

# STATES OF JERSEY ORDER PAPER

Monday 14th November 2011 at 1 p.m.

# F. APPOINTMENT OF MINISTERS, COMMITTEES AND PANELS

Election of Chief Minister designate. (attached)

M.N. DE LA HAYE Greffier of the States

10th November 2011



### **ELECTION OF CHIEF MINISTER DESIGNATE**

In accordance with the Standing Orders of the States of Jersey 2 nominations for the post of Chief Minister were received by the Greffier of the States. They are, in the order in which they were received –

## 1) Sir Philip Bailhache

Senator Alan John Henry Maclean
Mrs. Susan Jane Pinel
Mr. Stephen George Luce
Connétable Alan Simon Crowcroft of St. Helier
Connétable Daniel Joseph Murphy of Grouville
Deputy Sean Seamus Patrick Augustine Power of St. Brelade
Mr. Lyndon John Farnham
Connétable John Le Sueur Gallichan of Trinity

### 2) Deputy Ian Joseph Gorst of St. Clement

Senator Bryan Ian Le Marquand Deputy Andrew Kenneth Francis Green of St. Helier Senator Paul Francis Routier Connétable Juliette Gallichan of St. Mary Senator Francis du Heaume Le Gresley Connétable Deidre Wendy Mezbourian of St. Lawrence

Each candidate has submitted a statement as required by Standing Orders, setting out his vision for a strategic policy and the manner in which he would propose to discharge his responsibilities as Chief Minister. The statements are attached at the Appendix.

### **Note**

Members are reminded that, in accordance with Standing Orders, the Greffier of the States will read out the nominations and the Presiding Officer will then draw lots to determine the order in which the candidates will address the Assembly. Each candidate will address the Assembly for up to 10 minutes followed by up to 40 minutes of questions from members. When one candidate is being questioned the other candidate must withdraw from the Chamber to a place where he cannot hear the proceedings.

When the speeches and questions are concluded an open ballot will be held. Members will be required to write their own name and indicate their vote on pre-printed ballot papers to enable the manner in which members have voted to be read out after the open ballot.

The candidate who receives more than half of the votes cast will be elected as Chief Minister designate.





#### STATEMENT MADE BY SIR PHILIP BAILHACHE

### (1) Vision for a strategic policy

### The Assembly and its procedures

I stood for election as senator on a platform of constitutional reform of the States. I expressed the views that the reputation of the States had sunk in the public estimation, and that too much time was wasted on the discussion of relatively trivial matters, and that too much energy was wasted on personal antagonisms instead of concentrating on important issues affecting the well being of the Island. Those views struck a chord with the public, and I think that members have a duty to respond by embracing reform, not just of our constitution but also of some of our working practices. Time is a valuable commodity. Other than in exceptional circumstances, it is not sensible to spend three or four days a week in the Chamber. It leaves no time for the proper functioning of ministerial government, nor of scrutiny, nor for carrying out the myriad other tasks which should occupy the time of parliamentarians.

During 2010 only 13.5% of States time was spent debating legislation, which ought to be the primary function of a legislature. In any other legislature this would be unthinkable. There is a place for backbench propositions, and for questions, but there is currently no constitutional structure to ensure that the time allocated is proportionate to the other work of the Assembly.

What can be done about it? A key part of the solution lies in reducing the number of members. The Clothier Panel recommended that the Assembly should be reduced to 42 seats and we should accept that recommendation. I part company with Clothier on the question of the Constables. My view is that the Constables should stay because they are a vital link with the parishes. If they stay, that leaves 30 other members to be elected from the other constituencies. The last Assembly resolved on 15 March 2011 to establish an Electoral Commission, but it seems to me that this solution is more complicated than the problem. If it is assumed (1) that the number of members should be reduced to 42 and (2) that the Constables should continue as members, the remaining part of the reform ought not to be too difficult to resolve. If elected as Chief Minister, I would propose, subject to consultations, the rescindment of the resolution of March 2011 and the appointment of the PPC or a Special Committee of the States to determine the remaining issues on the assumptions set out in (1) and (2) above. I do not accept that the States are incapable of resolving these issues relating to the composition of the Assembly before putting the package to the public in a referendum. I should like to see a collaborative approach to reform between the Council of Ministers and the PPC.

Debate and questioning of ministers are an important part of the parliamentary process. But there should be reasonable parameters, as in other parliaments, so as to ensure that debates are not open-ended and without limit of time. There should be a Business Committee, perhaps as a delegation of the PPC, composed of representatives of government and backbenchers which would be authorised to timetable debates and to allocate reasonable time limits for them. That authority should be granted within a framework of an agreed



period (say two days) for the meeting of the States. Priority should be given to debating matters of importance, as assessed by the Business Committee.

## The economy

The recession and other external factors have buffeted the Island's economy in recent years, but we are in a financial position that is the envy of many other countries. We should continue the policies adopted by the previous Assembly of strengthening the economy by restoring a balance between income and expenditure as soon as possible, by eliminating waste, and encouraging growth based on improved productivity.

The CSR will clearly be a crucial challenge for the new Council of Ministers. Delivery of the £65 million cuts will not be easy and will require determined efforts by Ministers and officials and the support of the Assembly as a whole. The new economic growth strategy to be debated early in 2012 should provide a platform for the renewal of economic growth. Further research should take place and efforts renewed to provide the necessary statutory and business frameworks for new industries based upon the protection of intellectual property and similar niche markets.

The current rate of unemployment is a matter of serious concern, particularly but not exclusively in relation to young people. The range of initiatives put together by the Economic Development, Education and Social Security Departments such as Advance to Work, and Advance Plus should be supplemented, even by short-term ad hoc plans involving the creation of public works schemes to get people back into employment. The nurturing of the work ethic is vitally important to prevent a section of society from sliding into a culture of hopeless dependency on the state. The existing schemes are a good example of different Ministers working closely together to deliver policy objectives. A strong skills and trailing agenda will be key to reducing levels of unemployment, and the need for importing employees.

The rate of home ownership at some 60% is too low and urgent steps should be taken to create affordable housing and the means to get a foot on the housing ladder. The Minister of Housing has taken important first steps, and they should be continued. A robust legal structure should be created to support the concept of shared ownership. Advantage can be taken of the current low interest rates to help more Islanders to realize the dream of owning their own homes.

### **Taxation**

No one likes paying tax, but the Island obviously needs money to pay for essential public services. Tax is, however, an imposition on the public, and there is no justification for it unless it meets that criterion of essentiality. Personal income tax should remain at 20%. That is a reasonable rate, and is a long-standing symbol of our fiscal stability. An important element of any tax system is fairness. The "20 means 20" policy adopted by the Assembly has not been implemented as originally intended by its architects. It has bitten too hard upon those on low and middle incomes. As soon as is prudently possible, that should be rectified.

Fairness does not exclude wealthy immigrants. It is in the Island's interests to encourage a small number of wealthy immigrants to come to Jersey because of the many benefits to the



economy, apart from paying tax, that they bring. Yet the rules that govern the tax they pay should be fair too. There is currently a disparity that justifies a review.

The taxation of companies is a difficult area. A considerable tax burden has been transferred from companies to individuals during the last few years, as a result of the Zero/Ten policy. The Zero/Ten policy was not of our choosing, but was a response to pressure from the UK and the European Union in order to safeguard the financial services industry and the Island's economic future. The current arrangements in relation to the taxation of local businesses are neither sensible nor sustainable, and work needs to be done to ensure that greater fairness operates in that area too.

GST, whether we like it or not, it is here to stay. Almost every other country has it in some form, and very few have the rate as low as 5%. It is an effective and reliable way to raise revenue. We should manage the economy in such a way as to ensure that the rate is not allowed to rise beyond 5% for the foreseeable future.

GST should be simple, broad and low. I am opposed to complicated exemptions which would involve additional civil servants in the tax office and push the general rate up. I am equally opposed to the exemption of so-called healthy foods which would mainly benefit the better off, and would put a foot in the door through which other exemptions and complexities will later slide. Changing eating habits is a matter for education, not fiscal policy. Protection for the lower paid should come, as now, through the Income Support system.

I recognise nonetheless that not everyone in the Assembly shares these views. Indeed GST on food has become a thoroughly poisonous issue with members holding entrenched and opposing views that over the last three years or more have divided the Council of Ministers and the Assembly itself. The issue has been hotly debated on at least six occasions, and a resolution is not in sight. The time has come for the issue to be referred to the public who will, at the end of the day, have to live with the consequences of whatever the decision may be. The abolition of GST on food would, obviously, have fiscal consequences and involve additional taxation either in the form of a higher rate or elsewhere in the tax system. I would recommend to the Assembly that the issue be referred to a referendum which would settle the matter once and for all.

# **Health**

The Island faces significant challenges in maintaining the quality of our health service as life expectancies continue to increase. Clearly spending on health is a high priority, but innovative ways will need to be found to fund the service in future, and to ensure that standards of care do not decline. Models of health funding from other countries apart from the UK need study so as to find a way to ensure that our health system remains the best for a jurisdiction of Jersey's size.

Few things are more important to us as we grow older than our health. Life expectancy has changed dramatically during the last 50 years, but there is no pleasure in living longer if you are confined to a sickbed or disabled in mind or spirit. A longer life is only worth it if you have the health to enjoy it. We are not likely to grow old happily if we drink or eat too much, take no exercise, or smoke. Living a healthy life style is not expensive; but it needs



education. The number of overweight children in our community is shocking. Preventative medicine, that is taking action to avoid problems in the future, is an obvious priority.

The Minister for Health has recently published an important report by KPMG which gives us a platform from which to start to plan. In the next 25 years demand for health services will obviously increase considerably. To meet that demand we have either to increase the availability of services, at great cost, or find some other way to deliver what we need in the Island. I want to find a Jersey solution – one that is not necessarily found elsewhere. We need to consider the extent to which private health care can help to bridge the gap The fundamental principle is that there must be an effective system of public health available at the expense of the state to the general public. It would be unacceptable in a civilised society that people could not get medical treatment because they could not afford it. But that does not mean that there is no place for private health care. 50% of the population already has private medical insurance with BUPA or some similar organisation. Using insurance schemes to buy in health expertise, and to bring it to the Island for so many days a month, may be one way of ensuring that we have available specialist skills that we cannot afford all the time.

The General Hospital needs considerable investment. A crucial decision as to whether to build a new hospital on another site, or to renovate the existing building in Gloucester Street will need to be taken by the Assembly.

We also need to consider to what extent the third sector, which has large resources, can be brought into the equation. Jersey Hospice Care is an inspirational example of what an independent voluntary association can do for the public good. Let us see to what extent the increasing demand can be met by the third sector. Whatever we do, we must maintain standards in the health service.

The Social Services element of the Minister's responsibilities needs particular attention. Much good work has been done following the Williamson report to address problems relating to the care of vulnerable children but it is vital to continue that work. Drug and alcohol addiction is another area where more needs to be done. As Chief Minister, I would want to ensure that these and other social issues were put close to the top of the agenda.

### Education

The Minister for Education has also published a Green Paper which provides a framework for discussion as to what, if any, fundamental changes are required.

Our education system is unusual. 43% of children go to fee-paying schools, compared with 7% in the UK. That seems to me, however, to be a matter for pride; parents are showing in the most practical way that they care about their children's education. The financial contributions made by parents of children at the Colleges and the Catholic schools save taxpayers at least £10 million a year. And the sharing of cost by parents and the States means that thousands of children who would not otherwise have the opportunity of benefiting from the different ethos of the fee-paying schools, can do so.

The Green Paper floats the suggestion of merging Hautlieu and Highlands to create a 6th form college. I would want to see very strong evidence of benefit before taking this forward.



Hautlieu has an equally important but different ethos, and achieves very good academic results. Highlands College has developed its own position and has achieved much for a very broad range of students. We should be careful not to undermine these successes. Closer collaboration between the fee-paying sector, Hautlieu and Highlands on academic curriculum would clearly be beneficial.

What about the other secondary schools which are just as important and have their individuality too? I believe that the secrecy surrounding their examination results was a mistake, although understandable considering the way in which the information can be misused. Literacy and numeracy are very important, but comparing a narrow band of the exam results of the four 11-16 schools with the rest in a league table is neither sensible nor fair. If you remove many of the academically able students and send them to Hautlieu or the fee-paying schools at 14 it is not surprising that the 11-16 schools do less well in terms of GCSE results. There are better measures of success or failure. It is also important to consider extracurricular activities and facilities for vocational training, all of which can show whether children are getting a rounded education as a preparation for life. On that basis some of the 11-16 schools have really impressive results.

It is disappointing that the Green Paper makes no mention of the possibility of developing a small university in Jersey. The new Institute of Law has shown that it is possible to develop a law faculty without vast expense to the public purse. We need to be bolder and more visionary than we have been in the past. Our industries and public service are crying out for intellectual skills that are not there, and there is no reason why at least some of them should not be home grown.

Clearly, the consultation now being undertaken by the Department will inform the nature of future steps to be taken.

### The environment

The Assembly has adopted a new Island Plan which sets the framework for future development and the protection of the environment. The protection of the coastline and, by implication, the preservation of the Green Zone and other special areas have been enshrined in law for over 50 years. Yet there is still public anxiety at the way in which our planning processes operate. Few appear content with the status quo. In retrospect, it seems clear that the substitution of an individual (the Minister for the Environment) for a committee of seven persons as a decision making body was a mistake. The creation of a Planning Applications Panel has been a partial remedy, but the uncertainty as to where responsibility for decision making lies remains. An amendment to the Law should be introduced in order to remove the Minister's authority and duty to decide planning applications. That authority should be vested in a Panel or Committee of 5 or 6 persons appointed by the Assembly and presided over by an Assistant Minister of Planning. The Minister should have responsibility for strategy and overall policy, and for setting any general guidelines in consultation with the Panel, but should play no part in dealing with individual applications. It should be expected that the Assistant Minister would regularly keep the Minister fully informed as to any difficulties in the practical operation of the Law and planning rules. A controversial planning decision is far better taken by a group of elected members than by a Minister alone.



A consequence would be that departmental officials would know where the authority to grant or refuse permission lay, and give them and the public confidence that a consistency of approach would be followed. There should be an intensive induction programme for the Assistant Minister (Planning) and the appointed panel so that all appreciated fully the spirit and intendment of the Planning and Building (Jersey) Law 2002, and the impact of any judicial decisions on appeals from the Minister or the old Planning and Environment Committee.

### Community

The spirit of community is one of the aspects of life in Jersey that makes the Island a very special place. The large number of local people involved in the honorary service, in charitable and voluntary associations, and in other unselfish work in the community is extraordinary. This spirit should be nurtured. In part, it depends upon the parochial system, which is one reason why the office of Constable should not be devalued by the removal of the Constables from the States. In part it relates to the work of the churches. In part it stems from the enclosed nature of an Island community. It is strategically important to nourish this spirit of community. The States should encourage devolution of local authority to the parishes to the extent that it is practical and sensible to do so.

Serious attention needs to be given by Ministers and by the Assembly to the way in which the night economy impacts upon the well being not only of residents of St Helier but also of visitors to the Island. We have not yet imported the yob culture of binge drinking and disorderliness that so badly afflict some English cities, but the town is too often not a pleasant place to be during the evening. People should be free to enjoy themselves, but violence and intimidating behaviour are unacceptable. A holistic approach involving all relevant agencies needs to be adopted.

Most people have pride in our community and that too should be nurtured. We are a small nation with our own laws, history and heritage; our own parliament, flag and traditions. We are not part of England, nor the UK, nor France. We are Jersey. We have our own separate identity and we should encourage our citizens to take pride in that. A national anthem is one way of expressing that pride. It is not nationalistic or exclusive. On the contrary it is a way of enabling all those who have made Jersey their home, whatever their national origin, to join in celebrating the things that make Jersey special and to share a sense of national identity. However much we may rejoice in our Norman ancestry, it is really no longer appropriate on sporting or other occasions to have an anthem which extols the merits of a region of a foreign country. We need to decide whether the winner of a recent competition sponsored by the former Senator Walker is to be formally adopted, or whether we should begin again. But national emblems do not end with a flag and an anthem. We could consider adopting a national flower, a native to Jersey, as do most other countries large and small. Most countries also have national animal. Emblems of this kind are a symbolic means of asserting the individuality of a country and their importance should not be underestimated. I would encourage the preparation of a consultation paper to develop these ideas.

### Constitutional relationships

I am a fervent supporter of Jersey's constitutional rights to self-government and judicial independence, which we have enjoyed for more than 800 years. We have no representation at



Westminster nor in the European Parliament. Decisions affecting Jersey people should be made in Jersey by our elected representatives in this Assembly. If external forces threaten us, we should assert our rights and protect our political and fiscal autonomy.

The current crisis over Low Value Consignment Relief (LVCR) is an example of the need to be firm in the defence of the rights of our citizens. The fulfilment industry that has grown up around LVCR is neither illegal nor immoral. Hundreds of Jersey people depend upon it for their jobs and their livelihood. The UK is of course perfectly entitled to review a tax relief or any other aspect of their domestic tax system, but any measures taken should be non-discriminatory and in accordance with law.

The European Code of Conduct Group on Business Taxation appears to have accepted the Zero/Ten policy as an acceptable solution, although that decision is yet to be ratified by ECOFIN. No one should be under any illusion, however, that Jersey's tax system will not be subject to further scrutiny at some time in the future. We need to be alert to changing moods in Europe and to be prepared to defend our interests.

# (2) The manner of discharging the functions of Chief Minister

Discussions with members past and present have made it clear that there was much dissatisfaction during the last 3 years as to the operation of the Assembly. On the one hand, Ministers and some members felt that too much time was wasted on trivial propositions and questions that were often more concerned with the proposer's or questioner's desire to justify his or her existence in the Assembly than the public interest. On the other hand other members felt excluded by Ministers from the decision making process, and complained of a lack of transparency and openness from the Executive. It was felt that scrutiny reports were sometimes not accorded the respect they deserved. A number of members were offended by the personal antagonisms of others.

During the hustings I made my position plain on these issues. The Assembly is a place for debate on the important issues of the moment. Inevitably members will have different and sometimes strongly opposing views which they have the right to express firmly and robustly. Freedom of expression is one of the fundamental privileges of our assembly and of every democratic parliament. That freedom is qualified only by Standing Orders, which members have agreed should govern their conduct in the Assembly. Standing Order 155 requires that elected members shall at all times comply with the Code of Conduct. No member is entitled to opt out of the Code of Conduct. It should not be necessary for the Assembly to take powers to enforce compliance with the Code of Conduct. However, a parliamentary assembly that tolerates persistent breaches of a code that it has voluntarily adopted will forfeit the respect of the public. That cannot be permitted.

My hope is that the demand for a change of culture so clearly demonstrated by the public during the recent elections will inspire members to treat each other with mutual respect as required by the Code of Conduct.

So far as relations between the Council of Ministers and Scrutiny Panels are concerned, I would encourage Ministers to work closely with "their" panel and to develop a rapport with the Chairman. Scrutiny works best when there is trust between the chairman and the



Minister. I would be more prescriptive, but there is a weakness at the heart of our system that I will, if elected, ask the Assembly to remedy. At present each Minister is a corporation sole and has complete autonomy in his or her sphere of responsibility. The counter-balance of that autonomy was originally intended to be the authority of the Chief Minister to appoint and dismiss the ministers. An amendment during the debate on the States of Jersey Law removed that authority, and the Chief Minister has, therefore, no legal power to fulfil the responsibilities that the Law imposes on him. He can seek to persuade, but can do no more. A Chief Minister should have the power to appoint and dismiss, and the power to shuffle the pack from time to time as he sees fit.

Each member should have a task or tasks which are useful and fulfilling. Under our system of government there are only a limited number of ministerial and assistant ministerial posts. Scrutiny, if properly used, can be a useful and fulfilling function. But there are other tasks that could be also assigned to members without becoming an assistant minister. By way only of example, a member could assume political responsibility for liaison between the Minister of Education and a particular school or schools. Inclusiveness means for me the useful involvement of each member, to the extent of course that the member desires it, in the governance of the Island. To that end, I would propose to delegate to an Assistant Minister in the Chief Minister's Department the responsibility, with my active involvement, for informal and confidential liaison with members, and for discussing how members' aspirations can be fulfilled.





### STATEMENT MADE BY DEPUTY IAN JOSEPH GORST OF ST. CLEMENT

My prime focus in this statement is to outline my vision for the future of Jersey. At its heart are the key factors that I believe build a successful and cohesive community: education and training together with the availability of jobs, the provision of affordable homes, the enjoyment of good health and access to a secure retirement. The challenge is to deliver these essentials for all Islanders against the continued backdrop of worldwide economic uncertainty.

Jersey has a unique community spirit that must be encouraged. I want my young daughter to grow up in a society which is inclusive, where there is appropriate support and opportunity for the less well-off and for the vulnerable – but also support for those who show initiative and inspiration and want to better themselves and their Island. I want a Jersey where we grow our own communities, industries and jobs and where we make our own way in the world. I also want a Jersey where we embrace diversity; a Jersey where everyone has a future.

An accountant by profession, I have been a States Member for the last six years as Deputy of St Clement and, since 2008, Minister for Social Security. Before that, I held the position of Assistant Minister in both the Chief Minister's and the Treasury and Resources Departments. Working with my colleagues across the Assembly and in the Council of Ministers has shown me that without respect, tolerance and co-operation, government cannot function well. I believe that we must foster these qualities as individuals and as an Assembly. By doing so, we will engender a greater consensus and achieve the society that we desire.

As I set out below, I intend to continue to promote practical, deliverable solutions that make a difference to the lives of Islanders.

## **Employment, training and education**

Our future economic success and the very fabric of our society depend on us prioritising education, delivering training and promoting employment opportunities. Never has this been more critical than in the current environment. In these challenging times, tackling unemployment and offering support and retraining to all those who find themselves seeking work has to be a priority. However, the figures for youth unemployment tell us that we must not lose sight of the importance of education and training in delivering a generation of local young people equipped for the world of work.

A good education is something to which everyone is entitled and which gives our children the best start in life so they can fulfil their aspirations and take full advantage of the opportunities that will come their way. Responses to the current consultation paper will guide us as to the optimal investment in our education system.

Already around 90% of our young people are staying on in post-16 education. Whether at Highlands College studying an employer-focused vocational course or in a school sixth-form, we must ensure that the education system continues to deliver well-rounded adults who have the personal and practical skills necessary to contribute to our community and to succeed in the job market.



It is commendable that a high proportion of our young people go on to university education, but the increase in fees must not prevent this from continuing. This cost burden, most heavily felt by 'middle Jersey', could be eased by applying tax relief to university fees. And once they have graduated, or perhaps gained experience elsewhere, one would hope to attract our brightest students back to the Island with graduate opportunities in the civil service or a diversified private sector. This will mean that, in time, we will have more home-grown senior staff who have a greater commitment to and understanding of our community.

Higher education is not the path for us all. I wholeheartedly endorse the work of Skills Jersey in assisting local youngsters in acquiring the skills that will allow them to fill the essential roles that so often are the preserve of imported labour, whether in the construction, retail, agriculture or hospitality industries. More can and should be done to raise the status of vocational skills and to encourage their acquisition.

## **Opportunities for Islanders**

A more highly-trained workforce is an essential goal, but its impact is diminished when there are few jobs available. Advance to Work, Advance Plus and the Enhanced Work Zone are helping find jobs for young people and the long-term unemployed, but more needs to be done. Further options include (Social Security) contribution holidays for employers who take on youngsters and job subsidies to promote apprenticeships and new workers. Of course, these initiatives cost money, but such investment in our community will pay dividends in the future.

To help create the jobs we need we must review the arrangements for granting job licences. With more than 1,300 people unemployed, it is not unreasonable to expect employers to play their part by focusing on filling jobs from the pool of locally qualified people; with the right political will this will now be achievable. With our fulfilment industry under imminent threat of closure due to the removal of low value consignment relief (LVCR) such moves are essential.

I expect the Economic Development and Social Security departments to engage with employers to match appropriately qualified individuals to the available jobs. The new employer engagement team can help make this happen. States funding for any further round of capital infrastructure and maintenance projects should be conditional on the jobs created being filled by appropriately qualified local people, with subsequent monitoring to ensure compliance.

For their part, each individual has a responsibility to take the work that is available. The Income Support system acts as a safety net, helping those in the greatest need. It is not intended to support a lifestyle based on benefits. I would look to the new Minister for Social Security to continue my work putting in place measures to ensure that in every way being in a job is regarded as preferable to a life on benefits. We must resist the notion that people can settle for a life without work.

### **Strengthening the economy**

While the economic situation in Jersey is far better than that being experienced by some of our larger neighbours, we are not immune from the global economic downturn. We must do all we can to encourage, protect and diversify our finance industry, which contributes so much to the Island's prosperity.

Fewer jobs means lower tax revenues and now more than ever we need to foster an environment that encourages the creation of new businesses and a diversified economy. Ultimately, it is



businesses and entrepreneurs that deliver economic growth; the role of government is to create the right environment for business to prosper and jobs to be created. I have already acted to change the 'opening year' rules for new businesses to help facilitate this.

The Economic Growth Strategy is currently out for consultation. Rightly it stresses the importance of: sustaining a flourishing and diverse financial services sector; supporting new high productivity sectors and markets; and raising productivity in existing sectors of our economy. E-commerce, intellectual property, advanced telecommunications/broadband technology and event-based tourism are all areas that we need to be exploring and encouraging in the quest to provide jobs for local residents. Well-researched and viable initiatives can be encouraged with the input of seed capital. We have to get the message out that Jersey is very much 'open for business'.

However, we must not neglect our traditional industries, such as agriculture and tourism, which are the bedrock of our community and do more to help create markets for local products both here and off-island.

### Affordable housing

The vast majority of our young Islanders are doing all that they can in terms of working hard and seeking to better themselves. Yet they find it almost impossible to get a foot on the housing ladder, either at all or only at risk of over-extending themselves. Owning our own home where we can bring up a family is a goal to which many of us aspire. Achieving this goal gives people a stake in our society, encourages them to stay and contribute to the Island, and ultimately creates an asset they can pass on to their children.

The challenge we face at the moment is that it is difficult for our young people to take those first steps. While the high level of property prices has brought financial gain to many, it has put the traditional three-bedroom house – approaching £500,000 – out of reach of most young people. The solution is to build more affordable housing and to assist potential buyers to raise and sustain the funding required so that they can take on the responsibility of purchasing their first family home.

Proposals around stamp duty concessions for first-time buyers will be useful, but are not enough. Further research is warranted into the possible re-introduction of the States loan scheme, which helped so many Islanders in the past. Creating a loan scheme for deposits is another option as are shared ownership schemes. All such proposals should be investigated and, where affordable, introduced.

Of course, owning their own property is for some neither a desire nor a realistic proposition. I would expect the Housing Minister to continue with the current refurbishment of the existing housing stock and to consider providing more social rental properties, built by locals. The competing interests of landlord and tenant in the private residential sector will not disappear, but the States can build further on its work to establish a modern framework for that relationship and to promote fair and reasonable rents and tenancy agreements.

### Addressing the ageing population

The number of Islanders over 65 will double by 2040. We need to continue to plan for the challenges created by this demographic shift, particularly when considering the cost and funding



implications for the provision of pensions and for our health and social services. Any action we take must not bankrupt future generations.

As Social Security Minister, I obtained States approval for a new scheme to fund long-term care for the elderly. The new scheme will ensure that this increased demand can be adequately funded, while removing the financial worries that many families face when a loved one has to move into care.

The scheme will allow more people to be cared for in their own home, which is what many people say they prefer. The scheme is scheduled for introduction in 2013 and we need to ensure that work continues to meet this date. Too many islanders have already waited too long for this key initiative.

Today's workers are tomorrow's pensioners and I have already taken action to secure the long-term viability of the Social Security pension for future generations. The States has approved my plans that link increases in pension age to increases in life expectancy.

Of course our pensioners need to have adequate income in their old age and I have safeguarded the value of the old age pension by retaining the link to earnings – a link that the UK has only just restored. In response to calls for a mechanism to safeguard the position of pensioners where the rise in inflation runs higher than earnings, I have commissioned a review of how this might operate and how much it might cost.

We must remember that older people have much to offer and therefore we have to be innovative in considering ways to encourage them to remain in the workforce for longer. Without this, migration will rise rapidly if we are to sustain our economy. We also need to evaluate tax incentives to encourage people to save for retirement and to continue the policy of constructing homes and sheltered accommodation appropriate to the needs of older people.

## Continued access to high-quality healthcare for Islanders

Long-term care is but one of the pressures that an ageing population will place on Jersey's health and social care services. The public responses to the Health Green Paper showed overwhelming support for a new model for health and social care in Jersey that will help deliver a health system that is safe, sustainable and affordable.

We must ensure that we turn the vision into reality and we get on with plans to redesign services so that they can be provided well into the future. This will allow us to improve the health and treatment of islanders – particularly by focusing on education and prevention in areas such as alcoholism, diet and smoking – and ensure that our public resources are spent more efficiently. I have already made changes to the Health Insurance Fund that will deliver a more positive partnership approach with GPs.

### Preserving our environment

The Environment Department must become the environmental conscience of our government and our community. One of Jersey's outstanding features is its natural environment and we change it at our peril. Discussion around the building of homes – both affordable and to meet the needs of an ageing population – has to take place with reference to the Island Plan and its aim to preserve our countryside. My upbringing on a farm has fostered a healthy respect for the challenges facing those who depend upon the land for their living, and it benefits the community



at large to protect our green fields and agricultural land. We must encourage schemes to bring back more agricultural land into use to help deliver greater food security for the Island. Sensible housing development on brownfield sites and States-owned land must be the preferred solution, coupled with simplified planning arrangements.

We must introduce an integrated energy policy to maintain an affordable and secure energy supply to meet the changing world energy challenges and to underpin the Island's economic and social prosperity. This includes assessing whether the Island's natural resources – principally wind, tidal and perhaps geo-thermal – could be a sustainable source of energy. Elements of this work have already been undertaken by the Commission chaired by the Constable of Grouville.

### Modernising the public service

I am committed to sustainable public finances and to keeping the tax burden to a minimum; reforming the public service is key to delivering promised cost savings. This will require cultural change. We will need to consider what are the core services we should be providing for our community. We must work with the public sector workforce to maximise efficiency, encourage cross-departmental working and progress the terms and conditions review. Reviewing and rationalising the States property estate must be a priority so that surplus sites can be identified and future use agreed, especially for housing.

# Social policy unit

My time as Minister for Social Security has confirmed my view that a social policy unit is required to coordinate and drive forward various social initiatives, avoiding duplication of effort and bringing a more focused approach to this area that touches us all. A more joined-up approach would take into account, for example, the inter-relationship between Income Support, housing policy, the work of social services and the important roles in the community played by the Third Sector and the parishes. This social policy unit will allow us to take social policy seriously – putting it on a par with economic policy and no longer its poor relation. Even in tight economic times, we must not compromise social and community cohesion.

#### **Reforming the States**

While I have highlighted a number of the principal areas that the new States Assembly will have to address, the composition and reform of the States itself is another issue that will come to the fore over the next three years. I have supported and will continue to support the appointment of an Electoral Commission to find a fair and lasting solution to this issue which otherwise, particularly in the eyes of the public, has the potential to distract us from addressing the many important issues that the Island is facing.

However, there are measures we can take now that would help to increase the number of Members who play a meaningful role in policy development and subsequent implementation. These include Assistant Ministers who would have more of a cross-departmental remit – with responsibility for overarching issues such as the ageing population, the alcohol strategy, and children and youth issues. Together with a reinvigorated Scrutiny function operating as a 'critical friend', a more inclusive approach to government would result.

Of course, differences of opinion would not disappear, but the intention would be that more States Members would be involved in shaping policy. This must be of benefit to the Island as a whole.



In this short statement, I have focused on those areas that I believe will be the most critical to the Island's future over the next three years — although I recognise that there are other important topics that will require our attention. Any omission from this document should therefore not be seen as a lack of interest or commitment on my part.

### Fulfilling my responsibilities as Chief Minister

The Chief Minister's role is one of service not only to the Island but also to the States Assembly. It would be an honour and a privilege for me to serve as Chief Minister.

I believe that I would bring a fresh approach to the role, characterised by energy, openness and a willingness to listen. This is important to build a more cohesive community – both inside and outside the States Assembly.

In the challenging economic times that we face, strong leadership is vital. However, that leadership must be built around consensus. This approach is the only way to make the hard decisions that will then have broad support across the States Assembly and, by implication, from the majority of Islanders.

As Chief Minister I would continue to act with the honesty and integrity that I have demonstrated in my six years in the States as a Deputy for St Clement, as Minister for Social Security and as Assistant Minister in the Chief Minister's and Treasury and Resources Departments.

The public is disillusioned by what they see as confrontational personality-based politics and I believe I offer the best prospect of delivering a new inclusive approach that takes account of the disparate views represented in the Assembly. In the past, others may have covered themselves in the cloak of consensus and inclusivity, but in my tenure at Social Security I have shown the success and effectiveness of this approach. I have exhibited firm leadership with a willingness to listen to contrary views.

A consensus approach should not be seen as a sign of weak leadership. On the contrary, a Chief Minister who fails to take people with him or her and who seeks to drive through policies with little respect for those who disagree is showing scant regard for the Islanders that those Members represent. A further polarisation of entrenched views and ever more personalised debates would result.

I have always been prepared to meet colleagues to explain particular aspects of a policy that may concern them. And while they may continue to disagree, I would like to think that in coming to their final decision they are at least more informed about the basis for mine.

As Chief Minister I would not shy away from making difficult decisions. Nor would I turn away from issues that may have become stalled or neglected. At Social Security I came forward with proposals for a long-term care scheme that were unanimously approved by the Assembly – an issue first raised over a decade earlier. And bringing forward plans in an election year to raise the pension age was said by some to be electorally unwise. But one always has to act in the long-term interest of the Island, not to seek short-term popularity.



In putting forward candidates for Ministerial office, I would be looking to choose competent individuals who have the skills, expertise and enthusiasm to undertake the role. I would not be looking favourably on colleagues who fail to reflect the new consensus approach to politics that I am seeking.

I would expect Ministerial colleagues to advocate policies that are well thought out, well-researched, balanced and therefore more likely to succeed.

Of course, differences of opinion would not disappear and long may this continue. A healthy democracy depends on it. The intention is that all Members of our Assembly would be involved in shaping policy and with that involvement would come more focused debates and, one would hope, less entrenched positions. An efficiently functioning States Assembly is what Islanders expect.

An important aspect of the Chief Minister's role is to represent the interests of the Island in talks with other jurisdictions. As we have seen we face threats and challenges from the UK government, therefore we must continue to develop our own international identity and personality. Ongoing dialogue and engagement with political colleagues in other jurisdictions is essential if we are to gain early notice of any policies that may have repercussions for the Island. We are then in the best position to reverse or alleviate the consequences of any decisions made elsewhere. Again I have the leadership style and skills that are most likely to deliver results for Jersey.

I have already represented Jersey on the international stage. For example, in 2010 I chaired the opening session of the Commonwealth Parliamentary Association Small Countries Conference and I attended the United Nations in New York which agreed the Millennium Development Goals. I have also met Heads of State and fellow Parliamentarians in Washington and across the developing world in connection with my work on Overseas Aid.

#### Conclusion

I have set out how my approach based around consensus and inclusivity can lead to a States Assembly that is less entrenched and confrontational, and which works together for the common good of the Island. In the current economic climate, we cannot afford political leadership that makes little effort to engage seriously with the broad spectrum of Members and with other stakeholders across our community. I am prepared to make the difficult decisions – how I reach those decisions is what sets me apart.

Meeting the needs of Islanders in terms of education and training, employment opportunities, affordable housing, enjoying good health and a secure retirement are my policy priorities over the next three years. It is imperative that we get these 'basics' right in today's uncertain economic times.

I have the skills, ministerial experience, motivation and energy to carry out the role of Chief Minister. I ask Members to give me the opportunity to serve the community of the Island in this capacity.