

2019.10.22

10 Deputy K.F. Morel of the Minister for Social Security regarding the consideration given to the implications of reducing the level of working age contributory benefits: (OQ.259/2019)

As 61 per cent of respondents to the Living Today Thinking Ahead survey said they would accept reductions in other working age contributory benefits, in order to pay for any increase to parental benefits, did the Minister consider implementing such reductions when deciding on the method of paying for the transformation of maternity allowance into parental allowance; and, if so, how much did she conclude could be raised for the parental allowance?

Deputy J.A. Martin of St. Helier (The Minister for Social Security):

The Deputy is referring to a public consultation survey undertaken in 2017 on possible changes to parental benefits. Roughly half of the survey respondents agreed that parental benefits should be provided for more than 18 weeks. Then there was the question of how to pay for them, 61 per cent suggested reducing other benefits, so that left 39 per cent who chose the alternative option of paying more contributions. This went on to a further focus group and none of the group could decide on which benefits should be reduced. So, the second part of the Deputy's question is what did the Minister consider she could do with this money, if raised? There is no money, because there was no decision, it was a choice of pay more, or reduce benefits and, again, the group could not decide on which benefits to reduce.

3.10.1 Deputy K.F. Morel:

I am genuinely astounded to hear that the Minister has not confirmed that she considered this, she left it to a focus group to consider this, thus outsourcing decision making to unknown people, who cannot be held to account. I was wondering, would the Minister answer my question as to how much she believes could have been raised had she looked into the idea of reducing benefits, rather than forcing Islanders to pay more in terms of costs.

Deputy J.A. Martin:

I am really not in the head mind to answer hypotheticals. The Deputy asked me a question about a survey that the public were consulted on. The public could not decide. Is the Deputy asking me to which benefits I want to cut? I could probably reduce benefits overnight, halve them; do you think that the public would stand for that? Is the Deputy looking for that? I have no money. I am trying to make parental benefits for 32 weeks and I have a plan. If the Deputy has a better one, I look forward to hearing it.

3.10.2 Deputy G.P. Southern:

Can the Minister confirm that over 90 per cent of the payments of benefits in her Department go to pensions? I suggest that would not be a politic, or appropriate, decision to cut pension benefits at this stage.

Deputy J.A. Martin:

Yes, I can absolutely confirm this. The question on the survey was: "Would you want to pay more contributions to provide longer parental benefits, or reduce benefits?" Further discussion said: "Do not reduce benefits." Deputy Southern is absolutely right. Which benefits do you want me to cut?

3.10.3 Deputy K.F. Morel:

It does astound me that by asking a question, the Minister decides that I have decided myself that this is the way forward. I am trying to understand the Minister's own decision making, which she appears to have outsourced to other people. Could the Minister please tell us that, given that she has chosen not to reduce any working-age contributory benefits, I was wondering how many individuals and how many employees will the rate rise affect that she is bringing through the Government Plan, so the 0.5 per cent that she is putting on Social Security contributions? Could she explain how many individuals and how many employees will be affected by that?

Deputy J.A. Martin:

The Deputy has now rewritten the consultation and the survey; he is saying that the benefits they wanted were only working-age benefits to be reduced. That was not the question. I have told the Deputy the answer to the question. The Deputy obviously is trying to find some money. He may not like the proposals I have put forward in the Government Plan and this was a public consultation. I thought this Deputy was forward thinking and wanted public consultation. Unfortunately, as the way with surveys, sometimes you ask 2 questions, you get an answer, then you ask a third and ask how you would do it and then nobody could decide. So, what should the Minister then do? Make the decision that would not fly in this Assembly? Benefits are across the board and the Deputy says I am not answering his question. His question went way beyond the survey called Living Today Thinking Ahead. But if he wants to reiterate the last bit I will try to answer it.

Deputy K.F. Morel:

The question was how many people and how many employees will the rate rise affect?

Deputy J.A. Martin:

Again, there is information, I think I have that information, and I can find that out. I do not have that figure today. There is a graph in the Government Plan and I think Deputy Southern is asking questions on it. But I will find that out for the Deputy and circulate it.