

7.2 Deputy G.P. Southern of the Chief Minister regarding low income households in the 2004/5 Household Expenditure Survey:

Will the Chief Minister inform Members what percentage of households in the 2004/5 Household Expenditure Survey had incomes below 50 per cent of the median income of £34,000, an indicator of relative poverty levels, along with the reasons for its non-inclusion given that this figure was included in both the 1993/4 and the 1998/9 surveys?

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

The proportion of households below a given percentage of median household income is commonly used as an indicator of relative low income within a jurisdiction. As measured by the 2004/5 Household Expenditure Survey the proportion of households in Jersey with income below half of the median was slightly less than a fifth, that is 20 per cent. This is an improvement on the previous position. This result is evident in table 21 of the report on the survey. The reason why the indicator was not included is because the focus of the survey was on household expenditure rather than income. It is the Income Distribution Survey which covers income. The 2002 survey showed that average household earnings in Jersey were almost 70 per cent higher than in the U.K. before housing costs and almost 50 per cent higher after housing costs.

7.2.1 Deputy G.P. Southern:

If those figures are indeed correct then there has been an almost 2 per cent reduction in the number of people in relative poverty by that measure; the Chief Minister is to be congratulated on that, if that is the case. Would he indicate to Members what aspects of his policies could be held accountable for such a reduction in relative poverty levels?

Senator F.H. Walker:

I think the policies of the States generally which have focussed increasingly on supporting people at all levels in Jersey's society. I would also point out - I have referred to this before - that there is a totally new social policy strategy which will be out for consultation and subject to Scrutiny, of course, in the very near future and I believe that will go a considerable distance further towards addressing the needs of people who are less well-off. I also make an important point though, Sir, for all Members I think. It does not matter how wealthy a community, we could be talking about Mustique or Monte Carlo, there will always be a percentage of people who fall into this relative low income bracket. The question is in Jersey, where is the level? As I have said in my answer, the level of earnings is very high indeed compared to the U.K. But there will always be people, if the earnings doubled on average, there would still be people who would fall below the median. That is a fact in any country in the world, no matter how wealthy they may be.