it would be entirely wrong to look at us in isolation. There is an old money market adage that when America sneezes the rest of the world catches a cold. Well, at the moment President Trump is sneezing all over the place and not into his elbow, so the warning signs are there, especially when you couple that with a global resurgence in the mistrust of China. We have Brexit looming. I think we are seeing in Spain and Portugal at the moment with a strident hope that U.K. (United Kingdom) holidaymakers will ride to their rescue, that Britain will not be forced out of the European economy and will not be the pariah that some would have had you believe. However, there are, in my view, bigger fish than Brexit swimming around the Mediterranean in the shape of economies that were struggling before the virus struck, such as Italy, and where substantial fiscal aid may be needed from the E.U. without, of course, the help of one of its previous main benefactors in the U.K. These will be waves that would be felt here should that occur. I say all this because like it or not we are part of the global economy and we have to be aware of its effects, such as we were in 2008, and I caveat the remainder of my speech on these concerns. Now to come to Jersey, we have referenced many times in this Assembly that we have been conducting a war and it is one I believe we are capable of winning but it is a long way from being finished. As Churchill said, this is not the end, it is not even the beginning of the end, but it is perhaps the end of the beginning. We need to hold our nerve, as we have done splendidly so far, aided of course by one of the few things that is able to improve this Island. I speak, of course, of the sun and if we are looking at a statue to mark these times a more fitting one than Helios would be hard to find. But as I said, we need to focus now on the next stages: when to open our borders, how to control a future wave of COVID-19 and, just as important, getting the Island back to near normality and the economy back to its full functionality. As the former U.S. (United States) Lyndon B. Johnson remarked: “Yesterday is not ours to recover but tomorrow is ours to win or lose.” Thus far we have seen few signs of panic from this Assembly even though we have had to implement many decisions that before this wretched virus we would have considered quite unthinkable: trials without jury, no police checks on care workers, on-the-spot fines and spending £14 million on a hospital that hopefully we will never use. They were unthinkable decisions a mere 3 months ago but in my view made for 100 per cent the right reasons and that is all that realistically can be asked of us as an Assembly. So when it comes to our economy we must react in the same way with an absence of panic. Any soldier will tell you one should not just loose off ammunition if you have not got a specified target or aim. This is why I am keen to keep our actions at the moment at a sensible level as we have no idea what is coming over the hill. It may be like an economic version of a scene from Zulu where we need all the might that this Island, with its strong reserves, can throw at it or it may be Julie Andrews singing “The hills are alive with sound of cash tills” as a V-shaped recovery carries us to safety. Whichever of these scenarios occurs, and it may be somewhere in between, we need to target where financial help is needed and not adopt a scatter-gun approach. It is my belief that as the finance and public service sectors have been unaffected, there may well be people ready to spend as the economy opens and the hospitality sector will benefit from the inability of Islanders to holiday abroad. If I am wrong - and it has been known, however hard that is to believe - then we have the ability to support those areas in most need. I would add, it is to be hoped that those areas would also make maximum effort to help themselves, an example being al fresco areas being utilised very well by enterprising management that we have seen. Sadly, some are currently not making such effort and this is being monitored because we must ensure, as I stated, any help being available should be needed and not offered as a States perk. Into the future, I must say I was impressed with Deputy Huelin’s plea to focus on digital and I think this is a must. Hopefully he, Deputy Wickenden and others so minded can drive that forward. We are well placed to do so with our 4G and fibre-optic broadband and perhaps we should look to a rep office in Shoreditch where so many new initiatives are starting up and perhaps where we should be seen. New ideas are vital to build our economy, because if anything happened to our finance industry these last few months would look like a week in the Maldives. We would have unemployment running at absurd levels, property prices in freefall, keys handed in as mortgages could not be paid and population almost halved as people would be forced to find work in the U.K. and further afield. So, as I say, we need to build diversity in our economy and those who think it is a good idea to run down the finance industry, would you please stop? Take a trip to ex-mining communities or steel towns and ask them if things were better when their main industry vanished. I think you will find the answers informative if a trifle colourful. On that subject, and I do not think they have been given the praise they deserve, the finance industry, helped by J.T.’s (Jersey Telecom) excellent 4G coverage, has enabled it to ride this storm in a wonderful manner. As someone who worked in the finance industry, I am ashamed that at times when the J.F.S.C. (Jersey Financial Services Commission) insisted on running exercises that we have now been plunged into, P.R. (public relations) exercises, we all said: “What on earth is the point of this?” and complained bitterly. Well, the J.F.S.C. were 100 per cent correct and well done to them. We are hearing, and doubtless will continue to hear today in this debate, all sorts of ideas and bright new visions. Let us test that out when we come back here to build our hospital. Will we see a backing for a major infrastructure project that will stand the Island in good stead for decades to come and many in employment for 4 to 5 years in its construction or will we see the aimless political jousting and bickering that has blighted the project since it was first mooted some years ago now? We must remember that the very reason we have been able to take this virus on in this way without panic and to look at our economic recovery from a position of optimism is the sensible, prudent and fiscally responsible way the Island has conducted its affairs over the past generations. Indeed, there must be precious few jurisdictions in the world that would not wish to swap places with us at this point in time. That is why I feel we have a need for economic evolution to move us forward and not a socialist or populist revolution to slide us backwards. This is a great Island with great people and a great place to live. Let us keep it.

### 1.1.5 Deputy I. Gardiner of St. Helier:

First of all, I would like to say thank you to all Members who have contributed to this debate so far. It was fascinating to hear their views. Also I would like to thank Senator Lyndon Farnham for initiating this debate because it is bringing the best of our diverse views in the Assembly. Once I was preparing for this debate my mind ran at probably 100 miles an hour with a dozen thoughts at the same time, from global ideas to very specific, very practical, as the Senator suggested in his opening speech. I would like to put an emphasis on social enterprises. When I look at our economic community as a whole, there are 3 main groups that drive the economy of the Island: businesses, the Government, the state, and the charities. These 3 sectors are well known and well developed. There is, of course, a less developed business model, social enterprise, which is regarded as a fourth sector. I came across this fourth sector for the first time working as a consultant during my previous work at Global Action on Poverty, developing social enterprises in India. We have excellent examples on the Island. Beresford Street Kitchen is a charity-run social enterprise that provides quality education, training and employment opportunities for people with learning disabilities and autism. The Acorn Woodshack is a social enterprise project created by the Jersey Employment Trust and set up after it was awarded £103,000 by Lloyds Bank Foundation. Four years later they became self-sufficient and helped 190 people with training and employment opportunities. They created 15 paid jobs and 91 per cent of people who had gone through them secured long-term paid employment either with them or with others. You can ask what is the difference between a social enterprise and a charity. Why not just have a charity? In fact, mainly social enterprises are charities but being a charity does not suit all social entrepreneurs. Some forms of social enterprises are allowing people who run them to combine public social benefit with limited investment return and also have direct management control. The attraction of regulated social enterprises is that they allow an entrepreneur to ensure their new business will always operate in the community interest. Unlike a charity, it allows a paid board and a limited payment of dividends, so the entrepreneur can clearly explain to the public that the business has a community benefit but can also receive reasonable renumeration and even seek investment. There are various legal entities that might operate as social enterprises. Something that I came across and I do not think that we have it in Jersey but it is something that may be good to look into, is called Community Interest Companies, a new form of company specifically created as a vehicle for social enterprise. Community Interest Companies are a bridge between 2 already well-established entities: a traditional business such as a limited company used for a profit and a charity used as a vehicle for charitable work.

[10:30]

It will require new regulations and policies to support the social enterprise sector to be developed. What is interesting is social enterprise can be almost in any industry, any size and scale, and the only limitation is its vision. As an example of massive successful social enterprise on a rural island in another part of the world, I would like to draw the Assembly’s attention to Fogo Island. I learned about this social enterprise during the C.P.A. (Commonwealth Parliamentary Association) workshop in Malta. Fogo Island is a 21st century hotel located in a remote 18th century fishing village and it is a success story just off the coast of Newfoundland. Full board prices start at about 1,900 per night for 2 people with 3 night minimum from June to September. It is a community project with the highest ethical standard. The only plastic in the room is the telephone. Everything from quilts to furniture are made by members of the community. It is run by Shorefast Foundation, which aims to build cultural and economic resilience on Fogo Island and runs 3 social businesses: Fogo Island Inn Hotel, Fogo Island Shop Local Product and Fogo Island Fish. They have preserved the environment, stimulated economy, preserved the community and created an ecologically sound 21st century hotel with a traditional local touch. Now it is 20 per cent of non-government G.D.P. (gross domestic product). Zita Cobb, an entrepreneur and a social enterprise, also built 4 art studios on Fogo, and artists from around the world come, stay for a while, create and exhibit. There are a couple of things that combine together from this particular example. It is entrepreneurial spirit, community commitment, Government backing and out-of-the-box thinking which had a great success. This model can apply to our traditional industries: agriculture, tourism, fisheries and to our new industry, I.T. (information technology). What it needs, it needs innovation and here I will say things that may be less popular. Innovation by definition involves risks of failure. In Jersey I see an entrepreneurial spirit, great entrepreneurial spirit. But sometimes I feel that we have zero tolerance for failures and it might be holding us back from growing. If we want innovation in Jersey to really develop we have to accept over 70 per cent of tech start-ups or 90 per cent of bio start-ups fail in the first 2 years but those that succeed the rewards are tremendous and make up for all failures. The risk obviously must be calculated and minimised but there is no innovation without risks. I think it is important that we will develop entrepreneurial apprenticeships, that we do not have a programme for entrepreneurial apprenticeships on the Island. This pandemic will come to the end, even as a result of action. When it does I think there will be an economic boom. We as an Island need to prepare for this economic boom to make as much money as possible when it will come. I say as an Island, as we are all in this together, the long-term residents, the insiders I would call, that have deep local knowledge, they have the tradition that no place inside and out and have the ability to stop entrepreneurial innovation, and the new arrivals, the outsiders who come with fresh eyes, new enthusiasm and see things that maybe insiders take for granted. Innovative solution might include expertise and ideas from both insiders and outsiders. We have seen our Jersey community come together during the crisis and while we are celebrating Volunteer Week I would like to say a huge thank you for all the work and selfless dedication we have seen from both the long-term residents who volunteer and those who volunteer that just arrived this season. I sit somewhere in the middle. Some would consider me an outsider, some would consider me as an insider. It should not matter if you are considered to be an insider or an outsider as long as you are contributing towards an inclusive Island identity and champion the best of everything that we have in Jersey. We need to promote an ethically, socially, ecologically sound economy which is the model for a long-term, sustainable and stable economy, which will have an economy that is good for the planet, for the Island and every resident. Thank you.

### 1.1.6 Deputy J.M. Maçon of St. Saviour:

Where to begin? I just want to begin with agreeing with the Deputy of St. Martin and the Minister for the Environment about fast-tracking planning applications because we know that capital projects and infrastructure projects are obviously a great way to stimulate the economy and obviously provide jobs for people. I was here in 2008 and we had to deal with the financial recession and also I suppose what I want to say for Members of course, is we do have different types of recessions - I am sure someone like Deputy Higgins, who will be much better at explaining this type of stuff, being the economist that he is - and they do require different types of responses. So obviously in 2008 we are looking at a financial crash where liquidity was the problem, how quickly money changed hands, credit from the banks was drying up, all those types of things. I do not think this recession is going to be the same but some of the solutions will be similar and certainly I remember back then the principles of timely, targeted and temporary measures were kind of produced as the mantra of the day. I would imagine they probably still apply at the moment. But as I was saying during question time, what has been going on in Skills Jersey is we have already been liaising with businesses, we have been getting intelligence from various businesses about where demands are for employment, those types of things. What I just want to touch on, which I do not think anyone else has spoken about, is of course our young people and what is the future for them. Now we know every year when they reach 18 Jersey produces about 1,000 students out every year. Certainly from the feedback that we have been receiving so far is that there will be a reluctance from the business community in order to take on school leavers; 18 year-old leavers and even up to graduates. I think one of the issues we need to consider is how can we support our young people into work. The things we need to think about of course is if we do not get our young people into work it is much more difficult to kind of establish those life habits and those types of things, so how do we support them. Talking about my visions we would like to see, and while at Skills Jersey we do have a good apprenticeship scheme, we do have the career mentors who definitely do a good job and it is popular, it works well with businesses. We get really good feedback from what is going on there and so just to praise to the Officers who are doing that. It is almost a victim of its own success in that it is in such high demand there is not always the opportunity to offer people places on those schemes. Of course, that is going to be much more in demand. So you have got one aspect there where you are going to have growing demand and perhaps we should think about investing in providing more funding in that area. But also perhaps what we need to think about is internships. So not quite as extensive as a full-blown apprenticeship but I remember when I started out you were always in that catch-22 situation in that in order to get a job you needed experience but of course no one was prepared to give you experience in order to get a job. So you just went round and round and round. So we need to think about how can we support maybe internships, which are paid, but should they be part-funded by the Government. Perhaps we should think about maybe can we cover the social security credit contributions in order to encourage people to support young people in taking up jobs. So that is something I just want to put on the table. I do think that around the Economic Political Oversight Group, for whoever is advising them, there needs to be a skills and training person there. I think that is incredibly important and I hope the Minister takes that on board. But if I go back to Skills Jersey and talk about the intelligence that we have been receiving. So we know in certain sectors, for example, construction does see a healthy way going forward but they will be reluctant to take on staff, more interested in kind of just protecting the jobs for their existing staff, which is understandable. There are other issues to think about so, for example, we know that there is demand and there is continued demand in the care sector. However, when we try to balance that against the living wage, trying to make it more attractive for people, this becomes particularly difficult in raising the hourly rate for people who work in that sector, which would need to happen. Of course, this Assembly, led by the charge of the Corporate Services Scrutiny Panel and Reform Jersey, were very much against increasing the money that goes into the pot to long-term care. So this is a problem for the Assembly where we know there are more jobs going in to be available in the care sector. How exactly are we going to fund people or fund the schemes in order to allow that or to allow things like the living wage? Also, can I turn to another sector where we know that there is potential, the childcare sector. Again, it is the same type of issue but again now looking at the Nursery Education Fund. The Nursery Education Fund is around £5-something at the moment - forgive me if I cannot remember the exact figure - but again if you want to increase people in that sector where there is demand how do we do that if we do not have that mechanism to increase the hourly rate for people in that area? So this is another area where investment could be channelled in order to increase the skills in that sector. Just again looking at another problem that we will be facing, and just again looking at young people, we know that at the moment from the intelligence we are getting back from Student Finance and Highlands, we are getting a mixed response. There will be some students who will want to defer a year because obviously they are worried about travelling, maybe some of the courses they wanted to do, so someone that might travel further afield to do a course may want to defer for a year because it is going to be incredibly difficult logistically at the moment for them to do that. On the other hand, because there are some young people saying actually the job market is going to be quite restricted, we think now is the time to do a course or they have lost their current job for whatever reason, now is an opportunity to study for a degree or a course at Highlands. We still need to have good intelligence in that areas and look at the budgets and the demands that will come from that area because we are getting a mixed view at the moment and we do not really know what our people will want. So that is another thing for us to consider. Another aspect, looking at the training side or retraining side, is how do we fund people through that. Should we do things like reduced and subsidised courses where there is demand in the economy? I think we should. I think that is a great opportunity. One which I think would greatly boost people’s economic chances would be to offer free English courses. That would have such a big difference to people on the Island, allowing them not only of course the social benefits of integrating but also being able to access services but again it significantly boosts people’s employability chances and of course the different sectors that they are then able to work in. So that is something which I would like to put on the table. Also Senator Moore kind of touched on it as well, and she is right. There is a great opportunity to invest in the health sector and that is in health training. We have seen, and I am sure Members have been putting on Twitter the great work of the Education Officer in Health and the work that they have been doing in training up the healthcare assistants.

[10:45]

We do train up nurses here. That is a great opportunity. We know that there is a worldwide shortage of nurses. Could Jersey be a really great world leading place when it comes to nursing? Thank you, Deputy Morel, about the English courses. I will have to research that but thank you. Health training; could, for example, we work with hotels to provide dormitories in order for people to travel here to train. We also know, for example, and this is a project I have been working with, with my Health hat on, is we know senior nurse qualifications, those nurses who go out and do things in the community, for example, we know that internationally again there is a huge demand but we know locally there is going to be an even greater demand so the qualification is something which again it is desperately needed locally anyway because to compete and try and actually find someone with that level of qualification is going to be incredibly difficult. So that is something which we need to do anyway. Is this the time to seize the opportunity, maybe become a very niche and small centre of excellence for that qualification and attract other people to come and study here? So I just wanted to comment on that. If we are looking a bit higher level I would like to hear something from the Government to talk about prioritising businesses who are registered here to pay tax. There will be businesses who want to obviously cash in on any government project or scheme that is going on but do not want to contribute by being registered here to pay tax. I would like those to be prioritised. For those who have talked about digital, I think it is absolutely essential that we press on with the e-Gov programme and the reforms that need to come from that. I appreciate that is about making the public sector more efficient. That absolutely should not be forgotten. I think that is more important now than ever in order to deliver all the other services to the public that we need. Also I think we need to think about the current job payroll schemes that we have got at the moment. As I put in my question to the Assistant Cultural Minister, I think we need to take a sectoral approach to this, and I agree with other Members who say we need a phased response to when we kind of reduce care, and maybe the scheme will run a bit longer in certain sectors because we know, for example, those that require indoor venues or services where they do whatever they do, they are going to be hit harder during this time and they are going to need the extra support in order to recover. So I would like the Minister to take a sectoral approach when they are considering ending the scheme. What we also need to think about is economic leakage. We really do need to target where we are spending our money because again it is about how quickly money circulates in our economy and how it can be taken out. So I thought Deputy Morel’s Proposition was very good in targeting to do that and it is a shame we did not get a chance to debate that. But one point I did want to say in that debate is something which we need to consider is that also we should not allow this to be an opportunity for local businesses to take advantage of the States either. What I would like to see is some sort of mechanism whereby pre-COVID prices for local businesses are demonstrated and used because I do not think we should be taken advantage of, at this time, either. Something else which I do not think Members have discussed, and I think is very important, is not everyone is going to be able to return to work immediately and what is going to happen in shielding. From my ministerial team in Social Security, we have been talking about how do we develop a shielding scheme for people because there are some people who will be able to work. Maybe they are in the finance industry and able to carry on no problem going forward. But others might be in industries where they cannot shield. What do we do then? Of course that comes with a price tag as well. So when we are trying to obviously do what we can to watch where Government spend is going, that is a significant problem and issue that needs to be resolved and it is something which needs to happen sooner rather than later. Of course, the Minister for the Environment spoke about working from home, and I know Deputy Pamplin is obviously a huge champion of mental health, but for some people working from home will not be good and partly that will be the environment. It may be small buildings but not to forget about just the social interaction, the benefit that is seeing your colleagues, having those types of conversations and having a change of scenery and how good that is for some people’s mental health. How important that is. So working from home is not necessarily going to be the panacea that some people may think it to be. I think the other issue of course we know is with further working from home you are still going to have the reduction in footfall in the town centre. That is going to make it much more difficult for certain businesses to recover as well. In a sense, there is a lot of good in getting people back into town, in particular, in order to increase that footfall, which obviously helps businesses with people going back and forth and buying things and using their services. Another thing that we must not forget, and I do not think has been mentioned yet either, is what are the banks doing? How are we going to support people in their mortgages? I know other Members have quite rightly talked about rents and the rental caps and how that is going forward. But again for those people who cannot immediately go back into work what is going to happen in the banking sector to help and support people with the mortgages? We know we have had a 3-month freeze in some cases. Is that going to be prolonged? Can we get our Minister for Economic Development, Tourism, Sport and Culture and our Minister for External Relations to put a little bit more pressure on the banks for those customers who may need that extra couple of months’ support when it comes to mortgage payments? Can they stretch that out a bit longer? I think that also needs to be considered when we are talking about recovery. What I would want to say is to those people who are listening to this debate, the members of the public who are concerned about maybe their future for whatever reason, just to remind them that Skills Jersey and the Back to Work team, the offer is still there. Please do contact them. We know, for example, that they can help people with their C.V.s (curriculum vitaes). They can do interview skills. They can help match people with employers. So we do have a lot of offers on at the moment and I just want that message to go out there and Skills Jersey and the Back to Work team are there to help and assist people to get back into employment. Especially a lot of people who we might be seeing virtually through the doors, if they are ready-to-work people it can be very quick and very easy to match those people to an employer. I know last time, again in 2006, what was a very good and successful process - I think under Senator Gorst - was again the workshops that they did, bringing in potential employees, bringing in employers and just having those informal chats in a carousel-style mechanism. That really helped people match employers and employees and I think that is something which internally we could do in order to support the recovery. So those are just some of the points I wanted to mention and discuss but I think it is absolutely essential that there is a Skills person advising the P.O.G.

1:21:21

### 1.1.7 Deputy C.S. Alves of St. Helier:

I want to talk about our workers because our economy depends on our workers. It depends on their productivity, their well-being and their health. So for me, working and living conditions should be at the forefront. We have had under-investment in Jersey; under-investment in our health, our infrastructure and our general well-being, which we are now seeing the consequences of. Mental health issues are through the roof. We have very few affordable and accessible entertainment and sports facilities for our younger generation, ever increasing obesity rates and other health issues, some really poor living conditions, house prices which are just inaccessible to so many locals. We should be encouraging and supporting things like exercise, good health and good nutrition behaviours. But those that need it the most cannot afford it or are working too much just to survive. Without good health we have nothing. We have no workers, we have no economy. I have been encouraged by the way primary and secondary healthcare have been working together through this crisis and made themselves as accessible as possible to all. I hope that this joined-up thinking approach and partnership will continue to blossom and work for our Islanders. This crisis has shown us that we need to look after all workers and each other. Workers are feeling used and abused and let down, powerless. Too many are overworked and undervalued. So many are working 2 jobs or more, long hours and they still cannot get a mortgage. They can just about afford their rent. So aside from implementing the living wage across as many sectors as possible, which obviously is something that we should do, we can do other simple things like abolishing zero-hour contracts, ensuring that workers have a minimum number of hours a week, ensuring workers have the right to regular breaks. We currently have no law for this. A quote from the gov.je site says that the law currently makes provision for rest days but not for rest breaks during the working day. Maybe we should look at increasing our statutory annual leave entitlement, which is currently only 2 weeks compared with the U.K. where workers who work a 5-day week must receive at least 28 days’ paid annual leave a year. We wonder why productivity has decreased. We need to value our workers. It is a fact that those who feel valued in an organisation will produce better outcomes and therefore increased productivity. Instead of implementing these changes we spend time and money consulting on them and things never get done. I understand the need for data and data gathering. However, when things take so long to implement it comes across as the Ministers are not willing to make a decision and implement what they think is right, especially when there are examples on data that can be used from around the world. Maybe we need to look at 4-day weeks. At the end of last year Microsoft experimented with a 4-day work week and productivity jumped by 40 per cent. We need to be innovative - this has been mentioned before in this debate - and unafraid to try less conventional methods. It bothers me when I have heard Members talk in the past that if workers work hard they will get there. What does “working hard” even mean? I have worked 60-hour weeks and it still was not enough. Was I not working hard enough? I have seen others do more and to the detriment of their health and it still was not enough. Working hard means nothing when you are not given the value you deserve so the things you need are inaccessible. Those who make it or get there have managed it because they got lucky. I got lucky. I was lucky to be able to go to university. I was lucky enough to get a job straight out of university when many others on my course did not and have ended up in working in lower paid jobs. People who succeed get lucky. So this notion that those who are better off have worked for it and we should not ask them to contribute more than others is flawed because everybody relies on someone else to get where they are and have what they have. We all depend on someone supplying a service from electricity to education. To read out a quote from J.K. Rowling which resonates with me: “You have a moral responsibility when you have been given more than you need to do wise things with it and give intelligently.” This is a woman who has lost her billionaire status for doing just that. Giving when she has more than she needs. Anyone can go from riches to rags. How much money we had will not make a difference when we have gone but what we did with it, the way we treated one another and the quality of life we advocate for others will. So I hope that whatever proposals the Assembly finds itself faced with we will remember that all workers are our responsibility. We depend on them and we owe it to them to value and look after them.

### 1.1.8 Deputy G.P. Southern of St. Helier:

It is always a pleasure to follow my fellow member of Reform Jersey who again was very clear on the issues. I will speak only once today, I hope, unless somebody says something absolutely outrageous that I feel I have to respond to, so bear with me. I will speak just once but I am going to do some detail, I think, because one of the things about these in-committee debates is that you can almost say what you want as long as it is vaguely attached to some sort of political aims that you might have.

[11:00]

Really without a vote it does not mean anything because the only thing you have got which counts is your vote. So having an in-committee debate with no vote just allows people to go off on whatever hobby horse they like. I want to start with the words of the Minister for Economic Development, Tourism, Sport and Culture when he reminds us of the 5 objectives, the 5 goals, that we have set from our commitments: putting children first, improving Islanders’ well-being, creating a sustainable and vibrant economy, reducing income inequality, improve the standard of living, protect and value our environment. That looks very promising again; 2 years old but nonetheless it is still there. We are going to have difficulty doing any of that but what struck me was the reservation, the caveat put into the next paragraph which says what I want you to do is concentrate on goal number 3, the vibrant economy, and save the stuff about income inequality and the standard of living until later. The question is: when will that later be? Because it seems to me that reducing income inequality, improving the standard of living, is the thing we have to do and if we can do that effectively then the other goals will be dragged along with it and will end up being met. I think it is that fourth item that is the vital one and what I want to do is talk about what we were encouraged to do last time, which was fiscal stimulus, and wondering whether that would meet our need again. Before I go on to that in depth I would like to just mention the Minister for Economic Development, Tourism, Sport and Culture again when he recognises that he is in charge of productivity. That is certainly one of the things we ought to be doing for our low-paying and low-skilled sectors. Productivity, absolutely essential that he has taken on but unfortunately has parked productivity changes for the low-pay sectors until 2021. Now I think that was a mistake at the time and I would like to see him commit today to bringing forward those measures to 2020 and getting on with productivity changes as soon as we can. Also, the other lesson that I learnt from his experience, I think, was Members may recognise the Innovation Fund and the things that went wrong with that. The fact is that Members of this Assembly are not very good at picking winners. So if we are going to invest in various sectors of our economy I think we have got to do a damn sight better than we did with the Innovation Fund, where I think 4 out of 5 of the companies went belly up, one never appeared but ran off with the money, and one company came through with some really good ideas and it has been successful. But that is not a very good strike rate. One of the things that was wrong, and was reported as wrong, was that we gave loans, just 3 loans, to those innovation companies to their ideas. It turned out to be a mistake. At no stage, it seems, did the people who were responsible to the Ministers look at requiring or investing in the company to take equity so that at least if things went wrong we had something to go on, and that never happened. That is certainly something that we should learn from today. If we are going to offer loans to any companies to get them through the difficult months ahead then we should do it by taking a stake in those companies so that we have got an interest, they have got an interest, and they are not obsessed with merely paying back the interest on their loan but can get on with making sure that they have a sustainable business that can actually do the business. Now if we take a look at fiscal stimulus, the first thing we come across are not the 3 Rs but the 3 Ts, and this comes from the fiscal policy advisers, which says: “Any action on fiscal stimulus should be timely, action should start immediately to have an impact as quickly as possible and ideally within the next 6 to 9 months.” So 6 to 9 months, maybe 12 months, is the sort of ... we are going to get some assistance in there and start stimulating the economy from the get-go. I am talking about not in a fortnight’s time, not in a month’s time but get on with it now. Let us get on with it. That is what I am waiting for.

The Deputy Bailiff:

Sorry, to interrupt you, Deputy Southern, but there is a point of order from Senator Farnham.

Deputy G.P. Southern:

He has got plenty of time to correct the order.

The Deputy Bailiff:

It is not a point of clarification. I am not asking you to give way. I am saying that I will deal with his point of order, if I may.

Deputy G.P. Southern:

Is it a point of order?

The Deputy Bailiff:

Yes.

Senator L.J. Farnham:

I wonder if I could ask for your judgment. I think the Deputy might have inadvertently misled the Assembly on facts relating to the Innovation Fund. Six loans were given out, one of which went wrong, the other 5 were either repaid or are being repaid.

The Deputy Bailiff:

I am not sure that is a point of order.

Senator L.J. Farnham:

The Deputy said 4 out of 5 went wrong. I think he inadvertently misled the Assembly. I just wanted to make that point.

The Deputy Bailiff:

I am sure the Deputy may accept that from you in due course but you can deal with that in your speech in due course as well. But thank you for raising that.

Deputy G.P. Southern:

Thank you for stopping me in mid-flow. If I did get those figures slightly wrong then I apologise but nonetheless our track record for investing in companies is not a good one. So it should be targeted as well: “Policy should hit the intended target whether it is to support activity and employment in the Island, support those most adversely affected by the downturn or implement projects which have intrinsic benefit.” So targeted, timely and temporary. This is the hardest one to meet I think. “There should be no negative long-term implications for the public finances, i.e. no long-term damage to the tax base and no long-term spending commitments.” Now that is a very difficult one because if you do something which has a spending commitment the likelihood is it is going to stick around. But let us have a look, see what we can learn now about what we tried last time. The first item out of 6 possible ways we could support and stimulate the economy says, and listen to this carefully because it sounds awfully like Reform Jersey policy: “Supporting people on low incomes. This type of policy can be timely, provided that the income support system can be altered quickly.” That is perfectly acceptable. “It is by definition targeted on the least well-off and therefore those who are most likely to spend.” This is critical. If you are going to put stimulus into the economy where do you do it? You might choose to do it at the top where people are doing very well, thank you, anyway. Or you put it in at the bottom where you know that people on low incomes will spend every penny they have got. So if you want to stimulate the economy, get things moving, give it to the poorest in our society. They will spend every penny and there will be a gain to be made and the economy will start to recover. That is the essential move and we should bear that in mind with whatever we do; helping those people on low incomes. “However it is difficult to see how such a measure could be temporary as it would be hard to reverse such a decision unless it was directed only to the newly unemployed.” I think that is the difficulty with anything we might do here. But I have to ask, what could we do that is pretty immediate and we could, for example, upgrade the income support system because it has fallen behind inflation over the past 10 years and we could stick some additional money in at the bottom end in income support, which is finely targeted to make sure it gets to the right people and we could increase somewhat by indexing along with inflation what those benefits are. We could also be brave and take a vote again on raising the minimum wage to the level which we agreed to raise it to by the end of 2020 - there is still time - to increase the minimum wage beyond inflation and meet our target, which we agreed, that we ducked out of when it came to putting it into action. Then we could re-emphasise and try and improve the rate of take-up of the living wage and turn the minimum wage into the living wage, if you like, as soon as we could. All of those 3 are perfectly doable. We have got policy on them, which needs to be tweaked, and could be moved absolutely within a short space of time; so the timing and the targeting can be perfect. So supporting people on low incomes. It then moves on, item 2: “Direct tax cuts. Given the lags in the Jersey tax system it is hard to see how such a policy could be timely and impact in 2009 [that was then, or 2020] without being complex. It may also be harder to target the less well-off or those worse affected by the downturn because quite simply they do not pay tax. It would then be less effective at holding up demand in the economy than direct support for the less well-off.” That is pretty condemnatory, so tax cuts they have practically condemned. 3: “Indirect tax cuts. This type of tax change could be timelier than a direct tax change. But such a tax change would not be well-targeted as it would benefit everybody, rather than those most likely to spend on the Island. It would be less effective at holding up demand in the economy than direct support for the less well-off.” Again, condemned. Not very good, not very useful, not the way to go. Then we come to item 4 on the F.P.P.’s (Fiscal Policy Panel) hit list: “Spending on skills/training.” We have heard this mentioned today. It is an obvious and easy target. “This option may be timely, especially if it only requires changes to existing policies. Spending on the programme itself has immediate benefits. It can be targeted on Jersey residents, those losing their jobs or low-income groups. These could be targeted towards those most likely to spend.” So again, something about supporting those on low incomes and spending on additional training and skills in our workforce; 2 things directly applicable to people. Then it goes on, 5: “Additional infrastructure/maintenance expenditure. If these options are to meet the timely criteria, then it is vital that projects are identified that are ready to go in the first few months i.e. are ‘shovel ready’.” I remember back in 2009 hearing “shovel ready” ad nauseum but nonetheless a valid way forward: “The most likely projects to meet this requirement are maintenance expenditure. Such measures should also meet the targeting criterion since maintenance projects are likely to utilise local labour.” So here we go. 2009 we had a public sector housing crisis where a lot of our housing was in a terrible state. It was due for demolition or repair and we went for repair in most cases and that repair effectively got a lot of the economy moving again. But again, repair rather than big projects. So it should not be relying on the hospital or whatever. That takes a long time to set up and get going and it will not happen overnight but maintenance projects, smaller projects, and here I think of smallish projects that we are already committed to. I am thinking of the £5 million that we committed to a youth centre in St. Helier - the least advantaged of our society in St. Helier - I think could be accelerated and we could move on with that if we wanted to.

[11:15]

Then finally item 6, how to help through a crisis like we have got: “Small business support. This option may be timely especially if it only requires changes to existing policies. Policy should be targeted on businesses particularly affected by this downturn, for example by focusing on those that are not able to obtain or maintain credit solely as a result of problems in the financial sector.” Here is something that we really could be getting on with and it goes back to my first point about how to safeguard your investment and what we might offering is taking on equity in particular companies if we are to guarantee this loan; if we are to loan to you then we are looking for some stake in your business to make sure that both you and the company are sustainable and produce some sort of results to move the economy on. It is here that, as far as Jersey is concerned, we start talking about terms and conditions because in addition to the living or the minimum wage - for example, if you are going to loan and assist companies - then perhaps you might be talking about their removing zero-hours contracts from their remit where it is inappropriate, so it is not what it says, and we build secure jobs rather than insecure jobs and we could do that as we loan or as we take equity in a company. Where appropriate, we might put another condition in so that the companies recognise trade unions doing their appropriate business and, again, the trade unions should have been consulted over the 2-metre distancing rules and the health and safety associated with them because they certainly have expertise in that area. Then we could also start looking at: “Yes, if we are going to loan to you and we are going to invest in your company, then we would like you to publish your agenda pay differentials pretty pronto” and see how that goes down so that we build not more of the same that we had but improve on terms and conditions so that the workforce at least are getting respected. We could also then say we would prioritise companies which are talking about green initiatives in all sorts of ways and they might take priority in our decisions about who to invest in. There, I think I can rest and not go back for more, but one final point. The point is that we should not be attempting to recreate what we had. That was insecure work in a full employment market but insecure work which is not good for anyone and we do not want to repeat that. We want security in jobs and that is the way I think we can improve our society and build on what we have and where we are, the point being that austerity and reliance on the free market back in 2009 failed to work. Our economy has flatlined since then and we can do better than that if we try to put our money where our mouths are not just support in general the principles that we have particularly from Reform Jersey but with our votes. Next time something comes up along these lines, let us see people vote for it as well as just, in principle, support it. Thank you.

### 1.1.9 Deputy L.M.C. Doublet of St. Saviour:

I am enjoying listening to these speeches today and I do like the format of in-committee debate so I thank the Minister for Economic Development, Tourism, Sport and Culture for bringing this. Before I make my speech, I wanted to ask if he could comment on the group that he has set up to help with economic policies going forward. Forgive me if I have missed this already but is the membership of that group completely finalised? The Minister mentioned yesterday I think that there were representatives of the main business sectors in the community and I just wanted to urge him to ensure that as well as those from business in there, he has at least somebody in there representing the needs of families because economic policies do not just impact on businesses. They affect everyone on the Island and they affect different types of families so I think it is important that he has somebody on there that can think from that angle as well. Just more generally, I wanted to ask about how the Council of Ministers are proposing to develop an economy going forward that puts children first. The document sent around by Senator Farnham quotes the 5 key commitments of this Government and putting children first is right at the top. Now, today, we are mainly talking about the third point which is: “We will create a sustainable vibrant economy and skilled local workforce for the future.” Even if Members do not agree with putting children first - and I know that there is a small minority that do not agree with that - I urge them to please listen to what I have to say even if it is only because the children of today are the taxpayers of the future and we need to aid their development so that they can contribute effectively to our economy. So let us think about what children need. They need the basics that we all do. They need a safe environment, they need healthy food, they need adequate housing, they need outdoor space so parents need money to give them these things and that is where a strong economy comes in. What do children need most of all? They need love but love cannot be bought with money. For children, love is time spent with them. I recall a comment made by a former senior civil servant who arrived from the U.K. and he noted that he had never seen so much, almost neglect, on an Island so wealthy in terms of parents not having time with their children and I think this will ring true to many families who might be listening today. It is a constant refrain in Jersey. “How are you?” “Oh, I am so busy. Busy working, working, working. I wish I had more time to spend with my children and my family.” Parents in Jersey are often both working full-time hours and the reason they have to do this is because our housing costs and our cost of living is so high. I do not see that changing any time soon. So what other levers are available to us to help impact our economy in a positive way to enable parents and all Islanders in fact to have not just enough money to live and to live well but enough time? I want to talk about the 4-day working week. I have mentioned this before. I brought it up at question time. Others have also advocated for it and, indeed, Deputy Alves mentioned it today. I want Ministers to start taking this idea seriously. We have a huge opportunity available to us now. At times of crisis and trauma, in terms of human psychology, there is a golden opportunity for refreshing one’s thinking. A difficult experience can be a very good thing because it is not often we are shaken up in this way. We have seen that Islanders have been forced to adapt, businesses have been forced to adapt and I have been so impressed at the way many Jersey business owners and employees have utilised creative thinking to press on through this crisis. I have really seen that spirit of innovation shining through in Jersey and I feel really proud of that. They have been changing their business models in rapid time continuing to support their employees and providing services to Islanders. I think most business have been thinking about the needs of their employees and continuing to support them. Some of us, States Members included, have been lucky to be able to continue working and we have done so from home and like it or not, many of us have had a lot more time with our children - often not in ideal circumstances while trying to juggle work - but, nevertheless, there has been a lot of precious time that parents have been able to spend with their children. So to return to this idea of time with children and this being what they really need, the most reliable indicator in terms of future academic success is - and this is something that is in that bullet point, creating a sustainable vibrant economy - we need a skilled local workforce for the future. It is all tied up together. The most reliable indicators of future academic success, the research shows, is not the quality of education a child receives at school. It is the amount of words a child hears at home. So children who come from what we call “high talk families” are virtually assured of educational success compared with children from low talk families. You cannot talk to your child if you are not seeing them. Also it is the amount of books a child has read to them. All of these things take time so I do not think there is a parent on the Island that would refuse extra time doing these things with their child. To me, exploring a 4-day working week is the rational next step out of all of this. We could take all of the learning on home working, digital working, virtual meetings, *et cetera*, and apply it to maintain our previous productivity levels and in fact even increase them but within a shorter working week. I think Deputy Alves quoted just one case, which was I think Microsoft, where productivity was increased by 40 per cent. I have others that I could quote and if Senator Farnham is interested in those, I will send them to him. So there are many examples of this being successful. It is an idea that is gaining traction around the world. We will need to recover funds after this crisis has passed so let us explore, maybe starting with States employees, an exchange of money for time. This is something that Ministers would need to research properly. I do not have a team behind me to come up with a fully researched proposal at this time but just to suggest one idea, why do we not consider offering the 4-day week which would be a 20 per cent reduction in the time spent in exchange for a 10 per cent reduction in salary. That would be a massive instant saving and our workers would be expected to maintain or indeed improve their productivity and with an extra day to spend on rest or getting household jobs out of the way or getting quality time with their children, I really think they would be refreshed and able to work harder. I would really like private companies to consider this as well and I am calling on them today, those who are innovative and value their staff, to consider this idea and please report back to us on how it affects your productivity and the well-being of your employees. Employees, this is up to you as well. Do not wait for this to be offered to you. Approach your employer as a group or via a union and ask for the things that you need to help you be a good employee at the same time as being a good parent or family member and, States employees, I am talking to you as well. So to finish, I am really quite excited about the opportunities for growth that will follow from this crisis and I do not just mean growth in the traditional sense that others may be talking about but I also mean growth in the sense of Jersey evolving as a society to a place where we truly put children, families and all people at the heart of everything we do including economic policy. So my request today is I am asking Ministers to reaffirm this and to comment on the needs of children and families and all Islanders having a sense of well-being when they are discussing the formation of economic policy. Thank you.

### 1.1.10 Connétable R.A. Buchanan of St. Ouen:

I think for my speech I would like to take a slightly different tack and, firstly, that is to congratulate Deputy Ash on what he said, a matter which I agree with. If I could just add to what he said about us as a jurisdiction. We are internationally recognised for the regulatory quality that we have to the extent that the O.E.C.D. (Organisation for Economic Co-operation and Development) have placed us on their white list and all these things stand us in good stead. However, I would just like to come back to the main thrust of what I am going to say and it is really about the things that keep me awake at night, other than the fact that we have a pandemic. Deputy Ash is entirely right.

[11:30]

When the U.S. sneezes, the rest of the world catches a cold. That is complicated by the fact that, as those of us who are in the investment market know, we are in an election year in the U.S. and that always adds to the levels of uncertainty surrounding what is happening with the future of the U.S. economy. Unfortunately, that is reflected in world markets elsewhere because at the moment, we are probably entering what is one of the most controversial and contentious U.S. elections for a president that we have seen for a long, long time. So I think we can only expect uncertainty when it comes to the U.S. markets and I think that will probably flow into other markets in due course. We have heard a lot of discussion and it is pleasing to see that there is a lot of optimism around and that we have talked about things that we would like to do with the economy when the end of the pandemic comes around and there seems to be, to me, an assumption of what the economy will be. Now I am not entirely sure that I can see what the economy is going to be. The first thing we do not know is what the recession in Jersey is going to look like. It could be mild, it could be a V-shape dip and we could recover and get back to normal by the end of the year or, alternatively, it could be worse than that and, at the moment, I do not think we know. Also I do not think we know what the rest of the world’s economy is going to be like. All we know is that it has taken a massive hit and we do not know what its recovery powers are going to be so there is a high degree of uncertainty about what we face going forward. Jersey is unlocking at the moment and we are seeing some recovery in businesses. Even in St. Ouen, we are seeing some recovery in some of the businesses. Until the Island reopens and that really depends on when the rest of the world reopens ... and there is a great degree of controversy about that because the U.K. is by no means clear of the pandemic and we have to ask ourselves: “Do we really want to open up to the U.K. at the moment?” They do not even seem to have their testing regime under control. So we do not know what that is going to mean for Jersey because of the uncertainty and therefore we do not really know what the new normal for our economy is going to be. We wholly depend on airlines externally, we have a lot of big hotels and restaurants in the Island and we just do not know whether they are going to be there, what form they will be in, which airlines will serve the Island or indeed whether we will have any airlines serving the Island in the worst possible scenario. We may just have Blue Islands. We do not know. Looking at world markets, as we all know, they took a massive hit when this pandemic first hit the world but we have seen a degree of recovery since. However, one has to say that the market consensus with informed contributors is that we are likely to see another hit in terms of the value of world markets when the world works out what the scale of the recession is going to be and the scale of the damage to world economies and indeed the length of time it is going to take for those economies to recover. Moving on, the unknowns for me are: “Will there be a second wave?” We do not know. We hope not but there could be and if that happens, how bad will the damage to the world economy be after that? One thing I have learned in my 40-odd years in the finance industry is that when the rest of the world has a recession, almost without exception it reflects on the Jersey finance industry. That is our biggest revenue earner so we should be concerned about that. We do not know how bad that is going to be. The finance industry has changed a lot over the years from being heavily dependent on the trust and investment businesses to be more dependent on trust companies and the setting up and running of wealth structures. But still we do not know what the loss of revenue is going to be, we do not know what the loss of jobs will be and we also do not know if some businesses will just simply move out of the Island and close down. There are other major external threats and we have already seen some inkling of that. Some major economies may decide that offshore and international finance centres are a soft target and they may decide that, in order to protect their own tax revenues, a firm sustained attack on those centres such as ours is warranted. That can come in many forms in regulations; sanctions; blacklisting. You name it. They have the tools in their armoury. We also, at the end of this year, have the added uncertainty of what is going to happen in Brexit and I do not see particularly encouraging signs within the U.K. Government for them to come to any sort of sensible deal with the Europeans, which worries me. There are hidden pressures as well because we do still have some major institutions in the Island and there is no doubt that, in the past when pressure has come on offshore centres, we have seen political pressure applied to offshore businesses who either close down or scale back their offshore operations. I am not saying that is going to happen but that is a threat and perhaps more severely, we have seen a lot of credit extended to a lot of people to get them through this crisis including mortgage holidays and short-term emergency loans. The banks have been very accommodating in doing that but if the economy goes into a major recession and those debts ultimately do not get repaid, there is going to be, I suspect, a knock-on effect to the sustainability of our banks and once that starts, then we really are in serious trouble. I really hope that we do not get there. I think the banks have been acting responsibly this time which, compared with the 2007 crisis, was precipitated by the banks in general not acting responsibly and I think fairly the blame for that has been laid at their doors. Also investment businesses and trust companies in the Island could well suffer degradation in their revenue as assets devalue in any market slump because high-net-worths also have their money invested in markets to some extent so, again, that is another area of vulnerability. So I think, in summary, for the first part of my speech, in my mind, the picture is still very unclear and there are an awful lot of black clouds lurking around and whether they come to rain on Jersey or not, I do not know, but I think we should be cautious in our approach to everything and keep a very weather eye on what is happening elsewhere because it could have a major impact on what we do within our own economy. I have a few views on what we should do locally to get the economy up and running and they are very broad, as my view of the world economy is very broad, but I think in general terms as a principle, we should certainly stimulate recovery as our prime objective. I think in the first stage, we should continue subsidising employers through the Government co-funded payroll scheme for as long as is necessary to keep people in their jobs because while firms are still staggering on and employing people and are paying people and are taking in a little bit of revenue, they have a much better chance of coming out of this in one piece than if we just simply withdraw it. I think we should look at some sort of low-cost recapitalisation scheme for those businesses that are struggling but that we believe are going to make it and I think we have done some of that work through the banks. My strong desire is that that work continues and expands because there is no doubt that some businesses at least will require substantial support to get them up and running again and get them contributing to our economy in the way that they have done in the past. I know that this is a contentious subject but I believe that we should, once again, look at start-up venture capital projects to help those industries where businesses have failed and those businesses are essential to the Island and I am thinking of agriculture, fishing, digital and hospitality. While in the past it attracted some controversy there is no doubt that venture capital and capital to get businesses up and running is going to be vital. If there is pressure on the banks, then the only other source for that money to come from realistically is from us as Government. I am very firmly against any tax increases until the economy recovers. You cannot take money out of an economy that is struggling. All you do is just perpetuate the recession. Thinking about our public sector, we should do everything we can to maintain living standards for public sector employees. They came to our rescue when times were tough and I think we should look after them going forward because they have proved their value to us as an Island. I think also we should protect as many jobs as we possibly can, even if the going gets really tough. People have shown a great willingness in the public sector to be redeployed and they have also shown great commitment to the Island and I think to some extent, or to any extent, we should reward that going forward by keeping them in employment wherever we possibly can. Going to the matter of taxation, I think when we do get to the question of taxation, there is merit in looking at - and this is going to be slightly controversial - all businesses in the Island that benefit from Jersey, whether they are a finance business or other businesses, and whether they should contribute to the Jersey economy through taxation in one form or another. Going forward, if life gets tough, it is not acceptable to me to have businesses that do well in the Island but who do not make any direct contribution to our economy. I think, again perhaps slightly controversially, I personally believe that we should push forward with as many infrastructure projects as possible because there is no doubt - and that was proved by Edgar Hoover in the States - that infrastructure projects can help to stimulate the economy and I think particularly the new hospital. We spend more time than I care to think about talking about it. I know that Senator Farnham is working very hard on this and if I can just urge him to push his foot flat to the floor and let us get this done and get people building the hospital and get the construction industry up and running again with that as a project. I do agree with the comment that the living wage should be a target for us. We should not be having a substratum of people in the Island who are earning less than the living wage simply to support industry. It has to be brought in with the co-operation of the industries that employ people like that but it is a very valuable and important target for us. I think, in conclusion, we need to keep a firm eye on world developments and I think we need to have a plan B up our sleeves to deal with a worse-case situation and these should include - and I know we have done some of these things - making sure that our credit lines are secure before liquidity dries up in any banking crisis. I think we need to look at our investment portfolios and while markets have risen by quite a substantial amount, we should start to think about realising some of those longer-term equities that we hold where the current value exceeds their original costs and put that cash in the bank. We should take a look at our portfolios and realign them tactically to be much more conservative than perhaps they are even at the moment. I think we need to draw up a worse-case plan to ensure that the Island’s supply lines are secure and that should be done on the basis of a very large depression and a lot of carriers going to the wall. I think we just need to consider our options and plan what we should think about doing. I also think we need to do some planning about what would happen if the finance industry did suffer a major hit and we ended up with a much smaller economy and, indeed, perhaps a much smaller population base. I hope that we never have to use this plan but I think we should start doing some work on that so that we at least know what the metrics look like. So I am sorry that is being a bit pessimistic but I think it is also wise to look over one’s shoulder when one is coming out of a situation where we have had a crisis to make sure that there is not something else coming up along the road which is going to bite you even harder, and I make no apologies for doing that. Thank you.

### 1.1.11 Connétable M.K. Jackson of St. Brelade:

I am pleased to hear of the talk from others about the advantages of using our skill services to enhance our economy and the implementation of the fibre network driven by the former Senator Ozouf is reaping dividends. I come from the more hands-on side of business. I want to see the skill sets of our younger people enhanced to the extent that their services will be sought in the future and they will be in a position to justify a reasonable salary and working conditions for this. We have let this area slip and I feel support from such institutions such as Highlands College for vocational courses is crucial at this time. There are so many people that are just not cut out for office jobs in finance or similar but they have other skills which can be harnessed to the Island’s advantage. We need to be able to sell our skill services, not only locally but also overseas, such as we have done with the finance industry. Let us put ourselves in the position where our construction industry skills are sought after, our hospitality trained people will be the envy of others and we can, for a change, be a step ahead of others. Surely the time has come where we must stop bringing in so-called “off-Island essential workers and advisers” and grow, cultivate and nurture our very own. While I do declare a conflict, I come with a history of the marine leisure industry and I can assure Members with several years of experience in that business that I am always disappointed with the lack of support given to this potentially lucrative area for the Island. It is not about superyachts and the like but more about much smaller vessels owned by people of all income levels and I would endorse the comments made by Senator Moore regarding the entrepreneurial aspirations of a young Jerseyman in his ideas regarding hydrogen driven vessels. We have, for several years, done our own training in this industry because there was none offered locally. We have always paid for off-Island vocational courses ourselves because the scale is such that on an island, it would not be cost-effective. Government does, in my view, need to consider how it might support off-Island vocational training not only in this area but in other specialised industries.

[11:45]

We can attract non-resident business if we have the right skillsets and deal with vessels here in the Island. It does however require investment from our arm’s length organisations and I look forward to them being proactive in this respect. Moving to retail, there needs to an understanding of how retail works in the face of online competition. Our retail offering is the lifeblood of a community and we must ensure it endures and adapts in these difficult times. I do not believe the large retailers are for us and most small businesses are entrepreneurial and flexible enough to be able to compete and provide the level of service that most people want. I would add that many business operators are flexible enough to adapt to whatever faces them. It is often driven by a survival instinct. Most small business owners generally do not like governmental interference and I would urge Members not to create more obstacles to operating a business here in Jersey. We do need those jobs. I suggest that while there will always be a need for regulation in lots of areas, we should allow business to forge ahead with opportunities which will inevitably arise as a result of a changed world. I am not ashamed to say that I am a free marketeer. I do believe, however, that residents have in the last 2 months grown to appreciate their Island in a way which maybe they have not before. There will as a consequence be renewed enthusiasm for maintaining our environment, following greener policies and supporting local agriculture, local fishermen and suppliers. I would think the new Island Plan will need to be quite different as a result from that previously envisaged. I also detect there is a renewed enthusiasm to support our communities and I can say that from a Parish point of view I have been overwhelmed by the offers of support by volunteering parishioners for those in need, and also our Honorary Police team who, while gaining numbers, have still spent a disproportionate amount of time supporting our community in these difficult times in an encouraging and engaging way. Finally I would suggest that we utilise much of the entrepreneurial experience we have in the Island and - with the greatest respect to civil servants and fellow politicians - utilise that knowledge and experience to our Island’s advantage.

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

I am pleased to follow my Constable of the Parish that I represent because he touched on something that has not really been mentioned a great deal up until now and that is our political philosophies. There is perhaps an unspoken taboo in the Jersey system that ideologies or political beliefs, for want of a better word, are a dirty phrase and that indeed to be successful in Jersey politics you are better to not have any political values or hard and fast rules that you follow politically either. We have had somebody who identifies as a free marketeer but clearly I think they are few and far between at the moment. I think the phrase that sums it up best for me, although we have heard of course Roosevelt which I also think is worth quoting, but is the German philosophy that prevailed in the 1950s after their recovery was: “As much market as possible and as much state as necessary.” There is an element of genius of course in that statement because it gives a lot of room for flexibility. What has been completely silent in Jersey, if you like, at the moment is that there has been a deafening silence around the people who do not want any state intervention. Even the Chamber of Commerce, for example, who might traditionally be non-interventionist and who might be in some cases - because they are not all homogenous of course - might be free market liberals, are asking not for as much state as necessary but for as much state as possible to come and help them out when they cannot pay wages, *et cetera*. That is absolutely right; that is one of the reasons that the state does intervene. What I want to talk about in this section at the beginning of my speech is to talk about recognising value in the economy. The reason for this is because it holds together and underpins so many different areas that have been touched upon, for example “buy local”. “Buy local” is a global phenomenon and you find that all over the world because the economics of it, as well as the quality of course is better. If you buy your asparagus from Jersey from your honesty box (a) it is probably cheaper, (b) it is certainly fresher, (c) it has not had to travel all those air miles, and (d) you probably know the person you are buying off so you are helping them and the money stays in the local economy. So it is the right thing to do. But of course it is not always easy for people to buy local if some things buying local means that they cost more. That is where fairness and value come in, and that is why the living wage is not just some ideological battle that some political purists want to pursue; it is because they recognise the fundamental fact that if you do not pay people at least the same amount that it costs them to live then you are in deep trouble because you have to subsidise their wages and it means you are subsidising businesses that are not feasible in the long term if they cannot afford to pay their staff a living wage. So when I hear things about: “It is an aspiration, but we must not rush to do it” no, we fundamentally cannot shirk from the living wage. It should be the very minimum that we aspire to as an Assembly, so I do put that challenge out there. The other point is we often do not pay enough for our food. I have said this before; we pay far too much for our accommodation but we do not pay enough for the basics. One of the benefits of going through the disruption of this kind of crisis, which is the pandemic, is that it allows us to refocus our attention on what the true value of jobs and services are in the economy. You could compare this to Maslow’s Hierarchy of Needs. Right at the bottom the fundamentals are shelter and food and warmth and if we do not have places to live and if we do not have the people who grow our food or who import our food or who sell us our food and are willing to do that, they are very much the front line workers. I am glad that they have not been forgotten when we have all been also quite rightly clapping the other front line services that we employ at the hospital or in our emergency services. That is absolutely correct. So we need to start being willing to pay more for good food that is grown in Jersey locally. I was heartened to hear the comments of my Minister for the Environment - and I know this is something that is also shared by my fellow Assistant Minister, Deputy Guida - is that there is a big challenge here for agriculture. We know that the living wage, if it would happen overnight, would not be easy for them to meet. But we have got a good example I think with Jersey Dairy. Now, this is something which has perplexed me for quite a while but I think I am gradually getting my head around it as I get older, is that Jersey in some instances is completely and almost inexplicably interventionist in some of its policies. We can go right back to dancing on Sunday; you were not allowed to do it. The dairy issue is quite interesting because we have put in place a system where you cannot import any other milk save for a couple of exceptions if it has been enriched, for example, so you can import your soy or your omega 3 enriched milk, but we have got specific conditions to protect the dairy industry. What it means is that when you buy a litre of milk - and I am not advocating one way or the other that people should or should not drink milk - you are essentially paying the value of it and allowing a small profit margin for the producers to make them viable. That is not the case all over the world; we know that the ridiculous nature of certain economic models around the world mean that dairy farmers get less for their produce than what it costs them to make it. At least in Jersey that is not the case. It all goes back to this idea of value, so if we start paying people a living wage ... if we are willing to tackle housing cost because many reports and reviews have shown time and time again that the biggest single contributor to relative poverty in Jersey, and to people struggling and not having enough money to spend in the economy, is that they spend sometimes up to 50 per cent of their take home on housing costs, usually in rents but it could also be in terms of mortgages. I do not hold any truck with people who say it is simply a case of supply and demand. If it were that simple then we would have resolved this issue by now anyway. We are all good conservatives in the States of Jersey Assembly, are we not, and one of those aspirations that we should all aspire to for our constituents is the right of home ownership. But I would say to the Deputy of St. Martin that there is no point in building lots and lots of homes, especially when there are homes which are perhaps not being used in the Island, if they are all going to be snapped up by buy-to-lets or if they are all going to be owned by one person. If you build 10 houses and then they are owned by 10 different people with 10 different families that is great, but if you build 10 houses and somebody buys 9 of those houses or indeed all of them then it stands to reason that every house more than one that you own is a house that somebody else cannot live in. We fail to get to grips with this issue and part of the reason is we have absolutely no or little knowledge of the housing market, or of the homes market as we should start to call it, because houses, flats, cottages are all homes that provide the very basics that I spoke of earlier in Maslow’s Hierarchy of Needs. If you do not have a home, if you do not have food, then you are in a pretty difficult situation. We need to start right from the basics and there are many ways, of course, that we can do that. I know that my parents’ generation were lucky enough to benefit from a full States loan; now some people consider it radical that we might be offering a part of your deposit so that you can go away and buy an unaffordable house and pay interest to a bank that Jersey may not get any benefit from over years and years. But surely we can do better than that. I was quite interested to hear also - because it ties in with the idea of value - about Deputy Doublet’s comments about the true value of society and the things that we should value. Something that I know Bobby Kennedy commented on, to paraphrase him, is that the G.D.P. does not show you all the value of an economy, it shows you the things that can be measured but it does not show you the things that cannot. He said in fact it measures everything except that which is worthwhile. Love, of course, is really important for children and I was pleased to hear Deputy Doublet when she said: “Of course you cannot measure love but you can measure time.” This idea of a 4-day week is quite an interesting one. I do not think this Assembly would ever be bold enough to do something as visionary as that, and of course you have to look at all the consequences, the French a long time ago when I was still a student introduced the concept of *la trente cinq heures* and part of the idea that that was done, it was not simply a leftist idea, it was also to try and stimulate more jobs in the economy. The idea is if you have 10 people, let us say, working 40 hours a week, if you reduce people down to 35 hours then you might produce another job, which is good for the economy and people as a by-product have more time on their hands. What happened in reality was of course that the French simply accrued more time in lieu, and that is not necessarily a bad thing, so they would probably still be working their 40, 45 hours a week, it just means that they could take that as time in lieu and they would get even longer holidays. So, great, but it was not necessarily creating more jobs as they would have anticipated. But this is where it becomes interesting because there should be a crossover point and it should really be that your time becomes more precious the less of it that you have, and so once you have done your 40 hours a week or your 35 hours a week or whatever, why are we not having a system of automatic overtime because employers should be paying a premium for that time. It does not have to be 4 days a week. Personally, for example, I know many people who might prefer to do all their work in one go so they consider the fact that when you are at work you might as well get your work done and it might be better to do, for example, 3 lots of 12-hour shifts depending on your job and having 4 days off a week.

[12:00]

We could look at doing it around about hours but it needs to be looking at the true value of things, the true value of services, the true value of wages and products. That is the real challenge, so it is easy to say buy local but if people in the lower socioeconomic quartiles do not have the luxury or even the time to drive out to the countryside and pick up food in an honesty box or buy organic which might cost a little bit more, they are not going to do that. They are going to go for convenience, they are going to go for bulk buying, and often the worst food is the cheapest. Let us move on to the next point. Education is going to be fundamental to the recovery. I have to declare an interest, my partner is a senior teacher at a local secondary school and, if I may say so, she is a very good one. What I have learned is that irrespective of who they are, teachers have a vast amount of learning and training and knowledge which we often do not use to our best ability in the sense they do a very good job academically and in their classrooms, in the schools, in the community; but they get to see things other than just the academic. I know the Minister for Education is probably speaking shortly. We need to have a way to get their feedback when they go back to schools about what they have learned during the pandemic about distance learning and about what has worked and what has not worked, which children and families have engaged, which have not. Clearly there are going to be big differences between the different schools as well in the way that they have operated during this period. We are going to see potentially big differences in the results. Some children will have potentially fallen really far behind. But the real reason I am raising education here is that I am concerned that there is going to be a drive from some quarters in the Assembly and in society, because I think it came up during one of the I.o.D. (Institute of Directors) debates and admittedly it was probably reported selectively in the media and I was not there to listen to that. I did not have an invite. But the point was made that we are going down a route potentially of education for the market and I would hope that would be challenged because it does not need to be a binary choice. We need to protect now more than ever education for education’s sake; that is to say we provide a liberal, well-rounded education that is not simply focused on academics but it also teaches people how to be complete and interactive citizens, both with the wider community but also within their personal relationships. But also at the same time gives them the tools for lifelong learning so that whatever happens in the economy and whatever the challenges are personally we are building that resilience, if you like, at a cellular level in society so that as a community we are much stronger together. That is not to say we brainwash everyone and give everybody the same values but we of course give everybody the same basics in terms of what we expect and the education. That is where the social and citizenship programme becomes vitally important. It is not just about teaching young people Jersey history and that we are all proud loyalists, and that Jersey were Royalists and Guernsey were on the Parliamentary side in the Civil War. All of those important things are great but we need to really focus on building that sense of community wherever our children come from. Of course we have a wealth of knowledge from people who have been imported - if I may use such as a vulgar expression - to our Island and who contribute so well, even at a young age. I think I have said it before; I do not want to see those young children treated as if they have got special needs. It is surely a terrible thing that children who do not have English as a first language ... the provision that they get in schools, as far as I know, comes under the special needs provision. That is indicative of the fact that we might be getting it wrong from a very young age. These are people who will offer a wealth of knowledge and do very well in Jersey society in economic terms if we allow them to, because they come in at a young age and they are going to be multilingual, they are going to be coding, *et cetera*. It is interesting that we have heard some of the older Members of the Assembly talking about the value of coding and the digital economy. I think that is right but I think that is happening, I think the younger generation are almost teaching the teachers how to code. They are teaching them about technology in a way which it is going to be really difficult to catch up because they can access this kind of stuff at home anyway. So I cannot help thinking that again we cannot rely simply on just the technology and the internet and fast broadband speeds to fix everything, because they will not. We have to promote that sense of community. If Members will allow me a couple of words about the value of the culture, arts and heritage sector in the Island. I said it before yesterday in a question that I welcomed from Deputy Maçon, that that sector - and including the creative industry sector - is going to be critical in the recovery. They are already doing really great work and it is important that we are not tempted to try and cut our way out of what might otherwise be a recession, or try to bring in austerity, because I think that will trigger the recession. I think many of us across the political piece who might not be ideologically aligned recognise the need for fiscal stimulus and putting money into the economy at this time. This is where we need as much state as necessary, and the necessity for the state of course is very big at the moment. I think that there is a potential that we have become risk averse, even at Economic Development, and I think we are finding our way out there. It was naturally because of what happened in the past where grants were given out and we essentially got stung. What I am keen to do is to try and make sure that as well as potentially a wider Innovation Fund there needs to be a cultural and arts fund that people can apply for, that groups can apply for who may sit outside the already established arm’s length organisations. If they have a great idea ... and it might be setting up the next Hay Festival, and we have already got that in the Festival of Words which I do not think necessarily is going to go ahead this year but we really need to make sure that next year we invest heavily in our economy in the cultural sector because it is good for everything. We obviously use relevant governance and make sure we do that, but we make sure that we have a calendar that is full of events so that locals and tourists and business people who come to the Island specifically for this or who are on the Island and then realise that it is such a great place to be, that they want to come back. I think somebody said yesterday that your repeat customers are easier to maintain and it costs a lot more to obviously get new customers. So let us make sure that when we get tourists in the future we really give them a good time and we make sure there is a lot for them to do. The Branchage film festival was an interesting one, I think that probably did not continue for various reasons, but there is a chicken and an egg. Let us take the Festival of Words, they have done really well, I would say, despite Government because they funded that all themselves. The dilemma is always do you wait for something to be successful before you fund it or do you fund it so that it can become successful. It seems to me the latter, while being slightly more risky, is the way to do it because if something is going to be successful imagine how much more successful it could have been if there was just a bit of seed funding from the relevant body or the government department for that. I am just reading the comments. I have been listening to this and I think it has been a wide-ranging debate. What I will say though is that I am hearing some “business as usual”. I was very grateful for Senator Farnham to bring this debate and I also am personally grateful for the way ... I think he was quite magnanimous in the fact that he has accepted that the Reform Jersey core policies about a fairer society and about rebuilding after this, about the new deal, are fundamentally correct. I think that there is a wide acknowledgement in the Assembly that what we are proposing as a party with the new deal being put forward by Reform Jersey is not in any way radical, it is just a basic social democratic model that should be being put in place anyway. My concern is that when I hear some speakers, for example Senator Moore, simply saying: “We cannot tax the rich anymore because they will leave” I am just hearing again there is no new thinking there. What I would say is that - and these are personal comments not attached to my role as Minister or necessarily as a party - is that if the only reason some people are in Jersey is for tax advantage so that they can pay less tax than they would in their home countries then those are not the kind of people that I want in Jersey. If they were to leave because, for example, they were asked to contribute a bit more because our community was suffering after a pandemic or whatever the future crisis might be, then I would say goodbye to them quite happily and perhaps invite some other people who were willing to contribute to our society. That is not a blanket criticism of 2(1)(e)s or super-wealthy individuals who come to Jersey because it is not their fault. They have been invited here and it is successive Governments that have set up the policy, a policy which I have fundamental problems with. But most of those people - we are told anyway - are committed to Jersey. They do not come to Jersey simply because of a tax advantage; they come to Jersey because it is quite an idyllic place to live for them, it has also got good links between the U.K. and Europe, it has got of course a well-established and trusted financial services industry that they can use, and it has got great beaches and it is safe for their children, if they have got children. Those are the reasons so those kinds of people, even though they are here admittedly for a tax benefit, the tax benefit is not a sufficient condition for them to be here or indeed for them to leave. I think I will leave that point there; the point has been well-established. One thing that we have been taught is that we are all in this together and if when we come out of this pandemic it turns out that actually we are not all in it together and that the people who have been out on Thursday nights all clapping for the carers have decided that clapping is okay but as soon as it potentially costs them a little bit more money, because they are the ones who have got the most economically out of Jersey society, that they might pay a little bit more so the masses at the bottom underneath them in that triangle are not having to be doubly punished for something that was not in their control, then I think that would be a terrible shame. I think the good value that we have had up until now needs to be seized upon, albeit in a measured and well thought out way. I can see Members are probably getting slightly itchy. Let me finish perhaps just by talking about the green economy. This is something which I think is going to be critical. Clearly the move away from fossil fuels is happening anyway and we need to be part of that and, as a Government, we need to lead on that. I think we need to get to the point possibly where we have got a single energy entity which has at least some governmental control; preferably it would be entirely owned by Government, perhaps at arm’s length or certainly it would have a controlling share. The reason for that is not just that it makes sense economically and that we can have some direction as to costs, it is that these are going to be strategic decisions that we decide about in the past. This morning, as I was getting ready, and indeed last night, I was thinking do we just go all out as an Island and say: “Let us invest in building windfarms, let us invest in building wave farms, invest all of our rainy day reserve in that and borrow lots of money to do that.” At the end of the day we are going to need electricity and we will effectively get free electricity which we can of course charge people for and we can sell it to the rest of the world. A concern that I then thought of is if we just invest lots of money in these wind farms and another country comes along like France who have got much more free land and have perhaps got more ability to drive that economy, they may end up being able to sell electricity far cheaper than we could do it and, therefore, all the money we have laid out we could find that we could not sell it for the costs recovery that we would want to.

[12:15]

So these kind of discussions need to take place and I think that is when it becomes critical that we take a cross-jurisdictional approach so that we do start dealing increasingly with Normandy and Guernsey and of course the U.K. That also ties up with tourism and our transport links. I do not want to see us become even more dependent on air travel after the pandemic when effectively one of the great things that has come out, the silver lining, is that everyone’s carbon emissions have just plummeted because no one is travelling by air anymore. If we simply want to travel our way out of the economy we need to be looking to do it in a sustainable and green way. Can we do that with one ferry company which is very expensive, which does not really offer services that are suitable between interisland travel? Manche Iles Express, their little boat is a sturdy one and it has been operating for quite a long time, and it is sponsored and subsidised by the Department of La Manche, hence the name Manche Iles Express. One thing I have noticed travelling back and forward with them, even though they do not accept cars of course, is that the staff are the same people who have been on there for the last 20 years and that is because they are a good employer. I know that Condor have also got some very long-serving staff mainly in their offices, but it goes to show that you can have a stable transport link which you can rely on, albeit that it is a small boat and prone to all sorts of weather conditions. The question that I will leave Members with is how much of an interventionist Government and Assembly do we want to be. For me the response to that has always been that as long as we have a proportionate way of achieving a legitimate end in terms of policy then that is what we should do. It comes back to us having a clear vision, and I think this is something that Senator Moore said that I agree with. Governments who have been successful - and they may not have been successful in everything they have done - are the ones who have presented a clear view and a clear value system to the electorate of their vision for society and what kind of community they want to build. We saw that with New Labour and we have seen that with other governments, and I would distance myself from the worst aspects of New Labour of course and we do not need to start invading Guernsey or any Middle Eastern countries. But we need to present to the public a clear vision of the values we have as a society and then how we are going to get that, and what we have seen is the bones of that with a coalition government, the coalition of the Council of Ministers saying: “Okay, we want a fairer society, we want to reduce income equality.” But clearly they do not really understand what that means because we have seen that and the answer is you cannot have a more equal society in terms of economics if you are not willing to bring the people at the top down a little bit and bring the people at the bottom up a little bit. The economy works best when people have spending power, when they have money in their pocket, when they are paid a living wage, when they could afford the rents that they are paying and that they can afford the mortgage payments that they are paying, and that they have got money that they can spend in the economy. I thank Members for their indulgence and I will leave that there. I could clearly talk a lot longer but I would still like to hear what other Members have got to say.

The Deputy Bailiff:

Thank you. We have 11 Members wishing to speak, 8 of whom have not spoken hitherto in this debate, and accordingly I will not be closing this debate this morning and I anticipate that in half an hour or so we will adjourn for lunch in the usual way.

### 1.1.13 Senator T.A. Vallois:

I am grateful to Senator Farnham for mentioning the need for us to discuss education, skills and training which, in my view, are extremely important at all times but even more so during a recovery phase. The fallout of COVID-19 will affect everyone in different ways and the way we move forward will be determined by the appetite of our Islanders and us as an Assembly to take risks and have resilience. This will require trust and confidence but also some out-of-the-box thinking. Having spoken to a variety of people over this period one of the discussions that come to the forefront of my mind is the cycle of change throughout history. We know and are fully aware of the typical boom and bust periods of the economy, but let us take the 50-year cycle and ask ourselves what happened during the last 50 years to get us to where we are now; the Strategic Reserve, the Social Security Fund, the finance industry to name a few. The way we are connected as a global market and as citizens these days should inspire us to consider wider opportunities and not buckle back down into our bunkers of the learned way of thinking. We have to open our minds to the possibilities of change. We need to expect and embrace the views and thinking of those who do not necessarily see the world in the way that we are so used to. This brings me on to the thoughts I would like to share with my colleagues during this debate around a variety of factors. Behaviours and culture have a great deal to do with how we drive forward. Last year we passed the Public Finances Law that placed well-being at the centre of public finances. This was something that I requested of the Minister for Treasury and Resources as a small collective of Ministers assisted in the development of that legislation. So why do I mention this? Well, well-being is when people are able to lead fulfilling lives with purpose, balance and meaning to them. In order to achieve something like this it requires flexibility, adaptability and resilience in a fast moving global context. Measuring our Island based just on G.V.A. (Gross Value Added) should no longer be the norm. We need to consider the value given by those who care for our children and the vulnerable in our community. This will require understanding of equity as we know those who will have more caring responsibilities will be more heavily affected throughout this crisis. A healthy, equal and happy population will assist in improved productivity and a common purpose to achieve as a collective rather than as individuals and self-interest. We have many barriers to overcome, many of which have been mentioned. We should not and cannot assume just having a living wage will be the only thing that will assist in our goal for well-being. The vision, the plan and the expectation for education, skills and training will be a fundamental way to support both short and long-term ambitions for all Islanders. Ramping up and enhancing the work that had already begun before COVID will create a good foundation to build on. For us to diversify, preserve and adapt into our new 50-year cycle we need to place value on those industries that will always serve us well, and to ensure sustainability on an island. However, we also need to rethink the way we learn and what outcomes our Islanders expect, not just in the context of our own economy but as global citizens. There is no longer such a thing as a career. You will see our younger generation going into jobs in the future that do not even exist today and probably multitasking in a variety of areas which will require a broader set of skills and possibly very different ways of thinking. We should be building our current thinking around what we already know and how we can improve. So here are some of my thoughts, and there are just a few because I do not want to hold people up for too long. A large proportion of our business community are small or medium businesses and we should be encouraging and allowing self-employed businesses to flourish and consider the contributions to social security to allow them to succeed and also take risk. Broadening our tax base so it is not heavily reliant on income which has been a source of discussion for many years now, but we have not managed to overcome this. Collaboration between older generations and those of younger generations to share new skills and old, for the benefit of each other and improvement of our own self-worth. Academia is no longer what it once was but people place so much more value on it than vocational, but vocational will be needed much more going through recovery and into the long term, not just for our younger generations but also within the workforce because it will offer an opportunity for reskilling but also another route to those who are not academic who will be able to succeed and therefore feel valued and build on their prospects into the future. At Education we have carried out a great deal of work with our community around the views on education which we can now drive forward with, but we will be doing a revisit through a survey to hear people’s views and experiences during COVID-19 and whether there is anything that we can build on and do better. Flexible working is already allowed under our Employment Law and there will no longer be a reason why it cannot necessarily be done, but we also have to understand that human nature needs social interaction and learning through their peers. We have developed a recovery curriculum for our return to school. Why do I mention this? Because it is fundamentally important to recognise that children and young people who have anxiety, safety concerns or are vulnerable to the elements will not learn and, therefore, reduce their own potential. We should be applying the same to the workforce as their productivity will be affected by their own anxiety and concerns throughout this period and possibly into the future. On the point that Deputy Tadier talked about around gap analysis of loss of learning during the crisis which will be carried out and is crucial, particularly for those with lower socioeconomic backgrounds. These are just a few of the things that we can get on with now but on the subject of digital, as Senator Moore has mentioned, the investment made on fibre has put us in an extremely good position. What COVID-19 has done is removed many of the excuses that have been allowed to be used before as a reason not to do something. We must and should have a can-do attitude. We now have the opportunity to build on what we have learnt and utilised during this period with technology and take this much further. This will require investment in our workforce for continued development in this area, but also new learning through new technologies. Are we willing to take the risks and adapt? Finally, we have been stuck in a rut and a cycle for the last 10 years of all types of savings and cuts, not many of which have been sustainable and have created many more problems and have not enabled an ability to innovate and change the way we do things. We have to consider the impact of taxpayers’ money on our community as a whole and not just a few, and the value it adds to all, not just some. Focus on spend in the Island supporting our businesses and people, ensuring the programmes and the offering we provide have positive outcomes and, if they do not, be nimble enough to react and adapt to that to improve. Utilise the thinking of a wider spectrum of the Island including those who understand themselves as disruptors. Ultimately, when determining the aim, put yourself in someone else’s shoes and ensure that they are heard.

### 1.1.14 Deputy M.R. Le Hegarat of St. Helier:

Firstly, I would like to say that I think we should be supporting small enterprises that are local. They have certainly stepped up to the plate over the last weeks ensuring that Islanders get produce delivered to their doors. I have to say that both local farmers and fishermen have got to be looked at when we look to support people. My mum used to say to me some 50 years ago that the local shop was the cheapest shop, and maybe as a child I never really thought so much what this means. It means to me as an individual that I look to go to the local shop where I am not driving my car so far or I am able to walk. This also means that I am spending less on fuel and I am helping the environment in that matter as well. It means that we are supporting local producers, both in the fishing industry and within our agriculture. I would like to see us moving forward, having a look at where we can diversify in relation to where things are maybe highly labour intensive but those opportunities which may not be so and, therefore, being able to look at without too much extra labour. Also I think it is very valuable that as an Island we utilise ... as I said, we have farm shops, we have a market in the centre of St. Helier and we also have a fish market, and local fishermen have found difficulties because of the shipping in relation to European markets so we need to be supportive of these industries. I would like us to look at, as I said before, our exports and our imports. What are we importing that we are exporting of the same nature? I am sure there are things. Our Jersey Royals, for example, there has been rumour in the past that we are importing them back into the Island from the U.K. and maybe that is not the case today but I would like to look at what we are doing to ensure that we are not exporting things that we grow locally. So let us look at that and support those areas.

[12:30]

Moving forward I am happy to follow the previous speaker because I am one that has hugely benefited from local online training from a very young age, utilising of Highlands College, and I think that is imperative to us as an Island to be able to educate more people locally and be able to provide those service industries where we are short. I would also like to say ... one of my colleagues has already spoken in relation to the lack of funding. I am very pleased that we have been in a position financially that we have reserves, as I assume a number of States Members are likewise. However, I do feel that we maybe in the past have not spent enough money, particularly on health, on our hospital. I think it is imperative that we continue with this project. We have not spent sufficient funds on mental health and we need to ensure that moving forward that this matter is addressed because it cannot continue into the future of our Island people. I also would like to see us look at our infrastructure. Again I think we should have invested more in relation to infrastructure. We still have a lot of our residents that do not have access to proper drainage or water facilities, and I know that this is a very large project but it is something that moving forward we need to consider, and of course that would also mean spending money in the local community. People talk about the Island Plan, and of course there will be different opportunities because I know, as others do, that people working from home I think will continue and there will be availability of spaces across the Island where people reduce having to go into the office. Although I think they will still go into the office because people do need to intermingle and have an opportunity to see each other on a daily or alternative day basis. Yesterday a Proposition was brought to us from Deputy Morel. That was quite clear about internal and external contracts, and this has been a matter which I have asked on a number of occasions within this last 2-year term about internal contracts alongside consultants, *et cetera*. We may have someone that will tender from the U.K. or elsewhere and the tender will be lower than the local tender. However, what do we need to consider when we accept those tenders? Where does the money go? The local person will pay tax potentially, or they will certainly spend their money locally, so that money is utilised across our community. The contracts from the U.K. may be, for example, £1,000 less, however, what is the actual saving because that person does not pay tax locally and certainly will not be spending their money locally either. So I think as an Assembly there are a number of things that we need to look at moving forward and this is an opportunity, as a number have said, not the best opportunity we would have all wanted but we are today where we are. Therefore, I will finish by saying we need to look at what we have been provided over the last few weeks and support those individuals that have helped us, and whether that is by paying minimum wage to those people and those communities or giving them help in other areas, I think we need to now support our entire community.

### 1.1.15 Deputy R.J. Ward of St. Helier

It has been a very interesting debate in this format as well and some really good ideas and lots has been spoken about. One of them is the fact that we do exist in a wider economic context, and one important context to spill out from this right from the beginning, and perhaps is a warning, is this: for a long time free market economics around the world has fuelled and relied upon inequality. It has risked constant market failure, fuelled damage to the environment, thrived on short termism, driven excessive materialism, and ended up with damaging boom/bust economic cycles. So how are we to develop our economy within this wider context? Is it to be more of the same with a zealot-like faith in the mysterious forces that drive this free market, or do we take a step back and reset our priorities? For a small Island with such an integrated community the approach and decisions we take will be vital for the life chances of so many. It is indeed the principles and political vision behind our governance that will determine the nature and the future of our economy. I would disagree with those who may see the economy as some form of separate entity. It is not; it is integral to the lives of every resident of Jersey. So the economy must work hand in hand with people and the basis of that is the value of those who work day to day to feed their families, provide a home for themselves, and to endeavour to have the best life they can. This leads on to what we mean in Reform Jersey when we talked about a new deal. We are referring to a safer society, one based upon providing for the common needs of Islanders and a business sector that is allowed to thrive through sustainable business models and supported to develop these models where a living wage is the norm, workers’ rights are not a threat but an opportunity for good relationships, and high quality training and increasing the skillsets of workers is understood as real investment. We also need to ensure that we support people and business at times of need, such as the ones we have all experienced recently. We must learn from the experience that we have been through. So what are some practical actions? Many have been mentioned. One notion was building our way out of recovery, and if and when we do build it must be energy efficient homes and buildings that look long term. This helps us with long-term energy security and addresses part of our commitment to tackling climate change. Education is vital and as we educate we must do so with the best resources for our children and give opportunities for lifelong learning, sharing books, sharing I.T., making do with low budgets and failing to give access to training and professional development our educators want and need must stop. There must be access to that so we skill our workforce for all levels. We need to resist any move to burden our young people with huge debt as they work to obtain the skills and knowledge that is essential in a modern, skilled economy. We must stop the narrowing of how we judge the success of our students. Modern economies need skills from across disciplines. I cannot remember which Constable it was that mentioned about skills that are needed for employability in particular, and Deputy Tadier mentioned that it is beyond that; it is about being able to exist and be really able to contribute in a wider context in our society. That will not happen if we simply narrow our success to a couple of exam grades. Our healthcare system must be available to all at the point of need. Monetary barriers early on to primary healthcare can damage lives and make a much greater need later on. The economics of that is it is much more expensive if we do not get it right early. As we spend an eye watering amount on a new hospital we need to take into account the future of healthcare and the future of the sort of treatment that we want. We need to consider that hospital should not be the first place to go, we should be getting our health right within our community as well and that may not be the cheapest option when we first start but we have to think that through very carefully. Our environment is part of a global emergency and we have made the world leading decision to declare a climate emergency. Now we have an opportunity to invest in this in real time for real reasons and to give us one of the most sustainable economies in the world, and when we talk about attracting business this will be a very powerful string to our bow. Local agriculture and fishing are a resource that needs to be valued and supported within the framework of sustainability. Housing is a basic need for all; we must stop the build for lock up and leave and the outside purchasing of homes for rental that fuel high rental and return little or no tax revenue to the Island. As we discussed a digital economy, I suggest you refer to the opening discussion of the public hearing on 15th March where a definition of what digital economy means was given by Digital Jersey. I have emailed that to all Members, and it is a term that must not be thrown about as a cure-all. The implications of automation, artificial intelligence, for example, for the workplace must be understood and implemented with thought and with underlying principle that could lead to a better work/life balance or we may end up with something far less attractive. We live in a very different world from just 4 months ago. The response from the Government has provided protection for jobs and businesses but as we recover we must look further than the failed models of 2008 austerity, cuts to service, regressive tax and short-term hope. I am concerned that the panel set up for recovery will not include ideas beyond that that have failed before. I agree with Deputy Doublet with families being represented and with Deputy Alves with the importance of workers having a clear voice and representation in these discussions. When money is limited we have to spend on the things that will benefit us all the most. We must invest now to benefit long term, and then long term look at the structure and nature of our tax system, the affordability of housing, the need for a genuine living wage, and a social security system that does not trap people. All of this is essential to rebuild and ensure a safety net for future challenges. There is so much more to say. I, and we in Reform Jersey, welcome the debate and I hope people will listen and consider new ideas and engage in the development of an economy that serves us all.

# LUNCHEON ADJOURNMENT PROPOSED

The Deputy Bailiff:

Yes, certainly, the adjournment is proposed. Who was that speaking, I could not tell?

Deputy K.G. Pamplin of St. Saviour:

Deputy Pamplin, Sir. It is 4 minutes to the call, I just think for the benefit of the next speaker not to be cast off and for all of us to reset.

The Deputy Bailiff:

Is that seconded? **[Seconded]** Is there a general agreement in the chat that we should adjourn now until 2.15 p.m.? Yes, there is. I have seen sufficient in the chat. Thank you very much, the States are adjourned until 2.15 p.m.

[12:43]

# LUNCHEON ADJOURNMENT

[14:15]

### 1.1.16 Connétable J. Le Bailly of St. Mary:

This is all in regard to the Island Plan. I agree with the Deputy of St. Martin’s comments 100 per cent but I would also say that the idea of Planning Officers visiting sites for spot checks is not new. It is something that happened 50 years ago-plus when I was a carpenter’s apprentice. This method of communication between planning and contractors was extremely successful and should be reintroduced, as it saves lots of time and increases efficiency during building. We also need to change the actual method of build for conventional housing. We need to build faster, which means we can build cheaper. We do not have enough local tradespeople to do this, so that means importing flat-pack housing, not the people who build it. This method of build will also help to stabilise our population control, which at the moment appears to be non-existent. We need to build basic homes with conditions attached, not to sell on for profit. We need to build to satisfy the market and also to keep purchase prices down as this will also stabilise rents. This can be done in a sensitive way without spoiling our Island. We now have planning panels in most Parishes, who have evaluated their Parish with a view to areas which would be acceptable in order for that to happen. These should be Parish decisions, not made in a States office. This needs negotiation with each community. There may be valid reasons on both sides either for or against but working together is the only way forward. With regard to apprenticeships, I was interested in Deputy Maçon’s comments. Learning is far best taught in the workplace. This is not something that Government should be expected to provide. We should encourage businesses to teach apprenticeships for their own employment benefits. Employing an apprentice is now a very costly commitment and it would be far better that an apprentice is subsidised directly to a business. However, being an apprentice is a commitment. It is about working, not taking gap years, and after the reality check which we are all going through, that may not be advisable anyway. It is a simple decision for young people: “Do I work to improve my future or do I swan around and hope that someone bails me out at the end of it?” One last item, drainage. We severely lack infrastructure, the basics, fresh water and drainage to many areas of the Island, St. Mary being one, and I hope that this will be considered because it has been fobbed off year after year due to lack of funds, and of course that message will be echoed due to corona. When every home in the Island has electricity and fibre optic cables, it is time to attend to the basics. We will never have the money for this project because something more important is always highlighted, so borrow the money, get this done. These second-class citizens are totally fed up. Thank you very much.

### 1.1.17 Connétable K. Shenton-Stone of St. Martin:

This debate has covered the critical need for more jobs, a living wage and sustainable finances. It has provided us with a clear understanding of this Assembly’s determination to revive Jersey’s economy and bring it back on course. COVID-19 has fundamentally changed how the States of Jersey interacts with Islanders. It has proven how vital and how necessary Government support can be and just how much can be done, and hopefully the Government will continue to be as responsive and responsible in meeting people’s needs as it has been in recent months. But to have a strong and capable economy we also need a state that is able to support those in need and keep them from falling out of our economy, with good physical and mental healthcare that provides for all, enhanced workers’ rights, high-quality education and retraining, genuine support and help for those in need and a liveable wage for all. In the autumn we are set to debate a recovery plan, which will set out a plan to get our Island back on track. However, we should not settle for a recovery that returns us to what has been before. We need to take advantage of this moment and focus our rebuilding and recovery on creating an Island driven not just on cold hard logic and the vitality of a healthy economy but as we have learnt through this crisis, the Government can also succeed with empathy and a holistic approach, which must be carried forward into all future economic strategies and priorities. Deputy Morel is correct that we need a living wage. If we want our Islanders to spend money and invest in our internal economy, we need them to have the cash to do so and this can only be achieved if they are paid enough to live well. He and other speakers have also been correct in calling for a sustainable economy. If we are to invest in new projects such as the Future Hospital, they should be done in ways that promote environmental and economic sustainability, investment in infrastructure that is able to make a positive contribution to Islanders and set a benchmark for other jurisdictions to follow. Finally, we must not forget that numerous jurisdictions have taken this time of crisis as an opportunity to reframe their economic model and to try to be as innovative as possible in designing their new public policies. By way of example, the City of Amsterdam is set to embrace the economist Kate Raworth’s theory of Doughnut economics, which promotes a need for each citizen to lead a good life and derives minimum standards from the U.N. (United Nations) Sustainable Development Goals. In the economist Kate Raworth’s own words: “Humanity’s 21st century challenge is to meet the needs of all within the means of the planet. In other words, to ensure that no one falls short on life’s essentials (from food and housing to healthcare and political voice).” Likewise, news reports from this morning have indicated that the U.K.’s Chancellor is set to take a leaf out of the Opposition’s book, Labour’s manifesto, and call for a green industrial revolution to revive economic activity and get people back into work. It is true that it is vital to get our economy back on track and get our key financial sectors moving again but it is also key that we do not shy away from the opportunity to innovate and build something better than what we have had before. We do not just need to be efficient, we also need to be kind.

### 1.1.18 Deputy S.J. Pinel of St. Clement:

I make no attempt to answer every speaker’s questions but hopefully can deliver an open and general answer to some of them. The measures the Government have taken in the past few months have all had one core purpose at their heart, the protection of lives and livelihoods. That has been the key to our public health strategy, of which the economy is a fundamental part, because the economy is all about lives and livelihoods. It is why at the outset of this situation/crisis I worked with my colleagues to agree G.S.T. (goods and services tax) payment deferrals for businesses to enhance their available working capital. This was complemented by the deferral of employer social security contributions, agreed by Deputy Martin. It is why, as Minister for Treasury and Resources, I worked with my ministerial colleagues to agree Phase 1 and Phase 2 of the Payroll Co-Funding Scheme and why earlier this week I extended that scheme until the end of August. It is why we, as the Government, have ensured that we have been as flexible as possible in using our own accessible liquid assets to support businesses and Islanders by making available the largest package of economic support measures this Island has ever seen. It is a principle and an approach that so far is working effectively. However, we are still in a crisis and there is still a long road ahead, emphasised by Deputy Ash with his Churchillian quote, so it is as important now as it ever had been that we keep sight of our core purpose, protecting lives and livelihoods, and it is this approach which must guide us as we move into the recovery. The Deputy of St. Martin rightly stated yesterday that any talk of medium and long-term measures must not mean that we lose sight of the need to keep up our support in the short term. I can assure the Deputy that we will not lose sight of this need, and as a number of my ministerial colleagues have said, there will be no cliff-edge halt for business. We know that some sectors will need more support and for longer than others. That is already the case now, where some industries have been able, for obvious reasons, to adapt to the realities of COVID-19 much more easily than others. To be clear, we should be more grateful for those industries now than we have ever been. We should be grateful for the sectors that make up our International Finance Centre, which are and will continue to be the bedrock of our economy. These are fundamentally strong sectors and they have demonstrated and we will continue to provide the climate and support that is necessary for them to succeed in Jersey. We should be grateful for our food retail businesses and all those who work in the supply chain that have ensured we have experienced so little disruption in the delivery of essential goods to Islanders. We should also be grateful to those who have kept our essential utilities and infrastructure operating throughout this crisis. So while we should be encouraged and again grateful that much of our economy has shown resilience, we need to keep up support where it is needed and be thinking about a stimulus package to supplement this support, providing the springboard for individual families and businesses, who need to launch us forward into the recovery. Talking of fiscal stimulus, a package of measures is needed to give confidence to Islanders and businesses, to those who invest in Jersey and to ensure that more money is put back in the pockets of those who know how best to spend it; the people. A fiscal stimulus package should be released in the next few weeks. With regard to tax, we should be looking at options to achieve this through our tax system. Zero/Ten/20 is vital to the protection of our finance sector. We need it more than ever at the moment. We have, in recent budgets, extended both the 10 per cent rate and 20 per cent rate, for example, to moneylenders and large corporate retailers respectively. Providing we maintain 0 per cent as our standard rate, we can of course keep reviewing any ideas for extending the 10 per cent rate and the 20 per cent rate. We should especially support those on the lowest incomes, targeting our support at those Islanders who will benefit from it most. One measure, as discussed frequently, could be to roll up 2019 prior year taxpayer debt and pay it back in 5 years or between 5 and 10 years. We should provide an economic boost to Islanders and give them more money to spend locally on goods and services that benefit Jersey. As has been mentioned in several speeches - and I completely agree - we must of course also consider key upcoming capital projects already in our programme to ensure that we make the most of local stimulus from these projects.

[14:30]

This has the combined benefit of delivering long overdue and much-needed public facilities being built at just the moment an investment in the local economy is needed to stimulate growth. As Members know, we have chosen to borrow to fund the economic support package that is in place now and the short-term deficit we face in our public finances. In time we will need to return to balanced budgets but in the current circumstances and to support the economy and essential public services through this crisis, it is absolutely the right approach. Following the financial crisis, Government put forward an allocation to invite smaller scale initiatives across the Island that delivered timely, temporary and targeted support, while at the same time providing investment in our community. I intend to do likewise, with particular consideration as to how this can be tailored towards projects that are directed at reducing our carbon footprint, improving our tourism offer and opportunities arising from the changes in patterns of working arising from Islanders’ experience of the lockdown, and in that I must agree with the previous speaker; investment in heritage and the arts. I have spoken today about lives and livelihoods, putting money back into the pockets of people living in Jersey and encouraging investment in our local economy. I strongly believe in continuing our support for local businesses, ensuring that we buy local where possible and recycle our Jersey pound to maximise the positive income impact we have on our economy. It is this attitude and approach as much as any that will get us through this and into recovery and growth because it is our local businesses that will be the source of much of the employment and tax revenue that delivers future success for Islanders. That is why I believe in the support package we have implemented so far. Why? I believe in supplementing that support through a stimulus and investment package and it is why I believe that we will come out of this emergency and back into prosperity. If we take these steps, we can return to a successful, open economy and to the growth needed to meet the aspirations of Islanders. We can maintain our excellent public services and simultaneously return to our historic practice of running budget surpluses, which put us in a strong position to face this crisis, and we can pay back the borrowing. Indeed, failure to deal with debt in reasonable time would simply represent this generation denying to future generations the same opportunities for public spending that we have been afforded and there is no justice in that. This debate represents the beginning of our consideration and discussions on the economic recovery. It is an important debate because States Members need to play their part in considering and implementing many of the changes that will be needed. We are very fortunate to be a supple and flexible jurisdiction and able to act quickly as the Government, which we will always do in the interests of Jersey. I am very confident about the future and Jersey’s ability to meet the aspirations of our people and I hope the Assembly shares that optimism.

### 1.1.19 Connétable R. Vibert of St. Peter:

There is no doubt that coronavirus will change how we work. The COVID-19 crisis has forced many companies in Jersey and across the world to ask staff to work remotely from home and this is something we must continue to build on as our economy recovers. Former colleagues in the finance industry have told me that remote working has been more successful than they anticipated. Entire firms in our finance industry have vacated their offices over the past few months and are now recognising the benefits of remote working and the realisation that they can become less reliant on costly office space and considerably lower their costs in future. When considering the Island Plan, I believe we will need to take a fresh look post-COVID-19, as there are many changes that will be required, some of which have already been touched upon. We must consider that additional office space that may have been envisaged may not be necessary and even the **[offline]** may within a short space of time be underutilised, allowing us to consider its use for additional housing, which we know is urgently required. There will always be a need for some office space. Remote working from home is not every job or every employee.

The Deputy Bailiff:

Connétable, you are fading out.

The Connétable of St. Peter:

Sorry, Sir.

The Deputy Bailiff:

I do not know what ...

The Connétable of St. Peter:

I had this problem last time I was in this office.

The Deputy Bailiff:

You are clearer now, so whatever you are doing now is working better than you were doing 20 seconds ago.

The Connétable of St. Peter:

Okay, I have moved my laptop.

The Deputy Bailiff:

All right, that is better. Thanks ever so much.

The Connétable of St. Peter:

Is that better now?

The Deputy Bailiff:

Yes, that is better.

The Connétable of St. Peter:

All right, I will start. There will always be a need for some office space. Remote working from home is not for every job or every employee. It follows that employers may in future look to recruit staff that they feel will be best suited to remote working. Our education system must cater for this and equip our young people with the right skills. I believe it is essential that all people of school age have access to the internet for educational purposes and, if necessary, this should be supplied free or at a subsidised cost by Government. This is not a problem for the Education Department but something that Government must address. We should not see our children disadvantaged, for whatever reason, and unable to gain the skills to provide them with the best opportunities in the job market and in life. Our own States departments should also lead the way, firstly ensuring that all Officers in States departments have access to software that allows remote working and that all the software packages in use are harmonised across the departments so that they can talk to each other and arrange online meetings when required. Currently this does not happen. I recently experienced the lack of compatibility across States entities when we had a swearing in of Officers with the Royal Court. The Royal Court package was blocked by the States I.T. system and I had to rush home just before 10.00 a.m. to pick up my personal laptop, which was able to connect with the Court. States departments must continue to support remote working post-COVID-19 and reduce costs in the same way as private businesses and at the same time reducing the Government’s need for office space. This is something that must be factored into our plan for the new States offices. There is a great opportunity to build on the benefits of remote working which cannot be ignored and which in turn would allow us to release space currently used by offices to create more homes. Our young people must also be given the correct skills to thrive in this new environment.

### 1.1.20 Deputy J.H. Perchard of St. Saviour:

There is so much to talk about when discussing the economic recovery of Jersey. In trying to plan what I was going to say, I made a list of things that I felt needed urgent attention. For example, I have always said that we need to stabilise the population at a certain size, rather than overcrowd and over-develop and therefore we need population controls, complemented by productivity gains. We need to make housing affordable, because it currently costs £250,000 to buy a one-person sized flat. We need to address the inequality of the social security cap because this payment is about essential care for all members of society. The tax system is regressive. Those earning above £62,000 pay a smaller overall share of their income in tax. There are divided views on this but those who disagree with the idea of the wealthiest paying a smaller share are often unfairly labelled and dismissed when what is really being asked is: “What is the justification for regressive tax and where is the data to support it as a tool that benefits the whole of society?” Is it fundamentally right that those earning more pay a smaller share? If yes, why? If no, what is the right way? In education, a number of students cannot read and write when they go to secondary school but even this small minority deserve the extra support that is required to give them the best chances in life. We need to give schools the resources they need to do this. Homelessness exists in Jersey. I know the Minister is taking action to try to tackle this issue but awareness needs to be raised. When I tell people that we had over 360 homeless people in Jersey as of 2018, they struggle to accept this as a fact, and I am shocked that there is such a lack of awareness on this issue. As of 2018, one in 3 children were living in relative poverty; self-harm in adolescence is on the rise and 42 per cent of teenagers report high levels of anxiety. Last year one-third of adults reported experiencing discrimination because of their gender, race, disability and other characteristics. One in 3 adults in Jersey find it difficult or very difficult to cope financially; one in 3. For perspective, that equates to about 16 Members of this Assembly. The environmental crisis is not being treated as the emergency that it is. The list goes on and on. The reason that this list is so long is because everything in our lives relates to the economy. The economic model we use shapes the way we think and lies at the foundation of every policy that we write, yet for decades, if not centuries, we have unquestioningly accepted flawed economic assumptions and laid them at the foundation of our policies and our laws. I sought expertise and opinion from a range of different people in advance of this debate. I shared with them my lofty views on the foundation of our economy and my desire to see a new wave of economic thinking bring us up to date with the 21st century. During these discussions I was asked whether this is the time to question the foundation of our economy. Is it the time, during a crisis, to try to encourage a shift of this size? Is it the time for this kind of upheaval? I thought about this carefully for several days because this question is valid. We are in a time of crisis and our priority right now has to be to survive and protect others in our community. However, this debate is not solely about the immediate. It cannot be. We are at the very beginning of the crisis. We have to take a long-term view, so my answer is yes, this is the time to question the very foundation of our economic thinking. An article published by the *Economic Times* over the weekend made a distinction between the social ending of a pandemic and the medical ending. Medically speaking, we are nowhere near the end of the pandemic. The medical ending occurs when the incidence of infection and death rates plummet. You only have to engage with world news to know that we are not there yet. For coronavirus, the medical end is not yet in sight. The first thing we need to do in planning for an economic recovery is acknowledge that fact. The social ending is something else. The social ending occurs when people start asking the question: “When will this end? When can I go back to my life?” The social ending occurs when people become fed up of living with panic and in fear and instead start deciding to live alongside the disease. Unfortunately, with this particular disease, the social ending is divisive in itself because the severely vulnerable members of our society cannot return to any kind of normality until the medical ending occurs. For me, the plan for economic recovery must take into account both kinds of ending. Economic recovery has to include plans to deal with the social ending of the virus and plans to deal with the medical ending. It must take account of the social inequality caused by the social ending, supporting the severely vulnerable members of our society and it should plan for the medical ending by having a vision of what we want society to look like in 3 years’ time.

[14:45]

So returning to my wish list, I asked myself how can we use the economy to achieve all of those things? Is there such a thing as an economic model that delivers? Can we simultaneously make housing more affordable, get cars off the road, make sure all children leave primary school literate and numerate, eradicate child poverty, ensure everyone can afford healthcare, prevent homelessness, boost entrepreneurship, improve productivity, stimulate diversity in business, develop tech and maintain a competitive international reputation? Does the model we have allow for all of this and, if not, is there an economic model that could? Obviously whether we think our current model is working or not depends on what our goals are and, given the Common Strategic Policy, I think it is fair to say that my wish list is similar to the Government’s. So the question is: is our current model working? The short answer is no. Here is why. One image that economic students see at the start of their studies is that of the circular flow diagram. On the one side you have households and on the other side you have business and there are arrows forming a circle connecting the 2, as money going into the household through wages and dividends and money coming out of the household back into business through consumer expenditure and round and round it goes. There are 2 additional arrows showing how goods and services go from business into the household and how factors for production go out of the household back into business. Both sets of arrows create a sense of a circle, money in, money out, money in, money out. There are some fundamental problems with the assumption of circular flow, yet still today in Jersey we have an economy built on it. Here are the main issues: circular flow does not take account of the fact that many households do not reap the benefits of this circulation of money. Since 2015, 1 per cent of the world’s population has owned more wealth than the remaining 99 per cent put together. We know in Jersey that the division between the poorest and richest members of our society has grown over the last decade and is continuing to grow. As of 2018, there were at least 364 homeless people on the Island and one in 3 children living in relative poverty. Clearly the idea that money is flowing in a circle in and out of households into and out of businesses in the way the model suggests is not happening proportionately across our community. Another problem with this economic model is that it does not take into account 21st century contexts at all. It does not value unpaid work; it does not take account of any of the care that happens in the family home; it does not take account of the fact that parents provide a service of great value to society by way of producing and bringing up the next generation of economically active citizens. A third problem with the model is that it ignores the most pressing issue of our time, and that is the destruction of the environment. As described by economist, Kate Raworth, there is a gulf between the preoccupations of mainstream economic theory and growing real world crises, such as global inequality and climate change. We need to build a new model that makes sense for Jersey and that catches us up to the 21st century. We need to ask ourselves: “What do we want for the people of our community?” Then we need to ask: “What kind of thinking do we need to get there? What are our real world economic challenges? What are our long-term goals for our people?” Then we turn to economic models and economic thinking and we ask ourselves: “Which one of these will help us achieve this end?” To me, Doughnut economics is the answer. I cannot express how delighted I was to hear the Constable of St. Martin also speak in favour of this model. Despite its deceptively light-hearted name, Doughnut economics is a serious concept. At its heart it provides an economic model of sustainability. It is called Doughnut economics because when you draw it, that is what it looks like. The inner circle line represents the social foundation. This includes all of the basic needs people need to live: food, water, shelter, political voice, health, education, income and work. The doughnut hole is where we are if people do not have these things. In other words, the hole represents deprivation. The line of the larger circle of the doughnut represents the ceiling of resources. If we fall outside of the doughnut, it means we are not using resources in a sustainable way. Outside of the doughnut lies too much chemical pollution, biodiversity loss and in general an overuse of resources. We want to exist within the 2 circles, in the doughnut itself. This space represents a place of balance, balance between our use of resources and the basic needs of our people. This model ensures that all policy takes into account sustainability and balance. This model can be used to improve the well-being and health of Islanders, create a sustainable economy, reduce income inequality, protect the environment and put everyone first, including children. In short, it would enable us to achieve the Government’s 5 strategic priorities. Doughnut economics is a far better fit for the Government’s strategic priorities than the mainstream circular flow. I know it is risky to take this opportunity to talk about the bigger picture and the overall aim rather than chip in with my own specific requests but I think it is a risk worth taking because everything I have heard in the debates and everything in the Government’s Strategic Plan for the Island is achievable if we reject circular flow in favour of a 21st century way of thinking. In summary, sustainability is vital across every policy of every department, across every socioeconomic issue we encounter. We must move to a sustainable existence. Sustainability is a word that we use a lot when talking about the environment but it is just a word that means that things can be maintained at a certain level for as long as is needed and we can apply those concepts in all areas of policy development. In addition to environmental sustainability, social sustainability and financial sustainability are vital in a 21st century democracy. Every decision we make, every law we pass should include an assessment of these questions: is it financially sustainable; is it socially sustainable; is it environmentally sustainable? If the answer to any one of these 3 questions is no, then it is wrong to do it. In conclusion, everything that comes out of the economic recovery plans needs to pass this test: is it financially sustainable? Yes. Is it socially sustainable? Yes. Is it environmentally sustainable? Yes.

### 1.1.21 Senator S.Y. Mézec:

I think so far there has been some really good contributions. That one just now from Deputy Perchard in particular was good. I am particularly pleased hearing a lot of talk so far about the living wage, and as someone who has fought for this principle on multiple occasions and lost this principle on lots of occasions too, I am very pleased to hear Members speaking about that. For my second contribution into this debate, I want to focus on this political statement that originated from the suffragettes movement: “Deeds, not words, is what matters.” So these words in support of the living wage and some of the other good ideas that have been brought up in this debate are good, so I want to use this opportunity to issue a challenge to ensure that these words are genuinely followed with deeds because this Assembly does have a tradition of talking the talk and then not walking the walk alongside it when it comes to propositions that are brought to the Assembly that often get cast aside, sometimes for spurious reasons. That will not be a way forward to economic recovery. On that point about the living wage, the Constable of St. Ouen made a comment in his speech. Again, he was supportive of this as well and he said that it had to be done with the co-operation of industries, which I thought was an interesting point to make because of course co-operation with industries, with businesses, with the wider population is always the preferable approach. But the question then has to be asked: what if they do not co-operate? What if they dig their heels in the sand? At that point, do we just shrug our shoulders and say: “Oh well, we tried but that will be it”? I do not think that approach is good enough. We instead would simply have to change tactic and move from using the carrot approach to the stick approach to ensure that our will, as the Government of the Island, is what prevails because the Government is meant to rise above vested interests because we are not an appendage of any industry or their narrow interests; we represent all of the people and try and achieve the best outcomes for the whole population, even if that does mean challenging parts of our society who find that challenge unwelcome and we must be prepared to do that. When creating a fairer and more prosperous society, none of this is going to happen by accident. There were some comments made by previous speakers that I thought were naïve in their understanding of how economics works, because it is simply not the case that if a government just gets out of the way of business then that automatically leads to prosperity. There are strands of free market thinking that believe that to be the case but I think the evidence shows that it is not the case. What that does is it eventually leads to monopolies, it eventually leads to mass income inequality, which ultimately is not good for a sustainable economy. What you need is a state which is prepared to step in and correct injustices and direct the proceeds of economic growth to the areas which benefit us all. To do that is not an authoritarian approach, it is not an extremist approach, it is a good approach that ought to be celebrated because the power that the state has in an economy is a power which can be used for good that no other enterprise has, and with a stated ambition of raising living standards can be, I think, inarguably the way forward. Believing in some sort of Adam Smith invisible hand that will just magically guide everything as long as the Government sits on their hands is completely naïve. Having made my contribution at the start of this debate, outlining what myself and my colleagues in Reform Jersey think needs to be considered in the recovery programme, and now with the end of this debate approaching I wanted to make clear a challenge to the Deputy Chief Minister when he sums up - or the Chief Minister, if he is going to contribute to this debate - to make some clear commitments on some of these principles because we cannot wait for all of this, for the Government Plan debate in December.

[15:00]

There are things that need to be done sooner, things that we have the ability to do. We just need to make the political decision to achieve them. If they have not already, I would urge them to get pen and paper to make a note of some of these because I am going to chase them with points of clarification if they do not address them in the closing speeches. So the first commitment I would like to get is for this first phase, what Senator Farnham calls “respond” but which we call “relief”, are he and our other Ministers prepared to make that commitment that we are not going to allow financial support to be dropped for people who would be made destitute without it? We can argue about the detail, how that is done, whether alternatives are provided, but that principle, that through the remainder of this crisis and before we have a recovery that is advanced enough to sustain people independently, that we will make a decision to not allow people to fall into destitution when various support schemes might be considered to come to an end. But people may not have been able at that point to gain employment or deal with some of the debts that have been accrued in this time. That is the first commitment I would like to see. The second is a clear commitment on this principle of the living wage that a proposition to get us in that direction will be forthcoming because it is really easy to say: “Yes, we support the principle of a living wage” but if nobody is prepared to vote for it when push comes to shove, then it is just nice words, talking the talk and not walking the walk. So will they make that commitment that a proposition will be forthcoming to introduce the living wage or to move towards the living wage with the necessary plans and work with industries that will have to come with that? Will they make a commitment that when jobs are being created as a result of economic stimulus - and hopefully the focus of that job creation will be in the areas of the future that we want to focus on, the digital sector and environmentally friendly jobs, *et cetera* - are they prepared to commit not to celebrate the creation of a job which is low paid, with insecure terms and conditions and will they instead say: “We have learnt from the mistake of the last economic stimulus package, which led to the proliferation of zero-hours contracts and poverty wages. We will commit to support better terms and conditions and we will take the action that is required to do that”? Will they commit to including the democratic representatives of working people in the Island as part of whatever branch of the Economic Council that was spoken about earlier in this debate? Because it is all well and good having people at the top of industry experience there but if we want a recovery that works for everyone we need to have people in there who understand what it is like to be at the other end of the scale, those who have difficulties in work or who suffer the consequences of bad practice, so those can be factored into the plan. So will they commit to including trade union representation in that forum so that is included and we simply do not get a one-sided approach? Those were the 3 commitments that I wanted to get from the Deputy Chief Minister or the Chief Minister, if he is to speak later. I hope that we can use this opportunity to show that this will not just be nice words today but on some of those principles where there is clearly, if not a consensus, at least a positive view of across the Assembly and which are clearly designed to make sure the economic recovery works for all, to make those in-principle commitments so that we can hold each other to account in delivering on them and not simply end up in a situation where we are months down the line and we have exacerbated the economic crisis by letting things fall by the wayside, rather than taking the action that we know we need to to ensure people are protected over the next few months before moving on to the next phases. So I make those challenges, and if I can perhaps make an overarching challenge, it would be perhaps an acknowledgement from the Deputy Chief Minister or the Chief Minister that an austerity approach like the post-2008 approach will be ruled out and we will be pursuing one which is based on different principles, having learnt from the mistakes that have come beforehand.

### 1.1.22 Deputy K.F. Morel of St. Lawrence:

Again, I would like to thank everyone for contributing, and it is important to hear that the Sustainable Economic Development Department is getting support for its transformation into sustainability and I look forward to Deputy Farnham making the appropriate changes. But I wanted to focus again on to the practical aspects of economic stimulus or economic success in that respect. I would like to pick up where Senator Vallois and Deputy Maçon left off and talk about the importance of life-long learning and training. I will leave aside kind of pre-18 year-old or under 18 year-old education but talk about the enormous importance of Jersey providing opportunities for life-long learning throughout the period of everybody’s lives, for too often it is something that is spoken about but not delivered upon. Something that really brought this into focus recently was a phone call I took last week from a 57 year-old gent who has previously worked in the construction industry but understandably at the age of 57, as a manual labourer, that just was not a possibility anymore and clearly he is still some years away from his pensionable age. But it is proving hard to find him work and in fact his job coach, provided by the Government, suggested to him that he look for work on a building site, completely ignoring the fact that his body is not capable of doing that anymore, after 4 decades or so of hard labour. So he asked me straight up, he said: “What will the Government be doing to help people like me retrain in response to this crisis?” and I did point out that from that perspective, because his need to retrain and find work predates the crisis but I did say judging by the 2008 financial crisis, where the Government really did move fast and invest in training - which sadly has petered out - this crisis should precipitate further investment or significant reinvestment in training for people of all ages of the population. I cannot understate the importance of this. We are asking people to retire later in life. In fact, I work personally - and I believe my wife does too - on the idea that we will never be able to retire in that sense, so we will have to keep working long into our lives. I think this is a reality for many people but clearly it is not possible or going to be possible to do that if you work in very physical jobs. So I ask the Government to really build new training programmes which give people the confidence, because that is what is so desperately needed. After working for decades in one type of work, you need confidence to believe that you can move to another type of work. Very often that new type of work will involve the use of technology. Again, we see it even in this Assembly, people who are less confident at using technology and adopting new technology. They need help and they need training in that area. It is by building that confidence that we will then be able to build flexibility into our workforce, into our people, and by doing that everyone will be able to live far more fulfilling lives long into their working lives. But on top of that it has to be said that we also need to encourage training within organisations, not just the state providing training but too many organisations, including the States of Jersey itself, do not take training seriously enough and do not understand the importance, that when you adopt new tools, it is vital that the users are trained on using those tools. I have to say, to avoid any conflicts that people may perceive, my wife does work in a technology training company but I do not speak for her benefit, I genuinely speak for the benefit of this Island because too often - and we even see it now with the software we are using at this moment - not enough time or investment is being placed on training the people who use that software. As a result, many organisations in Jersey are running at levels of productivity far below where they could be because they do not understand how to use the tools they themselves have bought. This is a serious problem for the Island and until we change that culture, until we move beyond this reticence to invest in training as an organisation and as an Island, we will continue to stymie ourselves and essentially shoot ourselves in the foot. Taking that a bit further away, I would like to talk about some other areas of learning that I believe are vital for Jersey and vital for the success of our future economy. One of those is language learning. This has been brought up before, and again I will turn to Deputy Maçon and Deputy Tadier, who have both championed language learning in different ways. But if we are to be an Island that wants to reach out to a global world - to the globe, because obviously the world is global - then we need to appreciate and understand other languages. We cannot rely stubbornly on the use of English as the only way forward. By learning languages, by people learning to understand languages, they gain so much more than just the means to communicate, they learn so much about themselves as well. Indeed, I would say in Jersey itself we could do with learning languages of those communities that live here so we can better understand each other within the 100,000 people who live on this Island. Because I do not want to dwell for too long, I would also like to point to some of the institutions that we have in this Island which are already training or teaching in some ways. I do believe the Government needs to use them to harness their expertise and build upon it to develop new institutions that can help us in terms of research and developing our understanding of the Island that we live on. We heard Senator Moore earlier talk about J.I.C.A.S. (Jersey International Centre of Advanced Studies) I believe the acronym is, and also I would like to point towards Durrell. These are institutions that already exist in Jersey which are providing excellent levels of education to some Islanders but also to people who are off-Island. They have world-leading levels of education and Jersey needs to tap into this to give not only the education that people need but to develop the Island’s own expertise and at the same time to give young people something to aim for and a belief that here in Jersey they can learn without having to go abroad and they can be excited by the sense of becoming world leaders in various disciplines. We also have Highlands College which has, in my view, been struggling for many years to find a clear identity. Often it is hailed as the institution that could become a university; often it is seen as being primarily focused on vocational training.

[15:15]

It is not important, in my view, as to which route it goes down, but we do need to make sure that Highlands is used to provide that higher level of education to Islanders that will help them take this Island forward, that it can certainly be used to develop the skills that we all need but we need to invest in those areas. So when I hear - bringing it back to public finances - people talking about the need or deciding where we need to invest, I cannot understate the importance of investing in education but do not think of that as just education for young people, it is education for people of all ages. If you lose a job at the age of 64, how else are you meant to find a new job without retraining? The retraining is important, it is vitally important, but so is the confidence to say to yourself: “I can retrain. I can learn something new, despite the fact that I am 60 years old.” Jersey needs to adopt this kind of mentality and the Government have a vital role in developing that attitude within us, because it is never too late to learn. I know plenty of people who have learnt new skills and gone on to new careers at incredibly later ages. I appreciate I can ramble and I want to stop myself, so I will leave it there, but I would just highlight the fact that skills training, incentives for training within organisations and the development of new training institutions or the development of existing training institutions into new ones I think is incredibly important for the development of our economy as we move forward.

### 1.1.23 Senator S.W. Pallett:

I am not going to talk too widely about our economy but I do have some areas that I do want to comment on. I think we are very fortunate that we do have a relatively diverse economy. I think many may wish that it was more diverse but it is important to remember that an area such as digital has already shown - and that has been mentioned today already - how important it has been to changes within many sectors of Jersey’s economy already, including both the finance and legal sectors. Life in general though is not just about work. Providing good quality, well-paid sustainable jobs is a goal we should all aim for but, as we all should know, a good work/life balance is vital if we are going to improve the well-being of all Islanders and reduce the risks of poor mental health to our community. Community is at the heart of Island life. Strong community values have helped our fight through the pandemic. We have supported the most vulnerable - our neighbours, our friends, our colleagues - in an incredible way and we should be thankful for the attitude shown by Islanders during severe restrictions, and they in turn supporting Government in reaching the current position we see ourselves in with relatively few active COVID-19 cases. As I have said, getting the work/life balance right is vital to all. Our leisure time, our family time, our downtime is so important in ensuring that we have happier Islanders, Islanders whose well-being must be at the heart of all decisions we take in Government. The recently introduced health and well-being framework and the introduction of a Political Oversight Group to ensure well-being is properly considered within decision-making must ensure all Islanders have the right to the best possible outcomes within their lives, be it in the workplace, regarding their health, their living standards, or within their own family life. My fellow Assistant Minister at Economic Development, Deputy Tadier, knows and promotes the importance of arts, culture and heritage to our local community, but he also understands that this sector is a key economic driver and will require the necessary investment. The Minister for the Environment, Deputy Young, this morning pinpointed the importance of our Island’s heritage as we rebuild our economy and I was pleased he also mentioned about, briefly, sport. A large proportion of Islanders have sport or physical activity as a key part of their lives, be it elite sport, physical activity, supporting their children or grandchildren in activities or simply watching sport that they love. The new sports strategy, which should have been launched but was held up because of the COVID-19 crisis, and entitled: “Inspiring an Active Jersey” has as its vision to make the Island a healthier, more productive and fairer society by being one of the most physically active populations in the world. To achieve this, we are going to have to invest in physical activity if we want to improve Islanders’ health and move away from the current 42 per cent of senior Islanders and 81 per cent of children who do not meet guidelines for physical activity. Coupled with this strategy, we are close to finalising a sports facility strategy that sets out a path to improve and in some cases replace key sports facilities. That will be at the heart of providing opportunities for Islanders to become more physically active. Now, why is this an economic driver? Starting at the beginning of child’s life, having more physically active children will reduce long-term health conditions such as obesity and diabetes, will undoubtedly lead to less smoking and other negative habits, will likely lead to more young people going to college, potentially higher earnings, certainly more productive work and ultimately less of a burden on the health system at a time when the Island’s finances are under extreme stress. It is very easy to put investment into sport and physical activity at the back of the queue when it comes to both infrastructure and skilled expertise in support of increased physical activity but not to invest in Islanders’ health at this time in my view would be a huge mistake. There is a growing body of evidence that supports greater investment by Government. It will create employment within the sector and outside. We have already seen this with events that attract visitors to the Island, such as the Super League Triathlon, the Jersey Reds and also the emerging force of Jersey Bulls Football Club. The right investment though through Visit Jersey and Events Jersey in events and sports tourism will boost economic growth and diversify further our economy. Sport and our sports calendar - that includes everything from the Jersey Marathon to the Jersey Rally - promotes the community, it promotes team building and networking but most of all, with sport and activity, it will improve the work/life balance and support many of those who, for example, suffer from mental health stress. Deputy Alves used the phrase that mental health issues were through the roof. Current evidence from the service suggests that there is an increased need for support and that is echoed through some of our partners such as Drug and Alcohol Services and other partners such as the Listening Lounge but not everyone will require professional support. For some, providing opportunities to be more physically active or indeed consider involvement within our cultural sector may well be part of their individual road to recovery. I just want to make a small note around mental health investment. Government have been clear about their intention to invest in both the physical infrastructure and in the service itself. I think it can be dangerous if we sometimes carry on bringing up historic issues within mental health services, some of which we have addressed and others we are working hard to, because it can affect those that are working in the service but I do respect and I do understand that there are those in stress and need that have not been supported in the way that they probably needed to have been, and for that I think we need to ensure that they get a better service in future. Not all investment in sports though - getting back to sport - needs to be taxpayers’ funds. There are opportunities to enter into public-private arrangements to provide new sports infrastructure in the Island and that could include a long-term solution for Fort Regent, something I think we would all like to see. Only yesterday I visited the site of the new Sports Academy being built on the rugby club site through private investment. Not only will this facility provide world-class facilities for Islanders to train, it will provide physical activity opportunities for local sports teams and free use for schools and colleges. What it will also do is provide support for professional clubs and individuals to visit Jersey to train, and while here stimulate and encourage young people to take up and remain in sport and physical activity. This is the sort of economic stimulus that I think we should be looking to support. More widely, I am proud of the quality and diversity of our local economy. We have many visionary and hugely experienced entrepreneurs and business leaders who, with our help, can steer Jersey through these turbulent times. We should look at the opportunities in all sectors. We should continue with our high-net-worth scheme, even if we have to revisit criteria in future, as I have no doubt the Island has benefited from the inward investment that many wealthy individuals bring. Finding a new way forward I have absolutely no problem with but to change direction should involve evolution and not revolution to ensure that the economy can adapt over time. I certainly respect different political views and Reform Jersey’s new view, their New Deal, deserves consideration at the present time. We have sectors of the economy such as retail and agriculture that were under pressure even before COVID-19 struck and all the pandemic has done is heighten their fears. Government’s role should be to calm fears, communicate with those under stress, and lead and not to do this will exacerbate the current crisis. There are sectors such as hospitality that will undoubtedly need support for some considerable time if they are to survive until the 2021 tourist season. Failure to support where necessary or any attempt to set some businesses adrift without a lifeline will be catastrophic in the longer term. Although it has not been mentioned greatly in this debate, and undoubtedly the goalposts have moved considerably, all business sectors, from financial services to agriculture, will need a population policy or a set of principles that they understand as the economy recovers. Sitting on the H.A.W.A.G. (Housing and Work Advisory Group) over the last 18 months, we were at a point prior to COVID-19 that the labour market was so hot that businesses in some sectors were being strangled. The concern for me was that we were, in essence, closed for business. We will need good new business, businesses that put the well-being of their staff at the forefront of their thinking but need to know where they stand as they start up and grow. COVID-19 has changed the situation but a well-considered and newly consulted on population policy must be a priority. The present situation is without precedent but it must be faced up to in financial terms. In facing up to it, it must be seen as an opportunity to improve Jersey’s future in the long term, something that will not happen if it is burdened with increased taxation. This will only be achieved by Jersey’s Government borrowing larger sums of money over a fairly long period. Now, that is a new idea or a departure for Jersey but the present situation demands it, unless one wants Jersey to stagnate in the foreseeable future. The present circumstances are potentially calamitous but it must be remembered that Jersey is one of only a tiny handful of jurisdictions that run their affairs without any significant borrowing. Internationally there would be nothing unusual about this proposal and it has the potential for long-term benefits for the Island. Without it Jersey could stagnate and not provide its people, particularly the young, with the future they deserve. Finally, I just want to finish by saying and reminding Members of the importance of our leisure time - and that is for States Members as well - and the opportunity to be physically active. I understand a new hospital and the provision for a new fit-for-purpose mental facilities should take precedence but not investing in the well-being of Islanders will have far greater cost further down the track. I thank Members for listening.

### 1.1.24 Deputy C.F. Labey of Grouville:

I believe that during this crisis there has been a paradigm shift in people’s thoughts and behaviours. It obviously started through Government-imposed restrictions during lockdown but I believe this has given Islanders the chance to step off the hamster wheel and draw breath. People have taken stock and when this episode of our history is finally over, hopefully with a vaccine, our community does not expect the same, it does not expect business as usual.

[15:30]

Our economy, community, our environment, the way we consider things has got to be different, it has got to be better, much better. People have taken stock of what is important, what matters, realising the importance of time with children, friends, neighbours, support from their community. People have realised the worth of a job, more than just financial, and the worth of certain jobs, not necessarily the lawyers and bank managers - with no disrespect - but to the people who work for us, the nurses, the dustbin man, the people who operate our utilities, all of equal importance. What about the people who care for us, the mothers, the fathers, the neighbours, and the particular area I have been involved with at this time, the voluntary sector, at the last count 3,000 people who stand ready to support and help our community for nothing because they care? Do you know what is really shocking? What is really shocking is that care in our community is not measured; it has no value in our economy; is not counted in our G.V.A. So when we start to appreciate this paradigm shift, I think we should be counting, measuring and putting a worth to care, to put a value to those who enable the economy to function. That is number one. The environment: the environment people have started to reintroduce themselves to, enjoying and wanting more, so how about some economic stimulus in making walking and cycling around the Island safe? How about we get shelters, stands, paths and the network that we have spoken about - well, I certainly have - for so many years? The path in St. Peter’s Valley is an absolute treat. We need more of that, much more, which would be good for our community, pay dividends for our health as well as our tourism. Keeping agriculture and fisheries going is a given. The thought of Jersey without a fishing fleet is unthinkable, but these industries do so much more than provide fish and veg. They are part of our D.N.A. (deoxyribonucleic acid) and landscape and they need support when competing against E.U. handouts. They provide us and should provide us with seasonal, sustainable produce from the fields or the sea to the table, with the added gourmet offering to tourism to boot. A section on energy has got to feature in an economic template for the future. Let us invest and promote sustainable energy. Let us look at our utilities and get them to work for us, the shareholders, as well as the environment. Digital and technology, yes, absolutely. Let us educate our children and older people, life-long learning. I totally agree with Deputy Morel. Education has got to be throughout our lives. Let us look for low carbon, low footprint industries where we can train our own. Let us also get larger companies to provide apprenticeships, as the Constable of St. Mary spoke of through his own experience. Where are our creative industries? What are we doing to facilitate and promote them? Where is our long-awaited creative industry strategy, where we can encourage our talent of poets, artists, musicians, fashion designers and craftspeople? Let us look at new faculties for Highlands like marine biology, the arts, to attract overseas students to fill up seasonal jobs and make guesthouses full and our town full and vibrant again. Why does King Street and Queen Street look like every other high street in the U.K.? Why do we not have French brands, French food in our shops? Why do we have to bring everything from the U.K.? I am not English. Let us give St. Helier back to the municipality, to bring to life the town, bring back the social element of being in town, with street music, cafés and the glorious markets. What of our glorious markets? How are we supporting local produce to be there? Let us cut red tape, let us encourage innovation instead of stifling it. While working on the Island identity programme, we are looking at us, at Jersey, and considering all aspects of who we are, that we are finance - of course we are - and we need to be thankful for this industry that has helped see us though this period of our time, that provides jobs and opportunities for many thousands of Islanders. But let us make it into something we want it to be, something we can be really proud of. We should diversify our product into impact investments, into green finance and philanthropy. Does anyone ever consider why Switzerland has considered philanthropic trusts above Jersey? We have expertise and infrastructure all in an easily accessible space, but we must develop in ways we can be proud of. We must change the narrative. We need to keep Jersey connected on the global stage in a positive way. In my area of responsibility, as Minister for International Development, Jersey is supporting financial inclusion projects in Africa, bringing money to the very poor and using our financial expertise to develop these mechanisms. In many places we are known for the Jersey cow, which provides the milk with the highest nutritional value in the world, which not only sustains life, hope and opportunities to people and villages, but is also transforming milk yields in countries. We are becoming known for our conservation and livelihoods programmes and can bring a global audience to Jersey through these initiatives by giving support and assistance to the poorest countries on earth. We should never underestimate the value derived to our Island and derived through local institutions like the R.J.A.&H.S. (Royal Jersey Agricultural and Horticultural Society) and Durrell. The replenishment of our Strategic Reserve will be slow and it has got to be to keep cash in the economy. To attempt to set up false, unachievable targets would, in my view, just suck money out of the economy just when we need it most. Huge capital projects must be staggered. There needs to be a coherent timetable that does not attract every construction worker in the Island and beyond to drive up the cost of living. This debate must not just be one where the Minister picks a few ideas and then instigates some financial stimulus to get the economy back to where it was because the community is no longer in that place. The recovery cannot just be about money. That is where the Island has gone wrong in the past. It has got to take a holistic approach and give value to the care, the homeworking, the flexibility, a broader education, better health, the living wage, the environment, what makes this Island so special. It has got to be about Jersey, about Islanders, about us, our sustainable well-being. We now have sustainable well-being enshrined in Financial Directions. We also have falling productivity and it is said that well-being has been considered as a driver of higher levels of productivity and thus a means of solving the productivity puzzle. Bingo.

### 1.1.25 Connétable A.S. Crowcroft of St. Helier:

It is a pleasure to follow the Deputy of Grouville, though I think she must have somehow managed to steal some of my lines. In regard to the debate as a whole, I am grateful to the Minister for Economic Development, Tourism, Sport and Culture for bringing it forward and I think it has been incredibly useful. I am looking forward to the Hansard transcript, which I am sure many Members will be poring over in the weeks and months to come to see to what extent their contributions have been picked up by the Council of Ministers and taken forward. Clearly we cannot all comment on everything. Some Members have restricted their subject quite narrowly, and as the debate draws to a close, certainly I do not want to cover any old ground. This morning I was pleased to be invited to the unveiling of local artist Ian Roll’s painting “Climate Stripes” which is just before the underpass facing the International Finance Centre, a very striking reminder to everyone who uses Route du Port Elizabeth. But we are living in a climate emergency and the States has made, in recent times, commitments to address this. As the traffic thundered past, I was quite concerned really that the opportunity we have, along with all communities across the world, not to go back to the old ways after the pandemic may well be being lost in Jersey. It was particularly striking for me because today of course, as many Members will know, is World Bicycle Day, and that is being supported by a useful edition of the *Jersey Evening Post* and a supportive editorial, which I am sure Members will want to look at. I say this, and it is a narrow subject, but I was concerned when we were having our question time yesterday that at least one Member of the States singled out cyclists for criticism and suggesting they do not obey the Code, which of course is quite wrong and disproportionate, particularly given that I was struck by the news yesterday that 2 cyclists in their 50s had been killed by a car driver in High Wycombe. Now is not the time to be vilifying cyclists or indeed any other road user. Now is the time to be asking ourselves how we can, as the Deputy of Grouville was mentioning, really make Jersey a place where walkers and cyclists feel safe so that cars can be left at home for at least some journeys. Certainly that is part of my vision for the future of the town. Very little has been said in the debate about the town and I am quite pleased about that because I certainly wanted to concentrate in my short intervention on what we need to do to bring St. Helier through the current crisis. St. Helier is, after all, the real driver of the economy. It is the only capital town we have in the Island, and as a newsreader said yesterday in respect of the Broad Street closure, it is all rather dead. Town is not dead. I was in there at lunchtime to get some fish from the fish market and I was struck by the fact that people are trying to get back to their normal lives, they are trying to use the shops and use the restaurants as well, but clearly we have an enormous job of work to bring St. Helier through this crisis and to build on its tremendous range and vibrancy that we had before. There is no doubt that working from home will have an impact. The Constable of St. Peter spoke at some length about how working from home is going to change the need for office space, for example, and I think several Members have referred to the fact that more available offices will lead to more accommodation. That is a good thing. I have always argued that people are the lifeblood of any town and that we need to promote living in St. Helier as something people do by choice because of the immediate access to the many facilities that the town has to offer.

[15:45]

But of course the caveats that I have always made must be made again, which is that we cannot simply cram accommodation into St. Helier without providing the open space which is so necessary, without providing the clean air quality. Here I perhaps differ from some of my colleagues. Without providing St. Helier residents with somewhere to park their cars, because St. Helier residents have as much right to a car for those purposes and those trips where a car is essential, or a motorbike, as any other Islander. I am also concerned of course about retail and how we are aware of many shops that are struggling to reopen, and again it is really important that the States gives as much support both to retail and to hospitality businesses. Already a lot has been given but a lot more will be required. I need to thank, at this point, the St. Helier Town Centre manager who, with her colleagues in Growth, Housing and Environment, are supported by Chamber, supported by the Hospitality Association and the Retail Association, everyone is working very hard to get retail and restaurants and hospitality back on their feet. That is being particularly expressed in the need for more al-fresco areas. That in itself, we are currently looking at more than a dozen requests in town, will add to the vibrancy of town, which will be one reason why people want to return to do their shopping and to browse and to meet friends. So I do welcome the increased al fresco that we are hopefully going to see. Also we must support local entrepreneurs. I was quite concerned this week to be talking to a local entrepreneur who works in the tourism industry and is so dismayed by the lack of support that he has had from States departments and the additional red tape that he is having to deal with that he is considering leaving the industry. That is not because of the pandemic and the problems associated with that; that is because for months now he has been failing to get the support he has been promised from the States. I remember former Senator Alan Maclean, who had the post of Minister for Economic Development, Tourism, Sport and Culture, pledging to reduce red tape and here we are in 2020 facing an enormous amount of red tape and I am happy to supply the current Minister for Economic Development, Tourism, Sport and Culture with the details of that person so that hopefully that particular problem can be sorted out. But it is the time for us to be bold, we are looking at everything we can as a Parish do to encourage town to get back on its feet. Something that seems to me to be particularly relevant now would be if we could find a way with retail and hospitality sectors to offer free parking. I personally would think that free parking in St. Helier for the duration of this year would go a long way to help encourage people back into town to spend time and obviously to spend money. I would welcome hearing from the Minister for Infrastructure, who I note is due to speak next, whether he would support looking into a free parking scheme, so long as it was designed to encourage and to support retail and hospitality rather than simply encouraging people to commute into town in their cars and to park up for nothing. The future of the International Finance Centre clearly is something that is of concern if the demand for office premises is to fall away. It may well be that the 4 buildings that are currently in the planning stage, the remaining 2 buildings that are in the planning stages for the Finance Centre, are all that we are going to need on the site. I would certainly hope that the rest of that site may well be the home of the cultural centre that we have talked about with again lots of generous open space and sufficient parking. Members in the past have spoken about the need for a national gallery, which alone would drive an enormous amount of tourism into Jersey as the Tate St. Ives did for Cornwall and I would welcome seeing that project being put back on the front-burner, along with places like Fort Regent, so that we can invest in projects like this that will really help the recovery of the town and of the Island. I also welcome the comments by many other Members on different aspects of how we will improve our economy. While noting that the Constable of St. Ouen, in painting quite a bleak picture, I think a cautious picture, of what might happen, is reminding us that there are lots of hurdles that we have to overcome together before we can see some of the achievements, some of the optimistic plans that we have talked about, put into reality. So those are my thoughts about getting town moving and I hope that they add to the mix and will be useful as the Minister for Economic Development, Tourism, Sport and Culture takes forward our ideas that we have put into this debate.

### 1.1.26 Deputy K.C. Lewis of St. Saviour:

I am delighted to follow the Constable of St. Helier. I will not repeat things that have been said previously, there have been some excellent speeches so I will not go over old ground. I will touch on some things that the Constable of St. Helier has mentioned starting off with Broad Street. Obviously, I am also very keen for business in town to restart and the town of St. Helier to be revitalised as it once was. Members will be aware that I have had a good roasting indeed from certain members of the public regarding closing Broad Street but it was necessary, lots of people queuing in shops and to have the 2-metre distancing between it would mean that people would have to walk into the road, which would be dangerous. So, in consultation with my Officers, it was thought best to close the roads for the foreseeable future while we have COVID-19. Also, at the end of Broad Street we have Charing Cross where we have 2 zebra crossings and it is not unknown when traffic is flowing quite well to have 30 or more people waiting to cross the road there at the zebra crossings and it would be impossible to keep the 2-metre distancing there, so again that was a safety consideration that we had to think of. Cycling and walking, obviously something that we encourage, lots of people have complained to me that by encouraging cycling I am taking away their cars, which is not the case. The more people that wish to cycle can do so, we are putting up bike stands wherever we can, so the more people that use a bike, the less traffic on the road, so it is a win-win situation for both cyclists and motorists. We would like to expand the cycle lanes and cycle system but it is as and when money is available. There will be certain things like cargo bikes coming online in the note-too-distant future, so they will be cycling around town delivering parcels, which again will make the air a lot cleaner. Mention has been made of questions I heard recently regarding what am I going to do regarding the law and cycling through red lights, cycling on the pavement. There are some bad cyclists out there, there are also some bad motorists out there, but the law is very clear, as you are aware, and it is a policing matter; the law is clear. Parking in St. Helier, obviously parking is free at the moment. I am not sure how much longer we can let it be free because we need the churn of people coming in, we cannot differentiate between people who are coming in to St. Helier to work and those who are coming in to shop, we have no knowledge of that whatsoever. Apart from the timings, obviously we have shorter-term car parks for shoppers, but otherwise we have no knowledge of that. Also it would encourage more people to use their motorcars than a bicycle to come into town if it was free. But, as money allows, we will be putting up more and more cycle stands. We have the EVie Bikes now, which have their own stands, so they seem to be going around quite well. Something that I would remind people of, as has been mentioned, there have been several accidents involving cyclists, one of the most common accidents are people opening their car doors and not looking behind to see the cyclist coming up behind and cyclists being knocked off their bikes. There is something called the Dutch reach, which I learned of a few months ago, which is quite good, while you are driving a car, which is right-hand drive, if you are opening your car door if you use your left hand to open the door then you have to pivot your body and look behind you as you get out, which avoids a lot of the accidents. Sewerage has been mentioned, several Constables and Deputies have mentioned that they would like all of their properties on mains drains. I share that wish. At the moment we are up to 91 per cent of Island homes on mains drains. It is my wish, before I leave office, to have that up to 99 per cent, but we have a long way to go yet. Our main priority at the moment, because of global warming - whether that is manmade or a natural cycle is an argument for another day - we do have it at the moment, we have some torrential thunderstorms, and we are having some very bad floods. So we have to have stormwater separation because stormwater in the sewerage system, it can cause spills and that is not something we really want. We have the Cavern, which provides excellent service, but some of that system, especially around the east and west of St. Helier, can be overloaded at times, so stormwater separation is one of our priorities. We have a new sewerage system coming online in 2021. The old sewerage plant has provided excellent service but now it is time to be replaced and the new one will be phased in, in 2021, which will have a larger capacity. But, as I say, our main priority meanwhile is stormwater separation. There is a major problem also with the network going north of the Island is lots of people have to cross over private land to connect to the main sewerage system and sometimes people demand a fee for this. I always recommend people in that situation to have a chat with their Constables to see if they can mediate between the landowner and maybe the little hamlet that wishes to connect to the sewerage system. I will not go over old ground, there were many good speeches today, and I will draw a line there and thank Members very much for listening.

The Deputy Bailiff:

It is now approaching 4.00 p.m., I propose to close this debate in about an hour’s time, in the remaining time that we have I will give priority to those who have not spoken so far, so if anyone has not spoken so far in the debate can you please indicate you wish to do so in the next couple of minutes and I will call those persons in order and, if there is any time, I will invite those who have spoken already to speak again. If we run out of time I will then ask Senator Farnham to wind up if that is his wish to do so.

### 1.1.27 Deputy K.G. Pamplin:

Thank you, all Members who have contributed so far, it has been fascinating and it is good to see the Island’s think-tank in full motion for its Islanders. I would like to thank the Minister in bringing the in-committee debate and listening, which he has always done. All Members, what I have really been most impressed over the last couple of months is all of us coming together, taking phone calls, emailing, messaging, listening to one another talking, sometimes disagreeing, and I thank everybody for that, especially somebody who has only been in this gig for 2 years; it is very encouraging. It gives us a moment not only at this important junction of the global pandemic, which still exists, but the halfway stage of this current sitting Assembly, 2 years before the next election. The lives of many depend on the actions we take now and in the future. The COVID-19 virus, that once, we hope, in a generational global panic health emergency, is affecting every facet of people’s lives in every corner of the world as we all know too well. This financial hit to our local and the world economy, we must remember, has not been caused by financial issues or crashes as seen in the 1930s and in recent years, it has been caused by the sudden outbreak of a virus that has taken the lives of millions of loved ones and affected many more people, especially here at home, with their anxiety growing for their business, their livelihoods, and their Island home. But tragedy need not be its only legacy.

[16:00]

On the contrary, the pandemic represents a rare but narrow window of opportunity to reflect, reimagine, and rebalance our world to create a healthier, more equitable, and more prosperous future, being sensible and transparent. Left unaddressed, the crisis mentioned today during the debate and social inequality together with COVID-19 will deepen and leave the world even less sustainable, less equal, and more fragile. Incremental measures and ad hoc fixes will not suffice anymore to prevent this scenario. We must build entirely new foundations for economic and social systems. Imagine if we all worked together, no matter what our background or political belief in the outcome of what is best for our growth and prosperity. As it is clear, we are not out of the woods yet. Imagine what could be possible if similar concerted efforts were made in every sector of our society that is represented by this Chamber of 49 people willing to pull together for them. Many words could be described for this moment, reset, restart, and there are many steps. The first could be, maybe, steer the market towards fairer outcomes. To this end, Government should improve co-ordination, for example in tax, regulatory and fiscal policies, upgrade trade arrangements in the name of our agriculture and our fishermen and all industries, create the free and fair conditions for a stakeholder economy. Moreover, Government should implement long-overdue reforms that promote more equitable outcomes, sensible balances including changes to wealth taxes, corporate tax, tax cuts to put more money in the pocket of hard-working women and men. The withdrawal of fossil fuel subsidies and new rules governing intellectual property, trade and competition, open, transparent, fairness. In normal times, tax structures and spending allocations change at a snail’s pace and even well-intended tweaks add up to ungainly holds over time. Today’s extraordinary situation puts within reach a tax system, for example, that is designed for the good of the economy instead of the usual sedimentation of long-forgotten election promises. We should not aim to return to how things were; we can do much better, we must grab this moment with all our hands. The world happiness report produced by the U.N. Sustainable Development Solutions Network offers an annual index ranking countries on factors including social support, healthy life expectancy, freedom, trust, and generosity, in addition to income. We have much to do to build on the good things our Island home provides and root out the bad. Also the Organisation for Economic Co-operation and Development produces a Better Life Index, which allows people to compare well-being countries based on factors the organisation deems essential to the quality of life, including housing, community, immigration, population, health, and environment. Sound familiar? We started to do the same, what happened to that? Future Jersey is now Jersey. The problem therefore is not the lack of better measures, indicators and frameworks, the problem is that we are not using them sufficiently given the pressing challenges we face. Wider environmental and social, economic and cultural, spiritual divides. So what can be done? We need to move from inventing new indicators to fundamentally changing the way we think about the economy. The dominant economic thinking of the past century can be characterised by some as the pursuit of narrow self-interest, whether a person, an organisation or a unit, a government or a country, an island, self-interest has had no place in the last few months. The challenges we face however require an awareness that goes far beyond the self that considers the whole economic system, so we must reframe how we talk about the economy, which we have been seeing in this debate. This means tackling what educational institutes teach, as we have heard, changing the conversation as expressed, already digital growth, because when put in the hands and the homes of everyone, not just the few, it brings opportunity and togetherness. We must ensure no one is left behind or alone or that phrase remains just a catchphrase. The level of co-operation and ambition needed to be more innovative, to create a free economy embracing social balance and digital, greener Island, it is implied is unprecedented, but not so. One silver lining of this pandemic is that it has shown how quickly we can make radical changes to our lifestyle and our Island, almost instantly. The pandemic forced some businesses, individuals, the Government, to abandon practices, red tape, long drawn-out groups of boards and discussions that claimed to be essential. Frequent air travel, working in offices, things that others have talked about, happily supported people provide productivity. Likewise, populations around the world and here at home have overwhelmingly seen a willingness to make sacrifices for the sake of healthcare and other essential workers and vulnerable populations in our community such as our elderly, there is more to do there. Many companies have stepped up to support their workers, their customers and local communities in a shift, which some may have previously just paid lip-service, but this has not been such a major shift on this Island. We have been doing this for a long while now. There are hundreds of charities, if they could tell you if they were able to speak today in this debate, would say, and they have been trying to say, and more that the answer is there; it is right in front of us as it always has been. What this pandemic has been showing us, and now has proven, is the will to build a better society does exist. So we must use it to secure the great restart that we are now so badly talking about in this debate. That will require a stronger and more effective human government because this does not imply an ideological push for a bigger one, a more people-centric local, simple, but effective, one. It is one the Island’s economic needs that can work alongside our sister Islands and further around the world that our digital and fibre and supported communities are leading the way in. In conclusion, generations of Islanders will look to this moment and how this Assembly reacted. For a while now the Island’s identity has been challenged, we cannot get away from this fact, the balance has been tipped at times and that has made some Islanders not even recognise their home and question their business. Minister, everything must be on the table and it must be in the control of Islanders, not in the hands of outsiders who have no deep-rooted ties that they can just cut at any time. Those who really care and want the best for this Island have been and will always be here, so let us not be shy, everything, Zero/Ten, corporate taxes, G.S.T., wasting public money, living wages, meaningful tax reform. The Deputy of Grouville earlier nailed it for an honest cost of the care provided on this Island that crosses all Parish boundaries, we have to be honest as well as bold. When people have money they spend it, generating additional tax receipts. A tax cut means higher family income, higher business profits and a balanced budget, to kickstart growth and close gaps. Every taxpayer and their family will have more money left over after taxes to do what they wish for, for their home, for new conveniences, education investment, every businesswoman, businessman, can keep a higher percentage of their profits in their cash registers or put it to work expanding, educating or improving, their business and their employees’ confidence. As the Island income grows, Government will ultimately end up with more revenue, cutting taxes now is not to incur a budget deficit but to achieve the more prosperous expanding economy, which will bring budget surplus. We need to support the business providers. We can do both, I think we know this, rather than risk capital folks prefer the safer stream of income that comes from wages and salaries, yet entrepreneurs add to the growth of the economy by using their ideas to create new firms, offer new jobs. The success of Apple offers a simple example of the payoff to new ideas. If the Apple co-founder, Steve Jobs, had simply taken a job with IBM, which was offered to him, work the 9 to 5, the development of the computer and mobile phone industry would have been far slower. On a local tone, relevant to that and recent events, I called a shielding elderly parishioner, she missed Howard Davis Park, I took a photo of it on my smartphone and shared it to her and on social media. A gentleman by the name of Roy Steel who has been supporting us in this Assembly and is a shining example of the can-do attitude, saw this tweet and got inspired, created a virtual reality walkaround. I then saw a young student who saw that and he was inspired by that to set up his own local business so he can fund his ambition to help others. Less boards, less steering groups, outsourcing problem-fixing, meeting of the meetings, more open-minded thinking, of all that economic growth, who it really affects, which is all of us. No more division, no more ego, one aim, equality, sensible, clear economics for everyone. A rising Island tide lifts all boats.

Senator I.J. Gorst:

I am absolutely delighted ...

Senator S.C. Ferguson:

What happened to me?

The Deputy Bailiff:

Senator Ferguson, you have already spoken in this debate and if there is time I will come back to those who have spoken already at the end.

### 1.1.28 Senator I.J. Gorst:

I would not wish to be jumping in the queue and I would happily follow Senator Ferguson again, she gave a cracking speech yesterday. But I am delighted to follow Deputy Pamplin with his tax-cutting creative can-do speech. In some ways he can help me reduce the length of my speech because they are themes, which I think are critically important as we come out of this health crisis. Today, Professor Klaus Schwab has said the pandemic represents a rare but narrow window of opportunity to reflect, to reimagine, and reset our world. Of course that is exactly the same for our Island. This debate has been interesting but it has also been challenging, but it has been an opportunity for us to reflect and I might do a little bit of reflection before I come on to then reimagining. There have been some comments on social media about former States Member Cyril Le Marquand, who, together with his trusted and valued adviser, Colin Powell, reminded us constantly that confidence was the name of the game upon which Jersey’s economy was built. That is absolutely the case and it remains the case today and that is a theme that Senator Moore touched on and Senator Vallois touched on as well. There have been some speeches, and I fully accept that in politics you get criticised when you are doing and you get criticised in hindsight as well, but there have been some speeches that have suggested that previous governments’ responses to the financial crisis, the word used has been “austerity”, although it is of course difficult to describe government spending, which was simply balanced and grew or remained stable over a period of years as austerity, but that is political dialogue for it. But governments having balanced budgets and being fiscally conservative is critically, to my mind, important. Governments sometimes spend more money and then they cut elsewhere in order to reprioritise that spending. If we look at the Government Plan, it cuts expenditure. We have used the word “efficiency” but we all know that efficiency also means savings and it means cuts, by £100 million over the course of the Government Plan, and yet at the same time we are spending more money on our priorities. But we have presented, the Government presented, a balanced envelope of spending and savings over the period of the Government Plan. As we come out of this health crisis, because of those previous decisions to have balanced budgets and to make those savings and to build the reserves that we are now going to spend, and to have an incredibly strong balance sheet, some of that balance sheet is shareholdings in utilities, which have performed well over the course of this crisis, but it is those balanced budgets, it is those strong reserves and balance sheets, that are critically important to our future success as well.

[16:15]

Because we pride ourselves on our fiscal and domestic autonomy and I would not think that there is any Member of this Assembly that would want to do anything to harm that autonomy, it would be the wrong thing to do. That autonomy is built on hundreds of years of precedent, it is built on Royal charters and warrants and it is built on good political management of our Island. But of course we can look back and we can say that perhaps we should have invested in infrastructure in a different way, we should have invested in mental health provision in a different way, although Senator Pallett is correcting some of those challenges that were faced of the past. But if we are to maintain our autonomy, and I believe that fundamentally that is what we should do, we must also maintain our financial independence and be reliant on no one but ourselves for our finances. So coming together to make sure we have the appropriate money as a community to spend on the priorities that we think as a community are important. As Senator Vallois reminded us, that has been the story of Jersey for the last 50 years of hospitality, of tourism, of financial services, and now moving into digital services, with those underpinning parts of our economy or foundational parts of our economy, as the Minister for Economic Development, Tourism, Sport and Culture is calling them, of agriculture and fisheries. If we were to look further back, we know that during times of economic difficulty Jersey has managed as well, we could talk about that knitting, we could talk about cider production, we could talk about shipbuilding and many other, the global trade in cod-fishing as well. There are many things that we can look back to and show that we have weathered crises like this before and there is no reason to think that we cannot weather them again. But our basic model of being self-reliant financially has enabled us to maintain our self-governing status and that will be critical that we continue to do so. But the Minister for Treasury and Resources has rightly slightly changed tack in her response to this crisis, she has taken that £500 million revolving credit facility and, again Senator Moore was right to remind us, that is a change from previous approaches. Although it gives us flexibility now to have the maximum available to support Islanders and their jobs and their economies, we do need to watch the levels of borrowing that we enter into, particularly if we remain committed to building the hospital and understanding the size of the Strategic Reserve. So some of the things that we might want to front going forward will need us to be creative in our use of the balance sheet. I liked - I am not sure if I should say this - Deputy Perchard’s speech because she again raised some of the big economic questions and I do not think we should be afraid of raising those big economic questions. For me of course the priority right now and over the coming weeks and months is to stimulate the economy and get Islanders back to work and get their jobs back up and running. That will then give us time to think about those big issues. We have heard about the left and right political points of view; we have heard that some have said that businesses, up until the crisis, have always said that they wanted as little Government intervention as possible and then we are getting into this health crisis and they come cap in hand to Government for intervention. But let us remind ourselves it was Government intervention that closed down businesses and so it would have been immoral for the Government to have closed down Islanders’ businesses, removed thereby jobs from Islanders, and not sought to use taxpayers’ money to support those jobs and those businesses. So it is not as straightforward as wanting intervention or not wanting intervention. It was the Government that intervened in the economy and closed it down. What we are finding of course, it is now a challenge to reopen that economy because none of us can be sure ... we know the Fiscal Policy Panel talked about a V-recession or we also know that you have the Nike Swoosh type of recession, none of us really know, as businesses slowly and carefully reopen, as we move through the Safe Exit Framework, what the effect on the economy is going to be. Is it going to be this 6 per cent reduction? We have seen the Income Forecasting Group’s figures about the reduction in States income of £100 million. We know that the Chief Economic Adviser is telling us that G.V.A. is reducing by between £100 million and £120 million a month, so that could be in effect a billion off the G.V.A. by the end of the year or the end of the financial crisis that we are about to face. So we do not know how quickly the economy will get back up and running and therefore, as Deputy Ash said, allowing ourselves to make interventions in a stimulus way over time is probably the right thing to do. So a bold intervention but with money in reserve to be able to intervene further down the line should it take longer than we might have thought. So Doughnut economics, of course we all know, we all have our favourite economist, which tends to tie in with our particular view of the world, it might surprise you, being a lawyer by profession, that you can find economists to agree with your own political point of view, but sadly that is the case. We have heard a lot about well-being and G.V.A. or G.D.P. and it is fair that some of the traditional values about quality of life, quality of free time, quality of time with our families, there is a renewed realisation that those traditional values, the simple things of life, going for a cycle ride, going for a walk on the beach or the cliff paths, add value to our lives that simply money in our pocket does not add. But that for me does not mean that we should not continue to want to see a growing economy. We know you cannot eat G.V.A., but economic growth is what enables us to feed, to clothe, and to shelter each other better and better. So we should not be down on economic growth and G.V.A. growth because it provides those things for us. We have also heard in this debate about income inequality and if we look at the last Income Distribution Survey we know that the income inequality position that worsened in Jersey slightly over the last 10 years was a result of low interest rates, so those Islanders with mortgages started to benefit from low interest rates, those Islanders who were renting continued to see inflation affect their rents and that led to that increase in income inequality. But we also know, if we look to some other economists, and I am thinking here of perhaps other economists that would not be on my political side of the fence, like Joseph Stiglitz, who say that education is fundamental to dealing with income inequality. We have heard lots of really good speeches today about how we can use stimulus money to extend and enhance all across the education system, so that is traditional education, but the Minister for Education spoke about other sorts of education, vocational. We have heard about digital education, we have heard from Deputy Morel about lifelong education. So if we are serious about income inequality - this is where I disagree with Deputy Tadier who says we have to give more money to one sector and take some money off the other sector - if we sort out some of our housing issues, and I say that is an easy phrase to raise in such a debate but it is a very difficult political problem, but it really needs to be addressed. If we invest more in education that will have a long-term impact on income inequality in our community and I do not think there is any States Member that would disagree with investing in those areas. So I do not want to go into much more detail. I do want to look at perhaps the bigger picture, so the Doughnut economy or the Doughnut economic theory, if we are asking ourselves with our plans for the future, is it financially sustainable? That really plays into my earlier point. For a small Island like us the decisions we make have to be financially sustainable. If you talk to some of the richest countries and largest countries in the world, you talk to European member states where they have had to have bailouts from the E.U., they are no longer masters of their own destiny. Those bailouts come with strings attached where they have to obey the rules coming out of Brussels. If you take money from the I.M.F. (International Monetary Fund), the I.M.F. provide money with strings attached. So it comes back to my fundamental point that, for an Island community like ours, we have to make decisions which are financially sustainable. I agree we should be making decisions which are also socially sustainable, and that for us in this Island, as the Deputy of Grouville so powerfully said, is again returning to traditional values, values of community, values of cohesion, values of family, in whatever shape our family is. Even if we are an individual living alone, we are still part of the Jersey family and we should look out for each other in that particular way. Then is it environmentally sustainable, and that creates some real challenges for us, but equally I think it creates some real opportunities to start supporting and putting our money where our mouth is when it comes to phasing out of non-renewable energy sources right across our community. I want to finish with 2 particular points. There is nothing wrong with growing the economy because it provides those good benefits, as long as it is in that wider context of community. But in the short term let us be clear with each other, if we want to be able to spend, if we want to be able to balance our books with as little as possible as a States Assembly and as a Government, the areas where we should be looking to grow our economy are those areas that are currently paying tax, while we take our time to look at how we move forward into the future. I leave that for Members to think about. One thing that this disaster, that this crisis has brought to us as a community, and probably other communities have not experienced this because they do not have the history and traditions and they are not of the size of our community, is that we have seen a really positive coming together of the community. We have all of the volunteer work that is overseen by the Deputy of Grouville and Deputy Martin from a Government perspective. We have all of the great Parish work. We have all of the police work, the Honorary Police working with the States Police, encouraging people to abide by the social distancing and the stay-at-home regulations.

[16:30]

We have seen businesses that have been creative and they have responded to this crisis in a phenomenal way. What we have seen is our Island coming together to serve each other and we know that, as we seek in our lives or in our community to serve one another, that brings meaning and it brings value. But I just want to say, it is that creativity, it is that entrepreneurial attitude, it is that community together, it is that can-do attitude that we must fight to keep a hold of as we leave the health crisis and move into the recovery stage, because, in pockets, I am seeing it already leaving us. Let us allow that; we sweep away barriers, we sweep away the: “No, you cannot do this because we have not done it this way in the past”, to come together and say: “Right, we have shown”, as Deputy Pamplin rightly said: “That when the chips are down, we can do and we can do well and we can have a can-do attitude.” Let us keep hold of that attitude; let us continue to be confident in our future, albeit there are other challenges out there that my own Constable of St. Ouen rightly alluded to, but we have got through crises before, we can get through this crisis and come out even stronger and this debate today gives me hope that we as an Assembly can come together, we can keep those differences on the side line, and we can make positive decisions for the future of our community. It gives me hope, not only for myself but for my children and the future generations. If we stick with some of these core principles, we ask ourselves those questions and we can say yes to them, and we retain or we retake hold of that can-do attitude that has served us so well in the past and let us do it together.

### 1.1.29 Senator J.A.N. Le Fondré:

I have also been listening to all sorts of parts of the debate with great interest and obviously will be taking Members’ views into consideration as we develop the response to the recovery. This is an unprecedented crisis, recovery is not going to happen just overnight, it is probably going to take a number of years. But what is fair to say, the last few months, although they have been difficult, and I have been quite heartened by many of the speeches I have been listening to today, but do not let us be too self-critical because we have to date come through this really well. It is that confidence and that spirit that we need to be embracing even further as we move to supporting the recovery. That is about societal, environmental, and economic recovery. Just to be clear, I know there have been a couple of queries raised and most of the points I am sure Senator Farnham will be picking up on, I am very keen to ensure a wide input from all branches of Islanders’ life in developing the recovery strategy. There are some elements we are just trying to finesse as to how we get that inclusion in place, and to be really clear I do agree that the creation of low-paid insecure jobs would not to me represent sustainable recovery. We have to all recognise that we are going through 2 emergencies, not just one; we have the public health emergency, which hopefully we are pretty well emerging from, but the economic emergency, which we have been living with and are moving into. The health of Islanders has naturally come first but the economy also indirectly supports people’s health through funding healthcare, through general well-being. We have covered it, I do not need to go over it, about the respond, recover and renew, approach that we have been adopting. To be fair and to be clear we are borrowing, for me that represents quite a different position from where I would have been perhaps 3 years ago but different events and extraordinary circumstances require different approaches, so we are borrowing but only what we need and because we have to. It is about flexibility; it is about supporting Islanders. This Island needs to stay as a stable place to do business and a strong economy and the economic model is key to all of that. We have mobilised an unprecedented level of financial capital and expertise to support local businesses. As an aside, Members will have seen in the Government Plan lodging period Proposition that I circulated last night - and very grateful again for the input from Scrutiny on that, the discussions we have had from Scrutiny and their input in support - that will be key to the Island, the Assembly’s response to the crisis. So obviously Members will be having a number of further opportunities to be involved in this discussion as we shape the plan and as we shape the fiscal stimulus as well. Certainly, although we will be picking up comments from this, if Members have specific views they want to send through, please either pick up the phone or email them to all the Ministers or to all Members but specifically to Senator Farnham and myself. Just to pick up on a couple of relatively small points, I do take the point about short term and long term. The Deputy of St. Martin made a point around al fresco; that has been addressed partially in some of the other comments from Members but that really was one of the reasons as well that we were behind the Broad Street closure. It is to start signalling a change in approach and that was partially around al fresco. I am expecting there will be more to come and I am expecting and hoping that the Minister for Infrastructure will be hopefully making some further announcements on that area. I absolutely agree about the comments that have been made around A.I. and robotics and technology and the point around this crisis is that there are opportunities that arise from this. It is absolutely right that the digital infrastructure has been excellent in supporting us through the last few months and I was very pleased that the decision was taken to ramp up the broadband speeds. We are one of the few jurisdictions that can do that. That type of infrastructure, the digital Island, the Island sandbox, and all that sort of thing, is one of the things we have been promoting, certainly when I have been going overseas, and so for example on my trip to the U.S. not that long ago, earlier this year, but it feels many months ago now, we coined a phrase: “A thousand years of history but at the cutting edge”, and that was received really well and I think that sums us up; it sums up the Jersey spirit in a really positive way. Unlike previous times when we faced challenges, we do not have the luxury of that amount of time. If you look back at 2005, which was the introduction of Zero/Ten and G.S.T., at the end of that year is when I and Senator Gorst and Deputy Lewis and others started in our term in the States. There had probably been a couple of years to build up to that point and there was quite a long period of implementation. But instead of years we have to have things in place within the next few weeks and the next few months, but the other point is we can do it. If you look at the extraordinary efforts of the whole Island, and that obviously includes Officers as well at all levels, we have been innovative and we have moved at extraordinary pace and we will need to tap into that energy further. Recovery will not just be economic, but societal and environmental as well, and I have said that already. This crisis does present significant challenges but, as I keep saying, do not overlook the opportunities. I would like to start ending, hopefully I have kept it positive, on a positive note. Because of those prudent decisions made by our predecessors we are in a far better place compared to many other jurisdictions in terms of our reserves and possibly also in terms of our structures and our infrastructure. We know we can always do better but we are in a good place. We have a world-class reputation in industries in all sorts of areas. The Deputy of Grouville has talked about our overseas aid presence, which is incredible for the population the size of this Island. We are actively assisting populations which are multiples of our size. We have one of the fastest broadband speeds globally and financial services are one of the best regulated on the planet and deliver a huge benefit both to us but also to other jurisdictions such as the U.K. From memory we already provide a pound in every £100 of foreign direct investment into Africa, we are the source. So do not forget, because of prudent actions of politicians over previous generations, we are in a good place and we can build on that. So, for me, this area of recovery, this is the start of the conversation, and Ministers will continue to listen to Members’ views, they will be diverse, as is the nature of this Assembly, but we will need to come together to crystallise these ideas and that will take part as part of the Government Plan and the fiscal stimulus process. So this is the start of that discussion. I very much want to conclude by thanking Members for their input today, it will assist us all in the next stages. As I have said, we have 1,000 years of history, we are at the cutting edge, and we will use all of the tools available to us to take us through the next stage of this challenge.

### 1.1.30 Deputy M.R. Higgins of St. Helier:

Judging by the debate so far, we have had the usual left and right-wing divide, though not as strident as it has been in the past. We have those who call for free market economics and who dismiss any role for the State unless of course it is to provide bailing-out funds to enable their business to survive or subsidies to enable them to grow. In fact the States has evolved rather slowly during my time in the Assembly, in fact Senator Gorst was alluding to one of the things and that was balancing the States finances. At one point it was hard-wired that the States needed to balance its finances on a yearly basis. Now we look to balance the finances over the economic cycle, which enables the Government to inject money into the economy when there is a demand deficiency and syphon off money when the economy is overheating and demand greatly outstrips supply. Another change has been the attitude to borrowing. In previous States borrowing was an anathema but today it has become almost mainstream. We borrowed £250 million for Andium to invest in our housing stock and are considering borrowing even more to help us weather the pandemic and invest in our economy. At the present time with interest rates being as low as they are we would be foolish not to do so. These 2 changes to balancing the budget and also borrowing came about largely through the advice of the Fiscal Policy Panel. Before we had it there used to be tooth-and-nail fights on the floor of the Assembly on the question of borrowing and also about trying to balance the budget on a yearly basis, which no one else did, it was over a period of time. We have also had family-friendly legislation, children’s rights and employment protection, over the last 12 years, but unfortunately they were largely the result of a childcare abuse scandal and a subsequent inquiry and also the influx of more liberal members into the States Assembly. The one thing the States has not done is to address our flawed and largely regressive taxation system. There must be a root-and-branch review of taxation to make it more balanced and fairer. Our current tax system may or may not be sustainable. The Island’s Zero/Ten/20 policy may still fall foul of changes in the E.U., the O.E.C.D., and elsewhere, as countries try to restore their own financial deficits. Companies that have received bailout funds from the various States schemes that have been introduced in the last month or 2 cannot expect in the future not to pay tax. Senator Gorst said it was right that they can claim funds because it was the Government who shut them down. No, it was the virus that shut them down because a hands-off approach would have led to even more deaths and the Government had no alternative. If they had not done it people would not be going anywhere because they would be voting with their feet. The economic crisis caused by the COVID-19 pandemic however gives us an opportunity to correct some of the problems in our economic system and society and also take into account other developments that will impact our economy and society in the near and mid-term. These include climate change and the effects of automation and machine learning. We must reboot our economy to embrace the changes that we are going to face. As far as automation is concerned, between 2004 and 2009 over 2 per cent of Americans, that was 7 million people, lost their jobs and those without a college degree were particularly at risk. Laid-off workers typically saw a permanent reduction in wages when they returned to the workplace, others had no choice but to join the gig economy as contractors on zero-hour contracts without the benefits of pensions, holiday pay, employment rights, *et cetera*. Many of these people, because of the lack of certainty of their income and the number of hours that they work, could not take out loans or obtain a mortgage. That is certainly happening here as well. Many of the professionals who believe that they will not be affected by machine learning and automation need to think again as they are already making inroads into health, law and accountancy fields.

[16:45]

Anyone who goes on YouTube or various sites looking, you can see the rapid growth in this field and it is not going to be much longer before it affects us even more so than it is at the moment. Others have said, and it is something I have believed throughout my life, that education is vital to the Island’s future and its population. We need to embrace life-long learning as we need to adapt to changing circumstances through our lifetimes and anyone who does not do so will be left behind. I know in my working career I have worked in 4 different industries and I picked up skills in each one of them and I have always been prepared to adapt for the future, and that is something that needs to be part of our D.N.A. going forward. But it also means that the Government needs to encourage and support lifelong learning with even greater funding. We have talked about people, the disparity in income within the Island, and many people who would like to do courses cannot afford them. The Government is going to have to do something about that so that we maximise the ability of Islanders going forward. Many existing jobs will not exist in 5 to 10 years’ time as artificial intelligence and machine learning replace them. In fact many of the Island’s banks have already let staff go as they have introduced new computer systems and new processes in their drive for increased productivity and this trend will accelerate. As jobs are lost, so too will the Government’s income tax receipts that come from their employment and the Government’s expenditure on things like income support will increase. New taxation will have to be found but any taxes that are introduced must be fair. We must tax the owners of the capital machinery or software, the 1 per cent who own most of the world’s assets, and use the money raised to pay for a universal basic income to support the ever-increasing number of unemployed that we could have in the future. Others have mentioned the effect of home-working. Well in the future it is going to become commonplace, especially for finance sector workers. What was talked about in the past as to how the world of work could change in the future became a reality during the lockdown when many workers were sent home and because of network computers and highspeed broadband could carry on working and delivering to the needs of their clients. Home working is no longer theoretical but a reality, which has shown many benefits to both the employer and the employee. This may also have an impact on the demand for large offices as businesses reduce their overheads by having smaller business hubs, which can be accessed by small numbers perhaps on a rotational basis. We have, at the present time, an opportunity to try to rebalance our economy as long as we can get over some of the hang-ups that States Members have had in the past. I will leave it at that but essentially we all have to embrace the change that is coming and take measures to mitigate the damage to the people who live in this Island.

The Deputy Bailiff:

I indicated the debate would finish at 5.00 p.m. to give Senator Farnham 20 minutes or so to reply, which I thought would be sufficient. Three of the 4 Members who wish to speak a second time have kindly withdrawn. Senator Vallois, you are still listed to speak and you may if you wish so long as you are finished before 5.00 p.m. to give time to Senator Farnham to wind up the debate. Do you still wish to speak, Senator Vallois?

### 1.1.31 Senator T.A. Vallois:

Yes please. I am not going to make this longer than what is necessarily needed to be but I am really grateful for the contribution that has been made from many Members around education and the importance of education, not just in terms of children and young people, but our whole population and how we move forward with regard to any economy that we have going forward, whether that is recovery or whether that is how we plan to develop as a nation, as an Island, and as the expectancy of Islanders going forward. My concern comes, I heard some great deal of fortitude and expectation in what people expect with regards to education, whether that be life-skilling, training, strategies, all these types of things that have been put forward in terms of how we move forward, and I am really appreciative of them. We come to a point now where every time and again we are expected to look at how we make savings, how we cut expenditure to allow economic growth, which is constantly referred to. We have heard from the Constable of Grouville, we have heard from Deputy Maçon, from a variety of different Members, about the importance of education; Deputy Morel, about life skills. We are not living in a world that we were living in 50 years ago and I go back to that point I made in my speech earlier, we are in a new world, we have new expectations, we have an expectation of a need to ensure that what we do in terms of education expectancy for people is the right thing to improve all of our well-being, not just some. So I am really concerned when I hear Ministers, and I am grateful for their support with regard to education, but when I am expected to look at a budget, look at balancing budgets, look at Government Plans and what are so-called efficiencies, to balance budgets because that is what the so-called law says, health, social security and education, are our highest-spending capacities within the public sector. This is because they are seen as a demand and as a need from our community. In order to stimulate the economy, we need to ensure that the health, the education and the support of individuals is at our utmost to ensure that we can move on, create different diversified ways of thinking, and ways of doing business that supports our economy as an Island and as individuals to move forward. I am particularly concerned that going through this that Members will not understand that the need for us to recognise and understand the value of education in everyone’s lives, whether they are in school now or whether they are in the workforce now, is absolutely paramount to how we change and move forward in our infrastructure in Jersey as an Island, as a sustainable Island, to support future generations. We have the opportunity to look at the way of thinking, the out-of-the-box thinking, the way that the world sees us is important. We have a problem with regard to education in Jersey and that is because sometimes it is seen as a way of thinking that because of academics and the thinking of academics is the most important way to improve our economy is the way for everyone to go. But my message to everyone is that is not the case, we need to value each other as individuals and an ability to adapt and change the world in which we work. The living wage is not only the way out of our cost of living, the digital opportunities that we have are astronomical if we are willing to take them on board and move forward with those. The Doughnut economics that Deputy Perchard referred to is absolutely paramount because we have never really had to deal with this before, but if I refer to the economic policy that was produced by the Government before even my time in the States around the economic stool, which is one of social, economic and environmental, which is one that I have constantly pushed and challenged and asked questions about, we have never fulfilled. If we are serious as a Government to move our Island forward, to move our people forward, to give them confidence, respect, self-esteem, and understanding on what we expect in the world we live in today, we need to be brave, we need to take risks, and we need to have confidence in the way that we do this. So that is why I had to add this speech into this because when we talk about financial sustainability we talk about it in the expectations of the Island, which we expect those finances to come from. Broadening our expectations in terms of tax is important but how those individuals see themselves in a different world and in the future and how they can expect themselves to develop and do things differently, we need to be thinking differently. We need to offer them the opportunity to see a world that we do not necessarily see. That is really, really hard and I understand that and I get that but that is what we have seen over many, many years of people looking at entrepreneurship, looking at the way of doing things differently. But if we constantly confine ourselves to balanced budgets, G.V.A. economics, requirements of cutting budgets and efficiencies, because that looks good rather than what it means in action to our population and the effect that it has on our individual constituents, then I am afraid it does not pass muster. We need to be serious about what we are doing. We need to understand that this is a turn in time and an opportunity to do something that is important for all of us, not just some of us. In terms of lifelong learning, Deputy Morel hit it on the head. We have a history, an expectation of certain deadlines, certain expectations in respect of economy, construction, whatever it may be. I declare in interest in this, I am married to a construction industry individual and it takes a toll, it really does. But the question always is, how can we, what should we be doing to change and enable them to reskill and do something different to continue to contribute to our economy in our Island, which we so valuably deserve as individuals and as a whole. So we need a very different way of thinking, we need to look at what we are doing in terms of the public sector to support our businesses and our people during this economy phase.

[17:00]

I would say, and I may be biased in this because I am Minister for Education, but education is really, really fundamental. Education is not just for academics. It is about skills, it is about reskilling, it is about encouraging, it is about creating that confidence and self-esteem that people really are capable of doing whatever they aspire to do. Because sometimes in the world that we live in people are felt to not be part of the rest of the population because of what they have experienced. I am not prepared to go forward with that thinking. I want to go forward with the thinking that everyone is capable, everyone has a position to succeed, everyone has an ability to contribute, no matter how big or how small that may be. But we have a population that is capable and willing and we need to take the risks and ability to apply that to our regulations, our legislation and our policies, to ensure we have a vibrant and encouraging community, business and social contribution for all of us in the long term.

The Deputy Bailiff:

I call upon the Minister for Economic Development, Tourism, Sport and Culture to wind up the debate.

### 1.1.32 Senator L.J. Farnham:

Could I just start by thanking you, Sir, for chairing this in-committee debate? I am sure all Members are grateful for your time and the excellent manner in which you have handled us today and yesterday, so thank you. Can I also thank Members for their very good and thoughtful and impassioned at times contributions to the debate; that means we can now begin to reflect on those thoughts and opinions and draw on them during discussions of the Economic Recovery Political Oversight Group and the Economic Council and the underlying structures. While Hansard is available, I have also asked Officers to provide an abridged readout of the debate detailing the key themes identified, which I hope will be helpful to Members and will act as a vital aide-memoire to the Political Oversight Group and the Council as we move in to developing the programme. Can I also take this opportunity to thank my Officers and indeed all officials, not only for their assistance in preparation for this debate, but for their unceasing work throughout the pandemic? I will start, if I may, by making some initial observations on some themes that have come out during the debate and I apologise that I will not be able to cover all of Members’ comments or all of the excellent speeches that were made. Getting people back to work was a key theme and a number of Members, and Deputy Luce particularly, reflected on the importance of getting people back to work and I agree. This is clearly a critical and immediate requirement for economic recovery. However, I should note, as highlighted by many others, including Deputy Ash, that we are in a better place in terms of retaining jobs through this crisis than we might have otherwise been. While the actively-seeking-work numbers are double last year, this is significantly lower than it might have been without the measures we have put in place to protect jobs. The resilience of our finance industry in retaining jobs has also been vital in this so we must take care that anything done to stimulate the economy protects that critical industry. This in itself protects jobs and gets people in other industries back to work. The living wage has also been a key theme and I note the strength of feeling expressed around the living wage and particularly those who are in the Government that signed up to the living wage. A large number of Members spoke to this and I note that this situation gives us a real opportunity to ensure this promise is put into practice. It is the right route for Jersey and will benefit many Islanders. However, I also have to take the point that we must not introduce this in a way that stops businesses from recovering. We must recognise that there are sectors, notably hospitality and agriculture, that will struggle to meet the living wage, so careful consideration needs to be given to how we introduce this and the timing and the assistance we give to the businesses in the sectors that will need it but it is certainly a priority. The digital economy is vital and Deputy Huelin stressed the importance of that and the importance of investing our way out of this situation, interest rates are at a record low and we should take advantage of this. The Minister for Treasury and Resources has clearly stated that we are conscious of this and have been taking advantage of it where we can. We did so in the current revolving credit facility and will continue to look for opportunities through the Treasury team who look at these matters and will be looking at them regularly. Senator Ferguson’s very good speech yesterday joined in this call and noted the emphasis on the digital economy. She encourages the Education Department to promote coding and digital skills, another theme that we saw, and we have already done some great work here, along with Digital Jersey and the Digital Academy, and I agree this needs more focus in order to capitalise on these skills. But not just for young people, it needs to be spread across our workforce at all ages, especially for those coming towards retirement age. We must look to capitalise on our businesses by enhancing them with technology and data sharing, which has been utilised by many industries to offer better, more efficient and more desirable products to customers. I note the call for a central data register to share customer information between local companies and the push towards artificial intelligence. This is something that can certainly enhance productivity of business, which is something we must do, so I note that we must double down on digital and A.I. and looking at the opportunities here to enhance productivity and this could be in the productivity strategy I mentioned in the report to Members. Of course, very importantly, is the focus on our traditional and our foundation industries, and of course agriculture and fisheries are at the heart of that and I note the calls from Constable Taylor and Deputy Young when looking at both agriculture and fisheries to ensure that the product sold or exported is a quality high-value product, a luxury good almost. We have done very well on this over the decades, Jersey Royals, Jersey Milk, have a number of small but growing niche luxury products in growing markets and we must really get behind to sustain that. We need to invest more in these products, in these types of products, and particularly focus on the marketing. This in my view needs to be a key part in the future economy strategy, which will be as important as ever, but we must sell off Jersey; Jersey as a centre of excellence with the very best products, goods and services. A number of Members, including Deputy Young again, have stressed the need to reposition Jersey as a place with its heritage and natural environment at its heart and I completely concur with this view. The Carbon Neutral Strategy was a starting point that can propel us towards genuinely greater environmental awareness that can enhance our tourism industry and attractiveness as a place to live and work. A new marine park and green energy will be, in my opinion, key to this new future and these new opportunities. Education, skills and training was also a common theme today. I know the importance of having the skills we need to power the future economy; that was made clear. That was one of the big challenges we were facing coming into this pandemic, and particularly the work being done by Skills Jersey. Deputy Maçon and colleagues and the points he outlined in that regard are also important. Vocational and digital training will also need to be at the centre of this new educational drive. We must also ensure that alongside the plan for economic recovery we have a plan to build upon the skills we need for the new economy to function properly, so that is something that we must ensure that the oversight group and the Economic Council and its associated groups work on quickly and I am glad that Senator Vallois has joined the Political Oversight Group to add this vital element to ensure more skills are available for the longer-term recovery. Lifelong learning was also a recurring theme and one which must be at the heart of our plans. I want to welcome another particular point made by Deputy Morel, he has noted that the finance industry does have a dominance, however we must not be complacent by that and we should ensure that Jersey becomes the best start-up economy we can make it. There are still hurdles to Islanders setting up new businesses, we must look carefully at the hurdles and barriers that still exist and ask ourselves is the level of regulation appropriate. It may well be appropriate to introduce lower levels of regulation in certain areas and I would certainly support that if it was appropriate. I note the calls also by many Members to increase or improve support to Islanders financially and the points also made by Deputy Morel that Jersey needs to develop a credit union that can help Islanders sustain and support themselves. This is combined with the idea of creating an infrastructure bank that can invest both locally and abroad. Those are interesting ideas and I have discussed them before with Deputy Morel and it would be useful to work through those proposals to see exactly what benefits they could bring to Islanders that do not already exist. So I commit to considering this further in the work we are doing. We had some excellent speeches from Deputy Perchard and the Constable of St. Martin, both of whom talked about Doughnut economics and this is certainly an interesting concept and there are many interesting economic concepts, which must be explored. Senator Gorst’s comments on economic theories and different economists are also relevant and my favourite current economist is the current Economic Adviser to the States, and I hope he can retain that status in the challenging weeks and months ahead. Deputy Doublet has again rightly raised the question of the value of unpaid work to the economy. Unpaid and informal work in the home and as provided by volunteers makes an enormous contribution to the economy and the well-being of our communities. According to the United Nations Development Programme, as much time is spent on unpaid work as on paid work in some industrialised countries. The value of that work has been estimated to range from anything between 15 and 50 per cent of gross domestic product. I do not think it is that much different in Jersey, we know that this work underpins what we all can achieve in the paid labour market. It may be statistically invisible but it is vitally important. There is further analysis we can do on this but economic advisers and statisticians said it is very difficult to get an accurate value but I do undertake to continue to work on that. I note the detailed points made by Senator Mézec in his different 3 Rs to the Government and, as I started this saying, a number of those areas he has mentioned around financial security for all Islanders align with thinking in the current Government. Living wage is a good example of this, also ensuring appropriate and more affordable access to healthcare and housing for all Islanders is absolutely essential. However, a number of the further proposals made by Reform Jersey require more detail, I am sure they are aware of that. The points raised on rent stabilisation, writing off household debt and company taxation changes are currently without long-term considerations, and how this might affect key parts of our economy, which have remained very resilient during this crisis. So while I welcome all proposals for consideration, these particular proposals do not currently seem to have fully developed policy considerations with short, medium and long-term considerations. They do not yet have any financial and manpower implications for us to consider therefore I would encourage and assist any policies like this to be further developed for discussion so they can be fully considered and I undertake to work with Reform Jersey and all other Members who wish to develop their ideas. Senator Mézec also asked for some commitments, so I will attempt to deal with those if I may. We were asked if we could commit not to allow financial support to be dropped for people, especially those who would be made destitute without it. I want to re-emphasise that we are committed to providing appropriate financial support, such as payroll support, the press scheme and income support, and have continually provided reassurance that we will not permit a cliff-edge halt in our support.

[17:15]

Officers and colleagues are continuing to work on that and Members can expect further announcements soon on some of those ideas and the Minister for Treasury and Resources did emphasise in her speech that, especially those on the lowest incomes, targeting our support at those who will benefit most, and I think I can speak for the whole Government when I say we undertake to stand by those commitments. We will also ask her to make a commitment on the living wage and the Government and the States has previously made a commitment to a living wage and now is the time to work out how we implement that, as I alluded to earlier. But I reiterate, doing so in a phased and appropriate way is important so we do not force businesses out of business, taking jobs with them. I am committed to form a sustainable plan to get us to that place of a living wage economy. The Senator also asked that we commit to including democratic representatives of working people in the Economic Council or economic structures and that is a sensible idea. Simple answer to that is yes, we will. Can we have an acknowledgement that an austerity approach will be ruled out and we will be pursuing based on different principles? I can confirm we are not pursuing an austerity agenda but we do need to make sure our services are effective and efficient and Reform Jersey and other States Members and members of the public, taxpayers, would expect nothing less. The key to the modernisation is pushing ahead and improved productivity within the public sector will be based upon pushing ahead with the digital agenda in the Government. I am mindful of the time and approaching the end; I am sorry that I have not had a chance to address all Members’ comments and of course there is an open invitation from myself and the Chief Minister, and indeed I believe all Ministers, for Members to make contact at any time with further questions. We undertake to listen and take on board those comments. The whole idea of today’s debate was to get a steer from Members and officials will be producing a paper based on this debate. So I thank Members for participating and reiterate that they have and will all be listened to. Notwithstanding the broad range of subjects raised, I think it has demonstrated today and yesterday that we share many of the key aims and aspirations discussed and are committed to creating a fairer and more balanced economic ecosystem. We have acknowledged that we need to prioritise the interests of all Islanders now and for future generations. Looking back through Jersey’s history we have again and again rebuilt and re-energised our economy and our community. We have done this in the wake of world wars, flu pandemics and great global recessions. We have always come through. As a previous speaker reminded us earlier today, the future is ours to win or lose and I have no doubt we will win.

The Deputy Bailiff:

Thank you, Minister. That concludes Public Business for this meeting and I invite the Chair of P.P.C. (Privileges and Procedures Committee) to propose the arrangement of public business for future meetings.

# ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

### 2. Deputy R. Labey of St. Helier (Chair, Privileges and Procedures Committee):

There are a few differences from what appeared on the Consolidated Order Paper for this meeting and I will just run through them. Deputy Morel’s Proposition about putting Jersey businesses first, P.56, as well as the accompanying Amendment, is now down for the next sitting on 16th June. Officially an in-committee debate on the Island Plan is still down for next time, the 16th. But noise that is emanating from the Minister for the Environment would suggest that he wants to move it. I will pause if Deputy Young wants to confirm whether he wants his in-committee debate on the Island Plan at the next sitting or not.

### 2.1 Deputy J.H. Young:

No, thank you for that opportunity to come in, I was going to do that anyway. It is quite clear, it has been for a little while from the answer I gave yesterday, the 16th cannot be. The paper that has already been published needs to be significantly revised and the earliest date potentially could be 30th June, the sitting after, but even that is in question. For the moment, I would move that to 30th June if that is acceptable to the Assembly.

### 2.2 Deputy R. Labey:

The following Propositions have been lodged and are down for debate on 30th June: Jersey Overseas Aid Commission, reappointment of Commissioner, P.67; Lifting of travel restrictions: States Assembly approval, P.68; Proposed Airport Redevelopment: review, P.71. The following propositions have been lodged and are down for debate on 14th July: Draft Financial Services, P.69; States of Jersey Development Company: amendments to the board of directors and articles of association, P.70; Variation to Lodging Period for the Government Plan, P.72; Draft Public Employees (Contributory Retirement Scheme), P.73; Draft Public Employee (Pension Scheme) (Miscellaneous Amendments), P.74. That is all for 14th July. Back to 16th June, the next sitting, I would imagine that the amount of business would mean that we would go into Wednesday.

The Deputy Bailiff:

So this is for the next sitting?

Deputy R. Labey:

Yes.

The Deputy Bailiff:

There are various Members who wish to speak.

### 2.3 The Connétable of St. Ouen:

Yes, can I just ask the Chairman of the P.P.C., and I am not trying to force his hand, whether he has been able to give any consideration to us meeting less remotely and more physically?

### 2.3.1 Deputy R. Labey:

Yes, I have. P.P.C. have given consideration to that. It is our considered opinion that it would not be a good idea to attempt another Fort Regent style meeting of the Assembly for 3 reasons: (a) it is an upheaval logistically; (b) it is expensive; and (c) it would inevitably mean at this stage that some Members would still not be able to attend for health reasons and for safety’s sake and I worry about going back to that system where we effectively create a 2-tier system of States membership in terms of those who can be in the room and those who cannot and have to do it remotely, and “remotely” is the word, they feel remote. I do not think we want to do that so I am ruling that out and P.P.C. are with me on that. But also the next time we should meet in person should be in the Chamber and, as to when that might occur, I do not think it will be this side of the summer recess, but we will wait and see what the directives are, but it would seem safe to imagine that we would still continue to meet virtually, remotely, until the summer recess. Members have done an awfully good job at getting the hang of this, as well as Officers and yourself, Sir, and the Bailiff, I know that it is still tricky and there are still issues sometimes. I just want to put a message out to those Members who might feel stressed or under strain with the technical issues and if that is the case please speak to the Greffier and we will help to sort your problems out and we can make arrangements for help to be given to you and maybe you could come into the States building and somebody could shadow you and help you. So, if Members are feeling under the strain of this, then please speak up, please speak to the Greffier, and help is at hand. That is what I have to say on that situation at the moment. I have sent an email to the Bailiff and I have spoken briefly to the Chief Minister about it to explain what P.P.C.’s thinking is on this at the moment.

### 2.4 Deputy M. Tadier:

It relates to P.19, there are a couple of things. So P.19 is my Proposition on free fares for the buses. It is down for the 16th I understand. If it helps Members, I do want to debate it at some point and I do not want it to be on the table all the time, I would like to get this sorted before the summer recess, but it does not have the requisite urgency, first of all, but secondly, there are some amendments and perhaps other Members might wish to consider to make it a slightly more holistic Proposition, notwithstanding the fact that changes have been made. So, first of all, could I ask how long it is allowed to be on the table, is it 3 months or 6 months, I forget?

The Deputy Bailiff:

A total of 6 months.

Deputy M. Tadier:

So that is not an issue. Can I just ask the Minister for Infrastructure if he could engage with me on this? I have sent emails to LibertyBus but they have not responded to me and it is quite important that I have a conversation with him and LibertyBus to see what we can agree and what might be acceptable before we embark on the full debate.

The Deputy Bailiff:

Deputy Lewis, can you confirm that you will engage with Deputy Tadier?

Deputy K.C. Lewis:

I am more than happy to engage with Deputy Tadier. I do not control the buses; they are a separate entity, but more than happy to mediate between the 2.

The Deputy Bailiff:

Deputy Tadier, do you want to defer at this stage from the 16th to a later date, P.19?

Deputy M. Tadier:

Yes, if we can defer it until the sitting after, subject to discussions?

The Deputy Bailiff:

Deputy Morel, you also wish to speak at this point?

### 2.5 Deputy K.F. Morel:

Yes, just briefly, and it is to pick up on the Constable of St. Ouen’s request. I feel perhaps more strongly but I do feel that we should be meeting in person. We can see that there is extremely low levels of the virus in the Island and more importantly we are asking businesses to go back to work and we are asking schoolchildren to go back to school, but States Members to not be able to meet in person I feel is clearly setting the wrong example in that respect. So, if P.P.C. is the appropriate boot to getting us back into the Chamber, then I would ask them to seriously reconsider the view that we shall not do this before September. We have 2 or 3 sittings left and I believe that we should meet again in person. So much of the democratic process is lost through this virtual sitting and increasingly technical problems are causing issues, including the United Kingdom’s military, which keeps flying past my window. So, yes, I do strongly ask P.P.C. to reconsider.

### 2.6 Deputy J.M. Maçon:

Just to give Members notice that my Proposition P.68, thankfully and gratefully I am meeting with some of my ministerial colleagues tomorrow to get further information, but just to put Members on notice that I might want to bring that forward for the next sitting and obviously that will be subject to all the appropriate safeguards that will have to happen then. But I just want to give Members notice that may happen, but I will advise them.

The Deputy Bailiff:

That may move forward from 30th June to the next session.

Deputy J.M. Maçon:

Yes.

The Deputy Bailiff:

Thank you. The next person who wished to speak was the Deputy Le Hegarat.

### 2.7 Deputy M.R. Le Hegarat:

I am a member of P.P.C. and from my recollection the discussion we had was some weeks ago and therefore I would ask as a member of P.P.C. if the Chair of that Committee would call a meeting with us all again this week because I do say that I have to agree with Deputy Morel that it is not only the issues of the I.T. that has been working for some of us, but it is also the fact of States Members’ own welfare may be to get together and to meet as we have all been working remotely and so from a welfare perspective I think it may be also positive for us to meet in person within whichever forum that happens to be. Therefore I would ask that he calls a meeting with us so that we can discuss this matter further so that we can move forward because I, like Deputy Morel, think that September is a long way off.

The Deputy Bailiff:

Thank you, I will come back to you in a moment, Deputy Labey, in the meantime the Connétable of St. Clement, you wish to speak?

### 2.8 Connétable L. Norman of St. Clement:

Yes, I also agree with Deputy Le Hegarat and Deputy Morel, although that is not the reason I asked to speak. But I would ask Members to note and P.P.C. to note that I expect to be lodging in the next couple of days some relatively minor Amendments to the Marriage and Civil Status Law so that weddings and civil ceremonies can go ahead from 1st July in an orderly and proper fashion.

[17:30]

I will be asking that they be taken on the 16th, if Members agree we will debate them on that day.

The Deputy Bailiff:

Deputy Labey, do you wish to respond and do you want to reflect on what you have heard about, not merely meeting in the Chamber again, but also in relation to any real alterations in respect to the arrangement of public business on 16th June?

Deputy R. Labey:

Yes, just to respond to Deputy Morel and others; I always say when I am asked that we are keeping very much a watching brief on what the latest directions are, what phase we are in, in terms of the pandemic, so we are keeping a very close eye on it. I cannot remember when the next scheduled P.P.C. meeting is but I will have a look at that for Deputy Le Hegarat and, if necessary, call an earlier one. With that I propose Public Business.

The Deputy Bailiff:

There is one person who wishes to speak. Deputy Ward, do you wish to address the Assembly?

### 2.9 Deputy R.J. Ward:

Sorry, it was on that topic. I was just going to say that I do agree that we do need to meet, if possible, but we also need to be aware that there are Members of the Assembly who perhaps do need to take greater care and we need to be absolutely aware of that and we should not be separating people out because of that. So, if we do meet, it should be with appropriate social distancing and that is what will be happening in our schools and in businesses, so we should be doing the same if we do meet. I just wanted to make that point.

The Deputy Bailiff:

It is clear from what was said on the chat that there are conflicting views on meeting physically in the Chamber again at this point and lots of matters to take into account. But in relation to the proposal for Public Business for 16th June proposed by the Chair of P.P.C., is that seconded? **[Seconded]** Are Members content now to adjourn until 16th June 2020 at 9.30 a.m.? I thank Members very much and the States stands adjourned until 16th June at 9.30 a.m.

# ADJOURNMENT

[17:33]