

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 16th SEPTEMBER 2008

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

QUESTIONS

1. Written Questions

1.1 Deputy G.P. Southern of the Minister for Treasury and Resources regarding payments for protection from GST for those on Income Support.

Question

Further to his answer on 15th July 2008 regarding payments for protection from GST for those on Income Support, in which he revealed that over 2,700 households would not be eligible for this protection will the Minister inform members what categories of households are so affected and what measures, if any, are in place to cushion these households from the impact of GST?

Answer

Of the 2,700 households identified by the Deputy, approximately 700 individuals are receiving residential care and are not subject to GST.

The remainder are receiving protected benefit payments under the Income Support scheme. Of these, households that do not pay income tax will be eligible to receive the GST bonus. Households that do pay income tax will have benefited from the increase in income tax exemptions.

1.2 Deputy G.P. Southern of the Minister for Social Security regarding the cost of the Income Support system.

Question

Will the Minister identify for members the following data on the costs of Income Support (IS) -

- a) the total sum spent on the previous benefits and support systems replaced by IS, broken down into individual benefits;

Answer

The total sum spent on the previous benefits and support systems replaced by IS, broken down into individual benefits, is a matter of public record as set out in the 2007 Report and Accounts (R.59/2008) and the 2008 Business Plan (P.93/2007)

Extract from 2007 Report and Accounts (R.59/2008)	£
HIE (States contribution)	1,441,460
Non native welfare / re care	6,674,956
Native welfare / res care	10,825,607
Family allowance	5,832,088
Attendance allowance	4,301,639

Disability allowance	1,191,251
Childcare allowance	630,938
Disability transport allowance	6,812,027
Milk at a reduced rate	385,628
Total	38,095,594

Extract from 2008 Business Plan (P.93/2007)

£

Rent rebate and abatement	23,936,000
Educational allowances	200,000
Home study grants	450,000
Additional res care costs	1,500,000
Transitional protection	9,700,000
GST protection	1,750,000
Winter fuel payment system	560,000
Total	38,096,000

These figures include administration costs.

Question

- b) the estimates for the total sum to be spent on IS broken down by components;

Answer

The total benefit budget for 2008 is £77,049,100. This is made up of the sum of the figures above plus an allowance for inflation on the Social Security 2007 benefit budget. This budget covers Income Support between February and December and legacy benefits in January. The Income Support budget is not broken down by components as each household receiving Income Support receives an individual benefit depending not just on the components but also on the income of the household.

Question

- c) the overall sum delivered in the first 6 months of operation of IS;

Answer

The expenditure recorded for February – July inclusive totalled £36,488,000.

Question

- d) the costs of adjustments already made to the IS scheme (to accommodate Attendance Allowance etc) and the extensions to transitional support and other proposed changes;

Answer

I repeat my statement made to the House on 3 June, 2008 :

“In September 2007, a paper describing the transition process and the calculation of protected payments was circulated to all Members. At that time, it was explained that it was impossible to provide accurate costings of the transition process until the number and make up of claimants eligible for transition was settled, shortly after the introduction of Income Support.

Accurate costings for transition have now been completed. Together with my Department, my Assistant Minister and I have considered these costings and I am announcing today that, within the existing budget provided by the Minister for Treasury and Resources Minister, we will extend the 100% protection for all claimants from this October until 27 January 2009, which will be a full year since the introduction of Income Support.”

In summary, there is no additional budget needed in respect of the transitional arrangements already announced.

Additional transitional protection until October 2009 is proposed within Amendment 4 to the Annual Business Plan (P.113/Amd 4). As stated in the amendment the additional cost is £2.17 Million in 2009.

The annual cost of other enhancements announced in my 3 June Statement is as follows:

Enhancement	Estimate of Annual Cost
Adjust definition of lone parent	£300,000
Provide PC3 to children without reference to parents income	£190,000
Provide minimum of PC1 for all IS claimants with 100% LTIA award	No additional budget required – just a change in the application process

Amendment 4 to the Annual Business Plan (P.113/Amd4) also includes a proposal to increase Cold Weather Payments, at an estimated annual cost of £150,000 .

Question

e) the total costs of GST support and annual uprating;

Answer

The total costs of GST support and annual uprating are a matter of public record (P93/2007, P.89/2008) respectively.

Question

f) the source of the sums referred to in d) and e) above?

Answer

The sums in (d) and (e) come from the Income Support budget approved by the States last year and the 2009 estimates which will be considered in the debate of the Annual Business Plan for 2009.

1.3 Deputy G.P. Southern of the Minister for Housing regarding 'j' category consents to purchase.

Question

Further to his response on 15th July 2008 relating to 'j' category consents to purchase, will the Minister detail for members the types of accommodation purchased by the 287 'j' category residents in 2006 and 2007 along with the prices paid in appropriate bands? Does he consider that the 50 per cent increase in 'j' category purchases in 2006/7 over the equivalent rate in 2005 corresponds with a five-fold increase in house price inflation over the same period?

Answer

"j" category employees purchased the following properties in 2007, which illustrates the prices ranges within which activity takes place:

Price Band	Number of properties purchased by private sector "j" category employees	Number of properties purchased by public sector "j" category employees	% of total "j" purchases
Less than 300,000	1	2	2%
300,000 - 400,000	24	10	25%

400,000 - 500,000	14	9	17%
500,000 - 600,000	17	9	19%
600,000 - 700,000	10	2	9%
700,000 - 1,000,000	24	3	20%
1,000,000 +	13	-	9%
	103	35	100%

The following table illustrates that while “j” category purchase have increased, so has activity across the whole market:

	Total Purchase Consents	“j” Purchase Consents	“j” as a % of Total Consents	Average “j” Purchase Price
2005 Q1	365	20	5.5%	
Q2	427	16	3.7%	
Q3	457	20	4.4%	
Q4	422	28	6.6%	
2005 Total	1671	84	5.0%	
2006 Q1	423	37	8.7%	
Q2	540	32	5.9%	
Q3	533	35	6.6%	
Q4	543	45	8.3%	
2006 Total	2039	149	7.3%	
2007 Q1	411	30	7.3%	619,000
Q2	536	47	8.8%	628,000

Q3	490	35	7.1%	613,000
Q4	444	26	5.9%	840,000
2007 Total	1881	138	7.3%	670,000
2008 Q1	454	27	5.9%	587,000
Q2	489	38	7.8%	642,000
Q3				
Q4				

It is evident that “j” purchases as a percentage of the total number of properties purchased in Jersey has increased, from 5% in 2005, to 7% in 2006 and 2007. However, while all activity contributes to changes in property prices, house prices in Jersey are affected by a whole host of factors including:

- The cheapness and availability of credit;
- Overall economic conditions including trends in earnings and employment;
- Natural population growth and demographic changes;
- Household formation rates
- Net migration; and
- Confidence in the housing market.

This would suggest that the total number of j category licences in the Island are one of only a wide range of factors that influence house prices in Jersey and by themselves can have only a marginal impact on house prices.

1.4 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the provision for a pay award for States employees in 2009.

Question

Having announced that the provision for a pay award for States employees in 2009 will be based on RPI(Y) (inflation less impact of GST and housing costs) and that this has been set in the 2008 Business Plan at 2%, but that RPI(Y) is already 3.9% what plans, if any, does the Minister have to accommodate these changed conditions following the decision to fund the Energy from Waste plant from the Consolidated Fund?

Answer

There is only provision for a 2% pay award for public sector employees from June 2009 within the 2009 Business Plan.

The level of public expenditure, including the provision for pay awards is agreed by the States in the Business Plan debate. Any States member could have proposed an amendment to the Business Plan to increase public expenditure to finance a higher level of pay award, but none has chosen to do so.

Accordingly the only way a pay award in excess of 2% could be financed in 2009, within the cash limits set by the States, is by cutting services to the public. The decision to fund the EfW plant from the Consolidated Fund does not alter the situation in any way.

1.5 Deputy G.P. Southern of the Minister for Economic Development regarding the availability of connections to the north of England over the winter period.

Question

Following the withdrawal of flights or operators from certain routes to and from Jersey over the winter period, will the Minister inform members what connections to the north of England (Leeds/Bradford, Durham/Tees Valley, Newcastle, Doncaster, Liverpool) will be available to Islanders over the period October to March?

Answer

The global airline industry is currently facing unprecedented trading circumstances as a result of the high global oil price. As recently as last week, we have seen the collapse of the airline XL, the UK's third largest tour operator, as just one more reminder of how fragile the industry is.

A reduction in air services from Jersey over the winter period is normal and that every year airlines reduce capacity to meet the typically lower demand.

Although airlines are still finalising winter 2008/2009 schedules, it is fair to say that with the vastly increased costs they are facing there may well be deeper reductions this year. An example of this is the recently announced suspension of winter services by bmibaby to Birmingham. However, the full winter schedule is expected to be known by the middle of October.

Notwithstanding this, I am pleased to advise that low-cost carrier easyJet will continue to operate a thrice-weekly service to Liverpool over the winter period and daily services to Manchester and Nottingham East Midlands will be retained.

As anticipated, services to Leeds Bradford, Durham Tees Valley, Newcastle and Doncaster will be suspended for the winter but will return to the network as planned for summer 2009.

We must continue to acknowledge that considerable work has been done to increase air services to Jersey. Had we not grown the level of business so successfully over the last two years with new services by bmibaby, bmi, easyJet, Jet2, Flybe, Aer Lingus, Blue Islands and Lufthansa, we could have been in a more precarious position than we are this coming winter season.

I am confident that, despite the current challenges of the industry, the work that Jersey Airport has undertaken to gain more business means we are likely to achieve the planned growth of around 5% this year.

1.6 Deputy G.P. Southern of the Minister for Housing regarding the absorption of the 3.7 per cent annual uprating of Income Support to meet increased accommodation costs.

Question

Will the Minister inform members whether some recipients of the accommodation component of Income Support in States housing will not benefit from the 3.7% annual uprating of Income Support since the increase in benefit will go directly to their rental payment which has also been raised by 3.7%, and, if so, how many households will be affected?

Answer

Since the transfer of subsidies to the Social Security Department, these statistics are no longer compiled by the Housing Department.

The Minister for Social Security has provided the following information:

As Members will be aware, the income support benefit is made up of a number of components. As agreed by the States, all components (adult, child, lone parent, household, accommodation, impairment, carer, childcare) will be increased by 3.7% from 1 October 2008. The Housing Department will increase rentals by 3.7% from 6 October 2008. Following the increase in both benefits and rent in October, claimants will see a net increase in their benefit.

The following examples show how these changes will affect typical States tenants, some or all of whose Income Support benefit is paid directly to the Housing Department.

Example 1 - Direct rental payment does not cover full rent

A pensioner couple living in a one-bedroom flat with pension income of £275 per week, are currently receiving income support of £127.29 per week. Their rent is presently £143.50. Their full Income support benefit is paid to their landlord and the couple pay the balance of rent due of £16.21 direct to the Housing Department. From 6 October, their rent will increase to £148.82 per week and their income support benefit will increase to £142.27 per week. Their income support benefit is still less than the rent due, however, the amount which they have to contribute reduces to £6.55 per week. Therefore as a consequence of the increase in both rent and income support, the couple are better off by £9.66 per week.

Example 2 - Direct payment does cover full rent

A lone parent living in a two-bedroom flat with an income of £150 per week, is currently receiving income support of £256.98 per week. The claimant is presently paying rent of £180.46. The claimant's income support is greater than the total rent due and so the entire rent is paid to the Housing Department from income support. The claimant receives the balance of the income support benefit totalling £76.52. From 6 October, the rent will increase to £187.11 per week and the income support benefit will increase to £272.03. The income support benefit is still more than the rent due and accordingly the full rent is paid to the Housing Department. The balance of the income support benefit increases to £84.92 and is paid to the claimant in full. Therefore as a consequence of the increase in both rent and income support, the claimant is better off by £8.40 per week.

The direct payment of rent to the Housing Department has no impact on the increase in benefit received by households from 1 October.

1.7 Deputy G.P. Southern of the Minister for Social Security regarding meeting the cost of X rays or other scans through the Income Support scheme.

Question

Will the Minister state what progress, if any, has been made towards a scheme that will agree a simple mechanism to identify those on Income Support who need additional financial support for the cost of X rays or other scans requested by their GP?

Answer

It should be noted that charges are only made for x-rays and other scans if the patient is referred from their GP. In most cases, patients will be under the care of a consultant in which case there is no charge.

The Health and Social Services Department is continuing to provide subsidised rates for x-rays and other scans requested by GPs to individuals holding existing HIE cards. The Health and Social Services department is currently undertaking a review of these services before any new system is introduced.

1.8 Deputy G.P. Southern of the Minister for Economic Development regarding the net job-growth figure over the five-year period to date.

Question

In the Annual Performance Review 2007 the net job-growth figure over the five-year period to date is described as being below the annual target of 1% (500 jobs), in fact 0.7%. Will the Minister explain to members how this statement correlates with the official employment figure taken from Jersey Labour Market December 2007 of net growth over the 5 years of 2,770 jobs or 1.1%?

Given that this figure is likely to rise this year as the 2003 figure of 650 job losses drops out of the calculation, what measures, if any, will the Minister take to ensure that this States-agreed target is met so as to achieve truly “sustainable and controlled” growth.

As the report also states that around one third of these new jobs in 2007 were taken by non qualified and migrant staff, thereby increasing the proportion of non qualified staff in the private sector workforce, what measures, if any, is the Minister prepared to take to curb this influx of migrant workers?

Answer

The 0.7% refers to the annual change in employment on a calendar year basis rather than just simply the differences between December each year. The methodology used to calculate the 0.7% has been recommended by the States Statistics Unit. It is the same methodology they use for calculating the size of the workforce within the framework for measuring the Gross Value Added (GVA) of the Jersey economy on a calendar year basis.

In the GVA analysis, the size of the workforce in a given calendar year is calculated as the weighted average of three consecutive periods:

(previous December: current June: current December) in the ratio (1 : 2 : 1).

Applying the above formula to the labour force data compiled over recent years results in the calendar year figures shown in the table. The annual percentage changes and the average per

annum percentage changes on a rolling 5-year basis are shown. For 2007, this latter figure was 0.7% per annum, calculated for the period 2002-2007.

Calendar Year	Workforce size (total headcount)	Annual % change	Rolling 5-year Average per annum % change
2000	51,793		
2001	51,855	0.1%	
2002	51,910	0.1%	
2003	51,588	-0.6%	
2004	51,025	-1.1%	
2005	51,620	1.2%	-0.1%
2006	52,430	1.6%	0.2%
2007	53,725	2.5%	0.7%

However, from an economic perspective the most appropriate period is that of an economic cycle because rolling five year averages could be influenced by a significant proportion of the period being either the growth phase or the decline phase of the cycle. This could lead to five year annual average growth figures overstating or understating the underlying growth in the workforce. Taking the previous peak of the cycle in calendar 2000 as the start point, the **average per annum growth to 2007 is 0.5%**. If the next peak in the economic cycle occurs in 2008, with a similar growth in workforce in 2008 as for 2007, then the annual per annum growth over the full cycle will be 0.8%, i.e. still below the target 1% per annum.

Such an objective assessment of the performance of the labour markets shows that there is no need to take additional measures to meet the States agreed target, above those already used by the Population Office. In fact, the Fiscal Policy Panel highlighted in their first report published on 5 September that the economic environment of recent years has changed and the Island faces a new economic challenge in the face of significant economic shocks. They believe that economic growth will slow this year and next and that:

“The risks to economic growth are to the downside. Financial services profitability could be less than expected and the rest of the economy may slow more rapidly.”

By suggesting that we need to take further measures to choke off economic growth because of recent strong growth in the workforce the Deputy fails to understand both trends in the workforce and the challenges the Jersey economy now faces in the light of the credit crunch and the rise in food and fuel prices. Adopting such an approach would only serve to make Islanders worse off at a time when our economic prospects are already showing signs of deterioration. That would be against the very essence of the States agreed policies of economic growth, low inflation and job opportunities for local people.

1.9 Deputy G.P. Southern of the Chief Minister regarding the net job-growth figure over the five-year period to date.

Question

In his response to a question on migration asked on 15th July 2008, the Chief Minister referred to the net job-growth figure over the five-year period to date as being below the annual target of 1% (500 jobs), in fact 0.7%. Will he explain to members how this statement correlates with the official employment figure, taken from Jersey Labour Market December 2007, of net growth over the 5 years of 2,770 jobs or 1.1%?

Answer

The figure of 0.7% refers to the annual change in employment on a calendar year basis and is the statistically correct methodology adopted by the States Statistics Unit. The figure of 1.1% is simply the differences between December each year. The Statistics Unit use the same methodology for calculating the size of the workforce in relation to the Gross Value Added (GVA) of the Jersey economy on a calendar year basis.

However, from an economic perspective the most appropriate period is that of an economic cycle because rolling five year averages could be influenced by a significant proportion of the period being either the growth phase or the decline phase of the cycle. This could lead to five year annual average growth figures overstating or understating the underlying growth in the workforce. Taking the previous peak of the cycle in calendar 2000 as the start point, the **average per annum growth to 2007 is 0.5%**. If the next peak in the economic cycle occurs in 2008, with a similar growth in workforce in 2008 as for 2007, then the annual per annum growth over the full cycle will be 0.8%, i.e. still below the target 1% per annum.

1.10 Deputy G.P. Southern of the Minister for Housing regarding the ownership of share-transfer properties.

Question

Can the Minister explain the discrepancy between the different figures for ownership of share-transfer properties between himself and Deputy S.C. Ferguson of St Brelade given in July 2008, and if not when, if at all, will he agree to investigate this issue and report to the Assembly?

Answer

Below are the results of the analysis performed by the Population Office :

Total Properties in sample	Locally Qualified Owner	Owner not Qualified but Resident in Jersey (using addresses on Annual Returns)	Owner not qualified and not resident in Jersey (using addresses on Annual Returns)	Non-Jersey Resident Company	Jersey Resident Company
840	588	103	64	24	61
	70%	12%	8%	3%	7%

Properties with Owner-Occupiers (using addresses on Annual Returns)	Properties with Non Resident Owners (using addresses on Annual Returns)
546	294
65%	35%

This analysis covered 840 units of accommodation owned by 25 different property holding companies, including Spectrum and Century Buildings.

It is not possible to perform the above analysis without being able to check on the residential status of each owner, as per the Population Office records. This would explain some of the divergence between this broad based analysis, and that of Deputy S.C. Ferguson of St Brelade, which focused on Spectrum and Century Buildings. With respect to these share transfer properties mentioned by Deputy S.C. Ferguson of St Brelade, just over 50% of all units were owned by locally qualified individuals, and a further 17% were owned by Jersey residents waiting to qualify. Of course, all the share transfer properties sampled, including Spectrum and Century Buildings, are reserved for the occupation of qualified residents only.

1.11 Deputy G.P. Southern of the Minister for Economic Development regarding the case for the introduction of a third supermarket retailer in the Island.

Question

Will the Minister inform members whether he accepts that the conclusion of the DTZ report is that whilst the case for the introduction of a third supermarket retailer has not been made, a “deep-discount” supermarket operator such as Lidl or Aldi would be an appropriate addition to the retail mix in Jersey?

Can the Minister inform members why he considers that it is necessary to conduct an opinion poll over this issue? What additional information does he expect to produce from such a survey? Will he ensure that the public are clearly informed about the essential facts that emerge from the Experian and JCRA retail reports along with those from the Scrutiny and DTZ reports to ensure that any survey of opinion is properly informed?

Does the Minister accept that there has so far been little attention paid to the staffing requirement should a third competitor in the sector be accepted and will he agree to undertake such an assessment of where staff would be sourced under the Regulation of Undertakings and Development Law for such a move?

Answer

I would refer Deputy Southern to my answer to the oral and subsequent questions posed in the States on the 15th July relating to the JCRA report on the impact of new entry in the retail sector by a large supermarket. In particular, the importance of not relying on a sole source of information to guide policy and the need to take into account a wide range of information, for example, economic matters, inflation, allocation of scarce resources having regard to environmental and planning issues and the potential benefits of competition.

The DTZ Report is an interesting document that has been produced primarily for planning purposes and deals mainly with an assessment of quantitative need. DTZ recognises that its report “is not a study of retail competition on Jersey, and does not consider retail prices or the number of food store operators on the Island; since those are not material land use planning matters.”¹ It would not therefore be appropriate to rely solely on DTZ’s conclusion that “a case for a third supermarket operator has not been made.”

I would not endorse or contradict DTZ’s views on discount stores. An alternative view is that an additional general supermarket operator may exert a downward pressure on pricing across a wider range of goods than a discount operator, which carries fewer lines.

A great deal of work has been carried out on retail sector policy in recent years. The information available consists mainly of two technical capacity studies, advice from economics experts and the Competition Authority and commentary from industry bodies and retailers. It is felt that, there is still a need to understand the consumer’s view on supermarket and food shopping in Jersey and what consumers think about the impact of a third supermarket. The Statistics Unit has, therefore, been asked to carry out a survey on food and supermarket shopping in Jersey to provide information about what is important to consumers.

People do not need to be aware of the reports mentioned to give their opinion as the survey has been designed in such a way as to explore people's attitudes to food shopping in general, and what is important to them, before moving on to their opinion of the current 'market' for food shopping in the Island. I.e. the survey has been designed to lead people through a thought process beginning with what is important to them and what the current situation is now, before asking them to consider whether they would have any concerns if the current situation changes. We are not asking for people's comments or opinions on specific previous studies, and therefore would not want to point directly to those studies. These studies researched and analyzed aspects of the retail 'market', and were conducted by experts in these areas. These are separate issues to the way the public think or feel about the current food 'market', and this can only be objectively and robustly summarised through a *random* postal survey which ensures that all Jersey residents' views will be represented.

The additional information that will be produced will be a robust, objective and representative summary of what is important to the general public in terms of their food shopping experience, and how they rate the current food shopping experience in the Island. It will ask about their concerns or otherwise of having a third supermarket operator, before finally asking whether they think Jersey should have one. The survey will also be able to draw out if there are any differences between different sub-groups of the population.

One of the potential benefits of additional competition is that it may encourage firms to use labour more efficiently. A more efficient retail sector will require fewer people (including non-locals) to meet a given level of demand. The retail and wholesale sector employing over a 1,000 non-locals is the third largest employer of non-locals in the private sector. The nature of any licence granted to a supermarket operator will depend on the timing of the application and the conditions in the labour market, retail sector and wider economy at the time and will be assessed against the individual merits of any application, in the same way as past applications to employ people in the supermarket sector have been considered.

2. Oral Questions

The Deputy Bailiff:

¹ DTZ Jersey Retail Study 2008, page 3, paragraph 1.3

We come to Oral Questions. Deputy Pitman is malade, so the second question is from Deputy Power, a question for the Minister for Health and Social Services.

2.1 Deputy S. Power of St. Helier of the Minister for Health and Social Services regarding the demand for respite care beds.

Can the Minister confirm whether the department is experiencing an excess of demand over the supply of respite care beds?

Senator B. Shenton (The Minister for Health and Social Services):

I would like to hand over to my Assistant Minister to answer this question. Out of courtesy, I did clear this with the Deputy before the States convened.

Senator J.L. Perchard (The Assistant Minister for Health and Social Services - rapporteur):

I am assuming the focus of the Deputy's question is upon respite care beds for older people rather than the general question concerning respite, as respite also relates to other client groups such as those with special needs and those with physical disability. At Little Grove Nursing Home there are 5 respite care beds for those older people who require nursing care as part of their respite stay. The current occupancy rate for this service is approximately 80 per cent with obvious variation depending on needs of clients at any time. At the Pinewood Residential Home there are 2 respite beds for those older people who do not require nursing care as part of their respite package. The occupancy rate for this service is currently 90 per cent, again with understandable variation. Respite care beds is not synonymous with the respite care strategy, Sir. In this respect, the service is deficient in some areas. One of the great deficiencies is the lack of provision for carers who require access to short respite. In other words, respite of such duration to enable a carer to go shopping, to enjoy some personal time or, indeed, to look after his or her own health and wellbeing. I am pleased to inform Members and the questioner that I am currently chairing a steering group involving stakeholders that will develop a carer strategy for all client groups. A report with recommendations will be submitted to the Council of Ministers before the year end and the Minister for Health and Social Services and I intend to share the report with Scrutiny in the New Year.

2.1.1 Deputy S. Power:

Could I ask the Assistant Minister to give a little more detail in the deficiency he referred to in the provision of beds for carers so that they can have a break? Can he give an indication of the extent of the problem?

Senator J.L. Perchard:

I beg the pardon of the questioner if he misunderstood. The deficiency is not about beds for carers. It is support for carers, and that is where we consider the service to be deficient. So we support carers, enabling them to continue to provide support for, usually, their loved ones.

2.1.2 Deputy R.G. Le Hérissier of St. Saviour:

Does the Assistant Minister believe that there is, in fact, a highly suppressed demand for this service and would he outline, Sir, what is going to be in his department's view the role of the private sector in the provision of these services?

Senator J.L. Perchard:

There is no evidence, as I demonstrated, that there is a highly suppressed demand for this service. It is the department policy, as the questioner well knows, to engage public/private partnerships with the provision of respite care wherever possible.

2.1.3 Deputy R.G. Le Hérissier:

Would the Assistant Minister outline whether this care in the private sector is being offered at full cost or whether there is provision to help people who struggle in meeting the costs?

Senator J.L. Perchard:

Again, the questioner well knows the answer to this question. There is support to the level of 100 per cent for those that are unable to afford respite care support.

2.1.4 Deputy S.C. Ferguson of St. Brelade:

It is well known that confused elderly patients are better kept in their own surroundings. What provisions will the Assistant Minister be making in this area?

Senator J.L. Perchard:

I refer the questioner to my answer in that I am chairing a carers group and we will be developing a strategy to provide support to carers and the strategy will be presented to the Council of Ministers before the yearend and shared with Scrutiny at the earliest possible opportunity next year. The idea of this strategy is to do exactly what the questioner has identified is a recognised weakness of our service, is that we are able to support carers to enable them to continue caring for people that need care in their own environment.

2.1.5 Deputy I.J. Gorst of St. Clement:

The Assistant Minister said that he is chairing a carers group. Could he confirm who is sitting on this group and that they have sufficient experience?

Senator J.L. Perchard:

The steering group is a co-ordinating group. We will be inviting up to 60 stakeholders to a development day which I will be announcing shortly. It is in October. I cannot remember the exact date. These invitations have gone out and 60 people have accepted, and they represent service providers, service recipients, cared for and carers, including all the agencies that have an interest. We will be working together to identify the weaknesses of that current service provision and to develop the strategy which I will be taking forward to the Council of Ministers and, as I say, sharing with Scrutiny in the New Year.

2.1.6 Deputy I.J. Gorst:

Could he then confirm that on the steering group there are both carers and cared for?

Senator J.L. Perchard:

No, on the steering group organising the strategy we have just one representative from the Jersey Federation of Carers and other than that it is a small group of me and 2 other executives from the department.

2.1.7 Deputy D.W. Mezbourian of St. Lawrence:

The Assistant Minister took on responsibility for the social services side of the Health Department. Will he tell the House how he prioritised his work and whether he will reach his targets by the end of the year?

The Deputy Bailiff:

I think, Deputy, that is a little too far removed.

Deputy D.W. Mezbourian:

I beg your pardon, Sir, I will change that question. Will he tell us what priority he gave to dealing with respite care?

Senator J.L. Perchard:

I gave this important subject every priority. The questioner will know that the department has been very busily prioritising its agenda, the children's service and the deficiencies in the respite service not only for older people but we do have deficiencies in the provision of respite for other client groups which we have urgently prioritised. We will be seeking to provide solutions which will require resources, unfortunately, in the next year.

2.1.8 Deputy A.E. Pryke of Trinity:

Could he confirm if Health and Social Services provide any respite beds within their care homes, and also just another quick question regarding the steering group, if there is a representative from the Carers Federation on that group, please?

Senator J.L. Perchard:

Yes, I did confirm to Deputy Gorst, who asked that question, there is a representative from the Carers Federation at the steering group. Yes, there is. I can confirm that Health and Social Services do not provide respite care beds for the elderly in-house.

2.1.9 Deputy J.A. Hilton of St. Helier:

Is the Assistant Minister aware of a report that was compiled by the Jersey Carers Association I think only in the last 12 to 18 months? Is he absolutely determined that he is going to push this strategy through and it is not going to turn into another talking shop?

Senator J.L. Perchard:

Yes, I am aware and have been in dialogue and have attended the A.G.M. (annual general meeting) of the Jersey Carers Federation recently. I am in dialogue with the chair and members of that Federation and no, this is not a talking shop. I know there has been an impasse at Health and Social Services over the last decade. I think there is a momentum now to move things on. Less of the talk, more action will be what you can expect from the Minister and I.

The Deputy Bailiff:

Deputy Power, do you wish to ask a final question?

2.1.10 Deputy S. Power:

If I may, Sir, thank you. Could I ask the Assistant Minister to clarify; I may have missed the detail. In one of the answers he referred to the number of beds that are available to those elderly that allows their carers to have a break or respite. Can the Assistant Minister indicate the number of beds that are currently available, the deficiency and the location of those beds? Thank you, Sir.

Senator J.L. Perchard:

I am not aware of any new question here. There are 5 nursing beds available at Little Grove and 2 at Pinewood for care beds. I do not really understand the extra question being put to me.

Deputy S. Power

I am happy with that; I do not want to go on and ask for further detail. Thank you, Sir.

Deputy G.P. Southern of St. Helier:

Can I ask a point of clarification from the chair, Sir? When a Member is absent for oral questions, is it normal practice that any written work prepared for that answer is passed directly to the questioner? Is that the default position? If not, can I seek assurance from the Ministers for Treasury and Resources and Social Security that they will pass on any prepared answers to Deputy Pitman?

Senator T.A. Le Sueur:

I am perfectly prepared to send Deputy Pitman a copy of what I was going to say had I been asked the question.

Senator P.F. Routier:

Yes, I would be prepared to do that as well, Sir.

2.2 Deputy S. Power of the Minister for Transport and Technical Services regarding a trial of 2 electric Smart cars supplied by the JEC.

Can the Minister advise the Assembly whether the department's trial of the 2 electric smart cars supplied by the Jersey Electricity Company was successful and whether he has any plans to specify that hybrid diesel electric buses should be incorporated into the future Connex and/or public bus transport fleet?

Deputy G.W.J. de Faye of St. Helier (The Minister for Transport and Technical Services):

Transport and Technical Services is not currently involved in a trial of electric cars and did not conduct any official trial of the aforementioned Smart cars. However, I am supportive of such initiatives and the department will keep a watching brief on the market for both electric and hybrid vehicles and assess their suitability and costs to be used within the States fleet. I did express some public support for the Smart car scheme and I am pleased to inform the Deputy that the Minister for Planning and Environment took the wheel of one of the cars and tested it personally, and I am sure he will find the Minister's views most illuminating, as I did. As far as plans to specify hybrid buses in the future, negotiations on the contract extension included an agreement that Connex will support the introduction of hybrid vehicles and I am aware that the company is now assessing vehicles of this nature. I am very keen to see such vehicles operating on the Island's bus network, and both Transport and Technical Services and myself will progress this matter and monitor it very closely.

2.2.1 Deputy S. Power:

I thank the Minister for his reply. Could I ask the Minister to clarify what happened to the 2 electric Smart cars that were featured in a handover ceremony by the Jersey Electricity Company to his department?

Deputy G.W.J. de Faye:

I regret to inform the Deputy that no such handover ceremony took place. I wish it had done. The cars are extremely expensive and cost about £19,000 each, so having 2 presented to the department would have been a sheer delight. Regrettably, no such handover took place.

2.3 Deputy P.V.F. Le Claire of St. Helier of the Minister for Health and Social Services regarding the cost of new cancer drugs.

I did email the Minister that this question was not exactly as I had worded it due to a last minute change and asked if he would accept the original version, but I have not heard from him.

The Deputy Bailiff:

No, you must ask the question as it is in the Order Paper, Deputy.

Deputy P.V.F. Le Claire:

Yes, Sir. I am just prefacing this question by the fact that it was not the question I had asked. Given that it is predicted that new cancer drugs will cost the National Health Service an additional £50 billion next year, would the Minister outline the implications for patients with cancer who wish to have access to these drugs in Jersey and the impact on the Health and Social Services budget?

Senator B.E. Shenton (The Minister for Health and Social Services):

The Deputy is right to draw attention to the high cost of modern cancer treatments. While modern society is right to acclaim the benefits of modern drug technologies which enhance life and extend

the quality of life, these benefits cost huge sums of money. In fact, huge sums that perhaps it is difficult for the Jersey taxpayer to comprehend. The National Health Service on the mainland alerted the general public to the increasing cost of drug treatments for cancer patients. The high costs are due to the enormous research and development resources by drug companies to bring them from the laboratory to the hospital. Sorry, I have been given an answer by the department; I am just trying to cut it down a little bit because it is a bit waffly. Within the spheres of haematology and blood cancer treatment costs, expenditure has grown from under £50,000 in 1996 to a projected spend of over £400,000 in 2008. Within the context of cancer drug costs, Jersey's Retail Price Index is irrelevant. The current inflationary increases in drug treatment for cancer patients is estimated at being between 15 and 20 per cent over the next 5 years. These costs will have to be borne within the resources made available to my department, which is quite a struggle.

2.3.1 Deputy P.V.F. Le Claire:

There is a whole raft of implications for the States of Jersey budget in relation to cancer care and also for treatment for patients and patients who are receiving treatment. I would like to ask many questions, but I had better try and just stick to a couple if I can. The first one would be if a patient elects to receive cancer care drugs that are not prescribed or available from the Health and Social Services Committee or the States of Jersey, will that interfere with their right to access other services in conjunction with those treatments?

Senator B.E. Shenton:

This is a very difficult question. The Health and Social Services Department obviously takes advice from its experts and consultants in any particular field, and certainly as a politician you would not overrule their expert advice. We go by the N.I.C.E. (National Institute for Health and Clinical Excellence) guidelines, the clinical guidelines that are prevalent in the United Kingdom, and drug treatments would be within those guidelines. The care given by the department would always be within the guidelines provided by N.I.C.E.

2.3.2 Deputy P.V.F. Le Claire:

I think maybe it is a bit of a tricky question I asked. Maybe just in order to get out what I was trying to seek, which is important, normally the hospital has a practice that if you elect to have an operation outside of this jurisdiction, you may face difficulties coming back to Jersey to receive, for example, after care services like rehabilitation, et cetera. They may not wish to follow up or be responsible for something that has happened outside of the Island. In that same context, I am trying to ascertain if a drug is more effective for cancer and is purchased privately by the patient that does not fall within the N.I.C.E. guidelines, will that patient purchasing that drug forfeit the right to the support services that would be available if they had have taken the other drug?

Senator B.E. Shenton:

With all due respect to the questioner, it does sound to me like he is talking about a specific case. The guidelines are there for a reason because obviously we have a budget and we have a system. If you come within the system you will be treated within the system. If you go out of the system, you will be treated outside the system. We cannot give an open chequebook to people who wish to be treated outside of the system.

2.3.3 Deputy J.A. Hilton:

Following the same theme, Members will be well aware from the U.K. (United Kingdom) media that a lottery seems to operate in the U.K. with regard to cancer treatment. I would just like to try and establish - he mentioned the N.I.C.E. guidelines - can the Minister assure Members that any available cancer treatment will be offered to Jersey residents, regardless of costs, best suited to their medical condition prevailing at the time?

Senator B.E. Shenton:

What I can give the assurance of is that any available cancer treatment recommended within the system by our consultants will be provided to Jersey residents. What I cannot give is a carte blanche guarantee that people can go out and select their own cancer treatments because some of these cancer treatments come in at quite literally hundreds of thousands of pounds. We quite literally have million Pound patients and to give that sort of service you would have to give me an unlimited budget.

2.3.4 Deputy I.J. Gorst:

Perhaps it is me that is being confused, but I am not sure quite that I understand what the Minister's answer was to the Deputy's initial question. He is obviously well aware of the situation in the United Kingdom where people have opted for drugs which are not on the N.I.C.E. list and then been refused treatment afterwards in an N.H.S. (National Health Service) hospital. Can he confirm that that is the case in Jersey? If it is, could he confirm that he will undertake to review that that is appropriate? Because it seems to me, Sir, that it is not. Thank you.

Senator B.E. Shenton:

The N.I.C.E. guidelines have had an enormous attack in the U.K. by various parties saying that the thresholds are too low and that they have not adjusted for changing technologies. What we cannot do is pick up the pieces if people try out untested and untried treatments off their own back, as Deputy Le Claire said, in a foreign country and then expect us to pick up the pieces. This is a very complex issue which is very difficult to answer in the States Chamber. What I will say is the N.I.C.E. guidelines are under review at the moment. They are under review in the U.K.; they are also under review in Jersey. There is a body that feels that the way the N.I.C.E. guidelines are formulated is the wrong way to go about providing cancer treatments, but I cannot give the Deputy the assurance that the department will pay for any treatment at any cost. We have to have guidelines, we have to have a policy and obviously we have to operate within budgets.

2.3.5 Deputy I.J. Gorst:

Thank you, his answer is slightly clearer if a little fuzzy around the edges. Could he confirm that he will then either issue some guidelines that the members of the Jersey public can understand or even that States Members can understand so there is a little bit of clarity about what is available or what is not available?

Senator B.E. Shenton:

I certainly have no hesitation in doing that. My Assistant Minister and I are quite fortunate because there are no States sittings or very few States sittings over the next couple of months which will give us plenty of time, because we are not involved in elections either, to come back to the Deputy hopefully by the end of the year or early next year.

2.3.6 Deputy J.B. Fox of St. Helier:

That was precisely the question I was going to ask, do we have a timescale that we could indicate to people that are clearly worried about their condition and their care as to when this information will be available as to a way forward that you see is practical and achievable? Thank you.

Senator B.E. Shenton:

We obviously have current guidelines in place, but given the amount of publicity and the amount of disquiet in the U.K. over the N.I.C.E. guidelines, what I would like to do is review that policy and then provide it to the House rather than give you the existing policy. So if I can come back to the House by, as I said, the end of the year or early next year that would give us enough time to review the situation.

2.3.7 Deputy P.V.F. Le Claire:

The Minister offers States Members and Islanders themselves a very important opportunity to evaluate what is available for people in Jersey given the fact that we have a very high level of cancer rate in Jersey in some areas. Would the Minister undertake also, when he provides us with that paper, to circulate that within the Island to the media so that it is available for people to have access to? Would he also be able to, within that paper, outline how that compares with other jurisdictions within the United Kingdom, where we take most of our relevancy from? Just on one last point in relation to access to cancer treatments within the European Union - I appreciate we are not within the European Union - access to cancer treatment within different countries has just been ruled or is being ruled into legislation within the E.U. (European Union) that cancer treatment abroad, basically health tourism, is something that cannot be denied by member states. Would that be something that he could also cover in that paper, please?

Senator B.E. Shenton:

I would be happy to provide the guidelines to States Members together with a ... it would be quite a meaty tome but with a summary for the general public as well. With regard to health tourism, I think that is a different issue. It is another issue that is very important and one that our department is looking at because there has been a movement with regard to health tourism not only in the E.U. but worldwide as governments come under more and more pressure within their health budgets. Health tourism is a serious issue and it is something that we have been looking at. We were looking at it before I became Minister for Health and Social Services, some work by Senator Syvret, and we are hopeful to announce a policy on health tourism in the next few months.

2.4 Deputy P.V.F. Le Claire of the Minister for Housing regarding the provision of a rebate of rent for residents of the Cedars.

This will be a lot shorter, this one. Will the Minister undertake to consider the provision of a rebate of rent or a portion thereof for residents of the Cedars who have had to endure disruption to their lives over the last few months as a result of renovation works?

Senator T.J. Le Main (The Minister for Housing):

Were the existing rents being charged at the Cedars at full fare rent levels, then I have no doubt a rebate could be or would be worthy of consideration. However, the reality is that the rents being charged are significantly below the department's full fare rent which would be chargeable when the flats are complete and there are no building works going on. Therefore, Sir, the answer to the Deputy's question is no.

2.4.1 Deputy G.P. Southern:

I thank the Minister for accepting the principle that a lowered rate could be charged and note that the lowered rate for the inhabitants of the Cedars was based on the dilapidated condition of their property. Will he consider a further rebate to compensate for the trials and tribulations of the work required to put this shameful state to right?

Senator T.J. Le Main:

The answer is a categorical no. The Deputy does not understand. We are spending £6 million on this refurbishment and there was an article in the paper with 3 or 4 residents. I can assure the Members of this Assembly that we work with a high-rise representative, 2 of them living in those flats there, and the majority, nearly all of the residents, are quite happy to put up with some of the inconvenience that is carrying on at the moment because they are going to have some wonderful refurbished new windows, new homes, which are going to meet the modern day standards. I do not suppose the *Evening Post* had too much to print when they did that story, but there are 3 or 4 that have complained to the media and only 2 complaints have been sent to the department and have been resolved on issues. Generally, all of the residents ... I get stopped continuously because I go on the No. 18 bus which passes the Cedars, and residents on the bus keep complimenting me about

the courtesy and the work being carried out by the contractors and the courtesy and consideration given by the staff of the Housing Department. You have to remember that there are 74 units of accommodation there and it would have been impossible to move them out. We have done significant refurbishments over the years, last year also - Journeaux Court, Clos du Fort, Clos de Roncier are carrying on - and people have remained in their homes and people have been patient. They will have wonderful homes when this is finished. So the answer to the Deputy is no.

2.4.2 Deputy G.P. Southern:

Will the Minister inform Members what timescale was allocated to these repairs, what the finishing date was, and whether that finishing date is expected to be met?

Senator T.J. Le Main:

The completion date is end of April.

2.4.3 Deputy G.P. Southern:

Will that date be met and how long was the work going on?

Senator T.J. Le Main:

The completion date, Sir, is due for completion by the end of April. I am not the contractor. Working on these old properties at times uncovers extra works or otherwise at times. The Deputy well knows that you can estimate and that is about all you can do.

2.4.4 Deputy G.P. Southern:

If I may, Sir, will the Minister tell Members what the time taken was estimated to be and whether that time will be met?

Senator T.J. Le Main:

I will repeat again it is due for completion, Sir, at the end of April. Everybody knows ... I cannot remember exactly the date that the work commenced, but it has been going on for a couple of months at the moment and it is due for completion and it is a huge, huge refurbishment job. You only have to pass around there and have a look at it. The Deputy is unfortunately electioneering with this sort of question. Again, let me just say, Sir, to Members of this Assembly that we have considerable experience in the refurbishment and upgrading of homes at long last by the courtesy of this House allowing us to have the Property Plan, which the Deputy voted against. So these people in normal circumstances would still be living in absolutely horrendous accommodation. Thank you, Deputy, for supporting the Property Plan. My grateful thanks to all the others that did support it.

The Deputy Bailiff:

Deputy Le Claire, do you wish to ask a final question?

2.4.5 Deputy P.V.F. Le Claire:

Just to ask the Minister to confirm that there are issues in relation to providing improvements to people in housing. As I did support the Property Plan, I am trying to help the department and not trying to hinder it with these questions. Would he agree with me that the improvements are welcomed but the difficult questions we put to him from time to time are also necessary?

Senator T.J. Le Main:

Absolutely, Sir. I am very grateful for Deputy Le Claire who happens to be one of the very few Members of this Assembly that often asks me pertinent questions by email or by telephone and likes to understand both sides of the story. I think the residents of the Cedars and St. Helier No. 1 district are well served by Deputy Le Claire, who ... **[Laughter]** That is my election speech for Deputy Le Claire, Sir.

The Deputy Bailiff:

Very well. We will see if Deputy Southern has similar success when he asks a question of the Minister for Social Security.

2.5 Deputy G.P. Southern of the Minister for Social Security regarding the withholding of benefits via the powers granted under the Income Support (Jersey) Law 2007.

Who knows, Sir? Miracles happen. Will the Minister inform Members whether his department has yet instigated action against any individuals in receipt of Income Support which involve the powers granted under the Income Support (Jersey) Law 2007 to withhold benefits?

Senator P.F. Routier (The Minister for Social Security):

Article 13(5) of the Income Support Law allows the department to recover over-payments of benefits. A benefit is not withdrawn but regular amounts can be deducted from future benefit payments to recoup any overpayments. These arrangements normally run for 3 to 12 months depending on the amount. The department does take this action if the claimant has provided incorrect information about their circumstances and this has led to an overpayment. The recovery of overpayments was undertaken regularly in several previous systems including family allowance, rent rebate and rent abatement, and also Parish welfare.

2.5.1 Deputy G.P. Southern:

If I may, the question in fact does not refer to reclaiming overpayments; it was intended to refer to withholding of benefits from those not actively seeking work. I apologise if there was a lack of clarity in the question, but that is the intention. Does he have information which would enable him to answer that question now? Has he instigated proceedings on those recipients of Income Support who are deemed not to be actively seeking work?

Senator P.F. Routier:

It appears that this is another of the questions from the Deputy which is misguided and not aimed at the right subject. I do not have the information that he requires and I have to say I am getting totally frustrated by questions which do not mean anything.

2.5.2 Deputy G.P. Southern:

If I may come back with a supplementary on the answer that he did give about withholding benefits from an incorrectly assessed claim, is it not the case that where these circumstances occur, that Income Support is calculated at the level that the household needs in order to subsist and that any withdrawal of that benefit will damage the wellbeing of the household or family concerned, i.e. you are assessed at this level as that which you can exist on and yet we will claw back some of that so you will have to live on less? Does he not accept that that will harm some families?

Senator P.F. Routier:

The only occasions when the claw back comes into play is if somebody has given us wrong information in the past, so it is not felt that it is appropriate to allow people to give wrong information to the department to get higher benefits. So I do not think we should ... I am sure the taxpayer would not be too amused if we did not have a tight and rigorous assessment of somebody's income, and I believe that to ensure that people do give us the correct information the method that we do have to ensure that people do get the correct level of support is an appropriate method.

2.5.3 Deputy G.P. Southern:

If I may, one further. I accept and I thank the Minister for the answer that he has given. Can he assure the House that such a claw back is never pursued when the miscalculation on the benefit is the fault of the department in miscalculating or in delaying the assessment?

Senator P.F. Routier:

I can, Sir.

2.6 Deputy G.P. Southern of the Minister for Social Security regarding incentives to work and save within the Income Support system.

Perhaps this question is certainly more specific. Following the Minister's statement on 11th September 2008 that there are small incentives to work and to save within the Income Support system, will he explain to Members how these work in relation to how additional earnings below £40 and over £40 per week affect Income Support payments and how savings above the newly defined limits impact upon entitlement to Income Support payments?

Senator P.F. Routier (The Minister for Social Security):

Again, Sir, I have a bit of a problem with this question because there is no significance to additional earnings above or below £40 per week in the Income Support system. If an Income Support claimant has additional earnings between reviews this will normally be ignored until the next review date. However, the claimant has a duty to inform the department about changes in earnings and the department will advise the claimant if a review needs to take place. Allowing claimants to have the benefit of occasional overtime earnings, small bonuses and extra shifts provides a real financial incentive for the individual. Income Support includes fairly generous disregards for savings of up to £19,669 for a pensioner couple from 1st October. Income from savings and other capital assets is also ignored in the Income Support calculation. Additional savings above the disregard are included in the Income Support calculation on the basis of a deemed income. This provides a simple mechanism to withdraw benefit gradually as capital assets increase. Both the capital disregards and the deemed income applied are more generous than under the previous Parish welfare system.

2.6.1 Deputy G.P. Southern:

I am surprised by the Minister's answer. Can he confirm that as far as earnings are concerned above a certain level for each additional pound that is earned 94 pence is withdrawn from the Income Support payments, thus leaving people working effectively for 6 pence in the pound as they try and get back into work, perhaps? Secondly, that the capital scheme placed upon savings deems there to be £1 a week deemed income for every £250 over the limit, and that is an effective interest rate, to use that parallel, of some 28 per cent, which as far as I know is unable to be matched anywhere in the market?

Senator P.F. Routier:

There are 3 parts to that question. With regard to the incentives, I think we all know and we all understand that Deputy Southern is not satisfied with the amount of incentives that we currently have and probably I do share that to a certain extent. But having higher incentives does require additional funds to be made available to the income support system. Of course, the only other way of achieving higher incentives, which is something the States decided to avoid, was the reduction of the safety net, the basic amount of money that people live on. I certainly was not prepared to go that way and everybody else involved with income support were not prepared to go below what was the basic welfare rate to create that incentive. So incentives at the present time are lowish but I would love to see them higher. If the States are prepared to let me have more money, well, very, very good, I would be pleased to have that. The Deputy also commented about what he described as a 28 per cent interest rate. He is totally misleading the States and the public in saying that because what he is not doing is allowing for the disregard which people have. When you look at somebody's income in total, including in the case of a pensioner couple of nearly £20,000, the money above that, if you take the whole calculation, does not create an interest rate of 28 per cent.

2.6.2 Deputy G.P. Southern:

The Minister persists in producing words which are not related to the question. He does not answer. Will the Minister confirm that the effective rate for earnings is that for every pound extra earned when somebody returns to work or works more, 94 pence in that pound is withdrawn from Income Support, thus leaving them with effectively 6 pence in the pound? Will he also confirm that such a rate on savings, £1 for every £250 over a certain limit, cannot be matched anywhere else in the market and effectively represents a deemed income to the value of 28 per cent?

Senator P.F. Routier:

I am sorry, Sir, but I thought I had answered that question. With regard to the 94 per cent and the 6 pence which people are able to keep from their earnings, the pounds that they go out and earn, that is right but we have to recognise that the way that we have established income support is to ensure that people have the safety net of a basic standard amount of money to live on. The only way to have achieved that higher rate, as I said in my earlier response, is to have a lower safety net and then we would be able to create the incentive to have the higher amount that the Deputy is after. We cannot have it both ways, unfortunately. The same principle applies to the savings amounts.

2.6.3 Deputy G.P. Southern:

Will the Minister accept that one of his major aims was to build into the new system incentives to work and he proudly said: "This is going to be an in-work benefit"? Does he accept that he has singularly failed to do this? Furthermore, will he accept that the alternative ...

The Deputy Bailiff:

One question at a time, I think.

Deputy G.P. Southern:

It is part of his answer, Sir. I am referring to parts of his answer.

The Deputy Bailiff:

No, but you are the questioner.

Deputy G.P. Southern:

Will I get another one? Fine.

Senator P.F. Routier:

I totally reject the Deputy's assertions. When you think from where we came with the Parish welfare system and the Social Security benefits which were all working against each other and creating disincentives, there were people who went out and were trying to improve themselves, who were worse off under the old system. This way they are a little bit better off when they do go out and help themselves. They are protected by the safety net of income support and they do have a far better situation than they had under the old system. I will maintain that position and I believe that it is the right state of affairs and not the jaundiced view that the Deputy has about income support.

2.6.4 Deputy G.P. Southern:

Does the Minister accept that in proposing that the only way to build in incentives to work is to lower the safety net? Does he not accept that that is a gross misrepresentation of all the possibilities that could have been used to rebalance some £60 million worth of spending?

Senator P.F. Routier:

I think I mentioned that in my earlier response. That is not the only way. There are other ways to do it, and one of them is for the States to give us more money to distribute.

2.7 Deputy J.A. Martin of St. Helier of the Minister for Social Security regarding entitlements to a Job Seekers Allowance.

You are popular today, Minister. Will the Minister outline how young jobseekers are presently advised of their entitlement to a jobseeker's allowance - I think this is around £80 per week - in their own right under the Income Support scheme and advise the Assembly whether this entitlement will be more widely publicised once the Skills Executive staff are based at the Social Security Department, which I also think starts today. Thank you, Sir.

Senator P.F. Routier (The Minister for Social Security):

I have to say this is another one of these questions that I have a difficulty with because there is no such thing as a jobseeker's allowance, so I honestly do not know what the question is about.

2.7.1 Deputy J.A. Martin:

When questioning the Minister - and I have it on transcript - he referred to it as a jobseeker's allowance. It is an entitlement to children in the households who have left school, 16, 17, 18, who are unable to find a job. It is quite simple. The Minister, Sir, is being evasive. I have asked him about this question and I do know because children or young adults are coming to me and asking me: "Where do I go now? I have done an extra year at college" or: "I have just left school" and I say: "Well, you can go down, you get advice at the careers office", which now will be based at Social Security. You know in your own right, you are Income Support unit. I want to know who is telling the youngsters this because at the moment nobody is. Now I hope the Minister understands the question.

Senator P.F. Routier:

Yes, thank you for that. I think that probably makes it a bit clearer, certainly. There is a jobseeker's allowance in the U.K. but there is not one in Jersey. We have our Income Support system which does support people with disabilities, it supports people who are looking for work, and if the Deputy is suggesting that that is the title of a particular section of Income Support ... we have no sort of literature or anything about jobseeker's allowances. What we have is a benefit within Income Support which is available to people who are in the process of finding work. So if we are focusing on that, fair enough, I can understand that is what the question is about. With regard to any benefits within Income Support, we have leaflets within our department and we are happy for people to come and apply for them. Certainly if the people coming into the Skills Executive, which started work last year but only officially opened last night, the people will be coming in and being in the same place. It is obviously going to be a lot easier for them to have a direct contact and be shown from one section of the building to the other to get income support if it is appropriate for them, certainly. So I am sorry if I did not pick up the question in the first place, but that is how it was written and I could not follow what was being asked originally.

2.7.2 Deputy J.B. Fox:

Would the Minister be able to provide greater publicity on exactly what is available? In the last 48 hours I have heard or been approached on a number of instances where young people ranging from 16 to 19 are finding difficulty in finding work and increasingly, which I was planning to talk to you about anyway later on today, there seems to be a hiccup in the system for people to be able to earn an income. I was very concerned with the Minister's first answer that there was not a provision. Therefore, would the Minister give some written clarification to at least States Members and hopefully wider as to exactly what is available or the process that one needs to do to be able to give some certainty to the many questions that are being asked at this moment in time? Thank you, Sir.

Senator P.F. Routier:

I thank the Deputy for his question. I would suggest that coming along to the Social Security Department, into the Skills Executive, you will find a number of leaflets and information available to the general public. I can ask my department to see if they can get a bundle of leaflets available

for any Member that is interested, certainly, so that they can see them, but I would recommend that if anybody is able to pop along to the department and see the Skills Executive which was opened last night, it is a brilliant set-up and people can go from the work zone to the Social Security benefits to the careers office and get the assistance they would need. I recommend that to Members.

2.7.3 Deputy G.P. Southern:

Does the Minister accept that one of the defects with any income support scheme is the lack of take-up from potential recipients of such a scheme? Does he further accept that despite his repeated assurance that he would expand his P.R. (public relations) and his publicity for what benefits are available to ensure that take-up was maximised, he has singularly failed to do so so far, of which the example of 16 to 18 year-olds unaware that they can claim up to £80 a week is a prime example of his failure?

Senator P.F. Routier:

I do not believe that we have failed to publicise the Income Support system. There are over 8,000 households who are benefiting from the existing scheme. New people continually come to us on a regular basis. I have forgotten what the latest figures are but certainly there was a time when we were sort of getting 60 to 80 new applicants each week, which I think is a good, sound amount of people coming to the department to make application. So it is not as if the door is closed and we are saying that there is nothing available; people are finding out about what is available to them and making use of our services and the benefits that are available.

2.7.4 Deputy J.A. Martin:

I am sorry, I do still think there is some confusion. The Minister answered in his reply to me: "I am sure if people now go to the Skills Executive, if they are appropriate for Income Support hopefully they will get it." Well, sorry, that is not good enough. Firstly, they should be guided straight from if they are going to careers advice to Income Support, and would the Minister not confirm he is being evasive here? You can be an individual in a household, the household may be owned by your parents, your parents may have an income of over £50,000, £60,000, £70,000, £80,000; you are an individual seeking work on no income, brings you into the low income support and you are entitled to this amount of money. It is totally silent, it is not advertised, and I am surprised between the Skills Executive now that people are not directed. They do have to be a jobseeker, they do have to go for interviews, but this is the only way we will get 16 to 18 year-olds where we want them, and that is looking for work. Can the Minister please clarify that this is a benefit to an Income Support unit and it is appropriate to most people who are not working, whatever age?

Senator P.F. Routier:

I am struggling to remember the actual age we start at for Income Support, I am afraid. Sorry, I think I will need notice of that before I confirm the actual age, but the principle, certainly the Deputy is quite right that a young person within a household is able to make a claim in their own right. So if they are looking for employment or making their own way in life, they can make an application. I am sorry I faltered on the age there, but I just need to be 100 per cent sure before I make a statement about it.

2.8 Deputy J.A. Martin of the Minister for Education, Sport and Culture regarding the teaching of cookery skills to young people.

Would the Minister advise whether he will be following the example of the United Kingdom Education Minister who will be issuing all schoolchildren between the ages of 11 and 14 with a cookery book containing recipes for basic, healthy meals and has also given an undertaking to increase cookery lessons to 4 hours a week by 2011 under a programme aimed at tackling obesity, and if not, why not? Thank you.

Senator M.E. Vibert (The Minister for Education, Sport and Culture):

As always, we will keep any initiatives introduced by the U.K. or other jurisdictions under review, but I would like to assure Members we are already very active in this area. Jersey schools currently provide lessons in health-related areas in key stage 3; that is pupils aged between 11 and 14. These lessons include food technology, physical education and personal, social and health education. All Jersey secondary schools are committed to work towards the national healthy schools programme. In conjunction with the health promotions unit, schools have recently audited practice and have shown strong evidence in most areas. The pupils will attend food technology lessons in all 3 years of key stage 3. These lessons focus on the planning, preparation and evaluation of healthy meals cooked with fresh ingredients. This is inclusive with ingredients being provided for those pupils unable to bring their own. Over the 3 years, the pupils build a portfolio of healthy recipes. An interesting aside, Sir, as one of our initiatives software is provided in our schools which allows pupils to analyse the content of the food they are preparing. By inputting data regarding type of food and quantity, the software will provide information about calories, fat, salt, sugar, et cetera. This raises awareness of different foods and the impact on health. All pupils have the option to carry on with food technology into key stage 4. These studies culminate in a G.C.S.E. (General Certificate of Secondary Education) qualification. In conclusion, Sir, I would advise that Education, Sport and Culture will continue to closely monitor the provision in the United Kingdom, but on the basis of the work that is already being done in our Island schools I do not believe it is necessary for us at present to adopt exactly the same measures as are proposed for the U.K. Both Jersey and the U.K. share common goals in promoting healthy food and reducing obesity, but I believe it is right that the Island should remain free to determine its own approach in dealing with these issues as indeed it does in other areas of the curriculum.

2.8.1 Deputy S.C. Ferguson:

The proposal by Deputy Martin appears to take up some 12 per cent of school time. Would the Minister not consider it better to increase the sport element of school which is currently a minimum of 5 per cent or something in the order of 1 and a half hours a week suitable to discourage obesity?

Senator M.E. Vibert:

We, in our schools, try to offer a balanced curriculum which includes sport and also includes personal social and health education with information about food and obesity and our schools, as well as having the sport within the curriculum time all offer sports outside curriculum time as well and of course healthy activities are encouraged during the playtimes and the lunchtimes.

2.8.2 Deputy J.A. Martin:

Supplementary, Sir, maybe it is not worded correctly. In the U.K. the 4 hours a week are mainly outside of the school curriculum. Like we do with sports over here, we do not offer cookery outside school lessons. The other point the Minister stood up and made a very great play that we already do X amount of sports per week. Again, this was interesting, Sir. In the U.K. when asked how much time was taken up out of that hour in doing sports, mainly it was about between 25 and 30 minutes because of walking to changing rooms, getting changed and then having to shower and be ready for the next lesson. So, it is not 2 hours; it is around an hour if they are allocated 2 hours. So, I think the cookery could be added like say sports after school or before and I think we need to be a lot more “out of the box” thinking, Sir, and I am quite disappointed in our Minister for Education, Sport and Culture just reeling off things that we do not do and his straightforward answer could have been “no” to my question which apparently it was. Thank you, Sir.

The Deputy Bailiff:

Your question now, Deputy, is?

Deputy J.A. Martin:

Sorry, Sir, could he confirm that his assumption that we already carry out sports in the curriculum is not as much as we could be doing because of what I have pointed out about the changing and getting ready and then getting ready for the next lesson and it is quite disappointing really.

Senator M.E. Vibert:

Sorry, I will try and think “out of the box” but I did not understand what the Deputy was asking, first of all. Regarding sport, yes, children have to get changed for sport and so on. The U.K.’s figures might be quite low of course in the time spent - much lower than ours - partly because they have sold off most of their school playing fields which we have not done and we have got a much better record, I am pleased to say, than the U.K. in encouraging sport in schools, and that is shown by the high quality of our school sports and how we achieve in that area. I can assure you that if cookery lessons are required after school we will look at it. The question did not say that; the question said “increasing lessons” so perhaps if the questions were framed better we would be able to answer them better, Sir.

2.8.3 Deputy G.P. Southern:

Two-part, if I may. Can the Minister assure the House that his reluctance to issue this healthy food booklet has nothing to do with the fact that he would have to pay 3 per cent G.S.T. (Goods and Services Tax) on it and, secondly, what priority does his department have over the quality and quantity of healthy food options in the tendering process for the supply of food to schools and what powers does he have to adjust that without the tendering process?

Senator M.E. Vibert:

Within the tendering process we insist and all the providers must provide a certain quality and quantity of healthy food, and we have ongoing ability to discuss anything in the service of agreements. We have them regarding this and I am pleased to say that the take-up of healthy food within our schools is increasing all the time and that is done because our children through our curriculum are learning that that is the right thing to do, Sir.

The Deputy Bailiff:

Deputy Ferguson, do you wish to ask another question?

2.8.4 Deputy S.C. Ferguson:

Yes, Sir. We have heard of children leaving school without basic skills. Can the Minister, in the context of more activity as a good weapon against obesity, give us the assurance that the sports curriculum supports the - I think you call them “rabbits”, Sir - the “rabbits”; the people who are less able at sport, but who are enthusiastic? We talk about the people who do well, but what about the provision for the lower down because the sport is far more important than cookery lessons to stave off obesity?

Senator M.E. Vibert:

I think keeping healthy involves what you eat and your exercise, so I think both are important. I certainly would not refer to people who are less able at sport in the same way that the Deputy has. Our whole sports curriculum is designed so that everyone can learn basic skills and I urge the Deputy to come in and see in primary school and secondary school the type of lessons we do which is aimed to ensure that everyone is involved and everyone gets an opportunity to learn the skills and to keep healthy.

2.8.5 Deputy S.C. Ferguson:

I am sorry if I have offended anybody about the use of the word “rabbit” but speaking as a “rabbit” at sport myself, I was in the fourth hockey team and I played goalie because I could not run very fast, but I still think that it is a much more important component of a fight against obesity; would the Minister not agree?

Senator M.E. Vibert:

I thought I made clear - and our Medical Officer for Health is in support of this - that it is a combination of exercise, healthy living and healthy eating and it is important that the 2 go together. It is wrong to single one out in my view as more important than the other. It is a combination of both and that is what we try to and we do successfully get over to young people in our schools that you need to eat healthily and to exercise if you want to have the best chance to have a healthy life.

The Deputy Bailiff:

Final question, Deputy Martin.

2.8.6 Deputy J.A. Martin:

Yes, Sir. Given the glib answer about U.K. compared to Jersey and how long it takes to prepare and then unprepare for a sports lesson, would the Minister for Education, Sport and Culture take on a review over the next 6 months on all our primary and secondary schools to see how much our pupils do physical exercise? It is not good enough to say they have 2 hours a week allocated. I would like to know, and so would all parents, how much they do physical sports? Thank you, Sir.

Senator M.E. Vibert:

It was not a glib answer; it was an accurate answer and I am sorry the Deputy did not appreciate it as such. The review of primary schools, we have got our Business Plan and we have got a lot to do, but I am quite happy to try to ascertain and to ask - it should not take too long - what the timings are. It is not just the lessons; there are games afternoons and there is much organised outside of school. I am very proud of what we achieve in our sports and P.E. (Physical Education) and I believe that the whole of the Island should be, and is borne out by the fact that we have very high take-up of young people involved in sport and who are achieving really well in sport, but not just the higher achievers, but the take-up over all round. I would urge the Deputy and others to look at things like the mini rugby at the rugby club which attracts hundreds of young people. The football clubs who have now got all contacts with schools so that people can do it so we, not only in school, but throughout the community were trying to encourage our young people to get involved in a healthy lifestyle, Sir.

Deputy J.A. Martin:

The Minister did not answer. Apart from what every Tom, Dick and Harry is doing, will the Minister for Education, Sport and Culture tell us how many hours a week actual exercise all our pupils get? It was a simple "yes" or "no".

Senator M.E. Vibert:

It is not a simple "yes" or "no" as the Deputy should well know, having been a member of the Education, Sport and Culture Committee. It will vary because it depends for example if you are talking about minutes, how close the changing rooms are to the sports areas, et cetera, but I will try to ascertain and get some information on this so the Deputy can be satisfied that we are providing a good quality and adequate, within the curriculum, sports provision.

The Deputy Bailiff:

Very well, that completes all questions on notice. If I can just mention Members have had 3 documents placed on their desks, I think. The first is Rates the States Liability P.147 lodged by the Connétable of St. Helier. Then there is Strategic Plan Progress against Initiatives as at 30th June 2008 presented by the Council of Ministers and Energy from Waste Facility Public Inquiry Comments on P.136 by the Minister for Transport and Technical Services. So, we come next to questions to Ministers without notice and the first period is to the Minister for Home Affairs.

3. Questions to Ministers Without Notice - The Minister for Home Affairs

3.1 Deputy D.W. Mezbourian:

Will the Minister advise the House when she intends to lodge the Draft Police Force States Jersey Law 200- for debate?

Senator W. Kinnard (The Minister for Home Affairs):

As a result of the first rounds of consultation on the Police Force Law, we received 20-odd very useful responses and of course I had the benefit of the input of the Education and Home Affairs Scrutiny Panel and as a result of that, Sir, I have decided to engage in a second round of consultation. I would like to think that I would still be able to lodge it before the end of this session, but at this stage I cannot say it because obviously we do not know what is going to come back in the second round. But this is a matter that clearly I want to get absolutely right and we do want to push forward with as soon as possible.

3.1.1 Deputy D.W. Mezbourian:

Supplementary, Sir, the Minister referred to the extensive consultation process that has taken place with this draft law. Will she advise whether following that process the law that she brings forward will still retain the establishment of a police authority?

Senator W. Kinnard:

Yes, it will, Sir. Indeed, as part of the second round of consultation I already have a meeting set up with the Comité des Connétables and hopefully with the Chefs as well for 20th October, but my intention, Sir, is most certainly that the police authority is an item that is absolutely essential in the law.

3.2 Deputy F.J. Hill of St. Martin:

Is the Minister able to confirm that an extradition order against a couple concerned with the historic child abuse inquiry has recently been rescinded and withdrawn? If the Minister is able to confirm, is the Minister in a position to inform Members why the order has been withdrawn?

Senator W. Kinnard:

Members will be aware that for legal reasons any matters which touch on the historical abuse inquiry must be referred to my Assistant Minister and I would imagine that he would want some notice of such questions.

The Deputy of St. Martin:

Well, will the Assistant Minister be able to answer the question?

Deputy A.D. Lewis of St. John:

So far as I am aware, the matter is in the hands of the Attorney General I would not believe that the Attorney General would want to comment at this moment in time, Sir.

3.3 Senator J.L. Perchard:

Is the Minister aware of the recent comments of the former Deputy Chief of Police to the Guernsey Press and the BBC (British Broadcasting Corporation) and will she inform the House as to her views on these comments?

Senator W. Kinnard:

Again, Sir, I give the answer I gave just previously that for legal reasons I cannot comment upon any such matters that may even touch upon the historical abuse inquiry.

3.4 Deputy R.G. Le Hérissier:

Yes, I have had the ground taken from under my feet as well, but would the Minister, Sir, comment on any recruitment difficulties that are occurring at the moment with the States of Jersey Police and would she briefly outline the steps that have being taken, should such difficulties occur?

Senator W. Kinnard:

We do not have any particular recruitment difficulties with the States of Jersey Police at the moment. We have just recruited a very highly experienced deputy chief, as Members will be aware, and we have recently also had a recruitment round and had some extremely good candidates going forward. The only matter that we are looking at, Sir, is that we have an awful lot of pressures on our resources and not least of all the matters that have taken up police resources this year, including the historical abuse inquiry, has meant that we are having to look to the future to see whether indeed we have sufficient resources to meet all of the jobs that are required of the States of Jersey Police in the modern day.

3.4.1 Deputy R.G. Le Hérissier:

Could the Minister clarify whether the retention rates for people such as constables are in line with those of a normally well managed police service?

Senator W. Kinnard:

I do not have any specific information on that. I am not aware that there is a particular problem, but I am happy to come back to the Deputy with more substantial information on that. But as far as I am aware, Sir, it is not a problem.

3.5 Deputy J.J. Huet of St. Helier:

Would the Minister for Home Affairs confirm that Home Affairs intend to ask for another 10 (j) category applications to be approved for staff to be employed from outside the Island as police sergeants and lower? Thank you.

Senator W. Kinnard:

No, Sir, we have no intention to ask for that.

3.6 Deputy S.C. Ferguson:

The recent report by Sir Ronnie Flanagan stated that one of the problems with policing at the moment is the way that they are swamped with vast amounts of paperwork which has meant that they are unable to get out and work at policing. They are too busy with the paperwork. Will the Minister for Home Affairs tell us (a) whether these recommendations are being taken up by the States of Jersey Police, and (b) what the Police and what the Minister intends shall be done to follow the recommendations?

Senator W. Kinnard:

Yes, indeed we do keep very much abreast of what is going on in terms of reports coming from H.M.I.C. (Her Majesty's Inspectorate of Constabulary) and Sir Ronnie Flanagan's reports indeed have informed thinking at States Jersey Police. But the one thing I would say, Sir, that in Jersey we have not always followed the formulaic approach to policing that they have in the United Kingdom. So, for instance the target setting and very target focused approach which has led to a lot of this bureaucracy in the U.K. we have not particularly followed in the same way in Jersey. But clearly bureaucracy is a matter that we should all work to reduce where possible and indeed the States of Jersey Police are reviewing their procedures to see ways in which this can be achieved. So, the recommendations of the report are very much something that the senior team is looking at, but as I say, Sir, I do not believe that our problems in terms of bureaucracy have been quite as legion as they have been in the United Kingdom.

3.7 Deputy S.C. Ferguson:

The Minister mentions performance targets and performance measures. During its recent hearings on the States of Jersey accounts the Public Accounts Committee identified weaknesses in the systems of performance measurement. The Committee has not yet turned its attention to Home Affairs, but perhaps the Minister would like to confirm that the performance measures are being

reviewed so that they are of more use to the consumers of the service as well as just a measure for the people who run the service?

Senator W. Kinnard:

Yes, Sir, and I would say that where Home Affairs are concerned we are probably one of those areas where ...

The Deputy Bailiff:

I am sorry, Deputy Huet, I think if you go we may be in quorate? Let me see and just check before you go. Yes, I am sorry, Senator.

Senator W. Kinnard:

I think where performance measurement is concerned in the areas of Home Affairs we are probably the most performance measured of just about any department and certainly where policing is concerned we have the policing plan and we have regular updates on how the police are performing towards that plan, and those are sent out to all Members and also to the media on a quarterly basis. We are very keen in Home Affairs that performance managed measures are meaningful. Indeed, Sir, these are matters that we do keep very much under review and try to improve our performance measurements wherever we can. But I really believe, Sir, that when Home Affairs comes to be looked at by the Public Accounts Committee in this area that we will not be found wanting.

3.8 The Deputy of St. Martin:

I would like to draw the Minister's attention to R.99 which has just been put on our table obviously today, *Prison! Me! No-Way!* and like to compliment all those people involved with it who are doing a very good job. But on page 11, reference is made to the Vice Chairman, Carol Canavan who is presently working on the Haut de la Garenne inquiry. Is the Minister in a position to tell us what inquiry Mrs. Canavan is involved with, please?

Senator W. Kinnard:

I believe, Sir, that Ms Canavan is involved as one of those receiving, if you like, information from the community and forms part of that I.A.G. (Independent Advisory Group).

3.9 Deputy J.A. Hilton:

In a report published today on the Strategic Plan Progress against Initiatives it is stated: "In 2007 bring forward measures that will have the effect of deterring criminal elements entering Jersey" and it has been marked as amber, slightly behind schedule or off track. Is the Minister able to tell the Assembly exactly where we are with this initiative, please?

Senator W. Kinnard:

Yes, really, Sir, it is quite odd in a sense that that initiative has remained with us because it is largely dependent on really what happens in terms of the migration policy and also the legal advice that has been received in relation to what is possible to be achieved. So, in a sense, my particular objective there is reliant on others.

Deputy J.A. Hilton:

Would it be possible to ask a question of the Attorney General because the Minister referred to information or advice given by the Attorney General on this matter?

The Deputy Bailiff:

Well, I am afraid not really. This is question time to the Minister for Home Affairs.

Senator W. Kinnard:

I am happy to elaborate a little bit more. I, as Minister, have put forward proposals that are in conjunction with the States of Jersey Police force to perhaps try to deal with this particular area, but as I say we are dependent on others and advice that we receive in order to progress it. So far the advice that we have received is perhaps what we are suggesting is not necessarily going to be compatible with other international obligations that we have. So, we are in a sense held up with it.

3.10 Deputy S. Power:

Could the Minister confirm whether the Prison Governor's House has been rented to a non-prison official and if so, can she confirm whether this house has been previously offered to a prison officer or a senior prison officer given that all the accommodation adjacent to the La Moye is full?

Senator W. Kinnard:

I would need notice of the detail of that question.

3.11 Deputy R.G. Le Hérisier:

I wonder if the Minister could inform us what lessons have been learnt from last year's rather traumatic investigation into the customs drug enforcement area.

Senator W. Kinnard:

I think a lot of lessons have been learned and the first thing I would like to say is that certainly my 3 stage plan that I brought to this House to restore normal relations between customs and the police is being progressed and certainly a working party which was constituted by the States Chief Executive, the Attorney General, the Police Chief and the Head of Customs and Immigration have looked at all the relevant issues and looked at lessons that they have learned and how, if any such a situation was to arise on either side in the future, it might be handled differently. So, I think, Sir, certainly the early signs are very promising, but there is broad agreement already being reached on the general principles and all parties seem to be, I think, signed up to normalising relations and making sure that we do not have the situation happening ever again.

3.11.1 Deputy R.G. Le Hérisier:

We have heard some very good words about how everything is jolly and moving along, but we have not learnt, Sir, what those lessons were?

Senator W. Kinnard:

Many of the meetings that went on went on behind closed doors in a sense with the Attorney General and the Chief Executive of the States because some of the discussions involved material to which I was not party. So, I cannot specifically say in those particular areas what lessons have been learned, but the overall general lesson that has been learned, I think, is that it is important that relationships are restored to such a level that there is not a breakdown in communication that we have seen in recent times last year. I think that that will set the basis upon which that if there are any concerns that might be raised on either side in the future, that they may not escalate quite as quickly as they did in the past.

3.12 Deputy K.C. Lewis of St. Saviour:

Can the Minister inform the Assembly what action she intends to take in consultation with the Minister for Health and Social Services with regards to the so-called legal highs, spice and salvia, and can the Minister clarify for the Assembly if someone should take these so-called cannabis substitutes if they were to be stopped at a road-check that they could be prosecuted for driving under the influence of drink or drugs? Thank you, Sir.

Senator W. Kinnard:

Well, if I can take the questions in reverse order, the last question asked is in fact, yes, someone could be prosecuted for being under the influence. In terms of legal highs, Sir, at the moment BZP

(Benzylpiperazine) I think is the general term that is used, and that is not currently a controlled drug, but it does fall within the definition of a medicinal product and therefore apparently is subject to the medicines legislation where its sale can be restricted to only being sold from a registered pharmacy, and I know that the Minister for Health and Social Services is looking into that. But while that legislation prohibits the importation of commercial quantities, it does nothing about the importation of BZP of a non-commercial nature. So, what I have done, Sir, this week is I have signed a Ministerial Decision so that BZP will be made subject to control under the Customs and Excise Import and Export Control Laws border which will control and probably prevent the importation by individuals of non-commercial quantities. So, we have a 2-pronged approach at the moment, but I am aware that the Council on the Misuse of Drugs is looking at this whole area.

The Deputy Bailiff:

Very well, that, I am afraid, completes the time for questioning of the Minister for Home Affairs. So, we come next to questions to the Chief Minister.

4. Questions to Ministers Without Notice - The Chief Minister

4.1 Deputy J. Gallichan of St. Mary:

Can the Chief Minister advise whether his department will be giving any fresh publicity to the issues raised on both sides by a potential move to Central European time in advance of the referendum?

Senator F.H. Walker (The Chief Minister):

The department is giving publicity, but there is no guidance or no thought on how the public should vote; in other words, whether the public should vote for or against. I am aware that there is a fairly strong campaign against the introduction. There is no current campaign that I am aware of in favour, but information will be provided, yes.

4.2 The Deputy of St. Martin:

It is really a follow up which I would like to have asked the Minister for Home Affairs, but I think it would be fair to ask the Chief Minister. With reference to page 11 again of R.99 where reference is made to a Haut de la Garenne inquiry, as there would appear to be no inquiry, would the Chief Minister agree with me that possibly it may be necessary to alter what is said about the Haut de la Garenne inquiry on page 11 of R.99?

Senator F.H. Walker:

I have not looked at page 11, R.99, but I would certainly be happy to do so and go back to the Deputy.

The Deputy of St. Martin:

Could I just elaborate, Sir, it may give the impression there is an inquiry when probably there is not one. So, I am grateful for the Minister's answer.

4.3 Senator L. Norman:

Might I remind the Chief Minister again of the proposition to the Constable of St. Ouen which was adopted by the States in 2006 which requested the Council of Ministers to consider all options to preserve the headland at Plémont and to recommend a preferred option to the States within the least possible delay? Now that 2 years have past I wonder if the Chief Minister and the Minister for Planning and Environment have sorted out who is taking responsibility for this and when we might receive the preferred option?

Senator F.H. Walker:

It is not, sadly, as simple an issue as the Senator would suggest and discussions have been taking place between me and the Minister for Planning and Environment and indeed the Constable of St.

Ouen in recent weeks, but there are legal considerations which have yet to be fully resolved. But I would hope some information and perhaps even a proposition would be coming to the States in the not too distant future.

4.3.1 Senator L. Norman:

I am pleased to hear that discussions have taken place between the Ministers. I wonder during the 2 years since the proposition was adopted by the States, have any discussions taken place with the owners of the land?

Senator F.H. Walker:

I have not had discussions with the owners of the land and nor would it be appropriate for me to do so.

4.4 Deputy R.G. Le Hérisier:

Notwithstanding the confident statements emanating from some of the our colleagues and from within the finance industry, Sir, would the Chief Minister inform the House whether or not the situation in place about the United States is being monitored closely and could he inform the House what the findings are of this monitoring; whether indeed we need to be caution or whether indeed, Sir, we will avoid the worst of the storms that are brewing up?

Senator F.H. Walker:

Of course the situation in the U.S. (United States) and indeed throughout the world is being monitored closely. I cannot give the House at this juncture, and perhaps never would be able to, the results of the monitoring because I do not think anyone in the financial world anywhere understands exactly where we have got to or where we may be going. But as I have said we are monitoring the situation very closely indeed. What I can say to the House is that because of the diversity of Jersey's finance industry and because of the fact that we are generally speaking on industry based on investment rather than lending, we are in a much stronger position than many other financial capitals in the world to sustain any consequential impact that may arise from the current position in the U.S. and elsewhere.

4.4.1 Deputy R.G. Le Hérisier:

I wonder on a follow up, I want to see if the Chief Minister could say whether, for example, he has received any news that the credit crunch is impacting on Jersey's housing market?

Senator F.H. Walker:

I have only received so far the odd informal comment that it may be; that prices may be slowing down and that properties that perhaps would have sold almost immediately not so long ago are now taking longer to move. I think that is inevitable. I think people are bound to be more cautious in the current climate than they were a few months ago, but there is certainly no evidence that has reached me of any serious decline at this juncture.

4.5 Deputy S.C. Ferguson:

The latest fashion among millionaires is to buy large tracts of land for conservation. Has the Chief Minister considered encouraging our imported developers - I am obviously thinking of Plémont here - in this area, rather than overdeveloping the Island?

Senator F.H. Walker:

Well, Sir, overdeveloping the Island is a personal point of view and of course any development is robustly controlled by the Minister for Planning and Environment who has indeed in recent times introduced penalties - if that is the right word - introduced obligations upon developers to contribute to the Island. Now, I do not believe he could force a developer to buy a large tract of land for conservation purposes. I have no doubt that he would actively wish to encourage any

developer to do so and I would not be at all surprised if he has been already, but the fact is that the Minister for Planning and Environment is very much on top of the development of Jersey as I think he has illustrated on many occasions in the last 2 years.

4.6 Deputy J.A. Martin:

Will we be receiving a full Council of Ministers comments on P.138 and especially now we have P.138 the amendment which states the Deputy has been asked to remove domestic fuel from his proposition? It would really be helpful for the House to know exactly where the Council of Ministers stand on this new amended proposition and I cannot see any comments coming forward, but I would like the reassurance that we will get some well in time for the debate from the Chief Minister. Thank you, Sir.

Senator F.H. Walker:

It is not currently the intention of the Council of Ministers to issue a comment, but I can assure the Deputy that she will be made very clearly aware of the Council of Ministers views when it is up for debate.

4.6.1 The Deputy of St. Martin:

Could I just ask, if it was important enough for the Council of Ministers to give comments on the Deputy of Grouville's proposition, would he not think it would be consistent to give comments on Deputy Le Fondré's?

Senator F.H. Walker:

Probably, yes, Sir, ideally, but the Council of Ministers has been more than a little stretched in the last week or 2 with the Business Plan and other aspects. I would accept that in an ideal situation comments would be made available. I think in this instance it will be for Members to accept, I am afraid, the verbal comments of Ministers during the debate.

The Deputy Bailiff:

Does any other Member wish to ask any questions of the Chief Minister? Very well, we close questions to the Chief Minister. Now, there are no matters under J and I have been informed, Chief Minister, you no longer wish to make a statement under K; is that correct?

Senator F.H. Walker:

Not only do I no longer wish, I never wished to make a statement under K and no one was more surprised than I was to discover this morning that it was on the supplementary order paper.

The Deputy Bailiff:

Very well. Then we come to Public Business, the Annual Business Plan 2009 P.113.

Senator J.L. Perchard:

Sorry, Sir, under L I had a point of business.

The Deputy Bailiff:

Under L, before we begin Public Business?

Senator J.L. Perchard:

Yes, Sir.

The Deputy Bailiff:

Yes, very well.

Senator J.L. Perchard:

Following discussions with the Minister for Treasury and Resources, Sir, and his ongoing undertaking not to conclude any contract by signing a development agreement with Harcourt or indeed anyone else, I ask that the debate on P.111 be deferred until 21st October.

The Deputy Bailiff:

Very well, so that matter you wish to have deferred until 21st October.

PUBLIC BUSINESS

5. Annual Business Plan 2009 (P.113/2008)

The Deputy Bailiff:

So, we revert to the Business Plan. Do Members agree that the proposition may be taken as read, rather than ask the Greffier to read the whole proposition? Very well, I will take that as assent. Members have, I hope, been given a plan for the order of debate and therefore I will begin by asking the Chief Minister to propose his objectives.

5.1 Senator F.H. Walker (The Chief Minister):

This year's Business Plan debate will be marketed different to any we have had in past years as much of it will focus on amendments brought by the Council of Ministers to our own plan, which is a highly unusual development to say the least. When we debate the fourth amendment (Amendment No. 4) each Minister will propose the amendments to his or her part of the plan and Members will of course decide which they wish to support and which they wish to oppose. However what I can say, at this stage, is that the decisions of the States on these amendments and indeed other amendments brought by Members of the House will largely define what sort of island we want Jersey to be. Is it an island which wants to make sure our young people have the best start in life? Is it an island which wants to care properly for our elderly; those people who helped build our society and our prosperity? Is it an island which wants to continue to protect and to develop the economy to provide employment for our local people and the prosperity we have long enjoyed? Is it an island that wants to ensure that our international position is sound so that we are able to vigorously represent ourselves on the world stage and thus influence our own destiny or is it an island that gives the highest priority to the prudent management of its finances? The answer, of course, is that we want to do all of those things and so we should and so we can. That is precisely what the Council of Ministers' amendments are designed to achieve and can enable us to achieve. What the Council of Ministers has done in accordance with States instructions is to produce a Business Plan within the financial constraints imposed by this House in the last Business Plan debate; tight financial constraints. But nevertheless we have been able to allow in the original proposal the normal annual real growth of 2 per cent in health; an additional £1 million for the present improvement plan; another £0.4 million in Income Support or support for those who fall between Income Support and the taxpayer net; 5 per cent additional financing for overseas aid; tighter border controls and support for pupils with special needs. So, already a great deal has been done in the original plan and within the financial constraints approved by this House. But the Council of Ministers believes and believes strongly that we could and should do more. We could - and I see Deputy Gorst shaking his head - but one of the amendments is based on his own proposition. That would be very interesting to see how he reacts to that. I suspect some cherry-picking may be coming through in the debate later on, but we will see. But we can provide early years education for our 4 to 5 year-olds. We can meet the wishes of the States and provide work and vocational day-care service opportunities for people with learning disabilities. We can introduce a range of environmental initiatives including recycling and assistance with home insulation for those who probably cannot at this point afford it. We can provide a better bus service making it more accessible and we can cap fares. We can extend transitional relief for another year, thereby providing further comfort and support to many people on lower and middle incomes. We can increase the winter fuel payments to help the very poorest in our society. We can implement the much debated, much discussed discrimination law. We can, against a background of a rapidly

worsening international economic climate, once again make sure we are on level terms with our competitors and that we can fight hard to maintain and to protect our essential economy, without which our Island will be plunged into a very different and infinitely poorer state. We can, as supported and acknowledged by the Comptroller and Auditor General, make our government more efficient and do much more to meet the objectives and the challenges he and others have posed. We can ensure our Law Officers' Department is adequately resourced because it is not today. Adequately resourced so that it can provide the highest quality legal advice to Members and also work with the Chief Minister's Department to protect our international and constitutional position and we can do all of that without sacrificing our prudent, financial position. We can do all of that and I do not think many Members in this House would not want to do those things or certainly most of them, but we can do all of them without sacrificing our prudent, financial position. We can introduce all the amendments proposed by the Council of Ministers and still maintain not only balanced budgets over the next 5 years, but maintain that position without resorting to borrowing and without using a single penny piece of our now close to £600 million in reserve. That is a fantastic, financial position; very, very strong financial position. I think we should stop to think about that for a moment. We constantly worry, as we should, about our financial position. We constantly hear dire forecasts or predictions about our financial position, but what other government is in the position that we are in today? What other government can provide the highest level of public services without borrowing and/or using their very precious reserves? I know of none. I know of none and rather than bemoan our financial position, it is in reality a cause for celebration and congratulation. It is congratulations to this House who have maintained strong financial discipline over an extended period and we can do all that having absorbed the effects of Zero/Ten. Circa £90 million a year. We have been able to absorb that, come up with other measures to deal with it and still maintain balanced budgets and still not touched our reserves or resorted to borrowing. Now, Sir, I have no doubt that Members will be saying in the debate when we come to consider the Council of Ministers additional spending initiatives "well, yes, okay. But there are unknown challenges and threats that we face now and in the near future" and absolutely right. We have already referred in question time, and I have referred just a couple of minutes ago to the international economy, but I repeat what I said in answer to Deputy Le Hérisier's question: Jersey's finance industry is a very diverse industry indeed and it is based on investment rather than lending and I do not know if any Member heard the Chief Executive of Jersey Finance on radio this morning, but he gave a very strong view on Jersey's finance industry and its prospects for the future. Will we be affected by the credit crunch? Yes, of course we will, but we are better placed than virtually any other area I know; any other finance centre I know because of the structure of our industry to weather the storms that may be ahead, again without planning to at this juncture certainly to make any inroads into our reserves even using the income on our reserves, which of course grows by the year. Property; we all know we have a property maintenance issue which has to be addressed and that has been highlighted by the newly formed Property Holdings Division, quite rightly so, quite rightly too. But there are many ways and means of dealing with the property issue which will not or should not push the States into any form of revenue financing deficit. Yes, the one thing that we do not know at this juncture so far as next year is concerned is what the actual total cost of the wage bill will be when negotiations are settled and there will have to an allowance for that. But it will still leave us in a position of strength and a position where we can and should afford the social and environmental initiatives that the Council of Ministers are putting before the House today. Sir, of course I am also very fully aware and the Council of Ministers has taken fully into account the views of the Public Accounts Committee, not all of which we agree with by any means, and the Fiscal Policy Panel who have published their first report recently. But let us be clear. Economic and financial management is only one aspect of government; only one aspect of the responsibilities we have for the people we represent and the Council of Ministers is firmly of the view that the amendments we are putting forward to the Business Plan today will make the Island a better place. They will make the Island, socially, environmentally and economically a better place and they will still leave us with a financial strength and integrity to weather the storms

that might lie ahead. So, I have focused primarily on the amendments put forward by the Council of Ministers to the plan because it is such an unusual development; a unique development perhaps. But there is course much more to this Business Plan debate than merely the amendments put forward by the Council of Ministers. There are many other amendments put forward predominantly by private members and that is as it should be. That will ensure we have a full and thorough debate on our financial management and on our objectives, whatever they may be - social, economic or environmental - for the next year ahead and somewhat into the future. So, Members do have the order of play and it is clear that this is once again going to be a complex and a lengthy debate, but I do very much hope that the much closer co-operation between the Council of Ministers and Scrutiny has been a feature of the preparation for this year's plan and the additional briefings the Council of Ministers has provided for Members, I hope that that will be reflected in the debate and help to make it as straightforward and as to the point as possible. The debate will follow a similar format to last year. In part (a) of the proposition each Minister working to strict time limits will propose his or her own department key objectives and associated key success criteria, which Members will be asked to approve. After the debate of Part (a) and the associated amendments, I will hand over to Senator Le Sueur, the Minister for Treasury and Resources, who will lead the Assembly through the various financial propositions which will include the capital and property plans. I will then present the final part of the proposition in relation to the legislation programme. But, Sir, before I propose the key objectives and the priorities of the Chief Minister's Department, I would like to go back to where I started. The outcome of this debate will define what sort of island we want Jersey to be. Members have a choice. Either we can put financial management above all else or without sacrificing our financial integrity we can make Jersey an even better place through adopting the various amendments that the Council of Ministers have proposed. So, those amendments are proposed on the back of an already strong Business Plan. It is a Business Plan which does lead the Island forward. It is a Business Plan which does adopt very stringent financial management. So, it is already a strong base, but we can and we should make it stronger. We can and we should add to the very high level of service provision for our less well off; a very high level of environmental care we offer; the very high level of economic support we offer, we can and we should add to all of those and ensure that Jersey is once again, because we are not at this moment punching our weight internationally, and also go on to make our Government, which I think everyone wants to see, more effective. So, this is my last Business Plan debate and I hope very much that the legacy of the debate will be one of caring and responsibility. Caring for the less well off; caring for the environment; caring for the economy; caring for our international position and caring for the efficiency of our government, while at the same time exercising responsibility for our financial management. I believe the plan together with the amendments of the Council of Ministers will enable us to do just that. Sir, I propose the Business Plan.

The Deputy Bailiff:

If I may, Chief Minister, you are proposing in fact paragraph (a)(i), is that right, the Chief Minister's objectives? Yes. Are they seconded? **[Seconded]** Very well, now we have a number of amendments to those objectives.

6. Annual Business Plan 2009 (P.113/2008): third amendment (P.113/2008) Amd. (3)

The Deputy Bailiff:

The first one is Amendment No. 3 part (i) lodged by the Deputy of St. Ouen and I will ask the Greffier to read the amendment.

The Greffier of the States:

1. Page 2, paragraph (a) in paragraph (a)(i) after the words "pages 10 to 12" insert the words: "except that for success criteria (iii) in Objective 1 on page 10 there shall be substituted to the following success criteria '(iii) As part of the prioritisation process, the development of any new initiatives, policies or strategies to be supported by all resource implications and funded within the

approved total net revenue expenditure for States funded bodies contained in Summary Table A of the 2009 Annual Business Plan.”

6.1 The Deputy of St. Ouen:

A key element of the States decision on the Annual Business Plan is to approve each department’s key objectives and success criteria. These key objectives and success criteria in turn approved by the States during the debate will be used as a basis for the departmental business or action plans in the year ahead. It is therefore important that we ensure that where possible the key objectives and success criteria are clear and unambiguous. On page 8 of the draft Annual Business Plan we are told that part 1 of that plan sets out each of the department’s high level objectives for 2009. Furthermore, these objectives and success criteria will drive the department’s activity and resource allocation for the coming year and be reported - and that is extremely important to remember - against in the 2009 Annual Performance Report which measures how successful the departments have been in delivering the objectives as contained in the Business Plan. Each of the departmental key objectives which the States are required to approve are linked directly to commitments, objectives and where appropriate initiatives already approved by the States contained in the Strategic Plan to ensure that that activity and use of resource is always in accordance with the strategic direction that was approved by this Assembly. I have already identified in my report 2 such commitments included in the Strategic Plan. The first is that: “The Council of Ministers will ensure that in the development of any new initiatives, policies or strategies, consideration will be given to all cost revenue and manpower implications which may arise from the proposals. Priority will be given to those which can be achieved within approved revenue and manpower resources.” The second commitment is that they would ensure that: “Any new policies will be financed within existing resources unless otherwise agreed by the States Assembly in the Annual Business Plan.” Sir, the present Council of Ministers and indeed this Assembly is reaching the end of its period of office and a new Council of Ministers will be elected in December after the elections. Their first task will be to present a new Strategic Plan to the States for approval in May next year and we are told that this will impact on departmental objectives and priorities going forward from 2010. I would like to suggest that the new Council of Ministers may well want to influence those departmental objectives and priorities identified in this plan within their first year of office. It would therefore be completely wrong if this was not the case. In part, this amendment allows a greater degree of flexibility to the new Council of Ministers and the States as a whole. If one is to ensure that taxpayers’ money is used to greatest effect, certain checks and balances need to be in place for the coming year, hence the reason for this amendment. I am somewhat surprised at the comments of the Council of Ministers; they seem to contradict their own position on this matter. The success criteria currently proposed by the Chief Minister can be found on page 10 of the Business Plan and it reads: “The development of any new initiatives, policies or strategies prioritised and supported by all resource implications.” Nowhere does it mention the word “planned” and yet in the comments we are now told that this is the commitment given. The Council of Ministers also claim that they are able to achieve the new success criteria as amended and yet they go on to say it is therefore not necessary to include it. I would argue that if the Council are to be measured on their performance and their ability to delivery the Business Plan within the proposed net revenue summary which will be contained in Table A this is exactly the success criteria to be included. The suggestion that this amendment restricts the States in approving additional unforeseen expenditure is totally ludicrous. The wording of the amendment uses the same words as the existing one while underlining the requirement that all resource implications for new initiatives, policies and strategies are considered and prioritised within the approved revenue resources; nothing more and nothing less. This amendment does not affect existing services as we are told that these will already be accommodated within the cash limits proposed. Indeed on page 45 of the Business Plan under the heading: “Balanced budgets and the financial framework” one reads: “The Business Planning process provides for a 3 year rolling financial allocations to departments. These must identify their financial implications of all current

and forthcoming initiatives as there is no general reserve under the new finances law. The Annual Business Plan Review achieves that by bringing together all the major resource programmes in one integrated process.” It goes on to say that: “The capital I.C.T. (Information and Communication Technologies) property and legislation programmes have all been reviewed with the necessary ongoing implications included by departments in their expenditure submissions.” Finally, it says: “This is intended to improve financial discipline” - and these are the important words - “and where departments fail to identify these consequences, they must expect to meet the requirement from existing allocations.” These are not my words, they are those of the Council of Ministers contained in their own draft Business Plan. Equally it is perfectly right that we require certain accountability from the department as they forecast and budget for the future year’s expenditure. It therefore seems strange that on the one hand the Council choose to reject my amendment and seek to avoid being held accountable for commitments they themselves are giving to this Assembly. As a government we must be accountable to the public. This amendment, in part, will help to do just that and ensure that resources available are used to greatest affect. I ask Members to support this amendment. Thank you, Sir.

The Deputy Bailiff:

Does any Member wish to second it? [**Seconded**]

6.1.1 Senator F.H. Walker:

Before speaking, could I ask for clarification because I had been advised contrary to what the Deputy said that the wording of his amendment would indeed prevent the House from coming up with necessary emergency funding during the period of the Business Plan; for example, the Haut de la Garenne investigation. That is the advice I have received and that is the advice upon which the Council of Ministers is opposing the amendment, and that really is the only basis upon which we are opposing it. Now, the Deputy has said he does not believe that is a consequence of his amendment, but that is the advice that I have received, that Ministers have received and if there is a misunderstanding here it may be that we can short-circuit it. But as things stand according to my understanding we have to oppose the amendment, but if I am wrong, if the advice we have had is wrong then maybe we can accept it.

The Deputy St. Ouen:

Firstly, it is a shame that the Chief Minister had not asked me regarding if he was concerned about the interpretation of this amendment prior to this debate, but it is absolutely clear and it has been clear over the last 3 years that the States as the sovereign body is able to identify and determine expenditure as and when is required whether it is an emergency issue or otherwise and it is impossible for us to do anything else. We have public finances laws in place and States of Jersey laws and other laws that ensure quite properly that this Assembly can deal with those sorts of issues. The only intention is, as I stated hopefully clearly in my speech, that I am seeking for a slightly improved accountability to be achieved within this Business Plan. Thank you.

Senator F.H. Walker:

If I may, just to be clear, the amendments of the Deputy - and he is quite right - quotes the objective in the Business Plan, but then goes on to add that: “all initiatives, policies or any initiatives, policies, strategies to be supportive of all resource implication and funded within the approved total net revenue expenditure for States funded bodies contained in Summary Table A of the 2009 Annual Business Plan.” Now, that suggests to my department and to Ministers that once the States has approved the Business Plan and approved Summary Table A, which is the total financing, there was no further recourse to funding during the period of the plan and that is the problem we have.

The Deputy St. Ouen:

Please, Sir, I think that the Chief Minister is making heavy weather of this and we are well aware of the process within the States as currently shown with the latest amendments produced to the

Business Plan less than 2 weeks before this debate by the Council of Ministers. It is quite ridiculous to assume that the States Assembly are not able to determine additional expenditure as and when is required through the proper process. This is simply to set down a marker that once this Business Plan is agreed there is the expectation that departments will meet the budgets set and the overall expenditure limits.

Senator F.H. Walker:

I understand what the Deputy is saying, but I am not sure that is what his amendment says and I think we need a ruling, please.

The Deputy Bailiff:

I think that on looking at it, this is a success criteria, so it is not in fact an objective, it is a success criteria and a success criteria under this amendment will be: "That any new initiatives, policies and so forth will be funded within the approved expenditure." Now, that is a success criteria, but of course it does not in my judgment prevent as a matter of law or of strict politics the Council coming forward and saying: "We have got some totally unexpected matter which we require to take us outside the expenditure." If the States agree that then that will be permitted under the Finance Law. What this amendment is saying is that you will have failed on this success criteria.

Senator F.H. Walker:

Well, Sir, Ministers are never knowingly failing, but I am grateful for your judgment. I think that on that basis then there is no need for us to maintain our opposition to the amendment and I have not consulted with my colleagues, but I am sure it was a genuine misunderstanding and I am more than happy to withdraw our opposition to it and accept it.

The Deputy Bailiff:

Very well, the Chief Minister has indicated it has been accepted. Does any other Member wish to speak on this amendment? Very well, all those in favour of adopting the amendment kindly show. Those against. The amendment is adopted. The next matter is then Amendment No. 3 Part (ii) lodged by the Deputy of St. Ouen and I will ask the Greffier to read that amendment.

The Greffier of the States:

In paragraph (a)(i) after the words "pages 10 to 12" insert the words: "except that after success criteria (viii) in Objective 1 on page 10 there shall be inserted the following success criteria with the subsequent success criteria renumbered '(ix) Annual work programme produced at the beginning of each year by the Council of Ministers, after consultation with the scrutiny panels, setting out the proposed timetable of debate for propositions to be lodged by all Ministers' (x) All new policies, strategies and initiatives for all departments identified in the 2009 Annual Business Plan considered by the States."

6.2 The Deputy St. Ouen:

First of all, Sir, may I thank you for your intervention on the last amendment. Sir, there are 2 parts to this amendment and I propose to speak first on the benefits of an annual work programme to be developed and secondly I will cover why I believe it is important that all new policies, strategies and initiatives should be considered by the States. One of the aims behind introducing Ministerial government was to enable a more coordinated approach for the way our Island is governed. Three years later it is clear that this has only been particularly successful. Although each department produces an annual work programme there seems little attempt made by the Council to either co-ordinate the work, consider whether the programmes are realistic or if the best use of manpower and financial resources are being realised. One only has to look at the example of how States business is arranged to realise that greater effort needs to be made in this area. I fully appreciate that annual work programmes cannot be precise and there is bound to be some flexibility in timescale. However, this should not prevent a target being set with the aim of achieving this

objective. In Part 4 of the States of Jersey law the Council of Ministers are charged with co-ordinating the policies and administration for which they are responsible as Ministers as well as prioritising executive and legislation proposals. I ask, how can this happen without an annual work programme being developed? All too often departments seem to develop new policies and initiatives before proper consideration is given to existing ones. The Privilege of Procedures Committee does attempt to manage the affairs of the State, however they are only able to play the hand they are dealt and it is the Council of Ministers and individual departments who for the most part determine the programme the States must follow. The legislation programme is a prime example of poor planning. With the present system individual departments promote their own legislation programmes in the knowledge that previously approved legislation has not been completed or worse abandoned in latter years. This practise has placed undue pressure on the Law Officers' Department with increasing demands for additional manpower. I ask, what are the Council afraid of by not supporting this amendment? Should the attitude not be "can do" rather than "cannot"? A number of reasons have been given as to why target dates might not be achieved including delays in policy preparation, changes in priority, law drafting issues, Scrutiny involvement and lastly, the outcomes of the consultation processes requiring further work. However, I believe this just highlights the need for consideration to be given to developing an annual work programme. Consultation events and Scrutiny involvement can only be implemented if policy proposals are brought forward in a timely manner otherwise much of the benefit gained from public and Scrutiny involvement is bound to be lost. With any new policy proposal development timescale should be considered at the start of the process and not just left to chance. How can the Council of Ministers on the one hand undertake to bring to the States early in the year a summary of planned major policy issues without some form of timescale being included? How are we to judge the performance of both departments and the Council as they carry out their duties, if no meaningful programme is in place? I ask again, the Council to reconsider their stance on this matter and that Members would support this part of the amendment. I will go on to the second part, Sir. The second part of this amendment includes a new success criteria which defines the way in which new policies, strategies and initiatives identified in this Business Plan are approved prior to implementation. This is not a new concept and supports commitments given in the Strategic Plan, as I have said before, by the Council of Ministers. I am not going to cover the points raised in the report, but I would like to touch on some of the comments made by the Council. They refute that the approval of the Business Plan does not automatically confer approval of any major policies or strategies highlighted for development and state that as a matter of principle all such items are and will continue to be brought to the States for consideration. Yet they do not support this amendment. Information can be provided to the States in many different ways such as reports, statements as well as propositions which are ultimately debated by this Assembly. This amendment will not stop any of those mediums being used where appropriate. As I said in my report, my aim is not to frustrate the work of Ministers, in fact it is absolutely and utterly just the opposite. The aim is to provide greater support and openness in government as the Ministers carry out the wishes of this Assembly. Do the Council of Ministers not believe that it is important to have the backing of the States and indeed their public as they carry out their duties? I really must object to the suggestion in the comments that all low-level operational initiatives and business as usual type items would be caught up in this amendment. This is absolute nonsense as these do not even fall within the description used in this amendment and do not follow existing practice. Common sense must prevail and in any event the amendment only speaks of new policies, strategies and initiatives included in this Business Plan. If we are to have an open, transparent and accountable system of government in which the public can have confidence, then I ask Members and indeed the Council of Ministers to support this amendment as it seeks to do just that. Thank you.

The Deputy Bailiff:

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

Senator F.H. Walker:

Sir, following a meeting of the Council of Ministers yesterday, we can certainly accept part 1 of this amendment.

The Deputy Bailiff:

That is number ...

Senator F.H. Walker:

Number (ix), yes, Sir. So far as number (x) is concerned, again, I think there may have been some confusion in the way the amendment was worded because certainly Ministers have been under the impression that it would result in a huge amount of relatively, in fact, potentially very low-level items having to come to the States for debate. The Deputy has said that is not his intention. That was very much the impression that Ministers formed. If that is not his intention I think perhaps in the light of your earlier ruling, the same might apply to this amendment and if that is the case we would accept this part of his amendment also. But certainly there was a lack of clarity in the way this was put forward.

The Deputy Bailiff:

I do not think you can read across my ruling on the last one to be administered for this one. That was given in relation to that wording and about the approved net revenue. This is simply a definition of the words “policies, strategies and initiatives”.

Senator F.H. Walker:

I think, Sir, much depends on the use of the term “success criteria” and having heard the Deputy, if indeed there will be no requirement for - and we put forward some examples - no requirement for the lowest level initiatives to come to the States because that would block the States for months on end. I understand that is not the Deputy’s intention. We were of the view that that was probably the effect of the amendment. But, if indeed, it is not and certainly the Deputy confirms that not in his view it is not, then we could accept that as well.

Senator W. Kinnard:

Sir, I wonder whether perhaps the Deputy would undertake to perhaps work with the Chief Minister or Chief Minister’s Department to bottom this out and to come to some sort of agreement as to what is involved, because quite clearly, I am going to have some difficulty voting for something when I am not quite clear of the extent of it. But at least an undertaking that he would be prepared to work with the department and with the future Council of Ministers on this matter, I think would at least give me some comfort.

The Deputy of St. Ouen:

Just in response to that, Sir, I do not believe it is necessary for me to work with the Council of Ministers or the Chief Minister or anybody else. I think that both in my report and in the speech that I have just delivered I have made it perfectly clear what this particular amendment means and I would just like to point everyone, and I say I do choose words hopefully relatively clearly and particularly, and I have included the word in the second part, it asks that the Annual Business Plan be considered by the States. Considered is not debated. Considered is ... and the whole point of it as I said, as I explained in my speech is just that if this Assembly is better informed, kept informed of the wider picture as the Ministers carry out their business. I do not think there is anything complicated about it and I am prepared to just debate it. Thank you.

The Deputy Bailiff:

Chief Minister, did you intend your intervention just then to be your speech or speaking ...

Senator F.H. Walker:

Certainly not, Sir, no, no, no. You have enabled me to make 3 so far. I would like to make a fourth if you do not mind.

The Deputy Bailiff:

This is your speech then, is it? Do you want to make it now?

6.2.1 Senator F.H. Walker:

I agree with what the Minister for Home Affairs has said. All the Council of Ministers is concerned about is that the States do not end up being bogged down with minute detail. That would be a mistake. Now the Deputy has said that is absolutely not his intention. I am still not certain whether that is not the effect of his amendment and that is where we have a dilemma. It is simply, in my view, not clear enough and I do not think the States should take a risk in getting bogged down. So, could I propose something through you to the Deputy? Could I suggest that he might withdraw this amendment because there is confusion, obviously not just with Ministers. There is confusion about the effects of it. Then meet with me to discuss it and I do not know whether it is possible for it to be brought back in a clarified form later in this debate or perhaps brought back as a private Member's proposition at some later date. But I do think we need clarity or there is a risk that the future House will be completely bogged down. Nobody, certainly not me, dissents from what the Deputy is trying to achieve, but I am not sure that is the effect of his amendment. So I suggest that he and I should get together to try and clarify this and working with the Greffier try and find a way to come forward with a more clear position. But in the meantime I would ask him, Sir, if, through you, he would be prepared to withdraw his amendment.

The Deputy Bailiff:

Just before the Deputy deals with that, if he wishes to, I think it would be difficult to bring it back during the course of this debate because of the requirements for lodging. If I can try and assist the Assembly, ultimately whether something is a policy, a strategy or initiative is a bit of a judgment. People may differ on whether something is so minor as to not fall within that category or not. Now this is a success criteria. Opinions may differ on whether, at the end of the period, if the Council has not brought a particular matter to the States for approval, whether they have failed the success criteria, because they should have because it is a policy, or whether it is so minor that it does not fall within the policy. There is ultimately a political matter for consideration by the Members. I do not think it is possible for anyone, let alone the Chair, to say now exactly what Members would consider constitutes a policy, a strategy or initiative. But the point remains that it is a success criteria so it would be looked at after the event to see whether Ministers have complied with it or not. So, now, Deputy, do you wish to respond to the Chief Minister's invitation or say nothing at this stage?

The Deputy of St. Ouen:

I would like to get on with the debate, Sir.

The Deputy Bailiff:

Very well. Does any other Member wish to speak? I am sorry, that was your speech then, Chief Minister?

Senator F.H. Walker:

No, Sir, not yet. Sir, can I just add that the Council of Ministers fully accepts that all major policies should come to the States for debate and indeed they do. The Council of Ministers and the States have a very good record of debating all major policies and objectives. No one is looking to move away from that, it is a question of whether or not this amendment takes us much further than that and that is where the uncertainty rests. I absolutely agree with the Deputy that openness of debate is essential, that the floor of this House must be sovereign, States must be sovereign, absolutely agree with that, no disagreement with that whatsoever. Completely support it. But we do need to

be sure that we are not going to bog the future House down in trivia and far too much detail. That is why I do not think anything would be lost from the Deputy withdrawing his amendment, meeting with me and then bringing forward a proposition which clarified the picture at some point early in the New Year. Nothing would be lost. The commitment would be the same and I would ask him, in the interests of clarity and the orderly procedure of the future House, to do that. So, Sir, that is my final word on the subject.

The Deputy Bailiff:

Very well. Now does any other Member wish to speak? Deputy Gorst?

6.2.2 Deputy I.J. Gorst:

Unfortunately, Sir, I will not be able to support this amendment. If I retrace my steps only of yesterday, Sir, I went to a most enjoyable event last night which was the opening of Careers Jersey; an exciting project one might say, which is at some level quite minor, 3 Ministries getting together, moving from one site to another site, but opening up a whole new world of opportunities for retraining. Sir, I do not believe that that small change of building, working together of departments, does need to come back to this Assembly and I believe that this amendment might, in fact, catch that and that would be a detrimental effect, Sir, and therefore I cannot support it. Thank you.

6.2.3 Deputy S.C. Ferguson:

Organised government should have an idea at the beginning of the year as to what it plans for the year, matters which must be brought to the States. Now the English in this amendment is quite clear. An annual work programme produced at the beginning of the year setting out the proposed timetable of debate for propositions to be lodged by Ministers. Well, hang on a minute, this is not the sort of nitty gritty of every day life, business as usual ...

The Deputy Bailiff:

Deputy, can I just say, my understanding is the Chief Minister has accepted that one, that is number (ix).

Deputy S.C. Ferguson:

Right, sorry, Sir, excellent.

The Deputy Bailiff:

So it is only number (x) that is ...

Deputy S.C. Ferguson:

Not my day today, Sir, I have lost my brain cell. I will come back in a minute.

The Deputy Bailiff:

It is number (x) which the Council has not accepted. Deputy Scott Warren?

6.2.4 Deputy C.J. Scott Warren of St. Saviour:

I would like the proposer of the amendment to comment further on part (x) because he said that ... I believe I am right in saying that the Member said that “considered” by the States did not mean “debated”, but in layman’s terms, to me it does not say: “Lay before the States” or: “The information given”, the only interpretation I can see is “debate” and I am worried, much as I do believe that most major policies and strategies should be debated in this House, I do have concerns about the practicality of the minutiae of Government all coming to the States and whether we will grind to a halt, Sir. So I would like clarification from the proposer of the amendment. Thank you, Sir

6.2.5 Deputy G.P. Southern:

I just rise to my feet in order to respond to Deputy Gorst's, the Deputy of St. Clement's contribution. When he spoke, he seemed rather surprised that 3 parts, separate, that were previously separate, were coming together in terms of Careers Jersey. It seems to me that it was absolutely crystal clear way back in the Strategic Plan in 2005 that the Skills Executive, that was to be formed, it was to be employer-led and have a significant contribution, 3 bodies were going to come together and that, indeed, I believe, it was indicated that were going to come together in a one stop shop, if they possibly could, to co-ordinate careers advice in Jersey. It should come as no surprise that despite having taken a long time to set up the Skills Executive, it has been 2 and a half years in the creation, that this initiative should be taking place.

6.2.6 Senator M.E. Vibert:

I hope this will not go on much longer because we all seem to be in agreement, it is just the form of words that we are having difficulty with and the interpretation of those words. The Council of Ministers and the Chief Minister, as you heard, have given an undertaking. We want to achieve this, I would urge the Deputy of St. Ouen, because I agree with him on this, but I am worried about the form of words, to withdraw it so that it can be brought back as a standalone proposition with words that we can all agree on that mean exactly what we all want it to mean, that major things are brought to the States and minor things do not bog down the States and we can get on with things and make a decision, for example, where the new Skills Jersey will be based without having to come back to the States. I think we all agree, but I urge the Deputy accept that the form of words are somewhat confusing and not quite right and that we should come back with an agreed form of words which we can all sign up to, please.

6.2.7 Senator P.F.C. Ozouf:

I do not want to overcook this, but I accept the principle that the States must be the sovereign body as other Members have said to decide major policies. If I speak from my own department's point of view, Economic Development is one of those departments that has a discretionary spend, which is moved and flexed according to circumstances. We have to move with changing situations. The current financial turmoil in financial markets is meaning that we are redirecting resources with Jersey Finance in order to secure the financial services markets and we are confident we can do so. I will give Members one example of something that has happened literally in the last 24 hours. In the last week we heard the withdrawal of H.D. Ferries, something that was unexpected but has the unintended consequences of really causing difficulties for our fishermen. We have fishermen, in the next 2 months, with the majority of their exports being required, who are unable to export their fresh fish and their lobsters, et cetera. We are having to put immediately assistance in place in order to assist them. And yes, more money and we are going to have to move it from somewhere. That is a new initiative, a new policy, am I expected to come back to the States to seek this Assembly's approval for that? No. Last night at 10 o'clock we were getting on with the job in hand. That is the form of responsive government and that is what we need to do.

The Deputy Bailiff:

You have already spoken, Deputy Ferguson, have you not?

Deputy S.C. Ferguson:

On the wrong ... [Laughter]

The Deputy Bailiff:

I am sorry, Deputy, you had your chance. Does any other Member wish to speak? Yes, Deputy de Faye?

6.2.8 Deputy G.W.J. de Faye:

I think the initial concern about paragraph (x) was the potential for all, as it says, new policies, strategies and initiatives having to somehow be considered by the States and I think I detect that that is not the intention of the proposer which certainly clarifies and makes me a lot happier about being in a position to vote in favour of this. Though I am concerned that, by the same token, it would appear that we are talking to success criteria where increasingly it may be accepted it is not such an issue if you are not as successful as you set out to be. I am not entirely sure that this is a helpful way forward in that we are setting targets and at the same time accepting that Ministers may discover that they cannot meet the targets. So I do want to just give a for instance to the Deputy so he could respond with something that pricks my conscience under this new requirement. That is to say, what about an initiative, because I accept that policies and strategies will almost certainly, department by department, have been debated and approved by the States, but initiatives are different. Initiatives are things that crop up and you either respond by taking an initiative or you take an initiative. Now I have, from time to time during my role as Minister for Transport and Technical Services, taken a couple of initiatives and I hope Members are as excited about that as I was. Someone taking an action on the front line. So I just raise the single subject of beach showers. Now, hesitant as I am to blow my own trumpet in among such august presences, it seems reasonably clear that the gradual but progressive installation of beach showers around key beaches in the Island have been an unqualified success. The public appreciate them, our local children enjoy them, even animals, pets like to have a little shower when they come off from the sandy experience of our wonderful beaches. It seems to be playing very well. But it was a personal initiative for which I accepted that if anyone in the States caught me out, I may face the wrath of the Assembly for having acted on an individual basis. Now that is an initiative that has not been considered by the States. So I simply want to gauge the Deputy of St. Ouen's view on to what extent does he wish to have all initiatives on the basis that they have been considered by the States and those that have not been considered by the States and may not be undertaken, or does he accept that it is reasonable for Ministers to maintain some degree of flexibility in order to take initiatives, one of which I have outlined, one of which seems to have been a popular initiative to take for which I have not been taken to task by anybody? So I would like to just gauge the Deputy of St. Ouen's view on how far he wants to push his process.

6.2.9 Senator J.L. Perchard:

I have been motivated to speak suddenly about how accurate the Minister is that beach showers of course is not an issue that the States should get involved in or perhaps advertising on car parks or buses. These are initiatives. But I tell you something, Sir, I think the States really would appreciate debating a travel and transport policy.

6.2.10 Senator T.A. Le Sueur:

I think there is a danger of giving mixed messages here because I think a lot of Members appreciate that having to discuss every initiative before it is implemented is not productive, is not good use of our time and it would stifle initiatives being done in the first place. But on the present basis, I would have to vote against criterion (x), and I think that will give a message that the States do not want to consider policies and objectives and that is not the message that I want to give across either. I think the States do need to consider and will consider and does consider major policies, major strategies and will continue to do so. So I do urge the Deputy of St. Ouen to gauge the mood of the House and suggest that we are all behind the principle of this, the way it is worded at the moment would simply tie the whole Assembly in knots and would not be a good thing to do. So I think rather than give that mixed message, I have to urge him to withdraw part (x) because otherwise and I am sure other Members will feel sadly the need to vote against it.

6.2.11 Deputy P.V.F. Le Claire:

It is going to be an extraordinarily difficult week this week and a long session. I also urge the Deputy of St. Ouen, I urge the Deputy of St. Ouen and other Members that are bringing

amendments when they see that they are flogging a dead horse, to just give up. Bring it back and we will support it, but at the moment it is not going to go through.

The Deputy Bailiff:

Does any other Member wish to speak? Very well, I call upon the Deputy of St. Ouen to reply.

6.2.12 The Deputy of St. Ouen:

First of all, in answer to Deputy Le Claire, I do not believe I am flogging a dead horse and I certainly will not give up trying and presenting issues that I feel strongly about. I will not withdraw this amendment because I think that the Council of Ministers ... I am struggling to understand all the smoke and mirrors and issues that have been thrown up regarding what I call a simple amendment. I would just refer everyone and it would be worth, if you have got amendment number 3, would you please look at the wording of the one that we are debating. It says: "All new policies, strategies and initiatives for all departments identified in this plan to be considered by the States." I have already explained and Members are fully aware that we consider strategies and initiatives and policies in all sorts of different manners. We have briefing sessions, we have statements made, we have a range of media that we use to pass the information regarding these strategies, policies and initiatives and disseminate them to this Assembly. That is what this means. It is a measurement of success. It will allow us a year next year when we look in the performance report to see how well the Council of Ministers and Ministers in particular have been in bringing the major policies and strategies to the States. We will also see the benefits of this when the States are asked to consider issues because they will have a bigger view and a wider view and knowledge of the plans of the individual Ministers and Ministers as a whole. There is nothing, I believe, totally nothing to be frightened of with this amendment. Equally Deputy de Faye, beach showers, well done. I am not sure if beach showers were written down in the draft Annual Business Plan for 2008, I doubt it. Get on and do those initiatives as you did this year, you informed us what you were doing, you have informed us ...

The Deputy Bailiff:

As the Minister for Transport and Technical Services, Deputy.

The Deputy of St. Ouen:

Sorry, Sir. Sorry, Sir. Getting a bit carried away there. The Minister informed us of new bus routes. That is information. That is so that we were able to consider: "Oh, look, great, we are going to have a pub bus."

Deputy G.W.J. de Faye:

That is strictly not the title of it, Sir, I have to say. [Laughter]

The Deputy of St. Ouen:

As I said before, my report and I believe my speech has clearly made my views clear on this matter and I ask for the appel.

The Deputy Bailiff:

The Council has accepted one part and not another. Are you willing for them to be voted on separately?

The Deputy of St. Ouen:

Absolutely, Sir.

Deputy C.J. Scott Warren:

Can I again ask for a legal clarification from either yourself or the Attorney General? When something is written to say: "Considered by the States", in my opinion I would like to know if the

Attorney General or you, Sir, agree that means by this Assembly, not by briefing sessions or a meeting at Cyril Le Marquand House and I would like clarification. Thank you, Sir.

The Deputy Bailiff:

Yes, “considered by the States” means considered by the States sitting as an Assembly. An appel has been called for by the Deputy. Very well, so the appel has been called for. The first matter therefore is sub-paragraph (ix) as set out in the second part of the amendment, in other words, referring to the annual work programme. That is the matter which is before the Assembly. Did you ask for the appel on that one, Deputy?

The Deputy of St. Ouen:

Yes, of course.

The Deputy Bailiff:

The appel is asked for on that one. That is the one that has been accepted by Council of Ministers.

POUR: 41

CONTRE: 0

ABSTAIN: 0

Senator L. Norman

Senator F.H. Walker

Senator W. Kinnard

Senator T.A. Le Sueur

Senator P.F. Routier

Senator M.E. Vibert

Senator T.J. Le Main

Senator F.E. Cohen

Senator J.L. Perchard

Connétable of St. Ouen

Connétable of St. Peter

Connétable of St. Clement

Connétable of Trinity

Connétable of St. Lawrence

Connétable of St. Brelade

Connétable of St. John

Deputy R.C. Duhamel (S)

Deputy A. Breckon (S)

Deputy J.J. Huet (H)

Deputy of St. Martin
Deputy G.C.L. Baudains (C)
Deputy P.N. Troy (B)
Deputy C.J. Scott Warren (S)
Deputy R.G. Le Hérissier (S)
Deputy J.B. Fox (H)
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy S.C. Ferguson (B)
Deputy of St. Ouen
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy G.W.J. de Faye (H)
Deputy P.V.F. Le Claire (H)
Deputy D.W. Mezbourian (L)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy A.J.D. Maclean (H)
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy of St. Mary

The Deputy Bailiff:

Then the Greffier will reset the voting and it is sub-paragraph (x) which is then before the Assembly referring to all new policies, strategies and so on.

POUR: 12

Senator L. Norman

Connétable of St. Clement

Deputy R.C. Duhamel (S)

CONTRE: 29

Senator F.H. Walker

Senator W. Kinnard

Senator T.A. Le Sueur

ABSTAIN: 0

Deputy A. Breckon (S)	Senator P.F. Routier
Deputy G.C.L. Baudains (C)	Senator M.E. Vibert
Deputy J.B. Fox (H)	Senator T.J. Le Main
Deputy J.A. Martin (H)	Senator F.E. Cohen
Deputy G.P. Southern (H)	Senator J.L. Perchard
Deputy S.C. Ferguson (B)	Connétable of St. Ouen
Deputy of St. Ouen	Connétable of St. Peter
Deputy G.W.J. de Faye (H)	Connétable of Trinity
Deputy A.J.D. Maclean (H)	Connétable of St. Lawrence
	Connétable of St. Brelade
	Connétable of St. John
	Deputy J.J. Huet (H)
	Deputy of St. Martin
	Deputy P.N. Troy (B)
	Deputy C.J. Scott Warren (S)
	Deputy R.G. Le Hérissier (S)
	Deputy of Grouville
	Deputy of St. Peter
	Deputy J.A. Hilton (H)
	Deputy P.V.F. Le Claire (H)
	Deputy D.W. Mezbourian (L)
	Deputy of Trinity
	Deputy S.S.P.A. Power (B)
	Deputy K.C. Lewis (S)
	Deputy I.J. Gorst (C)
	Deputy of St. Mary

7. Annual Business Plan 2009 (P.113/2008): ninth amendment (P.113/2008) Amd. (9)

The Deputy Bailiff:

Very well, so that completes amendment number 3. The next amendment is the 9th amendment lodged by Deputy Le Hérissier and I will ask the Greffier to read that amendment.

The Greffier of the States:

Page 2, paragraph (a). In paragraph (a)(i) after the words: “Pages 10 to 12” insert the words: “Except that after the success criterion (xi) in Objective 2 on page 10, there should be inserted the following new success criterion (and subsequent success criteria renumbered accordingly): ‘(vii) succession plan covering senior positions in public service developed by the end of September 2009.’”

7.1 Deputy R.G. Le Hérisier:

We have got agreement for which I thank the Council of Ministers who indeed agreed the earlier paper. But the reason I moved what may seem so amazingly obvious was this is one of these subjects that goes round and round, has been talked about for years and I would like at this point, Sir, to pay tribute to the work done by myself and Deputy Egré last year [Laughter] ably assisted, I should add, by a representative of the Chief Minister’s office ...

Deputy C.H. Egré:

I would endorse that, Sir!

Deputy R.G. Le Hérisier:

... masquerading as Deputy Gorst and the idea, as you saw, Sir, bore fruit in the R. Paper which was presented to the States. I think there was an implicit admission, Sir, that despite some awfully grand sounding and well-intentioned phrases, this policy had been what you might call stop and go. I think that would be a polite way. From the very days of Mr. Tobias, who very sadly passed away recently, who was brought in to mastermind human resource planning nearly 20 years ago, I understand. From those days we have made many attempts and for various reasons it has never quite worked out as people anticipated. I would make it clear, Sir, it was never intended that this be a guarantee that local people or locally residentially qualified people would be guaranteed promotion. Never ever was that the intention. The intention was to set up programmes, hence the excellent participation of people like Deputy Gorst. The intention, Sir, was to set up programmes which would provide opportunities and which would lead to systematic promotion within the ranks, and we have just had the excellent denial which I will just re-emphasise because there are rumours that need to be scotched. We had the excellent denial from the Minister for Home Affairs that there is not going to be a recruitment, for example, in middle managers from outside to the Police Service. It was the intention of such plans to obviate that very thing. So I am very pleased she has made that denial which, as I have said, I am underscoring. But it is never intended, Sir, that there would be a guarantee, I want to make that very clear. In fact it could be argued, and Deputy Egré, Gorst and I came to this conclusion very much so, that a healthy civil service benefits from having a mix of people at the top. Indeed one of the issues with people who do come from outside is not that they bring new ideas, which is excellent, that sometimes they adjust too quickly to the situation in which they find themselves and they lose the edge and the push and the innovation which you are seeking from them. That is often one of the issues. So, Sir, it is just to emphasise that and rather than just sit here uttering anodyne and wonderful phrases about this for ever more we will be committed to a plan.

The Deputy Bailiff:

Is the amendment seconded? [Seconded]

7.1.1 Senator F.H. Walker:

Can I just say that the Council of Ministers is very pleased to accept this amendment? We agree absolutely with the thrust behind it and although much has been done to improve succession planning, this is another control on the way we develop it. I think that is exactly as it should be. Sir, coincidentally, I have an excellent succession plan for the Deputy.

7.1.2 Deputy J.B. Fox:

I am very pleased to see this amendment. It is an area that many people have been working on, just not the ones that have been mentioned, both inside the States and outside the States. It is very important that we recognise that our local succession planning does require other people to join us from outside the Island on occasions, but it certainly affects the morale of the workforce when the balance is not seen to be fair or perceived to be fair. It is a rare statement such as this which is very important to our local work force and to support the encouragement for the additional training and knowledge that is required for people to attain a high position that might otherwise not seek to attain such positions. Thank you, Sir.

7.1.3 Deputy G.P. Southern:

Just briefly, Sir, if I may? This, in fact, puts the final layer, I believe, on what it would be joined up thinking that we maximise the use of our most scarce resource which is the people of the Island and particularly young people. So therefore we are committed absolutely to recruiting our own local people into jobs. We are committed absolutely and it is very clear, to training them while they are in those jobs and this looks like a commitment to, where possible, promoting that work force within our structures. I think it is a thoroughly laudable amendment.

The Deputy Bailiff:

Does any other Member wish to speak? I call upon Deputy Le Hérissier to reply.

7.1.4 Deputy R.G. Le Hérissier:

I thank the Chief Minister and I thank Deputies Southern and Fox for their support and I move the amendment.

The Deputy Bailiff:

All those in favour of adopting the amendment, kindly show? Those against? The amendment is adopted.

8. Annual Business Plan 2009 (P.113/2008): fifth amendment (P.113/2008) Amd. (5)

The Deputy Bailiff:

We then come to the fifth amendment, Part 1 lodged by the Public Finance Committee and I will ask the Greffier to read the amendment.

The Greffier of the States:

In paragraph (a)(1) after the words: “Pages 10 to 12” insert the words: “Except after success criterion (x) in Objective 2 on page 11 there should be inserted the following additional success criteria: ‘(xi) in conjunction with the Treasury and all other States departments, develop an action plan to deliver potential expenditure reductions and other related issues highlighted in the Comptroller and Auditor General’s report entitled *Emerging Issues* presented to the States on 19th May 2008; (xii) remuneration mechanisms of the States reviewed to ensure that arrangements are fit for purpose and appropriate to support the achievement in the States objectives in the current environment; (xiii) age limits and financial arrangements for redundancy, early retirement and retirement of all States employees reviewed so these are more comparable with best practice in the private sector or United Kingdom standards for equivalent services giving due recognition to the economic environment and local employment conditions in which the States operates; (xiv) a consistent programme of performance reviews and appraisals implemented which encourages and supports staff development and retention and improves performance.’”

8.1 Deputy S.C. Ferguson (Chairman, Public Accounts Committee):

Yes, in fact the Council of Ministers have accepted, as I understand it, 12 ... I think the numbering is perhaps slightly awry.

The Deputy Bailiff:

Yes, there are typographical errors, it should be 12, 13 and 14.

Deputy S.C. Ferguson:

The first amendment is the only one which the Council of Ministers do not really accept. The Comptroller and Auditor General published his report in May. We have not heard very much from the Council of Ministers as to how they react to it and what they intend to do. In the Business Plan they say they have adopted some of the short and medium term suggestions of the Comptroller and Auditor General. We are pleased to hear that. But the Comptroller and Auditor General estimated that there are about £7.8 million worth of short and medium term savings in the departments. These were formulated in co-operation with the Chief Officers, indeed some were produced by the Chief Officers, so they should not really have been that difficult to implement. There is a further £5 million worth of savings from cross cutting issues, but the biggest by far will be the £15 million estimated from human resource issues, making some £27 million or so at least. These are conservative estimates so we are probably talking more. These will not all be achievable in the short term, it will take time and particularly the human resource issues. So far the Business Plan accounts for £3.1 million. It is a start, but it is an excruciatingly slow one. We hear that tough decisions will have to be made so perhaps now is the time to start. In fact the Strategic Plan said there will be some tough decisions to be made about the use of assets or funding issues. The Chief Minister tells us that many of the suggestions of the Comptroller and Auditor General are too difficult. We are also told that we are already making £35 million in efficiencies. May I remind this Assembly that after the Comptroller and Auditor General reviewed them it was clear that only about £5.8 million of the purported £35 million savings was the result of genuine efficiencies. In fact when the Public Accounts Committee reviewed it, our conclusions can be summarised as £21.9 million represents a reduction in expenditure, in other words cuts, £1.5 million represents deferred expense, £4.06 million was a reduction in expenditure from other sources or from exogenous factors, factors beyond the control of the Ministers, £2.5 million arose from increased income, but only £5.8 million represents corporate efficiencies. We hear that G.A.A.P. (Generally Accepted Accounting Principles) accounting is going to be a magic formula which will immediately produce an improvement in financial management and control. States Members should be aware that the item Capital Servicing will not appear. Instead we shall have depreciation which is a measure of the usage of the asset during the period. This will greatly increase expenditure and it is quite probable that the accounts will show a deficit. At the same time the Social Security funds will be integrated into the accounts. Now, apart from the fact that these are going to boost up our assets, how does the Council of Ministers propose to incorporate these? If it is merely consolidating the accounts of the funds with the States accounts, that is one way. But as with P.E.C.R.S. (Public Employees Contributory Retirement Scheme), where are we going to put the liabilities? This is closely linked with supplementation and the operation of the Social Security funds. It would have been nice if the Minister for Treasury and Resources could have considered this whole aspect before he allowed the additional spending by the Council of Ministers and perhaps, no doubt, he will be speaking in this debate to comment on this. The combination of the prospect of an economic slow down and the probable reduction in taxation income means that we must have a soundly based plan on how to achieve genuine efficiencies, such as those described in the Comptroller and Auditor General's report. I agree that times ahead look as if they are going to be tough, but the Comptroller and Auditor General's suggestions save money. This will give us the elbow room to provide the services we must and his further suggestions will give us the information on which to rely. That these are too difficult in these difficult times is not an excuse for not starting. We have had a number of previous reports on the various topics mentioned in the Auditor General's report. There was a 1999 report which, by the way, those who were not in the House at the time, might be interested to know cost us about £1 million in 1999 at the prices then. There was not really much specific and it was really a bit woolly. Perhaps I can quote from it: "Efficient cross communication between departments was explored. While the majority of departmental reviews included this criterion within their own terms of reference, 4 departments did

not. The crux of the matter rests on whether to place emphasis on the mere fact of exploration, which is necessarily quite vague, or upon determining whether such exploration was efficient. In the light of this difficulty, we can state the following; all consultants did include within their reports consideration of interaction between the Review Department and the other departments. The extent to which this took place did, however, vary. While there were apparent weaknesses in some cases, on the whole cross departmental communication appeared to be examined to the degree considered necessary for the framework of the individual terms of reference.” Now tell me what that means. I think it means communication between departments was patchy and not always efficient. On the information available at that time the consultants recommended total savings of around £1.5-2million, subject to their recommendations being accepted. In fact not all were. Reported savings are £823,000 although this is a snapshot only with other costs and further savings being anticipated. What did the Comptroller and Auditor General estimate? At least £27-30 million a year in the long term and he wrote it in words which the public and perhaps even States Members can understand. We have had the *Hay Report*. The Comptroller and Auditor General found that nothing had been done to take up the recommendations of that report, or nothing particularly and he concurred with their findings. The evidence in the recent hearings by the Public Accounts Committee also supports those findings. We are woefully under resourced in the area of senior experienced financial staff. Income tax, Treasury, Housing, Social Security and Education all gave evidence on the difficulties of retaining staff or of recruiting at the higher levels. The most vital part of any department, if we are to control expenditure, is the availability of financial resources including staff, or especially staff even. What do we find? The Treasury has made decisions and ignored the needs of departments, the Housing Department needs a full time finance director and they have only been allocated a part time finance director and she has been away most of the time. As my esteemed colleague, Senator Syvret, would say, it defies belief. We had the report on the £35 million in efficiencies of which £5.8 million were genuine efficiencies. What more can I say? The Auditor General’s report, he has produced a list of departmental savings. Now these have been discussed with and in most cases suggested by Chief Officers. If Chief Officers have suggested them, why have the Ministers not agreed with them? The cross cutting savings are more difficult, but Ministers are not there for the easy decisions, we heard about that in the Strategic Report. They are there for the difficult decisions which are for the long term good of the Island, as it says in the Strategic Plan. The Comptroller and Auditor General has suggested a timescale which is long enough to be relatively painless. So what is the problem? We have had the Fiscal Policy Panel report. The principles and recommendations of their review were in line with the thinking of the Public Accounts Committee, the Comptroller and Auditor General and any right thinking economist. So why have they been ignored? The Public Accounts Committee has recently issued a report on the States Accounts for 2007. Although we had a number of wide ranging discussions during the hearing, our final findings concentrated on financial reporting, financial management, internal controls and forward policy. It could all be summed up in our conclusion: “In the view of the Committee, the Council of Ministers should also demonstrate its acceptance of the importance of proper financial management and internal controls within the States. This would be desirable to achieve proper stewardship of the States’ income and assets. It would demonstrate the real commitment of the Council of Ministers to the people of the Island for the avoidance of wasteful and ill-considered expenditure. In their reply to the P.A.C.’s (Public Accounts Committee) amendment, the Council of Ministers has made great play of the sentence in the Comptroller and Auditor General’s report: “The fact that these opportunities for reductions in expenditure have identified does not imply either that I recommend the implementation of all of them, or that in practice they would prove straightforward to implement or acceptable to the Island’s population.” Well, that is fair enough, but we are here to take those tough decisions. The Council of Ministers’ contention is that they have already begun to consider implementation of the proposals. But their proposals on page 56 of the Business Plan seem to be concentrating on the short and medium term issues and only 27 per cent of those, £3.1 million. How many reports does the States have to receive before we take sensible action? This is only fiddling with the problem of States spending.

It is essential that we take the problem by the horns and really get stuck in to addressing it. The Public Accounts Committee amendment merely requires the Council of Ministers to prepare an action plan to address the issues. We have heard that it is difficult to implement the suggestions made in the report. With great respect, no evidence has been provided to explain the difficulties. Not all of the suggestions are difficult. They cannot be otherwise Chief Officers would not have presented the suggestions. Bring a plan to the States which details those parts which are doable and bring us the explanations of the difficulties inherent in the others. "No" upfront is not an answer. If there are problems explain them. Let us consider one or 2 of the suggestions. I have taken just one or 2 of the suggestions. Payment mechanisms; Income Tax is already in a position to collect the social security contributions as well as I.T.I.S (Income Tax Instalment Scheme) and G.S.T. Why should there not be this one-stop shop for all payments to the States? Is the Assembly aware that you can pay your G.S.T. by debit card but not by credit card because there is a charge on using a credit card? Well, we have a Procurement Department, get them to negotiate a better rate. With the money involved there must be a significant discount. Or take better management of procurement in Health. There are 600 purchasing cards in the Health Department, I cannot think that all of these are essential. We have a professional Procurement Division, get them working on it. There are particular pressures on staffing with Income Tax highlighted in both the C.&A.G.'s (Comptroller and Auditor General) report and the Public Accounts report. So what is the problem with implementing this? It will leave the staff free to chase up defaulters and, in fact, during our hearings the Comptroller said: "Now, if I was given the luxury of investigating officers, I can virtually guarantee that for their salary of £45,000 they would collect every year back taxes and penalties of about £300,000." There is one small matter in E.S.C. (Education, Sport and Culture), the Instrument Service. This incurs costs in the region of £600,000 a year. The proposal is that there should be a small charge on loans of instruments to raise £100,000 a year. This is not unreasonable. Provision can be made for those who might find it a hardship, but is it really fair that the non-musical community, who must be in the majority, should subsidise the instruments? For that is what it is, cross subsidisation. The amendment which we shall be debating next requires the Council of Ministers merely to produce a report on the Comptroller and Auditor General's report. Is this good government? I thought this was the sort of States procedure that the change to an executive style of government was meant to obviate. This is the style of government which has infuriated the public, a report on a report. In my speech on the Public Accounts Committee amendment last year I said I had hoped that the Business Plan would develop into an efficient document separated into summaries and with explanations of new services, expansion to ongoing services, continuation of existing services and the resources required to supply those services. Instead we have a number of warm and fuzzy objectives. One I quoted was: "Consolidate arrangements for further higher and adult education which take account of changing patterns of participation, provision and funding." The objectives are not quite so fuzzy this year but there are a few crackers. "Revise literacy strategy developed and implemented in early years, primary and secondary schools." Why do we not just say: "Make sure all children leaving primary or secondary school can do the 3 Rs"? "Need for an independent person or agency to receive approaches from persons raising serious concerns to be assessed." Why do we not just say: "Implement whistleblower legislation"? What is the connection with our amendment to my discussion on objectives? This amendment is quite clear and simple. We have had a number of reports which have raised concerns. The Comptroller and Auditor General's report does not just raise concerns, it outlined how most of those can be dealt with. The job is well started. The P.A.C. just wants to give the Council of Ministers the extra encouragement to get the process moving. As one of my chief executives in another life used to scrawl on reports: "J.F.D.I." - just do it. We are facing difficult economic times. We owe it to our paymasters, the public of the Island, to safeguard the assets entrusted to us. This amendment will make sure that they understand that we mean business. Now, under the amendments, Sir, the Council of Ministers have in fact made comments, references to what did I mean by what I wrote. Fortunately, unlike Browning, I do remember what I said. The amendment referring to retirement which is amendment (xiii), we do refer to the age of retirement.

We are not talking about pensions. The Auditor General said the pension system is working, it is efficient and it is well under control, we do not want to alter that. Amendment (xiv), the Council of Ministers have accepted this for which I thank them. I move the proposition, Sir.

The Deputy Bailiff:

Is the amendment seconded? **[Seconded]** It is now 12:45 p.m., the adjournment is proposed.

LUNCHEON ADJOURNMENT PROPOSED

The Deputy Bailiff:

We will reconvene at 2:15 p.m.

LUNCHEON ADJOURNMENT

PUBLIC BUSINESS (continued)

The Deputy Bailiff:

We were at the stage where the Public Accounts Committee had just proposed its amendment. The Chief Minister has lodged an amendment to that amendment, but it has not been lodged for 14 days, not surprisingly, given that the Public Accounts Committee amendment was lodged 14 days before today. But the law requires that if the Chief Minister's amendment is to be debated, it must be with the approval of the States. Do you wish to say anything, Chief Minister?

Senator F.H. Walker:

I think I can possibly save you and the States some problems here, because the Council of Ministers had already agreed to accept all but the amendment relating to paragraph (xi), following an email I sent to the Chairman of the Public Accounts Committee. In discussion at lunchtime, she has clarified the position - because that was again the problem the Council of Ministers had. She has clarified the position. We can therefore accept the amendment and withdraw our own amendment. So, the question of whether or not the States should debate it does not arise.

The Deputy Bailiff:

Very well. So, then, that matter falls away. So, the Council of Ministers has accepted the amendment. Does any other Member wish to speak on the amendments of the Public Accounts Committee? Deputy Southern, were you ...?

8.1.1 Deputy G.P. Southern:

Yes, just briefly, Sir, if I may? I know I was a bit late pressing the button. I was still thinking. Yes, I have got a query on 1(xii): "Age limits and financial arrangements for redundancy, early retirement and retirement for all States employees reviewed, so that these are more comparable with best practice in the private sector or United Kingdom's standards." It appears to me that those sorts of terms and conditions reflect effectively if we were to compare public sector with private sector; and if we were to talk about changing terms and conditions to better reflect private sector practice in the U.K., we would in effect be having a reduction in the terms and conditions of the States workforce. I am very loathe to see that, because I think that is what that statement means. It will effectively mean a reduction in standards and conditions for States workers at a time when, because of the anti-inflation strategy, we will be attempting to impose a 2 per cent wage rise limit on our States workers. I see it as a very dangerous process to try and simultaneously, or sequentially even, impose a reduction in their standard of living, which is what is going to happen if we can stick to our wage rise limits as projected for 2008 and 2009, and to then compound that by saying: "And we are also commencing a process which will reduce your terms and conditions." I would be very loathe to support anything that can be taken - and I believe it will be - it can only be taken - that it must mean a reduction in terms and conditions. I for one cannot accept that.

8.1.2 Deputy P.N. Troy of St. Brelade:

I would just like to add something extra to what Deputy Southern has said, really. Of course, we all know that the U.K. now, themselves, are reviewing their own sort of retirement rates across the board, possibly with a view to raising pension retirement ages and so on across the whole of the U.K. The issue is whether or not we would be following suit or be putting ourselves in a position where we would be more inclined to follow suit, when that may not be what we need to do in Jersey with our systems which are not exactly the same as the U.K. So, I just wanted to raise that as an issue to think about for the future.

8.1.3 Deputy G.C.L. Baudains of St. Clement:

I have to say that I disagree with Deputy Southern's analysis, because it would seem to me that I have certainly failed to understand for some time now why it is, in some cases, that the States employees should enjoy a far superior arrangement to that which would normally be found in the private sector. In the private sector, the final salary of pensions, as far as I am aware, has long since gone. The other matter is that States employees do in fact generally enjoy a level of job security which is not to be found in the private sector. There are benefits of working in the public sector, and I fail to see why it is that people should retire perhaps at 50 or 55 years of age, where the ability to do so is not reflected elsewhere. This amendment does not suggest that these things should happen - merely that they should have due recognition. I do agree wholeheartedly with part (xii).

8.1.4 Deputy R.G. Le Hérissier:

I was going to speak on a similar theme to Deputy Baudains. I think, again, I find it very difficult to agree with Deputy Southern entirely. I know he sees some kind of post-TUPE (Transfer of Undertakings (Protection of Employment) Regulations) scenario unfolding. But the problem is, Sir, I do not think we can see the public sector and its conditions as totally frozen in aspic. I think the other issue is, though, if people take as a hidden meaning here that there is going to be some kind of campaign mounted against the overpayment of States workers, we know reports have said that there are issues in the manual worker grade, the support services; but, of course, there are issues in the management grade. There is no doubt that that grade has expanded at a great rate. We keep hearing of all these positions to this day: strategy managers for this, strategy managers for that, being created, despite apparent tight controls being imposed on the system. If there were to be a campaign to look at conditions - and they do have to be looked at, although my hunch is, Sir, that politically you could only do this if we were in some kind of crisis, quite bluntly - but if they were to be looked at, we have to look at the managerial side as much as we have to look at other sides of the service, because we have grown exponentially in those areas. It would be sad, Sir, if this programme were just initiated in order so that we all accomplish the same levels of misery, so to speak, rather than aspire to the same levels of affluence. But there is no doubt in countries like Britain, Sir, and to a lesser extent in Europe, because they have much more generous provisions from the state, that there is a major political issue building up between the golden handcuff public service and the growing absence of pensions within the private sector. You cannot expect, Sir, private employees to pay top dollar for pension schemes of which they themselves are gradually being deprived. It creates a real political problem.

8.1.5 Deputy I.J. Gorst:

I rise to thank publicly the Comptroller and Auditor General for his recent report entitled *Emerging Issues*, and particularly the Public Accounts Committee for lodging this amendment and ensuring that that particular report is not just put on the shelf and left to gather dust. I do not say that it will be easy. It raises some very difficult issues which we as an Assembly will need to get to grips with. I agree with Deputy Le Hérissier, it is not fair to single out one particular sector of States employees. Everything must be considered, as the Comptroller and Auditor General suggested. I would just make a couple of short points about pensions. Deputy Troy said that just because it is happening in the United Kingdom does not mean to say that we should do it in Jersey, and he is

absolutely right. However, I would refer him to the Comptroller and Auditor General's report into the Public Pension Scheme, which said that it is important that our provisions are in kilter and remain in step with the United Kingdom; and that we ought to monitor that to make sure that they are not more advantageous than provisions might be in the United Kingdom for those skill sectors that we do need to recruit from the United Kingdom - for example, doctors and teachers and the like. So, therefore, it is important that we do monitor that, and that is part of what this review will be all about. I should just say also, to my fellow Deputy, Deputy Baudains, talking about perhaps why the private sector has got rid of final salary pension schemes: we know that that is to do with mitigating liabilities and trying to take liabilities from balance sheets, Sir. I am sure that he is aware, and I hope that the House is aware, that the States of Jersey moved to mitigate those liabilities some years ago, and has a scheme in place to ensure that agreements are reached to deal with liabilities, Sir, and have to a great extent mitigated those effects. That is something that we should celebrate in this Assembly - something that U.K. bodies, those private companies with final salary schemes are now trying to introduce, and it is something that the United Kingdom Government itself would like to mirror, and is envious of those agreements that we have reached, Sir. I think that is all I wish to say, other than to say that I, again, congratulate the Comptroller and Auditor General and look forward to his in-depth reviews of each individual department. Thank you, Sir. I will be supporting this amendment.

The Deputy Bailiff:

Does anyone else wish to speak? Very well. I call upon Deputy Ferguson to reply. Senator Walker. I have you down as having spoken already to accept the amendment, but ...

Senator F.H. Walker:

Oh, was that a speech?

The Deputy Bailiff:

It was a brief speech.

Senator F.H. Walker:

It was very brief. Sir, all I wanted to say, if I may, was just to thank Deputy Gorst for exploding one of the more popularly repeated myths about the States Pension Scheme. I would also like to ask Deputy Le Hérisser, while I agree with most of what he said, and certainly agree that managerial grades have to be included in the review, where he gets his evidence from that that level of employee in the States has grown exponentially? I would very much like to see the evidence to support that statement, because again that is another myth, and simply is not borne out by the facts.

The Deputy Bailiff:

Very well. I call upon Deputy Ferguson to reply.

8.1.6 Deputy S.C. Ferguson:

I thank the Council of Ministers for agreeing to the amendment as it stands. We did not intend this to be a debate on the Auditor General's report at this time. Our aim is for the action plan as outlined in the amendment to be brought back to the States for a full and public debate. The Auditor General recognised the difficulties, and that is why the whole thing must be brought back to the supreme body, this Assembly, for public debate. Now, we have accepted ... sorry, I do like to make sure I have got the amendments right, after this morning, Sir.

The Deputy Bailiff:

I think my understanding is that it is all accepted now.

Deputy S.C. Ferguson:

Yes. I would just comment on Deputy Southern's comments on the age limits. It is not necessarily a reduction in standards or numbers; it is a question of, should we throw people on the dust heap at 55? It is a form of discrimination, I suppose, really, which the Minister for Home Affairs will be dealing with later. I thank Deputy Troy for his contribution. Deputy Baudains, I am afraid, the Auditor General did not recommend touching pensions. Our amendments are totally just designed to ensure that issues are reviewed, considered in a constructive manner, particularly in the light of the aging population. I thank Deputy Le Hérissier. Yes, I think we need a proper review, with published results; and I also thank Deputy Gorst and Senator Walker. I make the proposition, Sir.

The Deputy Bailiff:

All those in favour of adopting the amendment kindly show. Those against. The amendment is adopted. So, then, we return to the debate on the Chief Minister's objectives as amended by the various amendments. Does any other Member wish to speak on the objectives themselves? Very well. Do you wish to reply, Minister?

9. Annual Business Plan 2009 (P.113/2008), as amended

9.1 Senator F.H. Walker:

We shall go forth and deliver. I am grateful to everyone who has spoken in the debate, and to those who have brought amendments. I think we have had a sensible debate on those, and I am naturally very pleased that we have reached a successful conclusion so speedily and so affectively. So, I maintain the Chief Minister's objectives.

The Deputy Bailiff:

All those in favour of adopting the Chief Minister's objectives kindly show. Those against. Paragraph (a)(i) of the proposition is adopted.

10. Annual Business Plan 2009 (P.113/2008): Objectives of the Economic Development Department

The Deputy Bailiff:

We then come to paragraph (a)(ii) the Economic Development Department's objectives, and I call upon Senator Ozouf to propose those.

10.1 Senator P.F.C. Ozouf (The Minister for Economic Development):

I am sure that Members will have read all of the Economic Development Department's objectives. I am going to continue as the Chief Minister has started and be very brief. I will just say one thing, Sir. On a rising tide, Jersey has done well - extremely well. A few years of plenty, we are positioned very well to deal with any economic downturn. On a falling tide it gets tougher - it requires a nimbleness of foot; it requires investment; it requires extending the geographic reach of our industries, and where employment could fall, putting in place immediately retraining opportunities, and a focus on diversification. In summary, careful stewardship of the economy, stability, a focus on strong finance, a positive countryside, a rejuvenated visitor economy working with the harbours and airports delivering consumer welfare, proportional regulation, strong competition. I move the Economic Developments objectives.

The Deputy Bailiff:

Seconded? [Seconded] Very well.

11. Annual Business Plan 2009 (P.113/2008): Second Amendment (P.113/2008) Amd. (2)

The Deputy Bailiff:

Now, there is an amendment to the Economic Development objectives, lodged by Deputy Southern. That is Amendment No. 2. I will ask the Greffier to read the amendment.

The Greffier of the States:

On page 2, paragraph (a), in paragraph (a)(ii), after the word “pages 13-15” insert the words “except that for success criterion (i) in Objective 1 on page 13, there shall be substituted the following success criterion: (i) Control sustainable real economic growth at or close to 2 per cent per annum to ensure that States policies on net inward migration are met over the planned period.”

11.1 Deputy G.P. Southern:

For the purposes of clarity, let me make clear what the change is. The change is that replacing “at or above 2 percent” we have “at or close to 2 per cent”, and replacing the words “with a statement about net migration” we have “to ensure that net policies are met over the planned period.” To many, this might seem to be relatively small beer. But I believe these 2 changes are, in fact, quite significant. If we are to have economic growth that is sustained and sustainable, and control, then we must, I believe, have targets which are marked by success if we get close to them. To say that “at or above”, we have already achieved that in 2006; in 2006 we achieved economic growth at 7 per cent. Having aimed for 2, we got 7; and I have to ask the question: “In that case, is that sustainable?” Imagine 7 per cent or more growth going on over the next few years. Is that sustainable? I believe not. Aiming for 2 per cent growth and achieving 7, is that controlled? Surely not. Three per cent might have been analysed as being in control; 7 per cent is not. The key element there is that this control and this sustainability is dependent on meeting the targets for, effectively, population growth. Now, the only targets we have are targets for job growth, and we are told that the target for job growth to match economic growth is that jobs will not grow at greater than one per cent or approximately 500 jobs a year. Now, if we examine job growth, which is consequent on economic growth and always has been, then what we see is that over the most recent 5-year period, 2007, as Members will find in the table on page 4 of my report, we have net job growth of 2,770. Now, I know that for some in the House, maths is never their strong point, but I believe everyone in the House can do 5 times 500 in terms of job growth, and most of us will arrive at 2,500 - and what we have got is 2,770 job growth. So, that indicates to me over the most recent 5-year period we have exceeded what is supposed to be the limit that we are aiming for. In response, the Minister for Economic Development says that I have fallen foul of the adage - you do not need to have an old adage: an adage is old - lies, damn lies and statistics - it is a hateful word, that - and if Members turn to the comments that are made, they will then see an enormously long 2 sides about, statistically, what you should do with rolling 5-year averages with one to one weighting - it is over the page - with: “the average annual percentage change equals workforce in year N over workforce in year one, log normal minus one”, et cetera, and “the fifth root of the average change.” Most of us will look at that and say: “What does that mean?” The question to ask is: “How does that compare with those 2,770 jobs that are in my table?” The question is: “Are those 2,770 jobs real? In 2007, was there a massive rise of 1,460 jobs created in that year? Were they real jobs with real people in them?” Of course they were. Were those people living in real houses and increasing demand on resource for houses? Of course they were. If they had real families living in Jersey, were they making resource demands on our education and our hospitals? Of course they were. December to December on the last 5 years, the target has been broken, and that is over one per cent growth; that is over 500 job growth over the 5 years. Any amount of statistics does not take away those jobs. Now let us look at what is going to happen with the target in the coming year. In the coming year and, again, if Members will refer to the table, just briefly, when we see the 2008 figures, we will have 2008 in that final column and we will have some job growth, I believe. It may not be the same amount of job growth as we have had in 2007. We all know about the credit crunch. There may well be a slow down. But we are told increasingly by those who should be in the know - Jersey Finance, the Minister for Economic Development himself, the Minister for Treasury and Resources, the Chief Minister - that we are not going to go into recession - there is no danger of that - there may be a slow down. But more importantly in terms of the target for sustainable and controlled growth - more importantly - what happens is that the year 2003 is no longer the start point, and the minus 650 jobs that were lost in that year come out of the calculation. Any job growth in 2008 will mean that for the past 5 years we would have

consistent increasing job growth. What will happen is that we will go well beyond the one per cent limit we are supposed to have targeted for ourselves, and into the realms of greater than 500 jobs for job growth. What does that mean? That means - and we have seen it already - that means we shall increasingly depend on importing immigrant labour, migrant labour, into the workforce. If we examine the results of the Jersey Labour Market at December 2007, what we will see is in the private sector the number of locally qualified staff was 920 higher than in December 2006. The number of (j) category employees was up by 90, more than half of the increase from the finance sector; while the number of non-locally qualified staff - and this is the important bit - increased by 380 over the same period. 380 plus 90 - significant numbers of new workers coming into the Island, compared to 920 of locally qualified. So, the Minister quite happily in his review of how we are doing says: "And these jobs are jobs for local people. Around two-thirds have been for local people." What does that mean? That means that one-third are non-local people taking those jobs. How does that compare with the work force at present? Why, only 17 per cent of the work force overall on the Island is non-locally qualified, and here we have a figure - a year - in which 30 per cent of the jobs created in that year have been taken by non-locally qualified. What we are doing if we go for growth is we inevitably, and despite any productivity changes which the Minister quite correctly points to, will suck in labour. Population we know has gone up. We have now breached 90,000. If we continue to achieve growth rates above 2 per cent, way above 2 per cent - possible - then what that will mean is the population will increase markedly, with increased amount of resources, housing, roads, education, hospitals, waste, sewage, water - it goes on. That is what it means. So, to state clearly at or around 2 per cent - at or close to 2 per cent - is the appropriate goal that we should be aiming for now. To stay at or above, and it does not matter because above could be 7 per cent, 10 per cent, 6 per cent, then below or around, just below 2 per cent, effectively constitutes some sort of failure. We must be very, very careful about the economic growth targets that we go for, because attached to them come population targets and job targets which increasingly are being filled by migrants. That is the case: 2 per cent growth is probably a healthy target. Essential to achieving that, and it is the thing that makes it sustainable, the thing which makes it controlled, which is the target essential to that, is making sure that the control that we have - job growth - the target for that is also met. We are in serious danger of breaching that, lock, stock and barrel. That is what might happen next year; and if that happens, then I am afraid that sustainable control of growth will have failed. I am concerned that we do not set ourselves up to fail in this absolutely vital target. Thank you, Sir.

The Deputy Bailiff:

Is the amendment seconded? [**Seconded**] Does any Member wish to speak on the amendment? Senator Ozouf.

11.1.1 Senator P.F.C. Ozouf:

I make no apology for having attempted to deliver sustainable economic growth within the population targets that this Assembly has set. I make no apology for defending the case that unites policy-makers and politicians around the world. The holy grail of all governments, of all assemblies, is economic growth, because it raises the standard of the community that lives in our Island, and in other places. On a rising tide, we have banked as much growth within population targets as we possibly can. Deputy Southern is asking me to apologise. He says that this constitutes failure, if failure is necessary for an apology - he is looking at me in a funny way, Sir. But I am not going to apologise for the economic growth that this Island has seen. We have not seen failure. It has been a considerable success. In times of plenty we have made hay. In more turbulent times we will be able to sustain ourselves. I would say to Deputy Southern and to Members of the Assembly, that we have done this, not by breaking our population limits. The Statistics Unit - and again I make no apology for making a detailed comment - the Statistics Unit independently calculating have made it very clear that the population target is 0.7 per cent over the target. We have delivered economic growth by rising productivity. We have delivered economic

growth by getting more locally qualified people as productive members of our community. I know that one Member of this Assembly thinks that the Minister for Economic Development is doing the job of 28. I know that the Minister for Economic Development with his Assistant Ministers has a big job. But one thing that he cannot do is to calibrate in some sort of engine room, the economy to a certain figure. Liberal economic, global economic conditions means that you cannot do that, and in that way, Deputy Southern is asking us to effectively implement an amendment which is backward looking. You cannot simply calibrate to a target to the detail that he is asking us to do. As investors around the world are understanding, and Deputy Southern speaks in glowing terms of some aspects of the economy ... I am delighted to hear he says that we are not going to be entering recession. I agree with him ... we may be dealing with difficult, more turbulent economic times. The F.P.P. (Finance and Procurement Panel) report that some slowing of our economy was required. We cannot guarantee the past success of 7 per cent economic growth, but we can put in place the measures to deliver the highest levels of economic growth within population targets that we could possibly do. I agree that we will not ever get, probably, the same amount of non-qualified people or the amount of locally qualified people in the next few years, working in the economy. That would certainly break our one per cent target. This amendment is unthoughtful; it is backward looking. The difference, in summary, is that he wants to ask the Assembly to target economic growth to nearly 2 per cent - or close to it. The Economic Development objective says that we should have at least 2 per cent economic growth within the population targets. It took decades for this Island to recover from a message that was sent out of zero economic growth. It took about a decade to recover. Within the population constraint, we can grow our economy. We can grow it by productivity. That is what the original proposition of Economic Development targets. I think this is backward looking, inappropriate, and we would take a long time to get over to the message that we are not serious about delivering economic growth for our community. It should be rejected, Sir.

11.1.2 Senator F.E. Cohen:

This amendment seeks to do one thing only. It seeks to constrain growth at the most extraordinary time. We are fortunate to live in a community that so far seems to have been shielded from the calamities unfolding all over the financial world outside of our Island. That is, I believe, because of the fiscal policy that has been championed in recent years by a team of 3: the Chief Minister, the Minister for Treasury and Resources and the Minister for Economic Development in their present posts and in their previous posts - and others as well. Deputy Gorst is looking at me, Sir. We should be thankful to them for their prudence, for their foresightedness and quite clearly, for their cleverness, for they have protected us from effects that are being experienced all over the world. It is a completely inappropriate time to seek to constrain the growth that our community has benefited from. Had this been a policy in recent years, we would not have been shielded in the way we are presently. I believe there was also a further problem. The term "close" is meaningless. It is above or below. But above or below what? It depends on the scale of measurement. If the scale of measurement is zero to 100 per cent, then clearly 4 per cent would be close to 2 per cent. Another definition of "close" - another meaning for the word - is in fact "airless through the presence of too much hot air"; and that is what I suggest this amendment is.

11.1.3 Deputy R.G. Le Hérisier:

As ever, I feel torn, because I do feel sometimes that Deputy Southern's figures are more appropriate for Soviet central planning than they are for operating in a somewhat freewheeling economy. There is no doubt, Sir, it is a difficult thing to marry growth to population growth or population stability. Despite the fine words of the Minister for Planning and Environment, there are some smokes and mirrors, and one of the classic ones, I would say, Sir, is the 5-year boundary. There is this sort of illusion that if you are here doing a job under licence and you are here for under 5 years, then you are here on a temporary basis and you leave. But we know more and more people are breaking the 5-year barrier, and good luck to them, under the scheme. But more and more people are breaking that barrier and becoming locally qualified. Sir, there is an almost incessant

growth of the so-called local market, whereas people think there is some major shackle being applied to it and it cannot grow because of these numerous controls. So, that is a slight myth - and I can see Senator Ozouf gesticulating - but that is, in my view, certainly what is happening. But the other thing, Sir, I think he should be given praise, because I am impressed by much more of the supply side work that is being done, bringing the local labour force up to speed; and I am very sorry, Sir, that he seems to have been chastised for drawing attention to the literacy-numeracy issue, because I notice yesterday he was much softer in his approach than he had been when he first made a statement. I would wish him not to lose his campaigning edge on that issue. It is a serious issue. We wallow too much in complacency because we are a middle class society who send a vast proportion of people to A-levels and then on to university, and we tend too often to forget the other people. So, do not lose your campaigning edge, Sir, is what I tell the Minister while he is promoting his many supply side changes. So, to summarise, Sir, there are some smokes and mirrors about the way the labour force is presented to us. I think the Senator has said, Sir, that there is not necessarily a link between population growth and economic growth. I think he has got to keep ... well, he may not have said it in those stark terms, but I think he has got to prove that, because again, Sir, the public see these almost Alice in Wonderland figures of the productivity per bank employee, and it sort of seems to suggest that these people are working 800 hours a week in order to be phenomenally productive. They are hard workers, perhaps, but it is largely because of the nature of the work they do and the sums of money that they deal with. In many people's minds, that begs a very simple question, Sir. Well, if people are this phenomenally productive, why do we need additional people to come in to bring about incremental improvement in that productivity, if they can deal with these vast sums? I am not sure, Sir, that link has been as disconnected as it should be. But as I said, Sir, very ambivalent. I think Deputy Southern is a bit pie in the sky to believe we can do these things almost to a decimal point. I am afraid economies, unless we are in Soviet central planning, do not work like that.

11.1.4 Deputy S.C. Ferguson:

It strikes me that the real problems are the practicalities. I mean, how do you limit job growth without harming the economy? As the Minister said, he is probably too young to remember it, but I do - absolutely - thank you, Deputy Le Hérissier, I will see you afterwards. Last time we said zero growth the economy was very badly hit.

Deputy G.P. Southern:

Sir, has anybody said "zero growth"? I have not. Two per cent growth - to say 2 per cent growth has not been said before: 2 per cent growth is what I said.

Deputy S.C. Ferguson:

I apologise to the Deputy. Last time we attempted to restrain growth, the economy was very badly hit. It is a very difficult balancing act, and one that I think every government struggles with. So, I would be interested if Deputy Southern could explain how we are going to limit job growth, and economic growth.

11.1.5 Deputy C.J. Scott Warren:

In my opinion, a most important part of the success criteria, which is obviously in the amendment as well, is the second part: "With net inward migration within State policies over the plan period." Obviously I feel that it is vital that the Minister for Economic Development does adhere to the second part of this criteria. Provided he will do so, and any future Minister for Economic Development under this plan is going to do this, then I believe that, especially in this time of a feared recession, we need to encourage economic growth; and so, therefore, I will not be supporting the amendment.

11.1.6 Deputy G.C.L. Baudains :

Listening to Senator Ozouf, the words I wrote down were “sustainable economic growth.” Well, I have always been concerned about that particular phrase, because I believe the words are mutually exclusive. I think it is also time that we again had a debate about population and growth, because we have little unemployment in this Island. We have a high ratio of wives and partners at work. So, the only real route to greater economic growth is by immigration. Any other scenario is an illusion. Bigger populations, we know, mean bigger costs, and the high earners who do move to Jersey expect high quality services which, of course, come at a cost. I have to ask, is it any wonder that the cost of running this Island is becoming almost unsustainable? As I said earlier, there has been no real analysis of that balance - whether in fact economic growth gives us the benefits we think it does. It is a balance. We could be running to stand still, and damaging the environment in the process, because of course the more people that come to Jersey, the more houses we have to build. That is not necessarily good for the environment; the idea that we can build them all in St. Helier is not one that I agree with. I think we do need a full debate of these issues in the near future, Sir. This is not the time for it today. But in the meantime, I am minded to support Deputy Southern, because this is not about closing the business, as one or 2 Members have said in the last few moments. It is about sustainability and balance, Sir. That balance, I know, is difficult to achieve, but we have to do it if we are going to be a sustainable economy.

11.1.7 Deputy P.V.F. Le Claire:

Normally, I would rise to support Deputy Southern and proposals, especially in and around the considerations that he is making today. I am struggling, however. I would have to really hear something more from the Deputy or some other speaker to support him. Whether one wants to or one does not, it is impossible to ignore what has been going on in the financial markets for the last 48 hours. I mean, nothing since 1929 has rocked the financial stability of markets around the world like Lehman Brothers and Merrill Lynch’s buy-out from the Bank of America. I was in the employment of Merrill Lynch for a while in Canada, and I saw it when it got hit in Canada, and it went from 35 Mercedes Benz leased in Canada, to 2, and the subsequent knock-ons that affected the people that were employed by that company, and the people that purchased services from that company and their employees. It rocked the country at the time. I think Deputy Southern’s proposal today, and when it was first lodged on 1st September, and the comments on the 9th September, had merit of support. I do wish to refer to the comments, just to try to understand what has been happening, because I know Deputy Southern has been looking at this in great detail, as have I and other members of the Environment Panel and Deputy Martin, when we were on the scrutiny side of things, looking at this before. The States Strategic Plan averaged out a number over a set period and, perhaps up to Senator Ozouf and his Assistant Ministers, they went out and they did a very, very good job, and they exceeded the growth expectations and at the same time they exceeded the numbers. I could not blame them for that because they were still within this time period. So, there was no one to blame for anything. They were not doing anything wrong; they were achieving the targets - exceeding the targets - and staying within the limits that States had debated and set. What is happening now is, obviously, the end point for that measurement is coming into play, and people are concerned that during this peaking period that we are at, those are going to exceed during that period. Quite cleverly, what the comments show from the Minister for Economic Development taken by the Statistics Department is, since 2000 to 2007 we are only looking at 0.7 per cent on average, I think the Minister said, if you cross that time span. But I have been quite interested in population and the levels of population and the subsequent promises and compromises of economic growth since I got into the States. I asked questions in 1999, I asked questions in 2000 and every other year, about population issues and regulations of manpower, Regulations of Undertakings and manpowers and financial services numbers and everything else. Ridiculous amounts of questions I asked; and I used to ask them on a regular basis. I used to ask for updates on a 12-month cycle - I would ask for the figures to be updated, so that we could always examine what it was we were being told - whether or not it had relevance. Interestingly, in the paper today we are being told that the formula they are using is that you should take, really, the

prior December and the current June and then the end December to get a real fix on the numbers. If you work on the numbers that have been provided today, then those sort of do, kind of, make sense. But one of the things that I was constantly being told when I was looking for my numbers was that the system we used to collect those numbers is no longer being used. We have changed the system slightly. We are not counting them in the same way. We are taking on new sets of data, and therefore it is difficult to compare apples with apples, because we have got new formulas. The same has been done. On 23rd May 2005, Senator Perchard asked questions about the compost site. A year later I asked the same question, and a year later, and then this year, I asked the question again. Every time it is the same with States departments. The goal posts move. So, you cannot get real understandings of numbers, and you cannot honestly say that the figures presented from 2000 to 2007, in my opinion, are going to be, necessarily, an accurate reflection of what has happened. What I think what we can do is, we can say: "We charged the Economic Development Department to go out there and get business, and to make Jersey successful in a world that has become more and more challenging, to make sure that the sole industry that we have got is diversified wherever possible, and supported wherever and whenever possible, because, like it or loathe it, the finance industry provides 85 per cent of our wealth. It provides jobs to our friends and our loved ones; and the subsequent jobs, like it or loathe it, provide income and security for our loved ones." So, whether you like it or whether you loathe it, the finance industry looks after the ones we love. We should not forget that. The task that we have given Economic Development needs to be checked on a regular basis, and I congratulate Deputy Southern for that. But I am a little bit concerned that in the last 48 hours, the financial markets and the financial institutions around the world are very, very, very, very jittery. To suggest somehow that we might be constraining their future at this time may be possibly the worst thing that we can do to safeguard the needs of the people of Jersey. I have often supported Deputy Southern on this issue, so he may find it a bit remarkable that I am saying this, but my experience is that you do not go up to somebody that has just had a nasty shock and shout: "Boo." There are low percentages of unemployment in Jersey. There is also noticeably a lower percentage of home ownership in Jersey - far greater home ownership in the United Kingdom and in Guernsey. We have a considerable task ahead of us to make sure that that is addressed, and the Minister for Housing, Senator Le Main, assures me that this is going to be addressed, and I am sure with the Minister for Planning and Environment's assistance, it can be. But one thing is for certain: the statistics I mentioned this week, which came from the same department, are correct. On the Planning for Homes document this year, 50 per cent of people leaving Jersey have these highly desirable housing qualifications that people are waiting 12 years to achieve. Only 12 per cent of them returning have those self-same housing qualifications, and that is because economic growth undeniably raises the standard of living - but it has also undeniably raised the cost of housing. The standard of living across the board cannot be maintained unless one starts to provide housing that is affordable. Otherwise, what happens is the lower echelons are forced into the rental market, or forced out of the Island by the subsequent increases. Many people that come to serve the finance industry are intelligent, well educated and are making good money. They may not like the fact that they cannot purchase housing straight away in some instances, but many of them can purchase through share transfer, and some of them now, through this new scheme, can buy property if it is not in some way tied to the company. Where we need to work at the moment, in my view, is supporting economic developments and maintaining confidence in the finance industry, and sending out a message to the finance industry in Jersey that we are going to give it everything it needs within the next 12 and 24 months while we get through this period, to ensure that we have got the jobs for our loved ones. At the same time, while I find it difficult if not impossible to vote in support of Deputy Southern's proposition, I take my hat off to him for keeping an eye on this situation. It is important that we monitor it, but I think, to be honest, and with my hand on my heart, I look at Deputy Southern and the rest of the people in Jersey that are in as poor position as I am in respect of home ownership and say: "Not right now." Let us let the market settle down a little bit. Let us make sure the finance industry survives, because the last thing we want is housing for everybody at a lower price when no one has got any jobs.

11.1.8 Deputy J.A. Martin:

Just a few brief words. I am really not sure if the last speaker completely understood the amendment. Maybe I do not understand. Deputy Southern is definitely not asking for no job growth. I will take people back, though, to when we agreed on one per cent job growth, and Deputy Southern did try to bring an amendment to make that one per cent 0.5. So, instead of a basic 500 workers a year it was around 250 workers a year. Now, a lot of the Constables who are in the House, and perhaps there are not that many that were in the House at the time, agreed and were assured by Senator Ozouf at the time that he doubted very much if we would need to use that, but it was a leverage tool if they needed to bring in more workers. Again, he always makes a play of it. Whenever he has interviewed him in this House, he works this out as last year, the year before, were new jobs for locals. But do not forget, people started qualifying locally in 2002, 2001; they qualified in 2005, 2006 and 2007 - 5 years under the employment law. So, I am not saying these people are not local, they are not welcome - they are here, they are here now. Problem is, when we have a quick downturn in the economy, you also only have to be on Income Support for 5 years now, and a lot of people will be claiming. I am very sorry, I am getting nods. Let us have the good with the bad. We have to take the good with the bad. I totally agree. Income Support should be after 5 years. I watch what we are doing, though. Again, Deputy Le Claire made a bit of a play on, you know, our loved ones must be working in the finance industry. Who supports the finance industry? The high earners. Who maintains their homes, their gardens, empties their bins? Lower paid workers. When I had it broken down, 2007, the 1,400 jobs created, from the Chief Minister, and he got it from Statistics - and I have not got them with me but I will check them - there were more dependents than workers, from both sections - the unqualified section of new jobs, (j) cats who have just arrived on the boat - they had more dependents than workers. So, let us see what we are doing. I can only support this to make either - and it is not either -because it will be Economic Development who will hopefully push, because what we are trying to amend is 2 per cent per annum, one says "or above", one says "at close to". Now, being a very good Minister for Economic Development, I am sure Senator Ozouf could work well with any of those parameters because he has done it over the last 5 years. But what we do not have is net immigration within States policy over a planned period. We have no immigration policy. I am on the Panel that is supposed to be looking at it, and it has not met for over a year. Nor has M.A.G (Migration Advisory Group). The last minutes we had were about June, and they met for a very small amount of time. The policy has not moved forward; the policy is not coming to the States, and when I last asked the Chief Minister, Sir, if we would get a new migration policy that will replace this economic growth policy, he was vague. He did not say one would replace the other; he did not say one would not work alongside the other; but he definitely said: "One will not be being brought by this Council of Ministers", and he could not give me a date for the next House. So, all I can say, Sir, I think, as I say, we are not saying no more jobs - we are certainly not saying no more finance jobs. What we are saying: "Be very careful, because what you employ or whom you employ in what jobs, we will have to keep, one way or the other, in all the aforementioned - housing, hospital, schools, education, then as far down as Income Support." Be prepared. Be honest with yourselves, because if anyone remembers that last debate, we were told we will never go near these amounts. But let us have that figure there. We have gone well near them. Whatever way you read figures, I would say we have gone over them. But, as I say, the amendment, to me, works better than what we have got, and I think we should be cautious at the moment. We are not stopping people coming in, but we should be cautious - be able to maintain what we can maintain on an Island 9 by 5, with the economy we have and the people that work in that economy.

11.1.9 Senator T.J. Le Main:

Caution - I totally agree with those words. Sir, I remember sitting some years ago in the corner down there when Deputy Jimmy Johns was sitting, I think, where the Deputy of St. Peter was sitting, when he managed to convince the House in those days that we should cap the population at 88,000 - I think it was 88,000 - 85,000. Then afterwards, Sir, we went through this issue about

when we were closed for business and we ended up in a right pickle. Sir, the Island, this Jersey, is one of the only places in the world where people have the confidence in the Government that we currently sit in at the moment. The stability, the countryside, the way of life, everything about Jersey shines as a shining star around the world. With the Deputy of St. Clement, Deputy Gorst, and the Minister for Economic Development, I happen to sit on a weekly basis virtually determining regulations of undertaking, applications, (j) cat licences, housing issues, in a way that has never been seen or done for many years. Sir, every time now where, particularly as mentioned by Deputy Le Claire, since this nervousness over this mortgage lending and these issues relating to what they call the “credit crunch”, the demand for Jersey existing businesses such as all the big banks is maintained and increasing demand for business to come to Jersey worldwide. We have some of the finest regulatory issues in Jersey with the Financial Services Commission and I have to say, Sir, we have one of the finest judiciary systems also to complement the message that we send out. Today, Sir, to go with Deputy Southern would be the wrong message. I keep listening to Deputy Southern and the Jersey Democratic Alliance where they keep running down (k)s, they tax the rich. At the end of the day, Sir, we will drive away the goose that lays the golden egg. Yes, of course we must have sustainability and I agree totally with Deputy Ferguson and Deputy Scott Warren about the ability to be able to still be sustainable in growing our economy and strengthening the existing demand from businesses that are producing so much wealth for this Island. Sir, do not let anyone think that the Minister for Economic Development and population and Deputy Gorst and myself are easy touches with businesses. We continue to turn down businesses, business growth, where we do not feel it is in the best interests of having and duplicating many of the issues in Jersey. I have worked over many years with many politicians, Sir, but I think that the Minister for Economic Development has done a great, and is doing a great, job in the way he has formulated policies and developed the economic growth that this Island so much requires. I have been, Sir, like many others around in this Assembly, been to several C.P.A. (Commonwealth Parliamentary Association) conferences all around the world and we are the envy of everything we do and the way we conduct our business. We are so fussy in this Island, we will only allow only the best in the financial industry to come to Jersey. We heard the other week of one mortgage lender who was complaining they are not allowed to be a deposit taker in Jersey. Sir, we only allow, as I say, the best to come to Jersey because we can then shout from the rooftops, but to put the message out that Deputy Southern is putting out today to constrain us is the wrong message. I can remember, Sir, at the hustings at St. Martin on a senatorial years ago, and St. Martin was a very strong area for me because I have lived there most of my life and I normally either topped the poll or came first or second, and it was at the time when we were saying we would close the business. I stood up and defended and said: “No, not at all, I do not believe in it” and my ratings went right down at that time. They are probably down now but anyway. **[Laughter]** But I was right, Sir, and I am saying to the Members today we need to be able to be flexible. We need all of us to have policies that can encourage our young people of the future. I have 3 grandchildren, one at university, another ready to go to university. We have all children, grandchildren, great grandchildren that are looking forward to some opportunities in the future. As I say, this is the wrong message from Deputy Southern and the wrong message if this is a message of the Jersey Democratic Alliance, tax everybody, tax the rich, give it all away all the time. No, Sir, that is not the message that has to go out. We need sustainable business growth absolutely controlled but we need the right kind of business and to put out these sorts of messages would be absolutely disastrous for Jersey and our children.

The Bailiff:

Does any other Member wish to speak on the amendment? Very well, I call upon Deputy Southern to reply.

11.1.10 Deputy G.P. Southern:

The Minister for Economic Development made many remarks and he talked about me asking for an apology. I made no such request, nor did I say that he had failed. What I did say was that there is a severe danger that he may fail in the second half of the proposition achieving his sustainable job growth figures next year and I pointed out why that is the case, because the 2003 figures would then drop out of the equation and we have 5 continuous years of job growth. So, no failure yet is what I was suggesting and no apology required. And congratulations, Monsieur, you have achieved economic growth. My question is, is it sustainable and was it controlled and the conclusion I come to is that it may well not have been and my comparison purpose is that 7 per cent growth when you are aiming at 2 per cent is neither controlled and certainly is not sustainable. He then said you cannot calibrate to a figure. What you can do is attempt to get close to a reasonable figure and not be content with shooting at 2 per cent and hitting 7 per cent or maybe achieving 15 per cent. That cannot be sustainable, cannot be controlled. In his review of performance in 2007, he marked this particular section with a green light. I believe it should have been an amber. It certainly will be next year, if not red. It is that danger. Nor, at any stage, did I ever speak about zero growth. This is the same target as he has, 2 per cent growth, no difference, no change. This is not reeling back growth. This is accepting the same growth target but saying the target should be to get close to that and not anything over it because that again risks sustainability. Now, Senator Cohen finds difficulty defining the word "close" or the phrase "close to". I might suggest that I shall define it by the negative as many philosophers do. We know what is not close and 7 per cent is not close. Something less than that may well be close. Deputy Le Hérissier again - he is pole squatting champion of the world, I think - he can sit on a fence and feel the splinters grow. It must be a very painful position. On the one hand: "I am not sure about the words of Deputy Southern." On the other hand: "It is all smoke and mirrors from the other side." What sort of stance is that? I would be interested to see which way his magic digit actually comes down at the end of it because I do not have the faintest clue. We shall see. To Deputy Ferguson and Deputy Scott Warren, I would say, be careful. This is not about reeling in economic growth. This is saying what we have to do is get sustainable and achievable targets for job growth because that is related to population. This target contains 2 hearts: economic growth and inevitably linked to it, therefore, job growth, therefore, migration growth, therefore, population growth. Now, we had a debate a few weeks back about the glorious importance of maintaining our green fields and, if nothing else, Members should remember that those green fields and their preservation depend on effective population and thereby migration control. It is not for me to say how do we achieve that, because the Minister for Economic Development and the Population Working Group say that we can control population. It is not a problem. It is setting this particular target, this criterion, by which we judge success and if we do go over that limit, one per cent or 500 jobs, then we will have failed because that, I believe, is not sustainable and what will happen is that we are condemning some of our green fields and our brown fields. We are building on places. That is what is going to happen if we do not get hold of it. Again, Deputy Baudains referred to "sustainable". It is a wonderful word; it can mean many things to many people and, in fact, does. That growth occurs at a cost and the cost is migration growth and population growth. To Deputy Le Claire, I would say thank you for your normal support but your reservations today I think were misplaced. Again, this is not about zero growth. This is about exactly the same target, 2 per cent. Let us get close to it and not race ahead of it. What I would say to him is screw your courage to the sticking post. This is about building on green fields. Be careful. Deputy Martin again referred to the fact that for every job that we create which is filled by migrant labour, and last year it was one-third of those jobs, we bring in over 2 dependants, between 2.1 and 2.6 dependants. That is what we are talking about, so we are talking about an increased demand on our resources, the most important of which is housing at the moment and thereby green fields. What she said was this is reacting with caution and that is appropriate. The population debate will be crucial to this election. It will be crucial to the next 10 years. Despite Senator Cohen shaking his head - I fear he is in danger of it falling off - it will be crucial as we have seen and have demonstrated by the presentations we received to the whole time period to 2035. It all rests on population. Of course, at the very end, quite rightly, Senator Le Main

suggested that of course we must have sustainability, with whatever definition he puts on sustainability this afternoon. He is right and the sustainability and the key to achieving that is in job growth. Vote with caution, vote for caution. Please, this afternoon, let us amend the target. Keep 2 per cent and let us get close to it and let us make sure that we do not go through our job growth target. I maintain the proposition, Sir, and call for the appel.

The Deputy Bailiff:

The appel is called for in relation to Deputy Southern's amendment.

POUR: 4

Deputy R.C. Duhamel (S)

Deputy G.C.L. Baudains (C)

Deputy J.A. Martin (H)

Deputy G.P. Southern (H)

CONTRE: 40

Senator L. Norman

Senator F.H. Walker

Senator W. Kinnard

Senator T.A. Le Sueur

Senator P.F. Routier

Senator M.E. Vibert

Senator P.F.C. Ozouf

Senator T.J. Le Main

Senator B.E. Shenton

Senator F.E. Cohen

Senator J.L. Perchard

Connétable of St. Ouen

Connétable of St. Peter

Connétable of St. Clement

Connétable of Trinity

Connétable of St. Lawrence

Connétable of St. Brelade

Connétable of St. Martin

Connétable of St. John

Connétable of St. Saviour

Deputy J.J. Huet (H)

Deputy of St. Martin

Deputy P.N. Troy (B)

ABSTAIN: 0

Deputy C.J. Scott Warren (S)

Deputy R.G. Le Hérisssier (S)

Deputy J.B. Fox (H)

Deputy S.C. Ferguson (B)

Deputy of St. Ouen

Deputy of St. Peter

Deputy J.A. Hilton (H)

Deputy G.W.J. de Faye (H)

Deputy P.V.F. Le Claire (H)

Deputy D.W. Mezbourian (L)

Deputy of Trinity

Deputy S.S.P.A. Power (B)

Deputy A.J.D. Maclean (H)

Deputy K.C. Lewis (S)

Deputy of St. John

Deputy I.J. Gorst (C)

Deputy of St. Mary

12. Annual Business Plan 2009 (P.113/2008): Objectives of the Economic Development Department (continued)

The Bailiff:

Very well, so we return then to the debate on the Economic Development objectives unamended. Does any other Member wish to speak on them?

12.1 Deputy P.V.F. Le Claire:

On the main body of work, as I said earlier, I think the Minister and his Assistant Ministers and department are to be congratulated for their achievements over the last 3 years and, indeed, those that have been coming forward in the pipeline prior to that. I appreciate it. One of the things I have been banging on about in relation to skills training and I see in the media, in the *Jersey Evening Post* today, the Chief Minister launching the Skills Executive in town yesterday with the Minister for Economic Development, the Minister for Social Security and the Minister for Education, Sport and Culture. A new business opportunity for people who want to place themselves in the workforce with the assistance of a very sensible outfit that has been put together by the Skills Executive, those people leaving school, I believe, and those people returning from university, et cetera, in all areas of the workforce. I have been banging on about this Skills Club thing I saw in England and I have emailed the Ministers about this on a number of occasions now. I have been asking if this can be adopted, and I really would just like to reiterate and I hope that it is something that they will pick up because it is one of their objectives to seek to encourage lifelong learning, et cetera. If you get somebody who is 35 in the finance industry today and they decide they have had

enough, where does that individual go to get reskilled? If he wants to, for example, become a mechanic or a bricklayer, because he has heard that the mechanics and the bricklayers are making great money and he likes the idea. Or where does the lady go who wants to perhaps get into those fields as well, maybe electricians or plumbing? Those are the types of skills that are needed and these are the types of people that, in my view, have yet to be picked up by the States of Jersey. It is a massive opportunity and it represents a greater dependency and prioritisation on those people who are already in Jersey rather than looking for these skills from people who have yet to arrive. Taking up the point that was made by Deputy Martin, I did not “not understand” the previous amendment. I understood it very well as pointed out by Senator Le Main. It constrained and restricted and denied flexibility and this is exactly what is happening in respect of people who are working in the finance industry as well. In many respects, they are constrained and restricted and denied flexibility in looking to other fields. Maybe they would prefer to get into another field and it is this area that I really hope when summing up that the Minister for Economic Development will give an undertaking that he will seek to ensure that this important part of reskilling and retraining and qualifying those of us who have left school in other and new interesting fields that have good wages is made available because it is all very well being able to go off into the workforce in mid life but if you do not have the certification or a recognised certificate from somebody, then you do not have much of a chance really. So I implore the Minister to look back over those emails or I will send them again. Look at the skills club example they are using in the United Kingdom. Give us something like that for the people in Jersey. If it is coming, when is it coming? If it is not coming, why is it not coming and to end, just to congratulate them on the work they have done already. Please, please, please, can they look at this area?

12.2 Deputy G.C.L. Baudains:

This part of the Annual Business Plan has many fine aims, Sir, and the success criteria are largely acceptable but I do have some concerns. On balance, I think I will be supporting this but it is, in fact, a fine balance. Obviously, I am not impressed that the amendment of Deputy Southern was not only opposed but was lost as well, Sir, because to me, it now sends out a green light to unsustainable economic development and the consequential destruction of our countryside. I do hope, as I said a moment ago on the amendment, that perhaps the future Chief Minister will consider initiating an in-committee debate of the whole economy/environment balance. On page 13 of the document, Sir, looking under success criteria of Objective 1, I see under 5: “Less reliance on government subsidy within the rural economy.” I am slightly concerned, Sir, that the agricultural sector of our economy seems to have a declining support from Government at a time when it probably needs more in order to be able to compete in the marketplace. There does seem to be a general and gradual rejection of agriculture and the rural economy generally. Turning to Objective 4, Sir, I am going back to my first comments slightly concerned that the success criteria will apparently be in part (iv): “stable or growing employment numbers.” I thought that was opposite to what the Minister had been advocating where we would have economic growth with a minimum of increase in numbers. Greater efficiency, I thought, was the password. Under Objective 5: “a vibrant visitor economy.” Well, of course, we all agree with that. I have long said that we really need to be regrowing our tourism industry. It is probably the only viable alternative we have to finance and we do need to diversify our economy but, as with agriculture, I am concerned that the expectation is not apparently met by assistance or encouragement or certainly not obviously so. Under Objective 6, Sir, again: “a greater diversity and enterprise in the rural economy.” Well, I must admit I am beginning to get, and have been over the past few years, irritated by the idea that all agriculture needs to do is diversify and I am surprised that this is coming from a Senator who comes from a farming family because there is nothing left to diversify into. It has all been tried. There are no magic crops that can earn money. If you do find a crop which nobody else grows, somebody else will be growing it next year and you are wasting your time. It simply does not work. It is pie in the sky. I do not want to see our rural economy abandoned but it seems to be headed that way so I am concerned. When I moved to Objective 9:

“success criteria 1, to optimise revenue generation to address operating costs”, I would consider to be the wrong way around because it seems to me it does nothing to drive costs down. What we are merely doing is, whatever it costs, we will pull in the fees to match that. I think it sends out entirely the wrong message as obviously does Objective 10 which says the same sort of thing. I completely agree with Objective 11.

12.3 Deputy I.J. Gorst:

I rise simply to congratulate the Economic Development Department on some of the work that they have been doing in diversification over the last year, particularly in intellectual property and e-Commerce and I hope that there is a success criteria, Sir, under Objective 1 that aims that they will continue to do this and I hope that they will provide the funding in the coming year to really continue to beef up that project and ensure that legislation is lodged to encourage that in a timely manner in the new States.

12.4 Deputy G.P. Southern:

Yes, obviously I am extremely disappointed that the Minister for Economic Development chose to proceed with his gung-ho approach to growth as long as it is above 2 per cent at any cost and I think we are going to see those costs, so I shall be asking for an appeal because I cannot possibly support that particular success criterion. I also note that despite a complete lack of evidence that his retail strategy is well-founded, not only from the Chamber of Commerce but from the partial report that he commissioned from the Jersey Competition and Regulatory Authority, J.C.R.A., and now from the DTZ Report, which suggests that there is not a place for a general competitor as a third supermarket in the Island but there may be a place for a discount supermarket, his retail strategy needs major, I would say, reworking but I think I mean rewiring in order to be appropriate for the evidence that has been gathered over the past 3 years and should not form a place in there because it is probably wrong, and certainly is based on his own particular theories rather than any particular evidence, so I find it difficult to support that indeed. Finally, it was interesting to look in his review of performance over the past year and particularly at Objective 2 success criterion (ii): “increase business success defined by percentage start-ups still trading after 3 years” where since the Business and Enterprise Development has only been running for approximately the past year, it was very difficult to see how start-ups still trading after 3 years was awarded a green light because the 3 years has not passed and yet we still have the 3 years green light and, in fact, I think that should have been an amber and should have said something like: “work in progress, we will contact you when the 3 years are up.” Now, it cannot be true that that is on track when, in fact, there is not any evidence to suggest that it is. Overall, and I questioned the Minister on this before, it seems to me that the balance in what the Minister for Economic Development proposes ... he says he is trying to achieve a balance between growth and diversification and, in fact, if you look at the figures, I believe you will see that by and large the vast majority of the money is going into growth initiatives and a relatively small amount is going into diversity initiatives. While the Minister for Economic Development tells a good tale about diversification, I do not believe that is backed up by a careful analysis of what appears to be happening so I find it very difficult to get wholeheartedly behind Economic Development Department’s Business Plan given that it has, I believe, significant failings.

12.5 Deputy D.W. Mezbourian:

I was approached by a very irate lady on Saturday, a lady who was locally born. She has a couple of teenage children, one in particular of whom cannot find work at the moment and I was berated for being a Member of a House that does not supply many apprenticeship schemes or does not appear to be promoting apprenticeship schemes within the Island and, Sir, having tried to justify and placate the lady, she told me that she and her family are thinking about selling up and leaving the Island. It prompted me to have a closer look at E.D.D.’s (Economic Development Department) key objectives and success criteria and I have seen no mention made in here of apprenticeship

schemes although under Objective 1, one of the success criteria is, of course, full employment for local people with an increase in job opportunities. I wonder whether the Minister would just talk to that and explain where it is found or how his department will be promoting apprenticeship schemes in these objectives. Another thing that struck me, Sir, is looking at Objective 3, success criteria: "E.D.D. to play its full role in the success of the Skills Executive, in particular, delivery of the demand capture functions." I think skills in plain English would be helpful, Sir, and I wonder if the Minister could just explain for the likes of me what exactly that does mean.

The Bailiff:

Does any other Member wish to speak? Very well, I call upon Senator Ozouf to reply.

12.6 Senator P.F.C. Ozouf:

I will deal, if I may, with Deputy Mezbourian's comments and questions first. Can I say to Deputy Mezbourian that can I ask her to ask her constituent to contact me. Contact me because we can help young people who are seeking employment. To take up and to deal with Deputy Le Claire's comments too, and he is absolutely right, as Deputy Le Hérisier was, in terms of the supply side; we do and can and are now putting a much greater focus on skills raising and skills development in Jersey. Have we done enough in the past? No. Can we do more? Yes. We are not only talking but we are walking. In the financial aspect of the Business Plan, I would draw Deputy Mezbourian's attention to the fact that we are putting in £1 million of Economic Development's budget into training and workforce development. There are apprenticeships available. There are reskilling opportunities available and I am disappointed but determined to help anybody that is thinking of leaving Jersey because they cannot find job opportunities. I would ask Deputy Le Claire and Deputy Mezbourian to come to see the Careers Jersey Centre at Philip Le Feuvre House. It is the result of a joint Ministerial working, Social Security with Workwise, Education, the excellent work that they do and our own department at Economic Development. The Chief Minister opened it because it symbolises the importance that the whole of the Council of Ministers is putting on skills development. Skills clubs, that sort of idea, excellent idea, people going and being able to attend the Careers Centre not up at Highlands College any more but in the centre of town where they can be given ideas, where they can be given motivation to find job opportunities, whether they be in the private sector, whether they be in the States sector, whether they be in the cultural sector or the not for profit sector. There is a Careers Centre there giving people advice, giving people hope and aspiration. We want an Island in which everybody is given the opportunity of reaching their full potential. It raises their standard of living, it makes them more innovative, it makes people embrace technology and it improves the standard of their lives and that is what Careers Jersey is all about. I would ask the 2 Deputies who have asked questions, but all the other Members who have not seen it, to come and see what the reality of the Skills Service is. So I agree with all the comments made and that is very much at the heart of everything that Economic Development is doing and maybe we will have a skills club as a direct result of what happened yesterday. Sir, I want to lift Deputy Baudains. Each Chief Officer of the States of Jersey went and spent a day at the front line and after hearing Deputy Baudains' last 2 comments, I would like to invite him to Economic Development to see what we are doing. I would him to see what we are doing on diversification, what we are doing on the cultural economy, what we are doing in terms of the visitor economy, what we are doing for financial services. He said that I was a farmer's son and I am a farmer's son and I do care about the rural economy and I would draw Deputy Baudains' attention to an advert that was in the paper 2 days ago: Jersey Enterprise inviting producers to come and meet the buyers, in this case, one of our large supermarket groups for the first time acting as a conduit for local producers putting local produce on supermarket shelves. There has been an issue of security of supply. There is an issue of small business not having the capacity to argue and market themselves to big buyers such as our supermarkets in the Island. We in Jersey Enterprise are giving the opportunity for local producers to access those shelves in our supermarkets. We have done fantastically well, if I may say, with the fishing sector. Raising awareness for Islanders

buying local lobsters has improved the lot of fishermen. It is not everything but it is working and it is incremental. I want to say to Deputy Baudains, Sir, that we can grow the economy by making job opportunities available for those who are not in work. We can grow the economy by productivity without growing the population outside of the targets we could set. I want him to be convinced that there is an optimistic future and it is not this black cloud of simply old-style thinking that you can only grow the economy by growing the population. We have not done that in the past. We are doing it. Come and look at the vibrant Jersey Business and Jersey Enterprise small and medium-sized sector that sits out of there. I do not think Deputy Southern's heart was also in his comments, Sir. I have to say I am not sure whether or not he was standing there simply for opposition's sake. I am sure that even the J.D.A. (Jersey Democratic Alliance) and centre politicians such as myself would want to agree **[Laughter]** on being united on having an aspiration of the capacity of raising the standard of living of Islanders, and that is exactly what we are trying to do. I would like him to deshackle himself from his left-wing views and come and spend a day at Economic Development and see what we are doing in the small and medium-sized sector too. Come and move to the centre, Deputy, in terms of your politics and maybe he will deliver. **[Aside]** **[Laughter]** I am delighted to hear it, Sir, and therefore I look forward to him enthusiastically supporting every single one of these objectives designed to improve the society and the Island in which we live, a society with prosperity and jobs.

The Deputy Bailiff:

All those in favour of adopting the objectives, kindly show? Those against? The objectives are adopted.

13. Annual Business Plan 2009 (P.113/2008): Objectives of the Education, Sport and Culture Department

The Deputy Bailiff:

We then come to paragraph (a)(iii), the objectives of the Education, Sport and Culture Department and I invite the Minister to propose them.

13.1 Senator M.E. Vibert (The Minister for Education, Sport and Culture):

Education, Sport and Culture's business is about developing and implementing policies that provide all Islanders from the very young to the not so young with the opportunity to learn and develop their potential throughout their lives as active citizens. What I hope are our clear objectives are set out on pages 16, 17 and 18. One of the important things we will be doing, we have started and will continue next year, on finalising our new long-term strategy for E.S.C., a 10-year plus plan covering the main issues facing the service in the foreseeable future. E.S.C. has a challenging Business Plan, Sir, before it for 2009. To deliver, it will require relying even more on the quality, professionalism and dedication of our staff. I wish to publicly thank those staff for their outstanding work and acknowledge the need to continue to invest in them for the future. Sir, I would like to propose the E.S.C. section of the Annual Business Plan and seek to answer any question Members may have.

The Deputy Bailiff:

Is that seconded? **[Seconded]**

14. Annual Business Plan 2009 (P.113/2008): tenth amendment (P.113/2008) Amd. (10)

The Bailiff:

Now we have Amendment No. 10 lodged by the Deputy of St. Ouen which relates to this part of the Business Plan and therefore I will ask the Greffier to read the amendment.

The Deputy Greffier of the States:

On page 2 paragraph (a). In paragraph (a)(iii) after the words "pages 16 to 18", insert the words "except that (a) in success criterion (i) in Objective 1 on page 16, after the words 'take account of

Scrutiny Report', there shall be inserted the words 'and working with the Council of Ministers the appropriate funding identified and provided for in the 2010 Business Plan in order to provide integrated and equitable early years education for all 3 to 4 year-olds'" and (b) after success criterion (i) in Objective 1 on page 16, there shall be inserted the following success criterion (with the subsequent success criteria renumbered): '(ii) spending reductions identified in the Comptroller and Auditor General's Report entitled *Emerging Issues* presented to the States on 19th May 2008 achieved in order to fund an equitable early years education for all 3 to 4 year-olds from September 2009."

14.1 The Deputy of St. Ouen:

The one and only reason for bringing this amendment to the Education Sport and Culture's Plan is that this issue had not been addressed in the Draft 2009 Business Plan lodged by the Council of Ministers. Furthermore, in the Education Sport and Culture's Department section of that plan, although mention was made of reviewing the Early Years' Education and Care Strategy, no outcome was identified as a result of that review. With this in mind, I decided to seek a solution which would be acceptable to all. There are 2 parts to this amendment which is aimed at delivering a fair and equitable entitlement to quality early years education and care commencing in September 2009. The first part of the amendment addresses how funding can be provided from 2010 onwards and the second focuses on the more short-term issue of how this improved service is funded in the latter part of 2009. I will endeavour to address each part in turn. No one would argue that the present method of providing early years' education to 3 to 4 year-olds is totally unfair and something needs to be done to address this situation. The question is how can this be achieved and what parts can the States play in providing the answer? The first consideration is how did we get into this position in the first place? The Education and Home Affairs Panel produced an excellent report on this matter earlier this year which drew attention to the fact that all of the implications relating to a strategy adopted by the Education Department were not properly considered at the time it was first implemented. I am not going into much detail as I am sure that there are others more qualified than me who may speak on this subject, but the result is that presently the States only provides free early years' education to half of those eligible. It has become obvious that the present policy cannot and will not meet the demands of those requiring this service and therefore must be addressed. Following the Scrutiny Panel's report on the subject, the department is absolutely right to take action by reviewing their existing strategy as some important points were raised which must be addressed. The first step in the process is to work out how to resolve the ways and means of delivering free flexible entitlement of early years' education for rising 4 year-olds. Following the Scrutiny Report being published, the Minister for Education Sport and Culture commissioned the Jersey Childcare Trust to carry out a consultation exercise with all interested parties in July this year. As a result, 2 reports were compiled by independent research analysts. Unfortunately the consultation study was limited as many of the ethnic minority groups did not respond to the invitations and perhaps, more importantly, there was a notable absence of cost implications for the options proposed. I will come back to the matter of cost implications later on in my speech. At the end of the consultation exercise, a number of conclusions were reached, including the fact that continuing the programme of building nursery classes would not meet the need and the preferred option would be for a partnership approach between the public and private sector. Perhaps more importantly, all 3 to 4 year-olds should have some free access to a good quality early years' provision by means of a fair deal being reached between the States and the private providers who offer good learning environments. To achieve these aims, the report concluded that all stakeholders concerned were willing to engage and work together to create a fairer system. This initiative would be supported by the early years and childcare partnership providing an appropriate forum for the recommendations to be implemented by the department in time for the time scale set by the Education and Home Affairs Scrutiny Panel. As a consultation exercise was only carried out in July and the reports produced in August, it is quite clear that additional work is required before a new strategy is introduced within the time scale suggested by the panel being September next year.

This is a view, as I have already mentioned, that the Minister and his department accepted as shown in the words of the success criteria which I am proposing to amend. Bearing in mind further work was required before detailed cost implications were known, I started considering how the States could guarantee funding for the latter part of 2009 to fit the proposed time scale. Acknowledging that the States have determined that any provision had to come from existing overall expenditure levels included in the Draft Annual Business Plan, I sought to identify alternative options. As a member of the Public Accounts Committee, Sir, I knew that in a recent report published by the Comptroller and Auditor General a number of relatively short-term spending reductions had been identified with the help of Chief Officers responsible for the 10 States departments, Education Sport and Culture being one. Under the heading Education Sport and Culture, a sum of £690,000 worth of short-term spending reductions had been identified. This seemed to be part of the solution. It seemed, Sir, quite reasonable that if funding for 2009 was required, some of these spending reductions could be used to fund an equitable early years' provision to commence in September next year. I accept that spending reductions are not always easy to achieve. However, the department would have approximately 12 months in which to carry out the necessary work which I believe to be adequate. In this way, the time scale could be met and the department would practically demonstrate their ongoing commitment and desire to providing this particular service. I would hasten to add that it is quite possible that other areas may exist where the department might choose to prioritise existing expenditure in order to provide the appropriate funding for early years' education. This is clearly within their remit and my amendment is only a suggestion of one way funding could be provided. What the amendment will do, if accepted, is to give comfort to all those involved ensuring that appropriate funding will be provided in time for the new school year. The second part of the amendment is 2010 and beyond as without this provision it would be useless to even contemplate starting the new strategy in September 2009. One of the difficulties I faced when looking at this particular area was that the Jersey Childcare Trust, in their report issued in August, identified an absence of detailed cost implications for a variety of options which could be pursued to provide early years' education for all 3 to 4 year-olds. Presently, the department provides a free entitlement of 25 hours for 38 weeks a year for just over half of those eligible. This entitlement is for term time only which can be an issue for working parents who clearly would require more than 25 hours a week cover, especially if they are aiming to hold down a full-time job. This also could be perceived as a limiting factor, especially at a time when we are aiming to grow the economy by increasing the already high number of working women. The option that seems to have the greatest amount of support so far is that the States should develop a partnership with the private sector to provide some free hours for all. The question is how many free hours. The current thinking, as proposed by the Minister, is that 25 hours would be provided free at States Nursery Schools or 20 hours' free access to a private provision for a period of 38 weeks a year. Although this has been reported as the favoured option, concerns still arise over how working mums in particular are going to cover the additional hours required for their children in order to hold down a full-time job. What happens when the States Nursery Schools shut down during school holidays? Also much emphasis has rightly been placed on the need for a good quality provision. The report produced by the Jersey Childcare Trust draws attention to this matter and concluded that a great deal of joint working needs to take place in order that the system best meets the needs of children, their families and the providers who offer the service. They go on to say that a working group should be formed, including both members of the private and public sectors, with the aim of determining any provision's ability to offer States-funded hours. Predominantly due to the lack of detailed financial information, the Jersey Childcare Trust has proposed that every child should receive at least 20 hours' free provision for 38 weeks a year based on calculations provided by the Education Sport and Culture Department in July 2005, which amounted to a total cost of £1.5 million. Now we get to the crux of the problem. Because of the lack of up-to-date detailed cost implications, it is impossible to determine exactly what appropriate funding is required for 2010 and beyond as the work has still to be carried out. It would be totally wrong to take a guess or use figures that are out of date. It is for this reason I have chosen the words of the second amendment very carefully. If

the States accept my amendment, it will guarantee that the appropriate funding not only is identified but also provided for in the 2010 Business Plan in order to ensure that an integrated equitable early years' education for all 3 to 4 year-olds is provided. In this way, the Education Department can move forward with the Jersey Childcare Trust and others with the certainty that the appropriate funds will be provided to deliver this free entitlement. This is the commitment that the States will be giving to those parents who have children in this age range if my amendment is adopted. With regard to the comments submitted by the Minister on my amendment, I would like to make the following observations. Up until 2 weeks ago, no provision - I repeat no provision - had been allowed in the Business Plan for an equitable early years' education although I have shown that it is possible to allow for this within the existing overall net expenditure levels allocated to the department for 2009. Members must question how the Council of Ministers have identified the funding required when all other parties, including the Minister and the Scrutiny Panel, recognise that additional work needs to be carried out to determine the appropriate funding. It is for Members to consider whether the figures provided by the Council of Ministers are indeed to be relied upon. What I will say is that the figures bear remarkable resemblance to those produced by the Education Sport and Culture Department in 2005 which was based on 20 hours a week for 38 weeks of the year. In other words, what I am suggesting is that even with inflation, we would not, I believe, be providing sufficient funding as identified by the Council of Ministers. The suggestion has been made that my proposal is restricted to utilising funds from within the existing forecast budget for 2010 onwards. Nothing could be further from the truth. All I have done is to show how funding could be provided within the proposed cash limit for 2009 while seeking to gain Members' support for the appropriate funding to be provided in 2010. I fully recognise that it is this Assembly, in co-operation with the Council of Ministers, who will determine what overall expenditure levels will be in 2010 when the Business Plan is debated for that period next year. This follows the exact same process that the States and the Council of Ministers have adopted over the last 3 years and clearly demonstrated by the latest amendments to the 2009 Business Plan proposed by the Council of Ministers and other States Members. I would ask Members not to be misled by statements to the contrary, especially in light of the recent track record of the Council. I am pleased to note that the Education Sport and Culture Department are already considering the suggested spending options contained in the Comptroller and Auditor General's report and that some, if not all, of those spending reductions are possible. I have already acknowledged that achieving those spending reductions is not easy and time is needed for those options to be considered, and I believe I have allowed for this in my amendment. There is no suggestion that all of the £690,000 savings have to be realised as the only requirement is for sufficient funds to be made available for the period from September to December 2009. My amendment, as I stressed before, is aimed at providing a practical solution to the funding of an equitable early years' education programme starting in September 2009. At the same time, it will allow time for all parties to fully identify the expenditure required to ensure the provision is maintained in 2010 and beyond with the certainty - and I repeat - with the certainty that the appropriate level of funding will be included in next year's Business Plan. Sir, I propose my amendment.

The Deputy Bailiff:

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

14.1.1 Senator M.E. Vibert:

I very much welcome the intent in the amendment of supporting the provision for early years and I thank the Deputy of St. Ouen for what he said about that in it. What this amendment is about is the best funding option for that provision so I am very pleased that the amendment does not question that we should be providing free early years provision for all rising 4 year-olds but just questions how we should fund it and I thank the Deputy for that. Therefore, Sir, if Members do not mind, in this section of the debate, I will not make a full case for why we should have early years' education. I think Members are well versed in it. We have brought out 5 reports over the past 3 years.

Scrutiny have brought out an extra report on it and I believe it has been well rehearsed, but I think this part of the debate is about the funding option and that is what I will concentrate on. What I will hope to do is, in the nicest possible way, as they used to say, say why I believe the Deputy of St. Ouen is misguided to suggest the funding route he is proposing. If I could start by addressing in particular part (b). That is the funding for 2009 which the Deputy referred to, the part year funding that we need next year to set it going. According to the words of the Deputy's report, it is all based on the C.&A.G.'s proposed short-term savings and I have a problem with that. I have a problem for a number of reasons and though the Deputy said: "Oh, you can find it somewhere else or you don't have to take it all", it seems to me the proposition is quite clear. It refers to those savings and those savings are based on what the C.&A.G. stated in the spending review and it would mean realising nearly all those possible short-term savings identified by the C.&A.G. possible spending reductions. But where I say that I think the Deputy is wrong, Sir, in doing that is that the Comptroller and Auditor General himself does not support this course of action. In his report, he is quite clear and I quote from his report, Sir, if I may: "The fact that these opportunities" - that is the possible spending reductions - "the fact that these opportunities for reductions in expenditure have been identified does not imply either that I recommend the implementation of all of them or that in practice they would prove straightforward to implement or acceptable to the Island's population" and those are the words of the Comptroller and Auditor General. My department, Sir, as with other departments, is preparing its response to the C.&A.G.'s report and I have the initial response, the draft response, which I have just received which we are working on for that. So we are preparing, as other departments are, our response to the C.&A.G.'s reports and we are still awaiting more information from the Comptroller and Auditor General to flesh out his identified possible savings because at present all we have had from him is the outline only, the headlines only. We have had some other draft comments but we are still waiting for the final detailed report. The Deputy of St. Ouen's proposal would require realising all or nearly all these identified possible savings and realising them before next September whether they are, as the C.&A.G. himself says, straightforward to implement or not acceptable to the public, and I would just like to briefly look at the possible savings in some detail because this is what Members are being asked to sign up to blind and I do not think they should. So if we look at the possible short-term reductions in expenditure that the C.&A.G. recommends, Members can consider for themselves whether they are straightforward to implement or acceptable. For example, one of them is £250,000 cut by September next year in the Youth Service. Now, nearly all of the Youth Service budget goes on staff and strangely enough the proposed spending reduction is roughly exactly equivalent £250,000, to the extra funds that I have injected into the service over the past 3 years which enabled the partnerships with all the Parishes to be developed and one of the options would be if we had to cut that, we would have to stop all the partnerships with the Parish and not only would we lose that support, we would lose the extra money, those funds, that the Parishes are putting in to support their young people. Otherwise we would have to cut down all our youth work. Youth work is predominantly staff-intensive. I have not seen any *raison d'être* yet for the Comptroller and Auditor General's proposals as to why he thinks we can simply cut £250,000 from the Youth Service. I think it would be foolhardy to do so. I think it is a service we need to build up, not cut down on, because it is very, very important that we offer this service to our young people.

Deputy R.G. Le Hérissier:

On a point of clarification, could the Minister indicate whether the comment might be directed to the management component of the Youth Service and in answering previous questions of mine, he has always said that even for those performing management roles, there is a mixture of other roles added. But has he been able to separate out the management cost?

Senator M.E. Vibert:

The management costs are a necessary cost. I do not believe in any way that they could be cut by £250,000 as we have a very, very small central administration and the proposed reductions could

only be implemented by reducing the number of actual youth workers with consequent implications for frontline services. We do not have, and strangely enough, the Comptroller and Auditor General, in his report, remarks on what a small central administration Education Sport and Culture has, so if you do not take my word, please take the Comptroller and Auditor General's word for it. It is very easy to say just cut administration but when you have already cut administration, when administration cannot be cut any more, it is a foolhardy cut because you do not have a proper functioning service if you cut all the administration which is needed to run the service. One of the things we have done which could be called "administration" is we have taken many of the duties away from Youth Service leaders, the administrative duties that they used to have to do that took their time away from the front line. We have given them that time back by taking some of that administration on centrally, which I think is the right thing to do and the efficient thing to do. So that is one example of the cut which I do not believe Members can decide themselves whether they think it is straightforward or acceptable. And what else is put forward? Perhaps the most surprising one is the suggestion that £100,000 saving is made by charging for the loan of musical instruments in the Instrumental Music Service, charging for the use of loan instruments. Well, we have done the work on that and we have looked at it and I cannot see how this would work very well. Deputy Ferguson referred to this earlier and referred to a small charge for the loan of a musical instrument. Well, I can give Members some idea of the costs and so on, and the service currently incurs costs of the order of approximately £600,000 a year and at the moment, no charges are made in respect of the loans of instruments and the proposal that C.&A.G. puts forward is charges to be introduced for those loans and should be calculated to achieve an income of approximately £100,000 per year in the first instance. Jersey Instrumental Service provides weekly lessons to over 1,000 pupils representing about almost 10 per cent of the total school population and 17 per cent of all States key stage 2 pupils and it is divided up between woodwind, brass, strings and orchestral percussion pupils. They also offer concerts and workshops, large ensemble activities, and graded examination preparation so how would we achieve £100,000 income by charging in respect of the loan of instruments? Would it be the small charge that Deputy Ferguson referred to? Well, if you do the maths, which I am sure Deputy Ferguson would do, there are currently approximately 580 instruments on loan to pupils so the average charge for a pupil with an instrument would be £175 a year. I certainly do not regard that as a small loan charge. Given that a student violin typically costs about £50 and a clarinet costs about £200, I think it is a fair bet to say that a number of parents would opt to purchase their own instruments outright rather than pay an annual loan charge of £175 a year and, of course, this would necessitate a further increase in the annual hire charge for those instruments still on loan. Another option would be to introduce an annual hire charge that would be relative to the cost of the instrument, but this would mean that the charge for the most expensive instrument, such as a saxophone, tuba and cello, would be much higher than the £175 average. An increase in charges could lead to a significant drop in the number of students learning to play these more expensive instruments and we have knowledge of and an example of where an education authority introduced small charges, not £175 per year, small charges, minor charges, for instrumental services and that is in the Isle of Wight, and that resulted in a drop of approximately 30 per cent in the number of students accessing the Instrumental Music Service. I do not believe we should be trying to drive away youngsters from taking part in the Instrumental Music Service, particularly the less well-off, and, of course, this would be a new user pays charge. I would have to get the permission of the States to introduce it so I again ask States Members to consider whether introducing such a charge for loans was straightforward or acceptable. Only 2 other proposals for savings, Sir, you will be pleased to know. One is to cut £200,000 off the Highlands budget for next year. Well, we have already done it so we cannot do it twice and finally cut £90,000 from the grant to the Jersey Childcare Trust. That is more than half, 76 per cent of their grant at a time, leaving them 76,000 at a time when we want to further develop the partnership with the Trust involving early years' education. We do not think this is straightforward or acceptable. States Members have to make up their mind. I think, as I have demonstrated, none of the proposed short term savings could be described as straightforward or

acceptable. States Members might think maybe all of them are not acceptable. I do not think the States should be rushing into accepting them without having all the information before them, without thinking them through individually. They will be coming back to the States at a later date, we have been given time to prepare our response to the Comptroller and Auditor General and various things will make sure we come back and address all the proposed savings. That is a time for States Members to decide with the full facts before them whether any or all should be delivered up. Not now, without knowing those facts. Not now when really the implications of what they would lead to is not fully understood. I do not think we should be agreeing to them *en bloc* without the full information on each. So the first part of the proposition I have particular problems with, that part of the proposition, because it is a situation whereby we are being asked to accept something on trust, without looking at it fully. I do not think States Members should. The second point of the proposition involves future years, 2010 onwards. My main concern there, Sir, of part (a), year 2010 onwards; is that it does not give certainty of a continued provision of early years' education. It puts the onus on a future Council of Ministers and a future States to find and agree the funding. I will accept the Deputy does not want that it could come from our side, the cash limits, but it needs a future States to find and agree the funding. I believe, Sir, it is for this States to make the decision that it supports early years' education for all and identifies funding. It is not conscionable to start putting it on somebody else. Also the problems it would raise. We start this service in September 2009 and not know until later that month when the 2010 Business Plan is debated whether it will continue in the following January. States next year could decide no, that is simply not fair. It is not fair on parents and providers and it is particularly not fair on children for whom at that age continuity of education and care is so important. I think that I can safely say that P.A.C. (Public Accounts Committee) has a track record that if funds voted for particular purposes are under spent we return them to the centre. We did it this year and we did it previous years. Sir, I appreciate the sentiments of the Deputy of St. Ouen, I appreciate he had not seen the amendments of the Council of Ministers when he put his own amendment in, and I thank him for the support he has shown for early years' provision, and I thank him to try and find a way forward for funding that provision. I really do believe it is a decision we should put off until next year. It is not a decision that we should be funding from cuts elsewhere that we have not properly looked at and which could cause enormous problems elsewhere. Sir, I would really urge Members to support the intention of the Deputy of St. Ouen by supporting early years' education, but not support this particular amendment but to wait until the Council of Ministers amendment on early years comes up and support that one instead.

14.1.2 Deputy S.C. Ferguson:

The good Senator quotes the cautionary note of the Auditor General. I would remind him of the weasel words of the Strategic Plan: "There are difficult decisions." He does not seem to be talking the same talk as his Chief Officer because all these savings and the estimates, as the Auditor General says, have quite clearly been discussed with the Chief Officers and the amounts that have been suggested have also been discussed with the Chief Officers. So, perhaps there is a communication problem. I am not giving way, Sir.

Senator M.E. Vibert:

I did, Sir, I am sorry the Deputy does not appear to want to know what is happening.

Deputy S.C. Ferguson:

No, I am just saying that perhaps in this area he does not know. I did not say every time. I would note that the Chief Officer is going to be carrying out a review of the Youth Service and its effectiveness as soon as possible. I do trust the Minister knows about that one. As an aside Members will remember the shroud waving over the Public Accounts Committee's £13 million reduction last year. I was somewhat chagrined to find out afterwards that the Chief Officers had pretty good contingency plans and were quite easy with it. Anyway, carrying on. Charging for use

of instruments; this was suggested by the Chief Officer. I am glad to hear that you can get a violin for £50, I do shudder to think what it sounds like. What about charges for the workshops? Examine the efficiency of the operation. Why is it costing £600,000 a year? Following on with some of the Deputy of St. Ouen's calculations. The current cost of childcare in the States accounts is £1.9 million. This equates to £3,800 a year per child and talking to my teacher friends if school takes up 38 weeks a year, according to E.S.C. the cost is £100 a week. This is patently underpriced compared to the private sector. I know we are all in favour of childcare but this does confuse me a little. The Minister also states in his comments that this is a new spending demand. It was discussed in the 2007 Business Plan debate, and on the basis of the work that the Deputy of St. Ouen has done the Minister has had a considerable time to consider it. He has somewhere - I cannot quite remember where - quoted £1.5 million for a full year, but the people in the industry assure me that we are talking at least £1.9 million. I am totally in favour of providing introductory education for pre-schoolers but we do also have a duty to those already in school. We have heard that Highlands are running remedial courses for those leaving secondary school without the 3 Rs, the basic skills. The Minister asked the Fiscal Policy Panel for their opinion on the value of pre-school nursery care. His answer was that you must prioritise. This is a hard prioritisation making sure that all children leave primary school or secondary school even with the 3 Rs and supporting those failed by the system or giving free pre-school education. I do not know. In its recent report the P.A.C. criticised E.S.C. for not including performance measures relating to the youth failed by the system. This amendment gives the Minister for Education, Sport and Culture elbow room so that he can finance the pre-schoolers as well as dealing with those failed by the system. Obviously we cannot afford both. Where would the House put its priorities? With the pre-schoolers or with those who need remedial support urgently and now. Thank you, Sir.

14.1.3 Deputy P.N. Troy:

Sir, as Chairman of St. Brelade's Youth Club I am quite disheartened to hear that there might be thoughts of cutting the Youth Service if this amendment were approved. The Minister is saying that he would strongly oppose that, of course, and so too would I and many others here who have involvement with the Youth Service. We receive a great deal of support from our youth officers and we are dealing with young people all around the Island and it is a vitally important service. If this were touted about as an equitable solution it is certainly not an equitable solution to take it away from one sector to try and hand it to another. Certainly I am going back in time; I remember we were looking at cuts many years ago and it was suggested for a short while that the library at Les Quennevais School should be closed. I remember that I had an uproar from my constituents. I had phone calls, emails and I lobbied the Minister and went on Radio Jersey and did other things, and in the end that idea was quashed because it had a big effect on the community. This proposition really is a disaster for the community. It will be good in one aspect but it will take away services from others. I do urge Members to vote against it. It is not desirable to do this. Deputy Ferguson said that the Chief Officer had made these suggestions, of course, he did not make them as suggestions that he supported, they would have been made to the C.&A.G. on the basis that if you had to cut something, what would you cut? Not what do you recommend cutting? This is where Deputy Ferguson has got exactly the wrong side of the coin as has the Deputy of St. Ouen. No one in their right minds would support this proposition, please reject it.

14.1.4 Deputy J.B. Fox:

I should declare that I am an Assistant Minister, one of 2, for Education, Sport and Culture and one of my responsibilities is being for youth. We are not biased. We are providing in the Youth Service a very responsible job for an awful lot of young people of this Island and others. It is a role that works with a whole host of other organisations, other agencies, other voluntary organisations, other individuals, all of which is to promote our young people in the Island; to support the education that they formally receive at school; and to improve the quality of life within the Island. To do that it is a very complicated business. We also have lots of responsibilities from health and

safety to first aid to, et cetera, et cetera, that runs all the way through the system. So if the Director of Education talks about reviewing the Youth Service, if you asked him to continue with that discussion he would refer to recent reviews also in further education, higher education, the core services and many other aspects including culture and sport that comes under his remit. That is quite right and quite sensible. You review to make sure that you are giving the best possible service to the people you are responsible for and to the Island. It should not be seen as a negative. Certainly the Parishes have been playing a very active part, and we still have things to do and we still have some ways to go. We know that there are areas that pop up, we hear about where the youth are blamed for the negatives, we are talking about minorities, we are also talking about the facts that we may not have yet achieved all the things that we need to support our young people for the future. We also need to bear in mind that our young people are going to be our successors and we want to make sure that we give this Island the best opportunity, economic development. We have talked about fiscal strategies, so with the Chief Minister's office and the Treasury, I talk about the community and the people, that is the bit that we come on to. I wonder how many years that I have been involved in education and I have heard of a nice easy cut being the Instrumental Music Service and the instruments. We should be absolutely highly delighted that we are able to provide this worthwhile and excellent service to the community and especially to our young people. It makes them into better citizens that they might otherwise have been or have the opportunities. Believe you me, there are a lot more young people out there that would like to get their hands on musical instruments but we yet cannot afford it, to be able to give the proper service. This is not the time for talking about cuts. If you stand in front of a packed Town Hall on 3 occasions, I think it is, that I have, with regard to the early years' debate that we have been having over the past few years. I was involved in early years' debate from the time when I was chairing P.A.G.E.(?), about 12 years ago, so this is not a new subject. It is a subject that has been going on for an awful long time. We have to take responsibility for giving the opportunities for our young people. I am not going to go into all the details of how this pays off dividends later on, about every pound you put in, you get 4 back, et cetera, be an accountant, that is fine. As I say I am involved in the community part and that is the important part. We should be proud in this Island of what we do for, in this case, our young people. I will certainly be supporting the original proposals but I cannot support this amendment although I fully see the reasons why the Deputy has brought this. I think that time has moved on, and we have to make a decision for things to be taken into a positive vein and actioned now, not wait for another year. Thank you very much, Sir.

14.1.5 Deputy C.F. Labey of Grouville:

Nice to follow my fellow Assistant Minister, so I will be coming from the same angle as him. What the Deputy of St. Ouen is suggesting, I think, is funding these additional hours by budget cuts in the future. He is using the examples put forward by the Comptroller and Auditor General. I have to say the same sort of thing as I said in a speech I gave last week, being in government is not the same as running a business. Again I find, while one has to be prudent and make sure one is getting value for money, these budget cuts are being put forward very much as an accountant knowing the price of everything and the value of - I do not know if he knows the value, I think he probably does - but the Auditor General put these suggestions into the public domain knowing full well that political decisions have to be made from them. That is what we have to do here. If people in this Assembly do not know the value of running the Youth Service or in my particular area the culture side, the Jersey Instrumental Service, then it obviously needs spelling out if Members feel that we can just lob X amount of £100,000 off Jersey Instrumental Service budget and bear no consequences. I will just use an example, there was one child that learned to play a trumpet, he went to d'Hautrée School, which for Members that do not realise this, this is an alternative curriculum, he was given this instrument and he could play like Miles Davis - I do not know if many Members are familiar with Miles Davis - but let me tell you he is a very, very talented jazz musician. This was this child's ticket out of the alternative curriculum. It was his ticket to a life beyond, shall we say. There is a value in education. There is a value in culture. I am afraid some

of the options put forward by the Auditor General lacked that understanding. That is not a criticism of him; he envisaged that we would be making those political decisions here, which is what we must do. What we are trying to achieve is the art of the possible, again. Twenty free hours of nursery education is the art of the possible. It is not the perfect solution because where we have one of the highest populations of women who work in the western world, it is not the ideal solution because there are holidays to cover. Twenty free hours nursery school education allows a parent or both parents to work and a parent to work for a number of hours. It helps. It is not the ideal, it is not perfect but it helps. At the other end of the scale, we do not want nursery school education to be the full-time free dumping ground to parents. I do not like to say that but there is an argument that it is important that young children, 3 and 4 year-olds spend some time with a parent. I believe 20 hours free nursery care, good quality nursery care for children given our economy and what we are trying to achieve here is the right way to go. Like I say, I would, in an ideal world, and hopefully we can work to achieving 52 weeks a year rather than 38 which is quite inconvenient. I would like to achieve that, that is why I will be obviously supporting the Minister's proposition in the Business Plan, and I think before we start making budget cuts willy nilly we need to appreciate the full value of them. Thank you, Sir.

14.1.6 Deputy C.J. Scott Warren:

I support the equitable provision of early years' education, however, Sir, I cannot support these amendments. States Members cannot impose financial cuts that will lead to the bad provision of other educational services in future in order to rid ourselves of this current bad system which is effectively a lottery. Thank you, Sir.

14.1.7 Deputy P.V.F. Le Claire:

I advised the Deputy earlier, and other Members, maybe a bit impertinently that they should take to the hills if they noticed they were flogging a dead horse. I feel that Dobbin may be making a reappearance in this amendment of the Deputies. Though one has just made light of that, I would like to congratulate him for attempting to look at this issue of childcare provision and I think he needs to be congratulated for doing that. I would like to declare an interest in that I have a son that is going to be 3 in October. He will fall outside of the margin that is being provided for due to his birth date and he will go through the majority of next year, as I understand it, not receiving support and we will ... we have decided that in order to best help him and ourselves, what we are going to do is put him into childcare for 2 days a week from about 9.00 a.m. until about 1.00 p.m. or 2.00 p.m. not the whole day. Just so that he is mixing with the children and learning to be in the real world and learning the bumps and grinds of daily life. We are going to pay for that, obviously, and we are able to. We are fortunate enough that my wife does work part time, I get the States salary so combined, although it is not going to be a welcome additional expense, it is something that we can bear. I do congratulate the Deputy of St. Ouen when he talks about making provision for people who may not otherwise be able to afford to, but I take cognisance of what the Assistant Minister from Grouville said about schools becoming dumping grounds. In my experience of other parents who perhaps - in other jurisdictions, not Jersey - who have taken their children and just dumped them off and gone off and done what they wanted to all day, I have witnessed some bad parenting practices in other places. I think we have a problem in Jersey and I think it has been recognised that we need to address it. I am a little bit disappointed that it is taking as long as it is taking and I cannot blame Senator Vibert for that because he brought a proposition about a year and a half ago or so, or 2 years ago, and it did not receive support from States Members. So I do not know where the Deputy of St. Ouen was on that occasion in respect of supporting it or not, or Deputy Ferguson if that Deputy was supportive or not. I believe we have all received the information from the Jersey Childcare Trust, especially this article from Jessica Shepherd who talks about the lady in England called Kathy Sylva. That was a very interesting article; I have it with me today if Members did not bring theirs. It talks about the issues of how if a child has not attended pre-school activities then it basically handcuffs them, especially for poor children, the quote from it was: "For a poor child not

to go into pre-school it was like tying their hands behind their back for the rest of primary school.” They have been conducting a study from 1997 until today, it is still ongoing, with a group of students that have been evaluating how they are turning out, and they have looked at all the demographics of that group. Obviously they have noticed that poor children that did attend pre-school did fair much, much better than other children have done. That has consequence in what happens in later life. I am sure that Deputy Baudains has sat in judgment of people when he has wondered possibly how did this person’s life end up where it was? It is because ... and the States have got to make provision for the prisons and the probation services because at the front end of the scale the States do not invest in the younger people. They wait to pick up the pieces at the end, or they have traditionally. I think that really we have to start to invest in that. The Deputy of St. Ouen’s proposition today will make, by consequence, the amendment brought by the Education, Sport and Culture Committee later in the day fall away according to the order paper sheet. If we support this then we throw away the proposition that is being brought by Senator Vibert later. I was stopped on the stairs this morning, I do not know if other Members were, I know a few were, by the people from the Childcare Trust and the other nursery centres that were in the Royal Square this morning, and they were united, there may be things to fix. I spoke to them about the fact that my son’s birthday fell a couple of months outside of the provision and how is that going to work? It did not seem equitable. Their message was, yes, this thing is wrong, but let us get this through first and work on the rest. In her paper, I think one of the costs - Deputy Ferguson talked about £1.9 million - but one of the identified costs and one of the identified resource issues by this lady who sits on policy for the United Kingdom and was recently awarded the O.B.E. (Order of the British Empire) she points to the fact that there is an absence of available professionals in this area across the board because it is a growing area and it has grown exponentially in the last few years. So there is much more need to grow this sector of teachers by giving them more support, better salaries and better packages within their salaries, and that is going to be expensive. It is not just covering them for the hours that they have now; we are going to be talking upgrading those skills of those teachers and we are going to be needing to improve the numbers of those teachers. The Deputy of St. Ouen is an accomplished percussionist, as I understand. I believe he is going to have a more difficult job drumming up support for this one. The points made though by the Minister and the Assistant Minister in relation to the Comptroller and Auditor General’s look at things, looks like your finger is septic, let us chop it off at the elbow. Is that the right approach? I think the School Music Service, which I and my brothers went through, and we were able to access musical instruments, was the one ticket out of here that I was able to clutch on to - that was the only way for me at the time that I took it, it seemed in any respect. In many respects for some children the musical application that they put themselves to is a ticket out of their current situation into a new group of friends and a new group of learning circumstances that in many instances offers incredible job opportunities. For many Islanders that has progressed into military careers within musical bounds, as I was one. There are others, many others in the Island, that have gone on to do this. That has flourished and become available only through the provision of these musical services. That is one area in particular. So I would ask the Deputy of St. Ouen to reflect upon when he supports calls from the Comptroller and Auditor General, maybe we are misguided, maybe we are being misguided, maybe we followed the wrong speech, but can the Deputy of St. Ouen honestly, truly stand up on his feet and tell us, do this and scrap musical instruments. Is that what the Deputy is suggesting? Scrap or introduce a charge and watch a 30 per cent reduction? We need to provide more from zero to 4 than we are. Not 3 to 4, or 3 and a half to 4, or 3 and three-eighths to 4, we need to provide across the bottom sector which we are not providing. I am going to give my support today to the Minister for Education, Sport and Culture and to his department. I will speak during that debate but please can I implore the Deputy of St. Ouen to think a little bit harder about this one because it is all very well to look at cuts but this is not about cutting and saving money, this is about changing the direction children will take for the rest of their lives.

14.1.8 Deputy D.W. Mezbourian:

Very briefly, the arguments that we have heard against cutting the services provided by Education, Sport and Culture are well-known to many of us and indeed, Sir, in April this year when the Minister came to speak to the Education and Home Affairs Scrutiny Panel I asked him: "What do you consider to be the least vital service and the least required within your department?" The Minister's answer was: "I do not believe that there is any service that my department offers that is not vital to the Island and necessary for the Island." We then went on to discuss whether there was any way in fact in which funding could be found by the Minister re-prioritising and I think that is what this is about, Sir. It may be suggesting ... we have heard cuts referred to, but in fact it is about the Minister having the ability to re-prioritise the services that he delivers. I think what the Deputy of St. Ouen has done today is brought an amendment to the Business Plan which allows us as a House to decide whether we want to be constrained by the decision that we made last year on State spending limits or whether we do not want to be constrained by those limits and we want to in fact support, if indeed we support, the Minister for Education, Sport and Culture in his amendment that he is bringing to have an increase in the funding to the department to allow provision of early years' education and care for all those who would be eligible. I am not sure whether I heard correctly when the Minister spoke earlier when he quoted from the comments that he presented today, he quoted from the C.&A.G. report and said that ... I think I heard the Minister say that the C.&A.G. does not support introducing these cuts that he suggested in his review. I may have misunderstood the Minister - if I did I apologise - but the impression that ... I think the Minister did say that and I think in fact that we should be absolutely clear that the C.&A.G. cannot make political comments at all, and what he did merely was to identify areas in service delivery that he thought could be re-prioritised. He made it clear at the briefing that it would be a tough political decision whether we wanted to in fact reduce the provision of the instrumental services or whether we wanted to reduce some of the provision to Highlands College. That is what it comes down to for me, Sir; it is a tough political decision. What do we do? Do we stay within our agreed spending limits as the Deputy's amendment would allow us to do or do we say, no, we agree with the Minister that there is no service in his department that is not vital to the Island and necessary for the Island? It is quite clear the difference, I think both the Minister and the Deputy, and it sounds to me from other speakers that many Members of the House support the implementation of the provision of early years' education to all those who will be eligible. The difference is in finding the route to achieving that. Sir, at this stage I am not sure whether I am going to support the Deputy of St. Ouen in his amendment, so I therefore look forward to his summing up. Thank you, Sir.

14.1.9 Deputy G.P. Southern:

It is dangerous times we live in. The Comptroller and Auditor General produced a report outlining ways in which relatively small amounts of money could be saved if the States were so minded to save them in that particular way. He was most assiduous and indeed took great care to point out that he was not a politician, he was merely a humble accountant and all he had in front of him were the figures. In each case he said, it is absolutely possible to make this degree of saving in this particular place according to the numbers. He was very, very careful to say: "I am not a politician and each of these measurements need a political decision." It seems to me that the Deputy of St. Ouen in his reading of what the C.&A.G. had to say has completely ignored any political common sense and has laid into the education budget with an axe and he is chopping here, chopping there and saying it is okay without the slightest element of any political judgment or indeed, any common sense. This amendment, I am afraid, needs to be abandoned fairly rapidly. I urge Members to vote it down.

14.1.10 Senator T.J. Le Main:

I would like to make a couple of comments, Sir. I have been concerned for a while and listening to God a minute ago who said a humble accountant, according to Deputy Southern. I would like to know how accountable this wonderful Comptroller and Auditor General is. I have been trying for a while to find out who he is responsible to and who audits the Comptroller and Auditor General. I

keep hearing all these wonderful things about this wonderful gentleman but I am not convinced that there is a proper audit. We have appointed this gentleman and by the Public Accounts Committee he seems like he is God to them but quite honestly, Sir, I would like to know some time from someone who could perhaps tell me who audits the Comptroller and Auditor General.

Deputy S.C. Ferguson:

Let us clarify this ...

The Deputy Bailiff:

I was going to say that, Deputy, preferably not during this debate.

Senator T.J. Le Main:

Not during this debate, but some time I would like to know the answer to my question because he can only be, as Deputy Southern said, a humble accountant and humble accountants do make errors, do make mistakes. I would like a few answers on that.

Connétable T.J. du Feu of St. Peter:

Sir, I would hate to think that the Senator believes that he is being left out. I believe next time he visits the Housing Department. **[Laughter]**

The Deputy Bailiff:

Does any other Member wish to speak? Very well, I call upon the Deputy of St. Ouen to reply.

14.1.11 The Deputy of St. Ouen:

Thank you very much, Sir, and I thank the Members for participating in this debate. I will try and pick up as many of the points as possible. Obviously the main one that has obviously taken up much of the time during this debate is how the spending reductions may be achieved and whether the areas identified in the Comptroller and Auditor General's report are the right ones. I do not know, is the simple answer. I would suggest that no one else does at the moment because we have yet to properly consider that issue. What we do know, and it is clear, that the Comptroller and Auditor General has identified that savings can be achieved. Equally, I would point out to Members that up until 2 weeks ago this was the only option on the table to provide early years' learning. My efforts revolved around decisions that not only the States have made but the Council of Ministers have made relating to the Draft Business Plan and overall expenditure levels. Do not shoot the messenger. The other thing is, okay, laugh if you want, but I do take time and effort to read everything that appears on my office desk. There have been consultation documents and reports produced by Jersey Childcare Trust, the Scrutiny Panel and others which clearly say that the funding issues have not been properly identified. Members presently have a choice; do we go with a guesstimate which is being proposed by the Minister for 2010 and beyond of £1.5 million, which I believe is the total for the whole year, 600 plus 900? Or do we support my proposal? Yes, my proposal requires a certain amount of money to come out of the Education Department's budget for it to help, just under the end with a part from September 2009 to the end of the year, that is all we are seeking. The remainder, given that we have 12 months to determine it, Sir, will allow every party, including the Jersey Childcare Trust, Minister and everybody to properly identify what is required. The Deputy of Grouville is absolutely right, and Deputy Le Claire, when you question whether the proposal that has recently arrived on our desk regarding the provision for early learning is sufficient or adequate? We do not know. Even the professionals do not know and yet what are we thinking of doing? We are thinking of going: "Well, it is all right, let us just make a gesture. A gesture will be £1.5 million, let us chuck a bit more money in and let us not worry. Let us not make sure that all the financial implications, resource implications, and what we are doing is right, that does not matter." It is a token gesture. Do we really, seriously want to go down that route? I for one do not. I would also like to make the point and pick up a number of points that the Minister has made, just remind Members although States Members can suggest, including in all honesty the

Comptroller and Auditor General can suggest, that savings reductions can be made in certain areas. We have no control at all about how a department and the Minister of that department manages those funds, the overall funds. The only control we have as an Assembly, and we are going to see it tomorrow or the day after when we discuss this Business Plan, is that we agree overall limits, that is all. We cannot say we want X amount of pounds here or there, but what we can do is identify and declare our intention of what we want. My amendment enables this Assembly to declare and identify clearly and fully that we are committed to providing the appropriate funding for an early years education. So I leave it in Members hands to determine which route they would choose to take. Thank you, Sir.

The Deputy Bailiff:

Do you ask for the appel?

The Deputy of St. Ouen:

Yes, Sir.

The Deputy Bailiff:

I invite Members to return to their seats. The matter before the Assembly is the amendment proposed by the Deputy of St. Ouen.

POUR: 12

CONTRE: 30

ABSTAIN: 0

Senator L. Norman

Senator F.H. Walker

Senator J.L. Perchard

Senator W. Kinnard

Connétable of St. Peter

Senator T.A. Le Sueur

Connétable of St. Martin

Senator P.F. Routier

Deputy R.C. Duhamel (S)

Senator M.E. Vibert

Deputy S.C. Ferguson (B)

Senator T.J. Le Main

Deputy of St. Ouen

Senator B.E. Shenton

Deputy J.A.N. Le Fondré (L)

Senator F.E. Cohen

Deputy D.W. Mezbourian (L)

Connétable of St. Ouen

Deputy A.J.D. Maclean (H)

Connétable of St. Clement

Deputy of St. John

Connétable of St. Helier

Deputy I.J. Gorst (C)

Connétable of Trinity

Senator L. Norman

Connétable of St. Lawrence

Senator J.L. Perchard

Connétable of St. Brelade

Connétable of St. Peter

Connétable of St. Saviour

Connétable of St. Martin

Deputy A. Breckon (S)

Deputy R.C. Duhamel (S)

Deputy of St. Martin

Deputy S.C. Ferguson (B)	Deputy G.C.L. Baudains (C)
Deputy of St. Ouen	Deputy C.J. Scott Warren (S)
Deputy J.A.N. Le Fondré (L)	Deputy R.G. Le Hérisssier (S)
Deputy D.W. Mezbourian (L)	Deputy J.B. Fox (H)
Deputy A.J.D. Maclean (H)	Deputy J.A. Martin (H)
Deputy of St. John	Deputy G.P. Southern (H)
Deputy I.J. Gorst (C)	Deputy of Grouville
	Deputy J.A. Hilton (H)
	Deputy P.V.F. Le Claire (H)
	Deputy of Trinity
	Deputy S.S.P.A. Power (B)
	Deputy K.C. Lewis (S)
	Deputy of St. Mary

15. Annual Business Plan 2009 (P.113/2008): Objectives of the Education, Sport and Culture Department (continued)

The Deputy Bailiff:

Very well, we return then to the debate on the Education, Sport and Culture objectives. Does any member wish to speak on those?

15.1 Deputy P.V.F. Le Claire:

Sir, I would just like to make a congratulatory remark to the Minister and his department. We have been conducting this year a project to commemorate the life of Francois Scornet who is a topic and an individual who I brought up in the Chamber before when I was looking to dedicate a statue to him and his memory. I would just like to say how wonderful, really, the Education Department and St. Saviour School has been, and the teachers there, and the Chief Officer and the Minister and his Assistant Ministers in helping facilitate a wonderful learning experience with the children in this topic. I am not going to rabbit on about that because obviously there is a bit of a concern there from my own interests in the topic, but just to say how really wonderful - and I mean this quite honestly and sincerely, folks - how really wonderful the teachers are at St. Saviour School and how wonderful the children have reacted to this project. I would just like to take this opportunity to thank the Minister very, very much.

15.2 Deputy R.G. Le Hérisssier:

Thank you, Sir, yes, I think the department is to be congratulated. I did make a comment which may have been misconstrued earlier about the fact that the group who are, for example, apparently suffering in the literacy and numeracy area, I would like to know from the Minister, Sir, precisely what steps are in place. I have been corresponding, as he knows, with the Director of Education about this issue. I have been corresponding with him and I do think it is a vital issue. Oddly enough I get pushed more and more into the fact that we do need to provide targets because we know ... if you look at areas like the prison, if you went throughout life without the skills, the social build up of problems, as the Minister for Home Affairs knows only too well, is enormous and the

consequences for society. We keep talking, quite rightly, about early years' education, but here we have another area where I am very, very worried and I would like to know, Sir. Secondly, I would like to know if there is anywhere ... we had a very good experience this summer, as the Constable knows, with Les Jeux Entre-Villes and the excellent support offered by the sports side of the department, really excellent, I should add, who did seem to be fairly lightly administered I have to say, or a light administration. Is there some document which outlines all the grants that are given by that side of the department which we could analyse and which would enable us to come to some decision as to their rightness or wrongness? Thirdly, Sir, the Minister answered, as he does, very robustly when I raised the issue of management. I would suggest he takes a walk in the car park, the Youth Service car park behind La Motte Street and looks at the vast range of titles displayed on that car park which is what basically got me going. Also, Sir, when the analysis of senior civil service jobs was done, and in a way I am undermining myself perhaps, I noticed for example 7 positions at Highlands College were in the over £70,000 range. I had to ask myself, a small but in many respects, as we all know, excellent college, in all these areas we seem to have some really over weighted management costs. No one takes them seriously. We force people like Deputy Reed and Deputy Ferguson to play around on the margins with these emotional cutbacks where we are told by the likes of Deputies Fox and Labey, you are not running a business. We are not running a business but that is no reason not to say there are some points in our organisation where we can get efficiency without undermining the whole purpose of that particular unit. We do not have to get emotional about every area. We continually conflate these issues and I think that is why in a sense, Sir, Deputy Reed ended up in this rather unfortunate box where he was having to sacrifice all sorts of services, which he knew, like Les Quennevais Library would never get past the starting post, or I am sure he felt in his heart. Sir, that was the questions, thank you.

15.3 Deputy J.A. Martin:

Yes, Sir, just a very quick question. It is really to do with the key objectives for early years' education, it occurs, and although I did just vote against the Deputy of St. Ouen's just a proviso for the Minister for Education, Sport and Culture, when we do come to the amendment for the Business Plan some time tomorrow and I know that his department has done a lot more work on it, if he really wants my vote and I suspect anybody else's, Sir, that we get a lot more information on the costs and how it works between pages 16 and 19. I certainly could not support even his proposition. I support the objectives. I would vote against them if I do not know more detail, but I am giving the Minister an opportunity to help me and others if he wants this to be passed, not just to come forward with these few pages that to me I cannot even work out. Thank you, Sir.

15.4 Deputy C.J. Scott Warren:

Thank you, Sir. I would like to say the emphasis on the importance of people being able to acquire new skills at all ages, not just those in their teenage years when they leave secondary education and go to Highlands College but those who are perhaps in their 20s and older. I would also like to take up on the invitation and go ... unfortunately I could not get to the launch yesterday at Philip Le Feuvre House but I will be doing so with other States Members over the coming weeks. Thank you, Sir.

15.5 Deputy G.P. Southern:

Thank you, Sir. Just 2 questions, I think they both reinforce questions raised already by Deputy Le Hérisier behind me. The first is that while I note some attention being given to literacy skills and the measurement of literacy skills. My understanding is already that there is serious concerns in secondary schools that the required levels of literacy skills are not being obtained in primary schools and that thereby students start paying as they walk in through the door of secondary schools because they simply do not have the literacy skills to acquire the knowledge in a completely different framework to that which pertains in a primary school. Certainly that has been expressed to me by certain secondary school teachers and that is their major concern at the moment.

Secondly, reinforcing what Deputy Le Hérissier said about the Youth Service. It is not for me to criticise the Youth Service who are doing a stalwart job in providing services for our young people but I have heard recently that there are in fact 5 managers for a mere 13 full-time youth workers. That seems to me, under any circumstance, to be over managed. Can he confirm or not if that is the case? That is not to confuse full-time youth and community workers with the part-time sessional workers because they are looked after and organised by the way of 13 workers anyway. It does seem to me that if that is the case, and I would certainly like to hear if it is, 5 managers per 13 full-timers is excessive.

15.6 Deputy I.J. Gorst:

Thank you, Sir, I will try to be quick. The Minister appears to have persuaded the Assembly - I know we are going to get through an amendment shortly about funding 20 hours free of early years' care - that unfortunately to me, Sir, while I support that, that begs the question, what next? What is the department's overall policy aim for early years' care? I believe that it is disingenuous perhaps of the department not to come with a full strategy that will deal with what their long term aim is. I am sure that the Minister is aware of the recent document produced by the Social Policy Unit in the United Kingdom that said that zero to 3 is just as important, if not more important to children's care whether that be some form of education or nursery care, as it is for 3 and 4, Sir. I believe that what we will be about to do is provide for 20 hours free, but there are lots of questions which remain unanswered, Sir, and I wonder if the Minister will perhaps provide some answers this afternoon? Certainly if he is not able to, if he will go back and look at these long term issues which need to be addressed and remain unaddressed even in his proposal? The other item that I just wanted to reiterate is the one that Deputy Southern and Le Hérissier have already touched upon today and that is of those who struggle with numeracy and literacy. Certainly when they come into secondary schools they might be in some cases one or 2 years behind what we would hope or expect them to be. That becomes very difficult for those schools to counteract and to see them achieve when they get to their G.C.S.E.s or O levels as I know them. These are important issues. I know that the Minister is aware of them and I understand that his aims in this Business Plan is to address them because I have asked him this question, Sir, privately before. I wonder if he could just spend a few moments outlining what those are because I think they are critical to the future success of our young people. Thank you, Sir.

15.7 Senator J.L. Perchard:

Just briefly another question for the Minister to consider overnight, Sir. The burden on his department of funding university education for families on low incomes is a great burden and a burden that I am sure we are all delighted and we support as the States of Jersey, however, can the Minister advise the House, and me particularly, as to what action he is taking to ensure that the joint income of the biological parents of a divorced couple is taken into account when assessing the ability of the parent who the child resides with to provide funding for the education of the child. Basically there is a suggestion that the joint income of the biological parents of a child is not taken into account by his department and will the Minister be bringing forward measures to ensure that this anomaly is dealt with in 2009?

Senator T.J. Le Main:

Could I propose the adjournment, Sir, until tomorrow morning?

The Deputy Bailiff:

I was going to invite the Minister to reply.

15.8 Senator M.E. Vibert:

Sir, I would hope to reply fairly quickly if Members will bear, some of us have another appointment this evening. It started so well, Sir, and I would like to thank Deputy Le Claire for his congratulations to the service and St. Saviour School and pupils and staff in particular, we

welcomed the Deputy getting involved in that. It was a great community project. You could have knocked me down with a feather, Sir, when Deputy Le Hérisssier congratulated the department and myself. He should have given me warning, it is not good for my nerves. I could not disagree with what was said and a number of people, and they are the ones who talked about the literacy and numeracy and the transfer to secondary and so on, I do have some personal experience of this; I used to be a special needs teacher in a local secondary school dealing with those children that came up with literacy and numeracy problems. It is a problem that will always be with us however much we try to ... and we need to minimise it as much as possible. We need to do better which is why we are undertaking this review. It is very important that we get our young people off to as good a start as possible, which of course is why early years' education for all is so important, because it will minimise this problem in future, and we do already do reading recovery which is a programme in our primary schools for those who are falling behind to bring them up, but we need to do better. We are going to be working on doing better and we are going to carry out the review and we are going into all the schools, and we are going to be implementing hopefully things that will make that better. I do not think it is as big a problem as has been mentioned, I will be quite honest, and one of the issues with Highlands College, some of the courses they do is because they need to bring students up to a certain level to access the courses they want to do. That is different from them not being able to communicate and have literacy at a certain level. They want them on a higher level to access the courses they want to achieve. The administration, yes, we can always do better. I do not see - and it was mentioned again, the Youth Service, we do not have 5 managers, what we have are 5 area officers. Those officers do frontline work as well as organisational work. We have increased, in fact, the frontline work quite considerably over the past 3 years in particular and that is where we are concentrating our efforts. One of the keys to increasing that is to take the administration off the frontline work and that is what we are increasingly trying to do. The Highlands was mentioned by Deputy Le Hérisssier, he said there were 7 positions in the over 70K range, I am afraid that these are the salaries we have to pay to attract the right people in certain positions whether it be in education or health or anywhere else. Of course, if Highlands did want to cut back in their spending they could always dispense with one or 2 part-time lecturers. Deputy Martin wanted my support, she wanted me to give her some information to get her support for when we get around to the amendment on early years, our early amendment. Deputy, it is not in the Business Plan, the 3 pages, it is in about the 50-odd pages I have provided as part of the Council of Ministers' amendment which gives the details of the partnership, the details of the Jersey Childcare Trust support and appendices, the details of the funding, et cetera. I have tried to give as much information as possible. I hope Members have seen it, and I hope they can read it, because it is, I think, fairly detailed information that we have provided as part of the Council of Ministers amendment to back up the previous 5 reports on this area that we have done. Deputy Scott Warren expressed the importance of acquiring skills at all ages; could not agree more, Deputy Scott Warren, and the good news is Highlands College have students up to 80 and they have had one in their 90s. Our new skills centre based at Social Security, Philip Le Feuvre House, is there to cater for the whole age range who want to acquire new skills and it is all in one place now and should be able to offer an even more joined up service. I hope I answered Deputy Southern's point. Deputy Gorst's point about ... I think he is quite wrong to say my department is disingenuous about its long term aim, because the zero to 3 year olds do not come under my E.S.C. Department. It is something I have got a very, very personal interest in. I think we should be doing more for the zero to 3s and one of the things we should be doing is ensuring that our employers offer much more family friendly policies for people with young children. That is something this States is going to have to address and look at in future. I am not hiding it. Getting a nursery education is a start. We need to offer the best possible start to all our youngsters in the Island and that includes from zero onwards. Let us start with early years. Senator Perchard about the funding for grants, I do not remember the Senator's response to the consultation I put out on this a few months ago - we did consult on this very issue - how do we treat separated and divorced parents? It is a very difficult issue. We have asked the law officers for advice because it was a very complex issue; we are still

wrestling with it. We agree the present system is not perfect, unfortunately the other systems we have looked at have all got their drawbacks as well. We are awaiting further legal advice and it is a complicated area. But overall, Sir, I thank those Members who have spoken and I urge them to support the Annual Business Plan part of E.S.C.

Deputy R.G. Le Hérisier:

Sir, just a quick question. When is the review on literacy and numeracy to be completed?

Senator M.E. Vibert:

It is in 2009. I would hope we can get most of it done in the first half of 2009, Sir.

The Deputy Bailiff:

Very well, all those in favour of adopting the objectives of the Education, Sport and Culture Department kindly show? Those against? They are adopted.

Senator P.F. Routier:

Propose the adjournment, Sir.

The Deputy Bailiff:

The adjournment is proposed. The Assembly will reconvene at 9.30 a.m. tomorrow morning.

ADJOURNMENT