

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 17th APRIL 2012

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[9:30]

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

QUESTION TIME

1. Written Questions

1.1. DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT OF THE CHIEF MINISTER REGARDING THE CURTAILMENT OF THE CHIEF EXECUTIVE’S CONTRACT:

Question

Would the Minister, in relation to the report concerning ‘golden handshakes’ recently released by the Comptroller and Auditor General, confirm that the reason for the curtailment of the Chief Executive's contract was the irretrievable breakdown of the latter's working relationship with the Minister for Treasury and Resources and not that the Chief Executive had difficulty with the other Ministers?

If this was the case, would the Chief Minister state why it was considered preferable to lose the Chief Executive, rather than ask the States to remove the Minister for Treasury and Resources from office?

Answer

I was not a party to the discussion on the curtailment of the former Chief Executive’s contract so I cannot comment on this issue in any meaningful way. Suffice it to say that this was a very difficult and complex issue to resolve at the time, but my predecessor, as Chief Minister, clearly took the view that it was in the public interest that the former Chief Executive’s contract should be terminated.

Going forward, over the coming months I fully intend to implement the recommendations laid out in the report of the Comptroller and Auditor General to which the Deputy refers, in particular to consider how best to develop the Code of Conduct for Ministers to deal explicitly with the relationship between Ministers and officers.

1.2 DEPUTY J.A. MARTIN OF ST. HELIER OF THE MINISTER FOR HOUSING REGARDING TENANTS PAYING FULL RENT:

Question

Would the Minister detail, by age, how many States tenants pay full rent (receive no help from Social Security by way of Income Support) and what size accommodation they occupy?

Answer

28.4% of the current 4,458 States tenants are not in receipt of Income Support and pay the full rent for the property which they occupy themselves. A breakdown of age ranges and property types is detailed below.

Property type occupied	Under 45 years old	45-65 years old	Over 65 years old	Totals

0 bedroom	10	26	26	62
1 bedroom	19	190	225	434
2 bedroom	136	265	77	478
3 bedroom	66	182	14	262
4 bedroom	5	22	4	31
5 bedroom	1	0	0	1
Total	237	685	346	1268

1.3 DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE SNOW HILL CAR PARK EXIT:

Question

Would the Minister advise for how long vehicles have exited the Snow Hill car park onto La Route du Fort roundabout, how many accidents, if any, have happened to those vehicles in the last five years and of the latter, what percentage were using the roundabout (as opposed to turning into Green Street)?

Answer

Vehicles have exited Snow Hill car park onto La Route du Fort roundabout since the roundabout was constructed in December 1993.

None of the accidents at Green street roundabout as recorded on the database over the past 5 years, state that a vehicle exiting the car park was involved. (The database is provided to TTS by the States Police and does not include non injury accidents).

Signage requiring vehicles to turn left into Green Street when leaving Snow Hill car park, was in place during that time and will have had the beneficial effect of reducing the number of potential conflicts at the roundabout.

1.4 DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT OF THE MINISTER FOR HOME AFFAIRS REGARDING ROAD ACCIDENTS IN JERSEY:

Question

Would the Minister advise what percentage of road accidents in Jersey are directly caused by excessive speed and, if above the UK accepted figure of 3%, detail the reasons for this?

Would he also state the number, in percentage terms, of accidents directly caused by a failure to wear a seatbelt and clarify the mechanism whereby such a failure is deemed the cause of an accident?

Answer

These questions clearly relate to a letter from the Deputy, dated 2nd March 2012, in the Jersey Evening Post in which he criticised the Police for “the nonsense written about the causes of road accidents”. Unfortunately, it seems that the Deputy has misunderstood the whole purpose of the current road safety initiative and I welcome this opportunity to set the record straight.

For the avoidance of doubt, the “Fatal Four” campaign run by the States of Jersey Police is clearly focussed on reducing the level of injuries and fatalities caused by excessive speed, drink-driving, using mobile phones whilst driving and not wearing a seat belt. In order to demonstrate the point, I would like to quote from the States of Jersey Police press releases that launched the road safety initiative:

The fatal four are the most significant factors in terms of injuries following road traffic collisions.

We take road safety in Jersey very seriously and we are committed, together with our partners in the Honorary Police and together with other agencies, to making sure that we do all that we can to reduce the number of people hurt on our roads. What we have dubbed the “fatal four” are the biggest contributory factors in terms of fatal and serious injuries, with speed being the worst.

They are the four biggest causes of death and serious injuries on the roads – and this Wednesday officers will be out in force to educate islanders of those dangers.

My direct answers to the Deputy’s specific questions, therefore, are:

The most recent statistical release produced by the Department of Transport on reported road casualties in Great Britain actually states that

‘exceeding the speed limit was reported as a factor in 5 per cent of accidents, but these accidents involved 14 per cent of fatalities. At least one of exceeding the speed limit and travelling too fast for the conditions was reported in 12 per cent of all accidents and these accidents accounted for 24 per cent of all fatalities.’¹

This is the whole point of the ‘Fatal Four’ campaign. The issue is not how many road traffic collisions (RTCs) are caused by speed but rather that speed is a key factor in determining the severity of an RTC and any associated casualties.

In Jersey, it is estimated that exceeding the speed limit was a contributory factor in about 4% of all road traffic collisions resulting in injury in 2010, whilst at least one of *exceeding the speed limit* and *inappropriate speed for the prevailing conditions* was reported in about 8% of all injury RTCs. Unfortunately, these collisions where speed was considered to be a contributory factor accounted for one of three deaths and nearly one in seven of the serious injuries sustained in RTCs involving motor vehicles in 2010.

No RTCs were caused by a failure to wear a seatbelt nor have States of Jersey Police ever made such a claim. Sadly, the relevant facts to the Police campaign are that five people who either died or sustained serious injuries as a result of RTCs in Jersey last year were not wearing seatbelts.

The Police stated from the outset that the purpose of the ‘Fatal Four’ initiative was to save lives and prevent injuries on our roads and I trust that they enjoy the full support of the whole House in this endeavour.

¹ Reported Road Casualties Great Britain: 2010 Annual Report, Department of Transport. The 2011 report will be published later this year. It is important to acknowledge that the report states that the contributory factors are intended to provide some insight into why and how road accidents occur. The factors are largely subjective opinion and are not necessarily the result of extensive investigation. Some factors are less likely to be recorded since evidence may not be available after the event. While this information is valuable in helping to identify ways of improving safety, care should be taken in its interpretation.

1.5 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE CHIEF MINISTER REGARDING JOBS LOST SINCE THE BEGINNING OF THE COMPREHENSIVE SPENDING REVIEW PROCESS:

Question

Will the Chief Minister publish for each Department:

- (a) how many jobs have been ‘lost’ since the beginning of the CSR process and the value of the savings generated from these losses in terms of salaries and benefits; and,
- (b) how many jobs have been created in the same time period and the cost of these posts in salaries and benefits?

Answer

- (a) The 2012 Business Plan indicated that a total of 86.6 full time equivalent posts had been lost in 2011, the first year of the Comprehensive Spending Review, and a further 17.9 posts were estimated to be lost in 2012. The total savings over departments for these 104.5 posts are summarised below:

Departments	£'000	FTE
Chief Minister	140	2.8
Economic Development	36	1.0
Education, Sport and Culture	613	10.9
Environment	321	4.0
Health and Social Services	1,048	26.0
Home Affairs	805	15.3
Housing	221	4.8
Transport and Technical Services	552	16.0
Treasury and Resources	1,075	18.5
Non Ministerial States Funded Bodies	254	5.2
TOTAL	5,065	104.5

- (b) The Chief Minister has asked for further work to be undertaken in order to verify the accuracy of the data collated for part (b) of the question.

The Chief Minister apologises for the delay in providing an answer to this part of the question. A full answer will be distributed to States Members by the end of this week.

1.6 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR HOME AFFAIRS REGARDING THE NUMBER OF POLICE CHECKS CARRIED OUT ON INDIVIDUALS SEEKING EMPLOYMENT:

Question

Will the Minister:

1. publish figures for the number of police checks made on individuals seeking employment from all sources since the introduction of the Rehabilitation of Offenders (Jersey) Law 2001?
2. provide a breakdown of these figures indicating –
 - (a) those checks made by firms directly and by individuals personally;
 - (b) the position or employment for which the information was being sought.

Will the Minister outline whether there are any Eastern Europe countries from which Jersey does not obtain background check information regarding criminal records and, if so, explain whether this is because of lack of agreements with those countries or their inability to provide the information?

Answer

Answer to Paragraph 1 of the Question

‘Publish figures for the number of police checks made on individuals seeking employment from all sources since the introduction of the Rehabilitation of Offenders (Jersey) Law, 2001’

1. The Rehabilitation of Offenders (Jersey) Law, 2001 was enacted on 1st. December, 2002. Information detailing total numbers of police checks, relevant to this question, is therefore available for the years 2003 to 2011. The figures reflect requests made to the States of Jersey Police under several areas of legislation which provide a legal basis for both the requestor and responder to conduct such checks.
2. In general terms the requests made to the force predominately originate from States of Jersey Departments and Agencies relating to employment vetting, regulatory and licensing purposes. The primary legal basis for enabling these procedures is the Rehabilitation of Offenders (Exceptions) (Jersey) regulations 2002. It has not been possible, without review of each single request, to specifically extract the information for numbers of checks solely relating to employment vetting purposes.
3. In addition the totals also include requests which are received from external agencies such as the ‘Criminal Records Bureau’ of England and Wales and the equivalent service in Scotland of ‘Disclosure Scotland.’ It should therefore be further noted that such requests may not necessarily relate to vetting procedures within Jersey, being requests for disclosure

of States of Jersey Police information for consideration within the United Kingdom procedures.

4. In providing the information for 'Total Checks' there is also included a further figure to differentiate the volume of the annual total which consist of 'Subject Access Requests' made to the States of Jersey Police by individuals exercising a legal right under Article 7 of the Data Protection (Jersey) Law, 2005. This article of law enables an individual the right to request a 'Data Controller' to inform them of whether any 'Personal Data' of which they are subject is being processed. This process is frequently utilised by individuals seeking access to their own local, and national, criminal conviction information, however the process does not require an applicant to declare their reason for making the request. It is to be noted that the subset of subject access information is not available for 2003 due to the then, manual, records for that year being no longer available.

Total Annual Checks:-

Year	Total Checks	Nos. of Subject Access
2003	6384	(Not available)
2004	6675	644
2005	7780	776
2006	8242	1029
2007	9723	1541
2008	9109	1314
2009	8273	1219
2010	7885	1329
2011	6805	1170

Answer to Paragraph 2 of the Question

'Provide a breakdown of these figures indicating-

- (a) **Those checks made by firms directly and by individuals personally;**

5. In terms of employment vetting procedures conducted under the subordinate Exceptions Regulations to the Rehabilitation of Offenders (Jersey) Law, 2001, there has been no legal basis for a private firm or company to legally request such a check. All checks are undertaken by States Departments, Agencies, Regulatory or Licensing Bodies. (e.g. Jersey Financial Service Commission, Parish Licensing Authorities.)

6. However since March 2011, when Jersey employers, gained direct access to mainland Criminal Records Bureau vetting procedures, the Home Affairs Department, in conjunction with the Law Officer's Department and States Police have been researching the need to enable checks on behalf of some private employers providing educational activities and similar services involving children or vulnerable adults. Work in this area continues, not as a means of enabling private firms to conduct general checks of staff, but to fully integrate safeguarding checks of persons required for activities involving children and/or vulnerable adults.
7. In terms of general vetting, an individual cannot directly request any form of check through the Criminal Records Bureau or local States of Jersey Police procedures for employment, regulatory or licensing purposes. However in making this statement the question may highlight the frequent confusion in distinguishing between the Data Protection Subject Access Request procedures, which is frequently misused for employment purposes, and the legally based and restricted access employment vetting within local Rehabilitation legislation.

‘(b) the position or employment for which the information was being sought’

8. Assuming that sub-paragraphs (a) and (b) of the question are connected to the inability of ‘firms directly and by individuals personally’ to access vetting procedures results in such information not being held. However, in order to cover the possibility of the question relating to misuse of the Subject Access provisions then the fact that there is no requirement to declare reasons for making an application would also result in information being unavailable.

‘Will the Minister Outline whether there are any Eastern Europe countries from which Jersey does not obtain background check information regarding criminal records and, if so, explain whether this is because of lack of agreements with those countries or their inability to provide the information?’

9. There is currently no existing agreement under which Jersey, or the United Kingdom, can access criminal conviction information from EU Member States or indeed from other countries around the world. The States of Jersey Police can however access such information for specific purposes related to ongoing police prosecutions or investigations.
10. However, in May, 2008, the European Commission adopted a wide range of proposals to promote a ‘European Justice Area’ part of which includes creation of a European Criminal Records Information System. Such a system would form technological links between the independent criminal records which are held by individual member States. A main aim of this process is to extend the sharing of criminal records for the purpose of vetting persons having access to, and working with, children and other vulnerable groups.
11. The States of Jersey Police have continuing contact with national policing and UK government agencies involved in developing proposals for EU sharing of such data.

12. In the absence of such arrangements it is still possible for foreign nationals to obtain their own criminal record disclosure from their home country. In many cases this can be sought by a third party with written evidenced consent of the individual concerned.

1.7 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE HUMAN RIGHTS AUDIT OF PLANNING POLICIES AND PROCEDURES:

Question

Further to the response given to my written question 6639 on 17th January 2012 that clarification was required from the Law Officers Department, is the Minister now able to publish the Human Rights audit of his Department's Laws, Regulations, Orders, Guidance notes and procedures that all Departments of the States had to complete before the registration in the Royal Court of the Human Rights (Jersey) Law 2000, together with all subsequent revisions to these documents?

What advice was received in relation to this matter from the Law Officers?

What human rights policy, if any, was in place in January 2012 when I first asked this question?

Answer

We are still clarifying with the Law Offices our response to this question and will provide an answer as soon as possible.

1.8 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING ENFORCEMENT NOTICES ISSUED BY THE PLANNING DEPARTMENT:

Question

- (a) Further to the response given to my written question 6637 on 17th January 2012, is the Minister now able to list in a tabular form for the years 2005 to date the following information –
- (i) the name and nature of any enforcement notices issued by the Department during that period;
 - (ii) whether any of these notices have lead to a prosecution for breach of the notice;
 - (iii) the result of the prosecutions and the penalties, if any, which were applied;
- (b) Will the Minister explain what process, if any, was in place in the period immediately preceding December 2010 (before Supplementary Planning Guidance practice note no. 4 was adopted by the former Minister)?

Answer

To answer this question in full will require many hours of detailed research. My department is compiling this information and I will provide an answer to Members as soon as possible.

1.9 SENATOR S.C. FERGUSON OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING ALCOHOL CONSUMPTION FIGURES:

Question

Will the Minister explain in detail the rationale and method for deriving the alcohol consumption figures quoted on 29th March 2012 by the Medical Officer of Health at a public meeting to mark the 60th anniversary of Alcoholics Anonymous in Jersey?

Will the Minister confirm whether the statistical approach and method has been reviewed by the Statistics Department?

Answer

The alcohol consumption figures quoted by the Medical Officer of Health were produced by the independent States of Jersey Statistic Unit; the Unit has calculated per capita alcohol consumption figures for Jersey on an annual basis since 2002.

The methodology on which the Statistics Unit bases its calculations has been developed from a standard approach followed by the Imperial College Medical School in the 2001 report: "Responding to drug and alcohol use in Jersey, April 2001."

The rationale for calculating per capita consumption for the resident *population aged 15 years and over* is to enable comparison with World Health Organisation data for other jurisdictions.

The consumption figure for Jersey is derived from impôt data compiled by the Island's Customs and Immigration Service, aggregated on a calendar year basis, for total volumes of wine, spirits, beer/lager and cider.

The resident population aged 15 years and over is derived from population estimates produced by the Statistics Unit. An adjustment is made to allow for tourists, business travellers and language students (using data compiled by the Tourism Department) and seasonal workers (data from the six-monthly Manpower Survey). The tourism data provides detailed information on the number of people who visit the Island each year and their average length of stay.

The consumption figure quoted for Jersey residents is likely to be a conservative estimate of the true level of consumption as no account is made for the following factors:

- upward: informal production; off-Island consumption by residents; imports by residents
- downward: stockpiling; waste and spillage.

Using this methodology, it is estimated that as an Island population Jersey consumes significantly more alcohol than near neighbours. The most recent figure shows that as a population Jersey consumes 13.9 litres per capita compared to 11.2 litres in the UK. The demand on health services from this avoidable burden shows no sign of relenting.

1.10 DEPUTY J.H. YOUNG OF ST. BRELADE OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING PLANNING APPLICATIONS FOR RESIDENTIAL DEVELOPMENTS:

Question

Will the Minister provide the Assembly with the following summarised information, in respect of Planning applications for residential developments approved during each of the years the Jersey Island Plan 2002 was in force and since the Island Plan 2011 was approved until the end of March 2012, for the re-development of properties sited in the three built up areas of the Island (defined in paragraph 6.5 of the Island Plan 2002) namely the town of St. Helier (including the contiguous urban areas of First Tower, St. Saviour and St. Clement), the coastal strip, and the rural and urban settlements, for each of the three areas –

- (a) the number of approved applications;
- (b) the number of residential units before and after re-development;
- (c) the density of development before and after re- development;
- (d) the total floor areas of the developments, either declared by the applicants or estimated, before and after re-development?

Answer

This question requires many hours of detailed research and I will provide the answer to Members as soon as possible.

1.11 THE CONNÉTABLE OF ST. JOHN OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE AMBULANCE SERVICE:

Question

Can the Minister provide the response times for every front line ambulance attending a 999 call or accident in the last 60 months in ten minute bands and, in instances where the response time exceeded 30 minutes, advise how long it took and the reasons for the delay.

Given that action taken in the first hour after an accident can be crucial, does the Minister consider that any delays are putting patients at risk and, if so, what action, if any, will she be taking to address this issue?

If the issue is one of budgetary constraints, would the Minister consider requesting increased funding for her Department in the interest of the welfare of all Island residents?

Answer

The provision of information in 10 minute bands would require extensive analysis and input of resources. The data provided below therefore shows a breakdown of 999 calls responded to within 30 minutes as requested.

All 999 calls are immediately prioritised. Those which relate to a life threatening situation – based on the information received – will receive priority attention. These are classed a Category A calls.

Non-category A calls are non-life threatening and may include accidents/conditions such as minor fractures.

Where an ambulance crew is not immediately available due to high volume of incidents, calls are “stacked” in order of priority until a crew is available. This “stacking” procedure is common across UK Ambulance Trusts.

	No. of 999 calls received	Number of Cat A calls that exceeded 30 minutes	Number of Cat A exceeding 30 minute target as a % of total calls	All calls where response time exceeded 30 mins (inc Cat A and non-Cat A)	% of total calls
2007	6592	2	0.03	50	0.75
2008	6391	1	0.02	42	0.65
2009	6597	2	0.03	48	0.72
2010	6341	2	0.03	50	0.78
2011	6550	4	0.06	58	0.88

Incidents that take over 30 minutes to reach are rare, less than 1% of all calls and less than 0.1% of Cat A calls. In approximately 50% of the cases where the 30 minute target is exceeded this is due to an unpredictable peak in demand. Other reasons include diversion of crews to priority calls or properties being difficult to locate sometimes because the caller has been unable to provide accurate information.

1.12 DEPUTY R.G. LE HÉRISSEIER OF ST. SAVIOUR OF THE CHIEF MINISTER REGARDING SUBSIDISED MEDICAL CARE:

Question

Which Departments, if any, offer fully or partially subsidised medical care and is such care available to the employee and/or family members?

What is the cost of such subsidies to the States in the last financial year on a Departmental basis?

Answer

The Home Affairs department is the only department which offers subsidised medical care other than if they are offered discounted rates by Health Care providers. The pay groups that receive medical, dental and optical benefits are:

- Police Officers
- Fire and Rescue Service
- Prison Officers

The benefits are available to employees only, family members are not eligible.

The three services now differ in that, as part of a pay agreement in 2007, Police Officers agreed to reduce the benefits for existing staff and withdraw some benefits for new staff.

The total cost of the benefits in 2011 is shown in the table below:

HOME AFFAIRS				
Pay Group/ Year	Police	Fire & Rescue	Prison	Total
Medical	£33,303	£10,428	£9,807	£53,538
Dental	£51,916	£22,741	£20,396	£95,053
Ophthalmic	£5,136	£397	£2,907	£8,440
Other	£8,934		£1,418	£10,352
TOTAL	£99,289	£33,566	£34,528	£167,383

1.13 THE CHIEF MINISTER BY DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE CHIEF MINISTER REGARDING A PROPOSED NEW GENERAL HOSPITAL:

Question

Has the decision to build a new General Hospital been taken and, if so, what are the key new features of the proposed Hospital?

Answer

HSSD's White Paper on the future of healthcare in Jersey is due to be published in May 2012 and will be brought to the States for debate in autumn 2012. A new hospital would be an element of this healthcare system and therefore, at present, no decision has been taken with regard to its building.

HSSD and Jersey Property Holdings are, in the meantime, developing a statement of need, looking at potential features, locations and likely scale of cost. This work is expected to be completed in time to inform the States' Medium Term Financial Plan. It would obviously then be subject to more detailed planning and development activity.

1.14 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE CHIEF MINISTER REGARDING SUCCESSION PLANNING:

Question

Will the Chief Minister explain why, given the long standing commitment to succession planning, the vast majority of appointments notified via R.30/2012 (States Employment Board: applications under P.59/2011 – activity report for the period June to December 2011) are external?

Answer

The States Employment Board supports and wants to significantly strengthen its long term commitment to Succession Planning for its employees. It recognises that not all jobs in the States can be filled by local candidates due to the highly specialised nature of some positions. However, it is important to ensure that local candidates are best prepared to compete for States roles wherever possible.

The States Employment Board has recently commissioned a report on senior posts in the public service to consider succession planning, pay and grading to underpin the delivery of a modern public service.

As part of this commitment, 293 States junior and middle managers have enrolled on the states flagship management programme – The Modern Manager since 2006. In addition, the States continues to develop its staff through a variety of professional, managerial and technical qualifications/courses as identified through regular development reviews.

Within the report in question, 6 posts required specialist expertise and qualifications not normally available on the island (4 Health Consultants and 2 Law Draughtsman). All were subject to competitive recruitment. 3 posts were filled internally either through internal transfer or regrading. The remaining positions were subject to open recruitment both internally and externally (on and off island) under the States recruitment process, overseen by the Jersey Appointments Commission

1.15 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE CONSTRUCTION COST OF THE TOWN PARK TO DATE:

Question

Further to the response given on 21st February 2012 regarding the breakdown of costs for the Millennium Town Park, would the Minister advise whether there has been any additional expenditure to date?

Answer

There has been no further expenditure over and above the figures stated in the answer to the question on 21st February 2012. The final account for the Park construction has now been settled with the Contractor and all Park and associated works will be completed within the original capital allocation.

1.16 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING COMPLAINTS RELATING TO NEW WATER TARIFFS:

Question

Will the Minister advise whether Property Holdings has received many letters/emails/calls of concern or complaint from residents regarding Jersey Water's new tariffs and the inability to provide individual metering for those living in communal housing and, if so, what action, if any, will be taken to address this issue?

Answer

Property Holdings has not recorded any such complaints or concerns.

The Minister undertakes to refer any subsequent information regarding communication on this matter to the Deputy of St Brelade including if it transpires that staff currently on leave have been contacted directly.

1.17 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR HOUSING REGARDING COMPLAINTS RELATING TO NEW WATER TARIFFS:

Question

Will the Minister advise whether his Department has received many letters/emails/calls of concern or complaint from tenants regarding Jersey Water's new tariffs and the inability to provide individual metering for those living in States' housing and, if so, what action, if any, will be taken to address this issue?

Answer

The Housing Department has not received any complaints or concerns from tenants regarding Jersey Waters new tariffs.

The Department has been in discussions with the Jersey Water regarding current methods of billing and is investigating means to allow tenants who have an individual metered supply to pay Jersey Water direct for water consumed.

1.18 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING PUBLIC SERVICE VEHICLE DRIVERS:

Question

How many Public Service Vehicle drivers between the ages of 65 and 70 years currently drive the public for financial reward?

How many between the ages of 70 and 79 years currently drive the public for financial reward?

How many between the ages of 80 and 90 years currently drive the public for financial reward?

Answer

The numbers of public service vehicle taxi-cab licence holders in each age band who may drive the public for financial reward are as follows:-

Age	Number
65-69	40
70-79	31

80+	3
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1.19 DEPUTY M. TADIER OF ST. BRELADE OF THE CHIEF MINISTER REGARDING CLAUSES IN THE TAX INFORMATION EXCHANGE AGREEMENTS WITH INDIA:

Question

Given that in March 2011, the then Deputy Chief Minister, was due to sign a Tax Information Exchange Agreement with India when he reportedly spotted clauses in the document which ‘could have put Jersey at a competitive disadvantage’, would the Chief Minister advise whether the document had been reviewed by senior island officials and , if so, whom?

Had the clauses which the then Deputy Chief Minister found unacceptable also been viewed by those officers, did they share his opinion and, if so, why did they not identify these issues up before the trip to India?

What justifications did the officers give for not identifying a problem existed?

Answer

The questions asked can be best answered by providing the history of the negotiation and signing of the Tax Information Exchange Agreement (TIEA) with India, as follows –

The TIEA was negotiated, as are all TIEAs, by the Adviser – International Affairs in the Chief Minister’s Department and the Director of Tax Policy in the Treasury and Resources Department.

In the negotiations with the Indian authorities the latter indicated that they wanted included in the agreement an article (Article 8) regarding assistance with the collection of tax claims. This reflected similar provisions in the OECD/Council of Europe Convention on Mutual Administrative Assistance in Tax Matters which the G20 was encouraging jurisdictions to sign and which India fully supported.

The Indian authorities gave Jersey to understand that it was their intention that Article 8 would be included in all their TIEAs. In addition the finance industry represented that the completion of an Indian TIEA was important because of India’s business potential and the threat that if a TIEA was not signed Jersey would be included on a proposed Indian blacklist. In concluding the negotiations it was recognised however that before the agreement could be ratified the States would have to have been asked to approve the legislation necessary for Article 8 to be put into effect.

As with all TIEAs, and in accordance with the terms of the Letter of Entrustment issued by the UK that enables the Island authorities to negotiate TIEAs and DTAs in their own right, the TIEA with India was cleared with the UK authorities before the signing.

As the Deputy Chief Minister (also in his capacity as Treasury and Resources Minister) was making a promotional visit to India in March 2011, organised in conjunction with Jersey Finance, together with the Assistant Chief Minister with responsibility for external relations, arrangements were made with the Indian authorities that the TIEA signing should take place in New Delhi during the visit. However while Ministers were in India concerns were raised about the effect

of the inclusion of Article 8, including the effect of the information received concerning TIEAs signed by India with Bermuda and the Isle of Man, which were not on the public record until February 2011 that indicated that, contrary to the previous understanding, all the TIEAs being negotiated by India did not include the article concerned.

The Deputy Chief Minister sought advice from officials in Jersey and following consultation with the Council of Ministers and Chief Minister, Indian authorities were asked to remove Article 8 from the TIEA. However they explained that the TIEA had been approved for signing at Cabinet level and the article could not be removed without Cabinet approval which would not be able to be sought while the Jersey delegation were in India. It was also indicated that there was no certainty that the Cabinet would approve the amendment requested because of the importance attached by the Indian authorities to the provisions in the article which were seen, in common with the equivalent provisions in the OECD/Council of Europe Convention, as making a valuable contribution to the success of the efforts by the Indian authorities to track down and recover the proceeds of corruption.

The option remained for the TIEA including Article 8 to be signed with ratification being left until the States had approved the necessary legislation to bring the TIEA with the article concerned into effect. However, following further consultation with the Council of Ministers and the Law Officers, the Deputy Chief Minister made the final decision not to sign and that a separate agreement between the Competent Authorities should be negotiated after the visit relating to the coming into effect of Article 8.

An agreement was then negotiated, and signed by the Treasury and Resources Minister as the Competent Authority, which provides that the provisions of the TIEA in Article 8 will not be put into effect until -

The OECD/Council of Europe Convention on Mutual Administrative Assistance in Tax Matters comes into force in respect of Jersey (India has already signed and ratified the Convention), subject to any reservations entered into on behalf of Jersey in connection therewith; or

Jersey starts giving administrative assistance in connection with tax claims to any other country or jurisdiction.

The States would also need to have passed the necessary legislation.

The TIEA was signed by the Deputy Chief Minister in London at the Indian High Commission on the 3rd November 2011.

1.20 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE PAY DEAL FOR EMPLOYEES OF THE JERSEY ELECTRICITY COMPANY:

Question

In the light of the proposed 2-year pay freeze for public sector workers, will the Minister give full details of the pay agreement reached following arbitration with employees at the majority States-owned utility the JEC?

Answer

The Minister requires the JEC's Board of Directors, along with all States owned companies, to provide efficient, effective and affordable services to Islanders, whilst providing an appropriate financial return to the States as shareholder. The Board is responsible for running the company and meeting these objectives and is held to account for doing so.

Therefore the JEC's terms and conditions of employment for its staff are a matter for the Board of Directors, its employees and their representatives. The majority shareholder is not involved in the pay decisions of the company.

Any individual can make representations and the Minister for Treasury and Resources wrote to all Utilities concerning pay (Appendix 1).

It would also not be normal to discuss the outcome of negotiations of a separate entity.

Appendix 1

Minister for Treasury and Resources

P O Box 353, Cyril Le Marquand House, The Parade

St Helier, Jersey, JE4 8UL

Tel: +44 (0)1534 445502

Fax: +44 (0)1534 445522

To [all Utilities]

16th February 2012

Dear Chairman

I am aware of important wage negotiations that a number of the Island's utility companies currently have underway. As Treasury Minister I am aware of the effect that local pay awards are likely to have on the local economy. Forthcoming and current pay awards in both the private and public sector could have an effect on the possibility of retaining businesses on the Island, and therefore affect our recovery from the current serious downturn in economic activity.

I am aware that some pay negotiations are reaching a critical point. It's worth noting that the impact and influence that the decisions of a major Island undertaking, like one of the utilities can have. The effects can be far reaching and out of all proportion to the direct effect of increasing their own cost base.

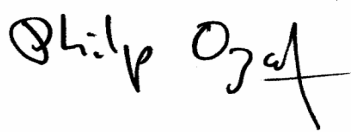
The purpose of this letter is to urge you to be acutely aware of the impact that your organisation can have on other wage negotiations. Possibly of more importance for your company and its staff, I would ask you to consider the negative message that any significant pay rise would give to your many stakeholders and customers; especially from those groups in our society who are being most affected by the current economic situation.

Over the past year, the government has made strenuous efforts to balance the Island's public finances so as to avoid the problems that we are seeing in other places. Whilst we can say we are in a better

position than comparable jurisdictions, our plans are predicated on pay restraint for 2012 and 2013. The States' Budgets include a savings equivalent to a freeze on the budget for remuneration for the next two years. It is of the utmost importance that this freeze is held. The reason this is critical is not only to avoid further deficits but also to assist doing everything we can to secure growth and reduce the unprecedented levels of unemployment, which could be made worse by the loss of LVCR.

I appreciate this is a difficult time for all Islanders including your companies. The importance of a concerted effort to avoid unsustainable pay increases cannot be underestimated and I urge you and your Boards to take account of the wider Island economic interests in your wage settlements for this year and next.

Yours sincerely

A handwritten signature in black ink that reads "Philip Ozouf". The signature is written in a cursive style with a large, stylized 'P' and 'O'.

Senator Philip Ozouf

Minister for Treasury and Resources

direct dial: +44 (0)1534 440287

email: p.ozouf@gov.je

1.21 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE REDUCTION IN DISPOSABLE EARNINGS:

Question

Does the Minister accept that the RPI figure for inflation stood at 4.5% in June and rose further to 5.4% in September 2011 and that this renders the answer he gave to question 6787 on 20th March 2012 concerning the squeeze on disposable earnings incorrect, and would he now agree that there was a reduction in disposable incomes at this time?

Answer

The RPI figures quoted are as already published by the Statistics Unit. At June 2011 RPI was 4.5% and rose to 5.4% in September.

The answer to question 6787 was not incorrect. That question stated that the July 2011 FPP report said “that Jersey workers from all earning bands had suffered a reduction in disposable incomes of around 7 to 9% since 2008”. In the answer to the question, the Minister pointed out that this statement does not, in fact, appear anywhere in the report.

The Minister went on to recognise in his answer to question 6787 that this has been a difficult time for households, partly due to factors beyond Government’s control, like global prices and recession. However, to get an indication of whether the more recent rise in inflation highlighted in this question (which is forecast to ease later this year) has resulted in a squeeze on disposable incomes, it will be necessary to understand what has happened to earnings over the entirety of this period and not just to June 2011 (which covers changes in earnings between last weeks of June 2010 and June 2011). This will require the information on average earnings up to June 2012, which will only be available in August 2012. It will also be necessary to take into account that the 2012 Budget announced a number of measures that should ease the direct tax burden for some households – income tax exemption thresholds will rise by 4.5% this year and measures have been introduced to support working parents through generous tax relief for childcare costs.

1.22 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HOUSING REGARDING RELEASE OF THE WILCOX REPORT:

Question

Will the Minister explain to members why he has refused my request to release the Wilcox report which contains some of the evidence which has been used in the production of the proposals for future housing policies?

Does the Minister accept that members should have access to all relevant research on which policies are based before being called to vote on such policies?

Will the Minister state whether he (or other Ministers) have commissioned other research in developing the proposals for funding affordable housing and, if so, will he agree to release this work so that members can fully assess the proposals in the light of the relevant evidence, and if not, why not?

Answer

The draft report in question was prepared by Professor Steven Wilcox of the University of York working as an Associate to Sector Financial Services Limited as part of the Housing Transformation Programme.

The draft report reviewed the current arrangements for rent policy and the linkage with the housing component of Income Support and identified some potential drivers for change, but remained in draft form as it did not include a sufficiently comprehensive social and economic impact assessment, nor did it recommend any preferred option.

Separate work is being undertaken by the Social Security Department to complete the social and economic impact assessment with a view to recommending any changes considered necessary to the method of setting private sector housing component of Income Support as a result of proposed changes to rent policy. I confirmed in my answer to Written Question 6754 that these proposals will be put to the States in parallel with the proposals for Housing reform. There is no intent to progress Professor Wilcox's work further.

The draft Joint Review of Rent Policy and the Housing Component of Income Support report therefore falls under the definition of "policy in development" as defined within section 35 of the Freedom of Information (Jersey) Law 2011 as it is not a completed report nor would it be appropriate to publish it given that my colleague the Minister for Social Security has not set out his findings on the matter.

It is of course reasonable for States Members to request to see relevant background information and research that has formed the basis of formulated policy.

The Achieving Decent Homes White Paper published as a Report au Greffe on 12th April has been informed by considerable work carried out by my Department with support from colleagues in the Chief Ministers, Treasury and Resources and Social Security Departments and appointed advisers. Whether or not this comes under the heading of "research" I will be happy to accommodate any reasonable request for background information made by any States Member on the subject matter within the White Paper.

1.23 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING THE COSTS OF GENERAL PRACTITIONER VISITS:

Question

Will the Minister inform members what changes, if any, he proposes to improve the mechanisms for supporting the costs of GP visits and other medical costs under the Income Support system?

Answer

I can confirm that the Income Support system does already include mechanisms for supporting the costs of GP visits and other medical costs for low income households.

As Members are aware, the Minister for Health and Social Services is currently undertaking a major review of health and social care provision. My officers are working very closely with HSSD officers on this project which is likely to involve major changes in the way in which primary health care is provided in the community by GPs and other health professionals and how this care is funded.

It is likely that legislative changes to Income Support will be needed in the next few years to support the outcomes of the Health review as it affects the provision and funding of primary care services.

Whilst the Health review is in progress, my officers will continue to review and, as necessary, improve the existing support mechanisms within Income Support, including the use of Household Medical Accounts.

1.24 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING THE POTENTIAL IMPACT OF THE REMOVAL OF LOW VALUE CONSIGNMENT RELIEF ON EMPLOYMENT FIGURES:

Question

Will the Minister inform members what his latest estimates are for the impact of the UK Government's decision on Low Value Consignment Relief on employment figures, redundancy payments, Income Support costs, lost Social Security contributions and other costs to his Department ?

Answer

The latest estimates for the impact of the UK Government's decision on Low Value Consignment Relief are as follows:

- **Employment figures**
Advice from the Economic Development Department suggests that there is reason to remain optimistic that a number of the businesses involved in the industry will remain in the Island for the foreseeable future. The Economic Development Department is working closely with the industry to explore new business opportunities and markets. This Department is working with business to provide information and advice to staff in the event of redundancy. Some 800 people are currently directly employed by the fulfilment industry.
- **Redundancy payments**
The Department is only responsible for statutory notice payments in the event of the insolvency of the employer. There is no current indication that any fulfilment employer will become insolvent.
- **Increased Income Support costs**
Estimate of £800,000 per annum per 100 fulfilment employees losing their jobs
- **Reduced Social Security contribution income**
Estimate of £180,000 per annum per 100 fulfilment employees losing their jobs
- **Social Security Contribution Credits**
Workers who are made compulsorily redundant may be entitled to receive contribution credits against their Social Security record. The award of unemployment credits to 100 individuals is equivalent to a lost contribution income of £567,000 per annum. This cost is not met directly by the Fund at the time, but it does represent a future financial liability against the Fund.

- **Reduced Supplementation costs**

Estimate of £315,000 per 100 fulfilment employees losing their jobs

- **The Back To Work Scheme**

The total allocation of £7.4 million for this scheme includes funding for additional support for unemployed workers. This support is principally provided through personal advisors and the provision of training courses. Extra costs are also incurred through the administration of an increased volume of Income Support claims.

Deputy J.H. Young of St. Brelade:

Can I raise a point of order, I think. The answer tabled to question 10, to my question, is a non-answer. Could you please advise me, does that mean my question is left outstanding for a future... or can I be given some guidance as to when my answer may be available please?

The Bailiff:

What, there is no answer tabled is there? Minister for Planning and Environment. Well, Minister for Planning and Environment, are you going to provide further information in due course, is that right Minister?

Deputy R.C. Duhamel of St. Saviour:

The answer is as given, Sir, that this question requires many hours of detailed research. The Department's officers are working as hard as possible to get that information and I will provide the answer to Members as soon as possible.

The Bailiff:

I think that answer is Deputy then is that it means what it says, I think, that the answer will be provided to Members as soon as possible.

Deputy M.R. Higgins of St. Helier:

Can I ask a question? I have put 3 written questions in to the Planning and Environment Department, 2 of them which were asking - in January - the questions. They did not provide the information in January. I have got a response back today saying, again, that they cannot provide the information at the present time, they will do it in the future. This department is not providing information that should be readily available. I think that... well, you can tell me where the appropriate place is to complain about this because I think that they are definitely out of order.

The Bailiff:

Very well. No doubt the Minister will take those comments on board.

Deputy R.C. Duhamel:

Perhaps a helpful comment in relation to question 7. The questions have been addressed to the Law Officers, which is the substance behind the questions, and we are in that department's hands. We will respond to the questioner as soon as possible.

Deputy M.R. Higgins:

With respect, one of the questions was what was the policy at a period of time in the past. They either had a policy or they did not.

The Bailiff:

Maybe the files are not easily available, Deputy. Very well, so we will come then to oral questions.

[09:45]

2. Oral Questions

2.1 Deputy R.G. Le Hérisier of St. Saviour of the Minister for Health and Social Services regarding the Aitkenhead report concerning the death of a patient:

What steps will the Minister be taking in the light of the Aitkenhead Report concerning the death of a patient and related matters?

Deputy A.E. Pryke of Trinity (The Minister for Health and Social Services):

Patient safety is our paramount concern. Our commitment to patient safety and improved clinical governance, which is the responsibility of all our staff, is demonstrated by the appointment of Medical Directors who lead and monitor patient safety programmes. These include, but are not limited to, new medical handover documentation, establishment of a Hospital Board, care quality groups, a new incident reporting system. Many of these improvements have already been set in train prior to the Aitkenhead Report and we will continue to seek new ways to improve. Our clinical staff and managers fully participated in the production of the report which was commissioned by the Health and Safety Inspectorate. They have worked to address the issues raised, delivering positive improvements. As acknowledged by Professor Aitkenhead, clinical governance is high on the hospital agenda. The Health and Safety Inspectorate also acknowledge Health and Social Services' positive response and they intend for Professor Aitkenhead to review progress again later this year.

2.1.1 Deputy R.G. Le Hérisier:

Given the public concern that exists and given, perhaps, some of the unfortunate slurs that may be passed against staff, would the Minister not acknowledge it would have been much better if this report was placed in the public domain and that the public could make a judgment based on the full report being available? This continuous stream of reassurances is not solving the problem; it is simply exacerbating it.

The Deputy of Trinity:

I totally agree with the Deputy. I would like this report to be in the public domain but it is not my report. It is done on behalf of the Health and Safety Inspectorate and I know they are working with the Law Officers and with the Chief Minister's Department to hopefully release it next week.

2.1.2 Deputy M.R. Higgins:

Just to again follow up on this thing about the publication of the report, the Minister has told us steps are being taken to rectify deficiencies but until we know what those deficiencies are and it is totally transparent, we have no way of knowing whether they are addressing those issues. Will the Minister use every effort on her part to get this thing published as soon as possible?

The Deputy of Trinity:

Yes I have tried but I understand it is under the law within Health and Safety Inspectorate that they cannot release it. It is not my report and I am very willing for the report to be put out in the public domain.

2.1.3 Senator S.C. Ferguson:

The reporting in the *J.E.P. (Jersey Evening Post)* of the whole case was inaccurate. Will the Minister be correcting these and will not publication of the report, as other Members have said, give peace of mind to the general public who have paid for the report no doubt? Even though it is not her report, does the Minister not feel that her representations for publication would carry weight?

The Deputy of Trinity:

There are a few questions in what the Senator has asked. I reiterate, I would like the report released and I am working hard with the Chief Minister and with the Health and Safety Inspectorate to release it into the public domain and hopefully it will be released once it is redacted next week. It is an important document and as I said, there are some very positive comments made by the Professor, especially in his follow-up report, which came out at the beginning of this year, and it is important that these are put out into the public domain to reassure the public.

2.1.4 Senator S.C. Ferguson:

Will the Minister be correcting the inaccurate reporting in the *J.E.P.* of the whole case which gave rise to the report?

The Deputy of Trinity:

At times, I do go back to the *J.E.P.* and tell them that they have not perhaps reported something accurately and when the report does come out into the public domain next week, I shall make sure that the proper comments are put out and that they are done in a proper and efficient way and everyone is aware of the findings.

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

It does appear to me that the department moves from one crisis to another and we are continually told that it is learning from its mistakes. Can the Minister advise when this sort of thing will cease and we can have confidence in the department again?

The Deputy of Trinity:

I have every confidence in all my staff, including the medical staff. A hospital is a risky place but as I said, we continue looking at ways to improve. We have care quality groups, appraisals; the appointment of 2 Medical Directors has gone a long way. It is a continual process and will continue to be so.

2.1.6 Connétable J.M. Refault of St. Peter:

Could the Minister please confirm or otherwise that the items reported on by Professor Aitkenhead occurred back in 2006, 2008 and since that time, much work has been done to already address those items, many of which have already been concluded? Can the Minister confirm that, please?

The Bailiff:

Connétable of St. Peter, it slipped past me [Laughter] which I failed to spot and I am going to disallow that question. [Laughter]

2.1.7 Deputy T.M. Pitman of St. Helier:

I would advise the Minister for Health and Social Services not to ask the *J.E.P.* to correct any inaccuracies or lies because it is very expensive, but there we go. What I would like to know is, given that this report was all read out verbatim in court, does it not make a mockery if the report cannot be released to the public? Of course, what was read in court was not redacted so could the Minister advise on that?

The Deputy of Trinity:

It is very difficult to comment on that because the Health and Safety Inspectorate, as I understand, was a witness at an inquest.

2.1.8 Deputy G.P. Southern of St. Helier:

I can hardly believe my ears but I have just heard the Minister for Health and Social Services state and accept that the hospital is a risky place. Does she wish to stand by that statement?

The Deputy of Trinity:

Just to clarify, there are many different procedures that go on within the hospital in mitigating that risk. A lot of patients come through the hospital, a lot of seriously ill patients, and the most important thing is to put procedures and policies in place and make sure that everything is as safe as we can possibly make it.

2.1.9 Deputy R.G. Le Hérissier:

A very senior official at the hospital stated it would take years to catch up in crucial ways with U.K. (United Kingdom) practice. Could the Minister tell us, in this case, what lessons have been learned and what reassurance can she give to people like Deputy Baudains of St. Clement that these matters, bar very exceptional circumstances, are not going to be repeated as they seem to be too often?

The Deputy of Trinity:

To comment about the years to catch up, I need very much to put that into context. It is our data systems that are the problem in collecting evidence. There is no doubt there is some improvement, there always will be, but the rate of improvement is impressive and it will take time so it is the data collection that is years out of date but we are looking at forwarding that. Patient safety I continue to say is paramount and we will work and continue to work to that ...

The Bailiff:

I think you have made that point, Deputy.

2.2 Deputy G.P. Southern of the Minister for Housing regarding the Housing White paper (R.47/2012):

In order to permit informed consultation on his Housing White Paper (R.47/2012), will the Minister release to Members the full figures and calculations that underpin the figures on pages 20 to 22 to include the numbers of units of accommodation of different types currently having rents below the 90 per cent fair rent mark and those which relate to the stock value and borrowing capacity outlined on page 14 and elsewhere?

Deputy A.K.F. Green of St. Helier (The Minister for Housing):

The quick answer to that is yes, I will. I confirm I will be releasing these figures to Members as part of the consultation programme.

2.2.1 Deputy G.P. Southern:

In particular, will the Minister make reference to the figures on page 14 which suggest that £148 million of borrowing will produce 368 new homes which is a cost of £400,000 per accommodation unit and surely if those are accurate figures, these are a very high cost to build?

Deputy A.K.F. Green:

The figures are accurate but they are not in the right context and that is not the fault of the Deputy because he has not seen the figures. He is right that we will be borrowing £148 million. There are net 368 new homes but we are building 592 new homes because we have to demolish some that are substandard. In other words, there are 224 being demolished and replaced. Of course, within those figures, there is a substantial sum for the renovation of existing properties which needs to be spent, gets our stock up to standard, but does not provide any new accommodation.

2.2.2 Deputy M.R. Higgins:

While I am on my high horse about people not answering questions, could the Minister for Housing just advise us why he cannot publish the figures now rather than wait until after a consultation period which is about 3 months?

Deputy A.K.F. Green:

I did not say I was going to wait until after the consultation period. I said I was going to release them as part of the consultation period and I intend to get those figures out to Members and on the website within 14 days.

2.2.3 Deputy J.A.N. Le Fondré of St. Lawrence:

A 2-part question. My very brief read of what has been sent to States Members seems to indicate that the full business case for the whole transformation is being developed; that is the implication - i.e. it has not been concluded. There are 2 parts in there. Number one is can the Minister release it at some point to States Members and number 2 is if it has not been completed, why have you issued the White Paper in this instance?

Deputy A.K.F. Green:

I am not ready to yet release the full business case although I am prepared to release the figures that Deputy Southern has asked for. I have gone out to consultation to get people's views on the general direction and then I will finalise my full business case and bring it as a report and proposition to this House.

2.2.4 Deputy J.A.N. Le Fondré:

Surely on a portfolio of at least £500 million, the financials are an inherent and implicit and essential part of the consultation?

Deputy A.K.F. Green:

Absolutely, but we might find that we need to do it differently. We may need less, we may need more; it depends on the consultation period. I know what I want but I want to see what other people are saying.

Deputy J.A.N. Le Fondré:

We need to have the information in order to be able to advise the Minister as to whether what he is doing is the right thing or not.

2.2.5 Deputy M. Tadier of St. Brelade:

Is the Minister aware that the plans to increase rents up to 90 per cent of the fair rent mark, or indeed 90 per cent of what probably is the market rates for many people is not very popular among

the public and those in social housing and that it is perceived that they will not be able to afford it? Will the Minister take this into account and drop this completely morally bankrupt policy?

Deputy A.K.F. Green:

I look forward to receiving people's comments in the consultation process but I will stress that those on income support will be fully protected and I have some concerns for those who are what I call just above the line, and for that reason we will be means testing people and offering a transitional arrangement which could be up to 10 years if need be. So I am aware of the difficulties of people but many tenants will find their budgets improve if their rent goes up a little and their homes are properly insulated. For example, Pomme D'Or Farm, to give one example there. We had a very cold snap. Members there were paying in addition to the heating provided by Housing £50 a week and the bedrooms were still only 5 degrees Celsius. That £50 a week will not be necessary when we have insulated and put proper systems in so life will be much better for our tenants.

[10:00]

The Bailiff:

Can I just clarify; it is a question about publication, not about housing policy at this stage.

2.2.6 Deputy M. Tadier:

In the light of that, I was going to ask whether or not the Minister accepts that rather than putting the rents up by 90 per cent as one of the options in the White Paper policy consultation, whether it might not be better to abandon that policy, given the fact that there are long waiting lists for people who are in need? I will give an example: mental patients who are staying in guesthouses.

The Bailiff:

I think, Deputy, that is moving too far away from the original question.

Deputy M. Tadier:

But would the Minister answer the first part?

The Bailiff:

No because I think it is moving too far away from the original question.

Deputy A.K.F. Green:

Can I just correct one thing? I am not putting rents up 90 per cent. I am putting them up to 90 per cent of market value.

Deputy M. Tadier:

I accept that correction.

2.2.7 Deputy J.A. Martin of St. Helier:

I do not know if this will be allowed but I will try. **[Laughter]** Just to go back to the releasing... these figures in the White Paper are based on some professor who came over - again with taxpayers' money - and has done a lot of work. My question is we need to see the figures because we are told in a written question today that there are at least 434 people between the ages of 45 and over 65 paying top rent. Now, I do not know if those top rents are being paid for properties that are substandard and that makes a big difference. If the Minister really thinks he is going to get this White Paper through, he really should let States Members have all the information up front. If the business case stacks-up, he should release it.

Deputy A.K.F. Green:

I am happy to release the figures that Deputy Southern has asked for. I know that he would like me to release the Wilcox Report. I am not in a position to do that at the moment because that is still policy under formation and I am working with other Ministers on that and I am sorry, I am not in a position to do that at the moment.

2.2.8 Deputy J.G. Reed of St. Ouen:

What sureties can the Minister for Housing give that increasing rents to 90 per cent of market value will not have the effect of inflating private sector rental values?

The Bailiff:

That sounds very much like a question about housing policy rather than the publication of the information, Deputy. Deputy Pitman?

2.2.9 Deputy T.M. Pitman:

I hope this is not too wide of the mark. Is not one of the reasons that States Members should be able to see all these figures because the concern for Members who do support the Minister is that this could have the exact opposite effect of what he is trying to do and even lead to increased homelessness. Is that a concern and a reason to get these figures out to us?

Deputy A.K.F. Green:

As I have said I have agreed already to provide the calculations based in the White Paper. I cannot see what the problem is.

2.2.10 Deputy G.P. Southern:

It does relate to release of information. Will the Minister first account for ring-fencing £24.5 million for Treasury purposes in the documents? Will he enable States tenants to account for the £3.5 million he is taking off them in raised rents? Why although he says the Wilcox report is still policy in formation, does he say it remained in draft form and there is no intent to progress Professor Wilcox's work further? Surely it is completed and he can release it.

The Bailiff:

The first 2 were about substantive housing policy.

Deputy A.K.F. Green:

The money that goes to Treasury, if you are happy that I answer that, is substantially the equivalent of the rent rebate scheme. We send that money to Treasury and it makes its way to Social Security in the form of the rent component, in the main. With regard to the Wilcox report, it is still in draft form, it is still work in progress and I am not prepared to release it.

Deputy G.P. Southern:

Why then ...?

Deputy A.K.F. Green:

I will correct that then. As far as my department is concerned, we have done our work with that and we do not intend to pursue it any further.

Deputy G.P. Southern:

Do I have to ask the Minister for Health and Social Services?

Deputy J.A. Martin:

Sir, can I just ask you for a point of clarification, to push my luck a little bit? I vaguely remember when we re-wrote the Standing Orders for answers to oral questions, I thought I remembered that when somebody brought something up in the answer which widened the first part, the supplementaries were allowed on that. I have noticed over the last few weeks you have gone back very tight to where we were about 5 years ago. I stand to be corrected, Sir, but I am asking you. Thank you.

The Bailiff:

Yes, I would not dream of taking us back to where we were 5 years ago. [Laughter] The Standing Order says it has to arise out of the question. This question is about publication of the report. If one then turns it into a question about housing policy, it is really a very different question. So, we come next to a question which Deputy Pitman will ask for the Minister for Education, Sport and Culture.

2.3 Deputy T.M. Pitman of the Minister for Education, Sport and Culture regarding access to the Sharp Report:

Given the requirement of the Code of Conduct to be as open as possible, will the Minister clarify why he is preventing an elected Member of the States from receiving a full copy of the Sharp Report in support of researching the proposition?

Deputy P.J.D. Ryan of St. John (The Minister for Education, Sport and Culture):

I can advise all Members that the report is exempt from release under paragraph 3.2.1(b) of the Code of Practice on Public Access to Official Information, i.e. on the grounds that the information concerned in this report was given in confidence on the understanding that it would be treated as confidential. Members will be aware that the information contained in the report is of a highly sensitive nature, as it relates to the indecent assault of pupils at Victoria College about 15 years ago. Thank you, Sir.

2.3.1 Deputy T.M. Pitman:

Supplementary, Sir? Holding the report in my hand, is it not incredible, does the Minister not agree, and what kind of message does it put out that an elected Member has to acquire an official report from a U.K.-based website campaigning against child abuse to acquire an official report, as I say? What does that look like to the members of the public I ask the Minister?

The Deputy of St. John:

I have no comment to make on that, other than that for my department to put something into the public domain would be an illegal act. I cannot lay my department open to court action on that basis. I have no comment as to the availability of that report, perhaps illegally from other quarters. Thank you.

2.3.2 Deputy M. Tadier:

Deputy Pitman's question raises fundamental principles about access to information for States Members who are there to represent the public. Nonetheless, does the Minister not acknowledge the fact that this report was done for the States of Jersey, albeit confidentially, that any Member who sought that information should in the first instance be asked to sign a confidentiality agreement and then be given a copy of the said report. Rather than having to go to a U.K. website, which I understand the Minister cannot answer for.

The Deputy of St. John:

I have some sympathy with this question in this respect. I have been working with Deputy Pitman to try to find a way for him to have access to this report through the Scrutiny system, which has an assumption of confidentiality, as I understand it, although that has changed slightly from my previous life in the Scrutiny system some 4 or 5 years ago. I do agree with the Deputy that there seems to be a gap in the ability for a States Member to carry on in the normal course of their duties, whether it be in the Scrutiny system or on the Executive side. I would support an approach, perhaps through Privileges and Procedures, to put something in place whereby Members can indeed have access to highly confidential documents providing there is some sort of confidentiality agreement. So, yes, I would in general support that.

2.3.3 Deputy M. Tadier:

Sir, may I have a supplementary? Those are fine words, but this already exists to my knowledge. There was nothing to stop the Minister for Education, Sport and Culture releasing this document to any said Deputy - which I take was Deputy Pitman - to get him to sign a confidentiality agreement and then to give the said Deputy that document. What is being implied, of course, by the Minister, maybe he could confirm this, is that he does not trust the Deputy to receive that information. Can the Minister provide clarification of that fact?

The Deputy of St. John:

I would absolutely refute the fact or the assertion that I do not trust the Member completely and utterly. It may be that there is a gap, as I have already said. I am not aware that there is an ability for a Member who is not part of Scrutiny to follow a process of signing confidentiality agreements on sensitive documents. There may be. But my understanding was that that was not what the Deputy required. He required me to give it to him without any confidentiality agreements and my department would be breaking the law if I were to do that.

2.3.4 Deputy T.M. Pitman:

I hope the P.P.C. (Privileges and Procedures Committee) Chairman is watching now; the code is apparently irrelevant when it suits. What I would say to the Minister, and I respect what he says, but is it not absolutely absurd. I have this document. There is one page missing. I am going to have to keep asking questions now, which could just be sorted out between elected politicians. So, can the Minister give me some assurance that he is going to follow up those words that he said and push for something to be sorted out? Otherwise I am going to keep coming back week after week, just to get the information on a child protection proposition.

The Deputy of St. John:

I would be very happy to attend with the Deputy on the Privileges and Procedures Committee to see what can be obtained or arranged. Yes, Sir.

2.4 Deputy J.A. Hilton of St. Helier of the Chief Minister regarding a severance payment made to the former Chief Executive Officer of the Health and Social Services Department:

Would the Chief Minister explain why the former Chief Executive Officer for the Health Department received a payment of £129,000 when in a media release it was reported he was leaving for personal reasons? Who made the decision regarding the payment and why?

Senator I.J. Gorst (The Chief Minister):

The former Chief Officer of Health and Social Services Department left the employment of the States by mutual agreement. The decision was made by the then Chief Executive on the basis of a

delegated authority. The reasons are confidential, due to the nature of the compromise agreement. This was, however, one of the agreements reviewed in the recent Comptroller and Auditor General's Report.

2.4.1 Deputy J.A. Hilton:

The Chief Minister said that the former Chief Executive Officer left by mutual agreement. Does he consider that the whole idea of a pay-off of £129,000 was appropriate in this case when you consider that the former Chief Executive Officer presided over a department that involved the loss of 2 people's lives and various child protection issues? Does he think that the answer he has given me is acceptable? Do you not feel that the public have a right to know exactly why it was agreed?

Senator I.J. Gorst:

I think that my answer is acceptable. I was not party to the original decision-making process. I hope that the Member can take some comfort from the work that the Comptroller and Auditor General has done in his review of the use of compromise agreements. This was one of those that the Comptroller and Auditor General looked at. I do not wish to unnecessarily paraphrase the Comptroller and Auditor General, but I think that he found that the use of the compromise agreements, the ones that he looked at, were appropriate in those instances.

2.4.2 The Deputy of St. Ouen:

It would be confidential, but perhaps the Chief Minister could indicate whether or not any issues over the performance of this Chief Minister were raised and, if so, by whom, prior to his departure?

Senator I.J. Gorst:

Unfortunately, we enter the territory, as we have done before in answering these questions, where I am being asked about information that might have been passed to a previous incumbent of this post to which naturally Members would not expect me to be a party. However, perhaps what I could say is that if Members cast their mind back to media reports around the time of these occurrences that might throw some light upon the issues to which they appear to be seeking.

2.4.3 The Deputy of St. Ouen:

I am struggling to understand the Chief Minister's reluctance to comment on the performance of a particular Chief Officer when we already know that annual performances are undertaken as a normal practice. I would reiterate my question and ask the Chief Minister to identify whether any issues regarding the performance of this Chief Officer were raised prior to his departure?

[10:15]

Senator I.J. Gorst:

It is rather difficult for me to have a public debate about individual performance appraisals or performance management. Perhaps when the P.A.C. (Public Accounts Committee), who I hope will shortly be publishing their report and publishing the transcripts of their hearings, Members will be far clearer on what my view is with regard to where we are in relation to performance appraisal and performance management. I believe that a lot of work needs to be undertaken and they need to be improved. I talked yesterday about some of those improvements and some of the dilemmas that we face. But, it is not appropriate for me to be talking in public forum about individual performance issues.

2.4.4 Deputy M. Tadier:

We have had 4 questions this morning and we have had 4 answers, all of which so far have involved the word "confidentiality" and "cannot give an answer because of" and words to those

effect. What steps with the Chief Minister be taking to make sure that confidentiality in future does not stop him being able to answer this question or questions which are similar to this?

Senator I.J. Gorst:

I am sure that the Deputy has read the recent published report that I, on behalf of, lodged with this Assembly where we made it quite clear the times when we would seek to use a confidentiality clause and when we would not. We said in that report that presumption is that we will not. Therefore, in future, these issues... we will be unable to talk about them in public. But, we should, of course, even if confidentiality clauses are not included, be aware of individual circumstances and that it is not right that we act almost as a court in relation to employment issues around individuals that are employed by the States.

2.4.5 Deputy T.M. Pitman:

I totally support Deputy Hilton's question to the Minister. I also acknowledge that he, of course, was not the incumbent at the time. But, could the Chief Minister clarify, does he not think that being this is taxpayers' money - I think back to a year or so ago when I managed to draw out that there were 6 other Members who shared £255,000 between them - does not public interest override this confidentiality when it is such huge amounts of money?

Senator I.J. Gorst:

The point raised by the Deputy is the very reason why the current States Employment Board have said that they will be loathe and it will be in exceptional circumstances that we would wish to sign or to include a confidentiality clause in agreements. That is right and proper. However, in these instances, confidentiality clauses were included. As the Member will be aware, I have approached the former Chief Executive Officer and the former Chief Officer of Health and Social Services and asked if I could release the amount that was paid. They agreed to that and that is why I was able to release it. But, it is not right that where we have entered into a contractual agreement that we then renege on that agreement.

2.4.6 The Deputy of St. Ouen:

Could the Chief Minister indicate whether there were any similarities between the reasons for this particular officer leaving and that of the former Chief Executive of the States?

Senator I.J. Gorst:

I suppose the similarities are that they both left and they both got a pay-off.

2.4.7 Deputy J.A. Hilton:

Does the Chief Minister believe that it is appropriate practise for the Chief Executive Officer, under delegated powers, to have the authority to negotiate these substantial pay-outs without reference to the States Employment Board?

Senator I.J. Gorst:

No, Sir.

2.5 Deputy M. Tadier of the Chief Minister regarding negotiations with public sector workers and their representatives in relation to a cost of living pay adjustment for 2012:

Will the Chief Minister provide an update on what negotiations have taken place with public sector workers and their representatives, with regard to a cost of living pay adjustment for 2012 and how these negotiations are progressing?

Senator I.J. Gorst (The Chief Minister):

The States Employment Board has received pay claims from the majority of pay groups, one exception to this is the claim from Ambulance Service, which remains outstanding. Negotiations are on-going. The next meeting is scheduled for 23rd April and the States Employment Board hopes to make progress in the coming months.

2.5.1 Deputy M. Tadier:

Will the Minister provide further information about why the Ambulance Service has not put in a pay claim?

Senator I.J. Gorst:

Obviously, I do not have the detail of why they have not issued a pay claim. It will be a matter for them. Although I can, of course, ask officers to approach them to see if they are intending to do so. Then, obviously, relay that information to the Deputy.

2.5.2 Deputy G.P. Southern:

Is the Minister aware that arbitration which took place over the J.E.C. (Jersey Electricity Company) employees resulted in a 3 per cent plus pay award?

Senator I.J. Gorst:

I am aware of that, yes.

2.5.3 The Deputy of St. Ouen:

Could the Chief Minister confirm whether or not the proposed C.S.R. (Comprehensive Spending Review) saving of £14 million related to the pay of States employees will be achieved by 2013?

Senator I.J. Gorst:

The States Employment Board are in the process of endeavouring to approve that.

2.5.4 Deputy M. Tadier:

Will the Chief Minister or the S.E.B. (States Employment Board) accept the position of most of the representatives and the workers that they would wish pay negotiations to be completely separated from terms and conditions? If not, why not?

Senator I.J. Gorst:

The States Employment Board is of course aware that some pay negotiation groups would prefer that they were separated. That is as it may be. The States Employment Board has made an offer, as I have reiterated previously in this Assembly, and that making an offer and negotiating around that offer is part of the normal process of arriving at pay deals.

2.5.5 Deputy G.P. Southern:

Would the Chief Minister remind the Assembly exactly what the offer entailed and whether the employees were only too willing to snap the S.E.B.'s hand off in order to take that very generous offer?

Senator I.J. Gorst:

I am sure there is no Member in this Assembly that requires me to remind them of the offer.

Deputy G.P. Southern:

I do. With due respect, the public are listening and it might be fair enough for Members to have a good memory, but I think it is important for the public to be reminded. I did ask a question, Sir.

Senator I.J. Gorst:

Of course, this is information which is already in the public domain, but so be it. As the Deputy is well aware and I suspect most members of the public are also well aware, the initial offer made on behalf of the States Employment Board was for no increase in pay in 2012 and 2013, but in 2014 an increase of 2½ per cent. Of course, the States Employment Board has paid normal incremental rises which amount to something like £3.6 million during 2012.

2.6 Deputy M.R. Higgins of the Minister for Transport and Technical Services regarding the archiving of chimney temperature data and other key records relating to the operation of the Bellozanne incinerator facility:

Will the Minister undertake to ensure, as promised by his predecessor, that all chimney temperature data and other key records relating to the operation of the Bellozanne incinerator facility have been retained and handed over to the Jersey Archive, so that the information critical to determining the impact of the facility on Islanders' health have been preserved?

Deputy K.C. Lewis of St. Saviour (The Minister for Transport and Technical Services):

The department has archived the log sheets for the last 10 years of operation of the Bellozanne Energy from Waste plant. I was not aware of any commitment made by the previous Minister for Transport and Technical Services regarding data relating to the Bellozanne Energy from Waste plant being handed over the Jersey Archive. However, T.T.S. (Transport and Technical Services) will contact the Jersey Archive to ascertain whether the information should be transferred. Previous requests for data have asked for chimney temperatures. The temperature of the exhaust gases going up the Bellozanne chimney would have no relation to the likely dioxin content of the flue gasses. Typically, Bellozanne ran chimney temperatures in excess of 200 degrees Celsius. By comparison, the new plant operates at 145 degrees Celsius.

The Bailiff:

Yes, Deputy, do you require a supplementary?

2.6.1 Deputy M.R. Higgins:

A supplementary, yes. Is the Minister not aware of the fact that the Bellozanne temperature - I did get some early readings, as a result of earlier questions - was not reaching the required temperature to kill all the dioxins that were going out of the chimney? That was the reason why I was constantly asking questions on this. What I would say is I did ask his predecessor in the States Chamber. I think if we go through Hansard we will find that request was there and agreed to. So, I welcome the Minister's statement that he is going to talk to the Archive. All this data must be maintained. I hope he will ensure that all data that would affect public safety is retained. Can he give that undertaking that he will?

Deputy K.C. Lewis:

Absolutely. I will reiterate that the chimney temperatures are not relevant in this case. The more relevant temperature, from the combustion point of view, is the combustion temperature. The W.I.D. (Waste Incineration Directive) sets out the combustion temperature must be in excess of 850 degrees Celsius for 2 seconds. The temperature of the combustion at the flame will be significantly greater than 850 degrees Celsius and the flue gas will cool as it rises. The 2 second residency temperature will move, depending on flue gas flow rate. Therefore, this temperature has to be calculated using complex computer calculations. This is a requirement of the W.I.D.

2.6.2 Deputy J.A. Hilton:

In previous questions asked in this House, we were told by the former Minister for Transport and Technical Services that regular testing was carried out on employees of the plant up at Bellozanne Valley. Can the Minister confirm that the regular testing is still being carried out and that that data relating to those test results will be kept in a secure environment for perusal later on if necessary?

Deputy K.C. Lewis:

I am not aware of that testing, but I will investigate that.

2.6.3 Deputy J.H. Young of St. Brelade:

Notwithstanding the technical complexities of the Minister's answer, would he please confirm that the design of the Bellozanne incinerator predated modern emission standards and the reality is the long term effects of the incinerator are unknown, that it is important for him to retain all data so that in the future investigations can be made if necessary?

Deputy K.C. Lewis:

Absolutely. I reiterate, all data will be maintained and preserved. Was the Bellozanne incinerator up to standard? No, that is why we built a new one. But, I can guarantee all data will be retained.

2.6.4 Deputy J.A. Hilton:

Just a follow-up question to my previous question, the Minister was not aware that testing and health checks have been carried out on employees at the plant. Can he answer that question in a written form to all Members, please? Thank you.

Deputy K.C. Lewis:

I will investigate and circulate to all Members certainly.

2.6.5 Deputy M.R. Higgins:

Will the Minister acknowledge that in the past tyres and computer equipment were burned in the incinerator and that there were particles from those that did escape, which were not burned off in the process and therefore could have been a hazard to health?

Deputy K.C. Lewis:

I am aware that tyres were burned in the past. I am not sure about the computer parts. I can assure Members that all such items are exported for recycling to the U.K. now. But, I cannot comment at all what was done in the past.

2.7 Deputy G.C.L. Baudains of the Chief Minister regarding a review of the States departmental structure:

Would the Chief Minister state whether the Council of Ministers is actively reviewing the States departmental structure and, if not, whether he intends to do so in the near future?

Senator I.J. Gorst (The Chief Minister):

Subject to the States approving the Strategic Plan, which contains a priority to reform the public service, departmental service areas and structures will be subject to review as the services provided to the public are examined to ensure that they are delivered in the most cost effective and efficient way.

2.7.1 Deputy G.C.L. Baudains:

I thank the Chief Minister for his answer. Could he give a timescale as to when this work might be completed?

[10:30]

Senator I.J. Gorst:

Slightly more difficult to answer that. I am not able to say when it will be completed, but obviously it will be started as soon as the Strategic Plan, which I hope will be approved, is approved. There is some work already on-going with regard to culture change in the organisation, modernisation and looking already at where we can work differently across departments and within departments. Of course, the airport and harbour redevelopment and working together is already up and running. That is a good example of what we perhaps need to roll-out elsewhere. So these things will take time, but the important thing is we get started and start ensuring or allocating departments that can work differently and work better with other departments.

2.7.2 Deputy G.C.L. Baudains:

Again, I thank the Minister for his answer. Could I ask him, is there a dedicated working party doing this work or are we in the possibly unfortunate situation of Ministers doing it in their spare time?

Senator I.J. Gorst:

Perhaps I could reassure the Deputy. It appears to me that Ministers have no spare time. The Deputy raises a very good question. Once the States have agreed the Strategic Plan, there will then be the knotty issue of delivery which needs to be considered by the Council of Ministers. We have had some early thoughts, but we need to develop those. One of my preferred ways of ensuring appropriate delivery is to set up working parties, perhaps in the way the Deputy was considering when he asked his question. So, that will be the next strand of work. But, it seems to me that setting up a working party like that is a good way of ensuring that we deliver for our community.

2.7.3 Deputy M.R. Higgins:

My written question, number 5, to the Chief Minister was asking about savings that had come through the C.S.R. project, but it is also linked to the whole idea of States structures and the structures we have. The Chief Minister has provided an answer showing the savings that they have made, but he has not been able to answer it yet. He says he will do so by the end of the week. I had better explain my question. The first question was how many jobs have been lost and the savings generated from salaries and benefits? The second part of the question was how many jobs have been created in the same departments in the same time period and what do they cost in salaries and benefits? So, we can see a true figure. Will the Chief Minister also include in his answer the invest-to-save figures, so that we can see what the true figures are overall?

The Bailiff:

Deputy, I am afraid at the risk of incurring Deputy Martin's wrath, I cannot see that that question relates to the question at the moment.

Deputy M.R. Higgins:

Just trying, Sir.

Senator I.J. Gorst:

Perhaps he would like to ask it later, Sir.

The Bailiff:

Yes, there are questions without notice to the Chief Minister. Deputy Le Hérissier?

2.7.4 Deputy R.G. Le Hérissier:

In his initial review of the matter, would the Chief Minister say whether or not he has come to the initial view that there are problems with some of the big mega departments and that he is considering splitting them up and, if so, which?

Senator I.J. Gorst:

I think my aim would be to reduce the number of departments not to increase them. To give his question a serious answer, no I have not. I think it is much more complex than that, because in my view there are certain things which are happening across departments which could be brought together. The question is which department will they sit in, rather than just hiving bits off and creating lots of extra departments. That would seem to be going in the wrong direction and perhaps make Government more inefficient.

2.7.5 Deputy M. Tadier:

The Chief Minister will be aware of a Sub-Committee which is looking into the machinery of government, part of whose terms of reference includes the structuring of the Civil Service and how we as a government deal with them. Has the Chief Minister given any consideration as to how the work of the Sub-Committee might dovetail with any possible future work which the Chief Minister and Ministers may at some point do?

Senator I.J. Gorst:

I have not, because I have not yet got the Strategic Plan approved by this Assembly. However, the Deputy makes a very good point and the work would need to be done in co-ordination with that sub-group of P.P.C. to ensure that there is no crossover and that both pieces of work know exactly what they are aiming at achieving.

2.8 Deputy R.J. Rondel of St. Helier of the Minister for Treasury and Resources regarding the use of purchase cards within the States of Jersey:

Would the Minister state how many purchase cards are presently in use within the States of Jersey and whether when used for entertainment purposes alcohol is allowed to be purchased? Thank you.

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

May I ask my Assistant Minister to answer this question?

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

At the beginning of March 2012 there were 1,498 purchase cards active with the States provider. This is a reduction of 185 on the figure of 1,683 published in June of last year, which in turn came down from 2,119 cards as published in August 2010. There are no specific corporate rules on whether alcohol is allowed to be purchased. Each department is required to have its own policy on travel, accommodation and expenses. There is however a corporate code of conduct which states that officers must not claim for unnecessary or extravagant amounts. The code contains other rules on hospitality.

2.8.1 Deputy R.J. Rondel:

I just wondered whether the Assistant Minister would be able to provide the information on each department if they have a written policy on the expenses for entertainment, travel and leisure? Thank you.

Deputy E.J. Noel:

I will obtain that information and distribute it to Members.

2.8.2 Deputy T.A. Vallois of St. Saviour:

Does the Assistant Minister see it appropriate for public servants to utilise a purchase card to purchase alcohol?

Deputy E.J. Noel:

It does depend on the circumstances. If they are entertaining suppliers or other bodies then there may be a case for a moderate amount of alcohol to be purchased in the course of, for example, a meal.

2.8.3 Deputy T.A. Vallois:

Sorry, can I just follow that up? Does the Assistant Minister not see it concerning that taxpayers' money is being used to purchase alcohol?

Deputy E.J. Noel:

On occasion, it may be appropriate for senior staff to entertain customers, suppliers and other contacts with the States of Jersey. Individuals must seek prior approval from their line manager or their chief officer before incurring any expenditure. An entertaining expenses form must be completed to support each claim. In some circumstances, it is appropriate for moderate amounts of alcohol to be purchased. This happens within, for example, the Bailiff's own chambers when you are entertaining overseas guests, Sir. **[Laughter]** So, there are times when it is appropriate to provide moderate amounts of alcohol with a meal.

2.8.4 Deputy T.M. Pitman:

Can the Assistant Minister tell us how much was spent by the Bailiff's Department ...? **[Laughter]** In hindsight, does the Assistant Minister not agree that it would be far better for all departments to have the same policy on alcohol being purchased with purchase cards, because we have seen a great big issue made with the police, for instance? So, it would seem consistent if we could be consistent across the board.

Deputy E.J. Noel:

Once I have gathered the information, as I have previously promised to gather, it will be interesting to see what differences, if any, there are between the departments.

2.8.5 Deputy J.H. Young:

Would the Assistant Minister advise the Assembly whether there are any spending limits placed on these 1,000-odd cards and, if so, how much?

Deputy E.J. Noel:

I do believe there are a range of limits depending on the individual holding the card and the purpose for which the card is issued.

2.8.6 Deputy J.H. Young:

Could the Assistant Minister at least tell us what the maximum limit is, please?

Deputy E.J. Noel:

Again, from my experience when I was the Assistant Minister for Health and Social Services, purchase cards were used by the Catering Department to purchase substantial quantities of food products for the hospital. So, I do not know what the limits are. The policy is that they should be appropriate for the intended use. It varies tremendously.

2.8.7 Connétable P.J. Rondel of St. John:

Would the Assistant Minister agree that he has not been very well briefed before coming to this meeting this morning? **[Laughter]**

Deputy E.J. Noel:

No, I have been adequately briefed. This is quite complex. We have almost 1,500 cards in use and they do have a variety of limits on them. It is a vast subject. I am happy for Members to come and spend some time with me to investigate it further.

2.8.8 Senator S.C. Ferguson:

In a jurisdiction, just a little sort of 180 miles north of us, they are in fact publishing lists of spending by departments on their purchase cards. Would this not be a good idea for the States to do considering that this is public money that is being spent?

Deputy E.J. Noel:

I agree that we can publish some additional information. I do not know the final details of how the expenditure is analysed. But it is going to be very similar to people's household credit card statements. You will have the amount for a particular provider, but you will not necessarily have a detailed analysis of what is on that individual purchase. To give an example, there were 58,000 purchases during 2011, totalling some £4.9 million. To have a detailed breakdown of everything that was purchased would require an analysis of 58,000 separate invoices.

2.8.9 Senator S.C. Ferguson:

Supplementary, Sir. This is being done by the U.K. with no problems. We have these expenses on a computerised ledger system. When will the Minister arrange for these figures to be published?

Deputy E.J. Noel:

I have already said that I am quite happy for future information to be released and I will arrange for that to happen.

2.8.10 Senator L.J. Farnham:

I would just like to ask the Assistant Minister if he is fully satisfied that holders of such cards are held properly accountable for all expenditure incurred?

Deputy E.J. Noel:

As far as I am aware, every single transaction is vetted by people's line managers. It is not the purpose of this House to micromanage that situation. It is for those line managers to do their job.

2.8.11 Deputy R.J. Rondel:

Once again, I seemed to have opened a can of worms. I am aware, however, that Australia does produce some very fine wines. **[Laughter]** But, what I would like to just ask the Assistant Minister is he did mention that people do fill in entertainment expenses forms. Is this monitored for purposes of alcohol purchases and if it is monitored then there should be available more information on that? Thank you, Sir.

Deputy E.J. Noel:

As I have said previously, I will gather the information concerning individual department's policies. But, I can assure the Treasury and Resources Department that such expenditure is closely monitored.

2.9 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding a fair and equitable taxation system:

Given the comments of the U.K. Chancellor of the Exchequer that he was shocked to discover how the wealthiest members of society were able to structure their finances to pay virtually no tax, has the Minister made any similar discovery in respect of Jersey yet? What measures, if any, is he planning to introduce locally to ensure that a level playing field exists with regard to taxation?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Sir, we are splitting the workload this morning. The Assistant Minister will answer this question as well.

The Bailiff:

Seems to be a rather one way split. [Laughter]

Deputy E.J. Noel (Assistant Minister for Treasury and Resources):

This is a very fair split, Sir.

The Bailiff:

A very fair split, yes. Deputy Minister?

Deputy E.J. Noel:

The U.K. and Jersey income tax regimes are very different. The legitimate tax planning mechanisms as highlighted by the H.M.R.C. (Her Majesty's Revenue and Customs) which are used by some very wealthy individuals in the U.K., to the extent that they pay virtually no tax, are unlikely to be used by or simply would not apply to wealthy Jersey resident individuals.

[10:45]

Additionally, due to the relatively low tax rate in Jersey compared to the U.K., Jersey residents have less incentive to want to evade or avoid tax. The Chancellor announced in his recent U.K. budget that the Treasury plans to introduce general anti-avoidance rules in the future. This is something that the Comptroller of Taxes already has, a general anti-avoidance provision, which he can and does use if he considers that one of the main purposes of a transaction is to reduce the amount of Jersey tax payable by a taxpayer. This can be used against any taxpayer who seeks to avoid Jersey tax, including an individual who has substantial wealth. It is interesting to note that in Jersey the top 5 per cent of Jersey taxpayers pay over a third of the total tax revenue and the top 10 per cent contributes nearly half of all Jersey tax income.

2.9.1 Deputy T.M. Pitman:

I do not know if the Assistant Minister is aware of this, but I have documentation from the former Economic Adviser that certainly the 1(1)(k) paid as little as 5 per cent. So, it is not about how much you pay it is about what you should be paying. So, does the Assistant Minister not agree with me that his words are not really reassuring as they should be and perhaps need a little more research?

Deputy E.J. Noel:

I believe that Jersey taxpayers do pay the amount of tax that they should pay. To reiterate, the top 5 per cent of taxpayers, who pay tax, pay 34 per cent of the total individual tax revenues and the top 10 per cent of taxpayers, who pay some 47 per cent of the total individual tax revenues. There are some 69 individuals with more than £1 million worth of income, their average tax rate is 19 per cent.

2.9.2 Deputy G.P. Southern:

Can the Minister provide a breakdown of income tax paid by earnings quintile in the near future, please?

Deputy E.J. Noel:

I will endeavour to seek that information.

2.9.3 Deputy M. Tadier:

Those figures are interesting. The first question is would the Minister provide those figures in writing, but not simply as percentages, but also as proportions that they represent of the individual's actual income, to show the relative amount that they pay in income tax? Would the Assistant Minister agree that perhaps what Deputy Pitman maybe should have been asking is that it is the absence of certain taxes in Jersey, Capital Gains Tax for example and others could be named, that allow the wealthiest members in society who could possibly contribute more to structure their finances in such a way that they pay a minimum amount of tax relative to what they could be contributing in these austere times?

Deputy E.J. Noel:

To take the first part of the Deputy's question, I am more than happy to publish the information on the effective rate of tax that is paid by groups of individuals. With regard to whether or not Jersey should have other forms of taxation, this is down to this Assembly to decide at some future point when we are deciding future fiscal strategy. But, we have a current fiscal strategy that has been agreed by this Assembly and I see no reason to deviate from it.

2.9.4 Deputy M. Tadier:

Sir, may I have a supplementary? Does the Assistant Minister agree in principle that the kind of society he would like to live in would be one where those who are able to contribute the most should be given every opportunity by this States Assembly to contribute the most to our society?

Deputy E.J. Noel:

Deputy Tadier and myself come from different ends of the political spectrum. I believe in a fair tax system as does he, but our definitions are somewhat different. So, I cannot agree to what he is suggesting.

2.9.5 Deputy J.H. Young:

Is the Assistant Minister confident that in his answer he has taken into account the affects of the loss of the deemed dividend arrangements for shareholders of local companies? If he has not taken that into account, would he expect that to have an impact on the tax distribution in the future?

Deputy E.J. Noel:

Yes, I am confident that I have taken that into account, because I have. Going forward in the information that will be published in the medium-term financial plan, the information is based on the fact that we have changed our arrangement with the deemed distribution.

2.9.6 Deputy M.R. Higgins:

Is the Assistant Minister really serious when he says he does not believe that people would try to avoid tax? Because no matter what the tax is, there are always people who will try to avoid it. Does he not accept that people could be avoiding tax through the use of trusts, foundations or overseas companies in the same way that people have reportedly used the Island for that benefit? How does he know that citizens in this Island are not using those mechanisms?

Deputy E.J. Noel:

People are allowed to arrange their affairs in accordance with the law. If, however, the Comptroller believes that the sole purpose for them arranging their affairs in a particular way is to avoid tax, he has the powers to take action and to raise an assessment on those individuals. We have got stronger powers than currently the U.K. have. That is why they are looking to introduce a general anti-avoidance provision.

2.9.7 Senator S.C. Ferguson:

Will the Assistant Minister confirm that the percentage figures are available on request from the Tax Department, because I have been quoting them for some years? But, mainly, has the Assistant Minister considered requesting an economic adviser to produce a Laffer curve for Jersey?

Deputy E.J. Noel:

Yes, in the first instance, I can confirm that the information is readily available from the tax office about the effective rate of tax. With regard to the latter part, I think this is something that the Senator should take up directly with our Economic Adviser.

2.9.8 Deputy J.A. Hilton:

There has been a lot of talk in the media recently in America and London with the election candidates jockeying to release details of their tax returns. Would the Assistant Minister support that move here in this Assembly, States tax returns being made public?

The Bailiff:

That is a good try, Deputy.

Deputy E.J. Noel:

I am quite willing to answer it, Sir.

Deputy J.A. Hilton:

The Assistant Minister did refer in a previous answer about groups of individuals ...

The Bailiff:

I suggest you ask the Minister for Treasury and Resources on questions without notice. Very well. Deputy Southern, then final question Deputy Pitman.

2.9.9 Deputy G.P. Southern:

Careful how I start this. The Minister mentioned the medium-term financial plan. Will it include a mechanism for obtaining taxation or charges from non-financial businesses?

Deputy E.J. Noel:

The information that will be included in the medium-term financial plan - currently the draft document is some 90-odd pages long - will include details about our projected tax receipt over the term of that plan, broken down in detail, so it will be transparent and there for the Deputy to analyse freely.

2.9.10 Deputy G.P. Southern:

Will the non-financial business sector be paying zero tax, again?

Deputy E.J. Noel:

We do not propose and have not changed our taxation system. Jersey companies are on the whole taxed at zero. Only a small group of financial service companies, a group of commodity extraction companies and the utility companies pay tax at a different rate.

2.9.11 Deputy T.M. Pitman:

Deputy Tadier kindly stole my follow up question. However, could I ask the Assistant Minister if he could just remind me of how many instances his department have required people to back-up that they are not dodging what they should be paying? Because, I think it is less than 100.

Deputy E.J. Noel:

I am afraid Deputy Pitman is wrong. In fact, 170 cases was examined by the taxes office under Article 134A in 2011. So the figure is for 2011, 170 instances.

2.10 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the latest estimates for the Island's Gross Value Added or Gross National Income:

Following the publication of another disappointing business tendency survey, will the Minister update Members on the latest estimates for the periods 2009-2011 along with 2012-2013 for the Island's G.V.A. (Gross Value Added) or G.N.I. (Gross National Income), the squeeze on public and private sector incomes, including disposable incomes and state what specific measures he will take to stimulate the economy?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Jersey's G.V.A. was £3.6 billion in 2009 and £3.5 billion in 2010. The Fiscal Policy Panel in their October update last year expected modest economic growth of between 0 and 3 per cent in 2011 and in line with the international development of the world economy slightly less growth in 2012 with the risks on the downside. The economic forecast will be updated in our normal practice in advance of the medium-term financial plan. So, there are no official measures of disposable income. The closest indicator, however, that we have is average earnings. The Fiscal Policy Panel showed that the average earnings growth increased at a similar rate to inflation in recent years. Future average earnings growth is, of course, not able to be forecast easily. The Council of Ministers has taken a number of measures to stimulate the economy. We are bringing forward capital spending. I am making an announcement today about housing schemes. We have been focusing on reducing unemployment, Advance to Work and Advance to Work Plus are hugely successful. Also, of course, the collaboration with J.T. (Jersey Telecom) on Gigabit Jersey. Last week the announcement of Digital Jersey. Next week I will be undertaking a promotional visit in the Gulf. The Chief Minister, Minister for External Relations and Minister for Economic Development have a range of promotional trips for Jersey. The Minister for Economic Development is also pressing me hard to fund the economic growth strategy, which he and other Ministers are preparing. So, this is all consistent with the advice of the Fiscal Policy Panel, that the States should be ready to support economic activity without weakening States' finances.

2.10.1 Deputy G.P. Southern:

Does the Minister not believe that the time has come to put some fiscal stimulus back into the economy in order to prevent the extension of this terrible recession?

Senator P.F.C. Ozouf:

I would remind the Deputy that, of course, the Fiscal Stimulus Plan that we and this Assembly approved continues to have some benefit to the economy as projects continue. Indeed, this year we will be spending more in the economy and we will be incurring a deficit as a result of the capital

programme spending that we are making. We will be spending more than we are taking out. That in itself is fiscal stimulus. I am going to be working with Ministerial colleagues on a whole set of further improvements in terms of economic competitiveness and boosting economic growth. There is going to be a whole programme, not only in terms of Advance to Work, but boosting economic activity, which shows just how determined we are to do everything we can to boost economic activity in the Island.

2.10.2 Deputy J.H. Young:

Will the Minister advise the Assembly whether he has asked the Fiscal Policy Panel to look particularly at the impact on the progressive withdrawal of tax allowances under the 20 per cent policy, which year on year has taken more money out of the system and the impact of G.S.T. (Goods and Service Tax)? Could he advise that he has asked them to comment on whether or not they are contributing to the economically depressed situation?

Senator P.F.C. Ozouf:

I would say 2 things about that. Yes, the Fiscal Policy Panel has an overall ability to investigate whatever they want and they are receiving further briefings this week. It is very important, I think, for the Deputy to remember just how important it is for governments to show that they have responsible public finances. Governments who have been incurring debt and deficits are in grave difficulty at the moment. We have not done that. We have tackled our problems. We have dealt with deficits. Yes, some of that has been as a result of changing taxes. 20 Means 20 has meant that people on higher incomes are now contributing an effective rate which is nearer 20 per cent. I am sure that many Members would agree that that is fair. So there are both things you have to do. You have to make sure your public finances are strong. If you can do that, you can invest. I do not foresee this Assembly having to make any further dramatic changes in terms of private, the personal income tax, either on G.S.T or Income Tax.

2.10.3 Deputy J.H. Young:

Could I ask the Minister to clarify his answer, in that is he saying to the Assembly that sustainable public finances overrides all when one is considering issues of economic growth or is he telling the Assembly that a balance needs to be achieved? Could he also say whether or not the impact, the comparisons with our sister islands that have not gone in that same way, might give us some pointers to why our circumstances seem to be more depressed?

Senator P.F.C. Ozouf:

I certainly agree that the environment in Jersey is realistic in terms of what the international situation is. It is always interesting to compare almost the state of people's mind and their confidence. We will see what develops in Guernsey. Guernsey have a deficit to deal with. I am not criticising that.

[11:00]

But, we have tackled our deficit. Other countries have yet to deal with that. That is not a criticism. We have tackled our deficit and we have tackled it boldly, which means that now we can act. I have always said that there is a dividend to be paid for Islanders in the recovery phase. We have tackled our deficit, we have restored our public finances, which is important, and we have invested in the economy. My job, with Ministerial colleagues, is to make sure that we get money invested in the economy. That is local investment, that is public investment, that is looking at things like social housing, *et cetera*. That is how we are going to improve the economic situation. Promoting Jersey in the growing areas of the world is absolutely fundamental to the digital economy, financial services and everything else. That is how we will keep our standard of public finances and boost jobs.

2.10.4 Deputy M.R. Higgins:

In fact, I was going to ask another question, but I will ask this one first. The Minister has just told us he has solved our deficit. The truth of the matter is if the accounts were in balance this last year it is because of underspends which are being used. Is he trying to tell us that he has achieved his C.S.R. objectives and the economy, we have dealt with the structural deficit and it is no more?

Senator P.F.C. Ozouf:

Let me be clear: we had a plan to deal with the deficit. We would have a £100 million deficit in 2013 on a recurring basis if we had not made the decisions we did last year. They are difficult. We have made the taxation changes. 20 Means 20 is now finished. There is no further withdrawal in terms of 20 Means 20. We have come to the end of that process. We have made the decisions to increase G.S.T. and we have made the decision to put the 2 per cent above the cap on social security contributions. Those decisions have been made. If we follow through and it is this Assembly and the medium-term financial plan to confirm the savings trajectory. We have to reach that target of in excess of £50 million then we will have balanced our books and we will have dealt with the problem. That is the clear caveat that I make. We have to deliver on the savings, so that we can balance our books.

2.10.5 Deputy M.R. Higgins:

Can I just clarify, so the answer was, no, you have not achieved balancing the books as yet.

Senator P.F.C. Ozouf:

I am an optimist. I am confident in this Assembly's decision making. I am confident that this Assembly will continue the prudent and realistic approach to public finances, on the one hand investment, but also on the one side of making savings and economies of modernising our public sector but also finding the money, in doing so, for the valuable areas of Education and Health that need investment. We should be proud of ourselves.

2.10.6 Deputy M. Tadier:

It is interesting to note how on the one hand the Minister for Treasury and Resources holds up the savings that we have got and then conveniently forgets about perhaps our crumbling infrastructure; the sewers, the potholed roads and the struggling hospital that we have, but that is perhaps for another time. The question I would say to the Minister is that all of these steps which are outlined could be positive. Does he agree that they depend largely on 2 things and, if so, how will he address these? The first one is to do with fiscal leakage; it is fair enough putting money into fiscal stimulus but if money is being leaked that does not help anybody in the long term. The second point is gone, so I will come back to that.

Senator P.F.C. Ozouf:

First of all on infrastructure; I inherited a Treasury which was difficult in terms of having problems in relation to revenue expenditure and we did not have a long term capital plan, such as the Constable of St. John had been asking. We are tackling our infrastructure. It is not all crumbling. There are issues which need to be tackled in terms of the liquid waste system and the hospital and I am going to be publishing, with Ministerial colleagues, a 25-year plan for capital which will be fully costed and will fully explain where the money is coming from. We should be proud of our infrastructure. We have got great schools. We have got sea walls which have had substantial investment in them. There is work to be done and we will tackle that. I do not understand the relevance of the comment in relation to fiscal leakage, if I may say. I did not understand what the Deputy meant about what the problem was. Perhaps he could restate the question.

2.10.7 Deputy M. Tadier:

I am happy to do that very quickly. Clearly the question was about what the Minister for Treasury and Resources is doing to make sure that economic recovery happens, *et cetera* and all those things that are related with it. One of the ideas, of course, is to do with fiscal stimulus. We have got a project coming up from the Tourism Development Fund which would see, pound for pound, funding given to the private sector. I am concerned, first of all, that the States gets its money back from the private sector and, secondly, if we need to be investing in companies where the money stays in the Island and is not being either subverted up the chain or out of the Island completely. Does the Minister agree with that? If so, which steps is he taking to make sure that is the case?

Senator P.F.C. Ozouf:

I apologise for not having understood. I do agree with the Deputy that it is important that when we are engaging in fiscal stimulus activity that that money is, to a large extent, captured in the Island. That is why we put really tough rules around the fiscal stimulus projects, which we are now learning and we are now using for the other capital projects that we are doing, for example, in the capital projects that I am going to be announcing with my colleague, the Minister for Housing, later on this morning. I do agree that we should be focusing on on-Island jobs and any capital spending should be focused on on-Island employment and that is the clear direction of the Chief Minister. There is an important issue of spending; sometimes you do need to bring the new talent into Jersey in order to help the local employment. It is that fusion of outside talent and Jersey talent which has built us the success we have today. If we are going to develop a digital part of the economy we are going to need to welcome some new workers in that area to help locals to build capacity. But I agree with the Deputy's comments; it is important to focus on what matters for Jersey's economy and that is what our focus is and continues to be.

2.10.8 Deputy R.G. Le Hérissier:

Would the Minister state whether he thinks that the fulfilment industry fitted-in with a proper economic strategy and, if not, how does he intend to diversify away from a labour-intensive but low-income industry?

Senator P.F.C. Ozouf:

I will try and fit that in with G.V.A. I was the Minister for Economic Development at the time when we analysed the fulfilment sector and we clearly separated out the fulfilment sector into 3 areas: whole-Island full-chain retailers, such as Play.com and then just the fulfilment entities and then the hybrids in between. I would remind the Deputy that the whole-chain retailers produce the G.V.A. per person of in excess of £100,000 that was equal to financial services. In its heyday it was an extremely valuable part of the economy. What was not was the use of fulfilment of just the picking and packing and the diverting of goods to Jersey; now this debate has obviously moved on. We warned that this was always going to be a problem and Ministers at the time I made decisions about, for example, U.K. retailers diverting round-tripping and that was not good for the Island's reputation and it was also not, effectively, very economically valuable. I think that the Island has handled this issue quite well. I am disappointed like everybody else is that we lost the court case and obviously there is an emerging picture in relation to this issue. But obviously it is important to analyse what went right and what went wrong, whether decisions were made appropriate. Yes, of course, it is a blow to our economy which was why we must step up our activities to find these individuals who are going to, sadly, lose their jobs to find alternative employment as soon as we possibly can.

2.10.9 Deputy C.F. Labey of Grouville:

I welcome the Minister's enthusiasm to invest in our economy. Does he foresee that investment stretching to our traditional industries that can be measured in so much more than just tax returns in keeping Jersey green and vibrant, not just see new?

Senator P.F.C. Ozouf:

Absolutely and that is why, with my colleague, the Minister for Economic Development, we have put forward changes to the Tourism Development Fund. I perhaps did not answer Deputy Tadier's question about whether or not we are going to get money back from investments in tourism. What is commanding our attention at the moment is how can we get capital that is circulating in the Island investing in business? I presume I, in the past, was not particularly keen on progressing tax concessions for investment in businesses such as the film industry as we have seen in creative industries elsewhere. I am looking again at that because I understand that the credit squeeze is meaning that businesses are finding it difficult to get capital. If we can find an incentive to get local capital investing in local businesses then we are going to do so. I am going to be making some announcements about that in the budget later on this year. I am determined that all sectors of the economy, agriculture, tourism and others, with my colleague, the Minister for Economic Development, get investment. The T.D.F. (Tourism Development Fund) is part of that but there is more to be done. I agree with her that we need to look at all sectors of the economy and it is not just the G.V.A. figure that matters. It is about jobs and what makes our Island what it is today.

2.10.10 The Connétable of St. John:

The Minister has been mentioning the infrastructure; given that St. Helier Marina is being reinforced at the moment with concrete cladding around that particular marina, is the Minister happy to see that staff working on that particular site are being employed from outside the Island? Given that his view that we want to do an awful lot of work within the Island and it should go to local labour and this work that is being done is the type of work that can be done by many of the building companies on the Island, is he happy to see U.K. vehicles parked across marina parking berths and the like, which are there paid for within the dues of the marina users, is he happy to see U.K. vehicles and U.K. staff working within the Island when this work could be done by Jersey residents?

Senator P.F.C. Ozouf:

Sir, you are allowing quite a stray here but I am happy to say ...

The Bailiff:

The Connétable is so eloquent I had to ...

Senator P.F.C. Ozouf:

Okay. Sometimes it is said that the Minister for Treasury and Resources puts his tentacles into too many things and this is clearly within the remits of my good friend, the Minister for Economic Development, but he tells me that it is a local firm which is employed in this endeavour. Clearly it is important infrastructure, which I am sure the Connétable will agree is important. Sometimes there is the necessity of bringing in expertise from outside the Island but I am advised that perhaps he will address to the Minister those questions as to the on-Island... But I understand it was a local contracting arrangement, it is a local firm and just because there are some U.K. vans does not mean to say that there are U.K. people in them. Sometimes you need to bring in the facilities in order to do so. I turned up at Victoria Avenue in the middle of the fiscal stimulus project at 2.00 a.m. to check myself whether or not it was local people engaged in Victoria Avenue replacement. Actually it was U.K. vehicles but they were Jersey employees working within them but they needed the vehicles to do the job.

The Bailiff:

No supplementary, Connétable. **[Laughter]** Very well, the final question, Deputy Southern.

2.10.11 Deputy G.P. Southern:

Does the Minister accept the figures I circulated earlier today, largely based upon the Fiscal Policy Panel's reports that there has been between 6 and 8 per cent squeeze on disposable incomes for employees in Jersey?

Senator P.F.C. Ozouf:

The recession, the worldwide financial contagion, has had its effect on all economies and all individuals across the developed and the developing world and this has been a problem. I am not going to deny the fact that our Island residents have not been unaffected. Of course they have but we are trying to mitigate that effect and we are also committed to not ensuring that our residents are beleaguered with debt and deficits and problems in the future. We have dealt with our deficit and we have, of course, constrained disposable income but that is the right thing to do because when economic recovery does come, and we are going to do everything possible we can to ensure that we boost the economic growth in Jersey, then the fruits of that economic growth can be shared and will not have to go back to pay back the deficit and the debt of the past. That is the difference of approach, perhaps, between the good Deputy and myself in relation to economic management. We need to now concentrate on economic growth, economic activities and getting people back to work. We need to be realistic with our public sector and all individuals in Jersey about what is an appropriate wage settlement in these difficult times. If wage rates go up we will be, effectively, running fast at a standstill.

2.10.12 Deputy G.P. Southern:

Will the Minister answer the question? Does he agree with the figures and, if not, will he produce a response to the figures I circulated earlier today?

Senator P.F.C. Ozouf:

I have just seen this piece of paper on my desk this morning. I have not had a chance to review it. If I do have some comments which may be helpful in terms of further explanation of course I will circulate it to the Deputy and Members.

2.11 Deputy M.R. Higgins of the Minister for Economic Development regarding the appointments process followed by Jersey's Harbours and Airport Departments:

Would the Minister advise whether all appointments by Jersey Ports follow best practice with regard to internal and external advertising and competitive interviews, which include independent interviewers and the people appointed meet or largely meet the criteria laid down in published job descriptions with regard to experience and qualifications?

Senator A.J.H. Maclean (The Minister for Economic Development):

Yes, they were.

Deputy M.R. Higgins:

I am sorry, Sir, I missed the answer.

The Bailiff:

The answer is: "Yes, they were."

2.11.1 Deputy M.R. Higgins:

In that case I am not going to do it publicly but I shall be providing some information to the Minister which makes me believe that he is mistaken and I would hope that he will review the situation.

[11:15]

Senator A.J.H. Maclean:

I am always delighted to engage with Members who have information that they would like me to consider and if the Deputy wishes to approach me on areas of concern I am happy to consider them.

2.11.2 Deputy M. Tadier:

Will the Minister share some of his evident skills at answering questions concisely with the Minister for Treasury and Resources? **[Laughter]**

Senator A.J.H. Maclean:

Ministers share many things.

3. Questions to Ministers without notice - The Minister for Treasury and Resources

The Bailiff:

Very well, that concludes Questions on notice, so we now turn to Questions to Ministers without notice and the first period is for the Minister for Treasury and Resources. Yes, Deputy Hilton.

3.1 Deputy J.A. Hilton:

In recent days there has been much debate about tax returns being made public in places like America and London where there are elections currently in place. In an effort to promote openness and transparency in public life, would the Minister support a proposition which would see all Members of the States Assembly making public their tax returns?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I personally do not have any difficulty with it but, of course, that is a big and significant step. Many people in the United Kingdom would say that is a step towards the Americanisation of U.K. politics and indeed one must be aware there are issues of privacy, family arrangements, *et cetera*. I personally do not have an issue with it. I am I hope scrupulous in my own declaration of interests but, of course, that is a massive step for this Assembly to take. We need to be aware of the consequences of that for the nature of politics and the small nature of our community, which is perhaps different to that of the United Kingdom and the United States.

3.2 Deputy T.M. Pitman:

Could I ask the Minister about his evidence at P.A.C. and, particularly, could he confirm whether I have got it wrong that he sent an email to the former Chief Executive basically outlining that because he thought the gentleman was incompetent that should the Senator ever become Chief Minister then there would have been no future for that Chief Executive? Could the Minister clarify if I have got that right?

Senator P.F.C. Ozouf:

No, the Deputy has not got that right. I gave evidence yesterday to the P.A.C. and I think that it is, of course, a matter of natural justice that that report, and I do not criticise it, was obviously from the notes of the former Chief Executive. I have my own notes and it is a matter for P.P.C. to do at will with the evidence that they want. But, of course, at the moment only one part of the story has been said. That is all really I have to say.

3.3 Deputy S. Pinel of St. Clement:

Given the importance of the third and charitable sector in Jersey, is the Minister considering any changes to Jersey's arrangements to boost philanthropy and the third sector in Jersey?
[Approbation]

Senator P.F.C. Ozouf:

I am not in the position of the U.K. Chancellor of the Exchequer in having to grab money from areas that are difficult and painful. I want to support the philanthropic sector in Jersey. The arrangements we have are slightly different to that of the United Kingdom; it is that charitable donations are not given but then the charity benefits from the 20 per cent tax concession, so it is a slightly different arrangement up to a cap of £500,000, as I think it is. I am certainly going to be looking further at boosting with the Chief Minister the philanthropic and third sector. I think that Jersey itself can become a centre of philanthropy in terms of our Foundation Law. I think that we have a great deal to offer in the international community and we can boost the charitable giving in Jersey. The third sector is vital; we need to give it resource, we need to give it encouragement and certainly we need to encourage local Islanders to give and certainly I am not proposing any changes to our arrangements, in fact I want to improve them.

3.4 Deputy G.P. Southern:

Does the Minister accept that his answer given to question 6787 on 20th March stating that earnings growth in June 2011 turned out to be 2.5 per cent, broadly in line with inflation of the period, is in fact incorrect because inflation went up through 4.5 and 5.4 per cent and that statement is not correct?

Senator P.F.C. Ozouf:

I have given a written answer in relation to that answer and I do not think that I have anything further to add from the written answer that I have already given.

3.4.1 Deputy G.P. Southern:

The written answer does not address the statement that 2.5 per cent in June 2011 was broadly in line with inflation of that period. It does not address that at all. Will you address that now?

Senator P.F.C. Ozouf:

I have got nothing further to add from the figures. The figures of published inflation are there. There is nothing that I need to give any further information about inflation. The Deputy is seeking to constantly make points about the difference between inflation, wage settlements, *et cetera*. The facts are there. There is nothing further that I can add in terms of the facts of what inflation was, what average earnings were, *et cetera* and I do not think question time should be used for giving information that is already in the public domain.

Deputy G.P. Southern:

I am merely asking whether you stand by that statement.

Senator P.F.C. Ozouf:

I stand by the answer as I have indicated in the written question.

3.5 Deputy S. Power of St. Brelade:

I ask the Minister for Treasury and Resources this question in the light of the Housing Transformation White Paper published last week; some of the housing trusts formed from 1992 onwards have had loans repaid and are accruing what appears to be large amounts of deposit accounts or cash. Can the Minister for Treasury and Resources give an indication as to how these

potentially large amounts of money could be used in the future to develop social housing on the Island?

Senator P.F.C. Ozouf:

I agree and the Deputy was involved in housing and did a good job in relation to looking after and overseeing the housing trust sector, and he is right that such has been the success of the repayment of the housing trust sector that they have resources to reinvest in social housing and that is something that the Minister for Housing and myself are engaged in. He is determined to ensure that there are schemes that the housing trusts take on to boost further social renting and that is going to be good for the economy, good for the social housing provision and good for supply and we are working on schemes which will be announced later on during the course of the year.

3.5.1 Deputy S. Power:

May I ask a supplementary? Is the Minister comfortable that both his department and the Minister for Housing's Department have sufficient power and control over directing the reuse of these funds?

Senator P.F.C. Ozouf:

That is an active discussion that we have. We believe we have and if we need to make further changes to them then we are going to propose that. That is a joint working between Treasury and Housing and the Deputy is quite right, we need to ensure that the resources available to the housing trusts are deployed for the purpose of social housing provision. That is going to be good for the economy and we need to ensure that it is. Any problems we will revert to the Assembly.

3.6 Connétable M. Le Troquer of St. Martin:

Accepting that proposals for Amendment No. 41 of the Income Tax (Jersey) Law cannot be discussed formally until May 2012, will the Minister advise the Assembly whether the U.K. authorities failed to advise his department of the proposed changes they intended to implement, despite knowing that the Island was working on a proposed new international pension scheme, the scheme that was enthusiastically presented to States Members informally on 23rd March 2012 and if they did so or subsequently advised him when they did so?

Senator P.F.C. Ozouf:

I think the Connétable's question arises from some media comments about the Guernsey situation, which may be somewhat different to ourselves. We are confident that our Q.R.O.P.S. (Qualifying Recognised Overseas Pension Schemes) legislation, which is being presented, is fully compliant with the U.K. guidance and officials from the Jersey Treasury are seeking confirmation from the U.K. Treasury. It is a slightly different situation in Guernsey because they had existing Q.R.O.P.S. arrangements which they have changed. We have been, perhaps, a little slow but we have been considering exactly what was appropriate. We want to have a pension scheme which is an absolutely proper pension scheme, not suggesting any improper activity in other jurisdictions. But we are confident that our scheme complies, and I will be liaising with the Chief Minister and the Assistant Minister for External Affairs in any issues with the U.K. Government. If there have been late changes then of course we will be making strong representations about that to the U.K. Government. But, at the moment, I do not have any indication that our scheme is deficient in any way and I am looking forward to taking that legislation to the Assembly in the coming weeks and boosting another area of our financial services industry.

3.7 Deputy M. Tadier:

Will the Minister for Treasury and Resources advise why he felt it necessary to ask the Public Accounts Committee yesterday to move into private session so that he could give evidence and

what the nature, although not the actual facts, of that evidence was which required it to be confidential?

Senator P.F.C. Ozouf:

The Comptroller and Auditor General's report was of course a report from the contemporaneous notes and from the personnel files of just a desktop review; he was very clear about that. I think natural justice indicates and I will certainly implicate it and there are some suggestions made about me in that report, some of which I agree with and some of which I do not agree with. I think that it was important that I address the Public Accounts Committee on some of those issues and I did so. It is a matter for them as to whether or not they then publish the evidence that I have given to them. I do not think it is right that personnel matters are dealt with, concerning individuals, particularly when there has been a compromise agreement signed, are discussed in public. I was as surprised as anybody at seeing some of the matters that were in the Comptroller and Auditor General's report. This is a matter which is in the hands of P.P.C. and I will fully comply with any questions they have of me. By the way, I also agree with all of the recommendations contained within the C. and A.G.'s report on both of the reports.

3.7.1 Deputy M. Tadier:

Sir, supplementary. The Minister will be aware that the P.A.C. were meeting pretty much the whole of yesterday and all of their sessions were to be held in public. The Minister for Treasury and Resources would have been aware of what the nature of his line of questioning would have been and if he had actually wanted confidentiality, why did he not seek it in advance rather than in front of a packed room of the public to seek to go into in camera which looks bad for the public and is a bad precedent when it comes to open and transparent government?

Senator P.F.C. Ozouf:

I do not think it looks bad. I think the Deputy will be aware that I have been dealing with personal matters as well over the last week. I was only alerted to the request for the meeting on Tuesday and I was not given any lines of questioning; I was just given the terms of reference. I did not know exactly where the P.A.C. was going. They gave me the terms of reference and no indication was given, as I understand it, the normal practice of where you are going to be questioned on that. I came quite prepared and I shifted my diary, 4 days' notice of a hearing on an important issue I did my best in order to answer and I hope I fully and honestly answered before the P.A.C. and it is a matter for them in order to deal with this issue. So far, of course, only one side has been explained.

3.8 Deputy M.R. Higgins:

Can the Minister advise the House whether the reason for the delay in the publication of the Lime Grove House report is due to representations he is making? Is he responsible for the current delays in the publication of this important report?

Senator P.F.C. Ozouf:

Not that I am aware of.

3.9 The Connétable of St. John:

Earlier on the Minister mentioned the infrastructure of the sea defences. Given that some time back we had a problem at Gorey jetty, which moves in times of storm, would it be not sensible now, while he is thinking of stimulus, to do reinforcement work at Gorey jetty and Gorey itself instead of waiting for the whole thing to collapse and we have to then rebuild the entire jetty? Would he give serious thought to that, please?

Senator P.F.C. Ozouf:

I recall that fiscal stimulus was used to deal with the St. Aubin's issue. I am not immediately alert to the issues of Gorey but I will discuss that with the Minister for Economic Development. If we can bring forward a capital programme, just as we are doing with St. Martin's School, then we give consideration to it and I thank the Connétable for his question.

3.10 Deputy R.G. Le Hérisier:

Apropos the international pension situation, would the Minister elaborate insofar as I understand Guernsey had its many structures rejected - most rejected - because they were offered indiscriminately to expatriates and that people who wish to benefit from such a scheme have to show a residential basis to derive a benefit? What are the issues that led to the rejection and how has the scheme he is promoting overcome the ...?

Senator P.F.C. Ozouf:

I am the Minister for Treasury and Resources of Jersey, I am afraid I cannot answer for Guernsey in relation to what their matters are. What I can say is that our Q.R.O.P.S. regime is available, of course, to locals and non-locals. That is going to be a familiar phrase for this Assembly to hear because, of course, you must be non-discriminatory in terms of on-Island and off-Island offering. It is one of the key international principles that is being applied to, about whether or not you are doing particular arrangements to benefit your local community offshore, on-shoring, *et cetera*. Ours is completely available for Islanders and non-Islanders and I think that Jersey has an important and potentially lucrative new market in terms of pension provision for mobile individuals and expatriates leaving the United Kingdom, which sits very strongly alongside some of our major brands of big financial players in terms of our banking provision. It is good business, good quality business and Jersey's products will, of course, be world-beating in terms of their quality and their regulation and the legislation that backs them up.

3.10.1 Deputy R.G. Le Hérisier:

Supplementary, Sir. Can the Minister for Treasury and Resources provide comfort by assuring us that these products can be offered globally and that there is no restriction in terms of just offering them locally and thereby shrinking the market considerably?

Senator P.F.C. Ozouf:

That is indeed correct.

3.11 Connétable J.L.S. Gallichan of Trinity:

Will the Minister support funding for Parish-led developments if required say for sheltered housing and first-home buyers?

Senator P.F.C. Ozouf:

I think that is a good example of a question where the questioner knows the answer [**Laughter**] and indeed let me say that I am absolutely enthusiastic to help support Parish schemes.

[11:30]

I was seriously impressed with the Trinity scheme that the Connétable came to ask for funding for, [**Approbation**] a shared equity scheme which is being delivered by his own honorary officials which, if I may say, is probably better than the Homebuy scheme that we have; seriously impressive, seriously good and has 100 per cent support by the Treasury. I look forward to working with other Connétables to get money, States resources which we will get a better return from in these credit-squeezed times where banks are asking for such high arrangement fees and high interest rates; delighted to support the Constable of Trinity and all the other Constable benches on boosting social housing and the Parish infrastructure.

3.12 Deputy J.H. Young:

Good to hear the Minister is supporting the Parishes in bringing forward their sites. But in his role as manager in charge of all of these States-owned sites, could he please advise the Assembly of his progress and his future intentions in ensuring that all States sites are used efficiently, including those that have lain idle for many years, that they are released for appropriate alternative uses and particularly for the development of affordable housing?

Senator P.F.C. Ozouf:

The Deputy and I, in a previous life, were almost on the position that I was the President of Environment and Public Services and he was the Chief Officer and in those days Property Services was responsible under that department, so he and I have some form on this. There have been quite a lot of developments and I agree with him, we have not made nearly enough progress in terms of dealing with States-owned sites; Fort Regent, J.C.G. (Jersey College for Girls) and lots of other States property. This is now in the diligent hands of my Assistant Minister. The former Constable of St. Peter made significant progress on Property Holdings and we are going to make progress. We are going to deliver social housing on States-owned sites. We are going to get activity into the commercial sector, construction underway. We are going to deliver housing, affordable housing, shared-equity housing and we are also going to make sure that we have better accommodation for our staff in working conditions across the whole sector. We are going to solve the hospital too and we are going to build a police station. There is a lot of work to be done. There is a lot of backlog to be done and we are catching up.

Deputy J.H. Young:

Will that be tomorrow?

Senator P.F.C. Ozouf:

I would love to do it tomorrow but we have got a huge backlog and we are working hard.

4. Questions to Ministers without notice - The Chief Minister

The Bailiff:

Very well, that brings time for questions to the Minister for Treasury and Resources to a close and we move on to the next period, which are questions to the Chief Minister. Deputy Pitman.

4.1 Deputy T.M. Pitman:

Could the Chief Minister give any indication that when the report into Lime Grove House is published, the reality is that he will have to come to this House to attempt to remove his Minister for Treasury and Resources?

Senator I.J. Gorst (The Chief Minister):

What was the question there, Sir? It may be I misheard.

The Bailiff:

I think it is were you aware that you would have to come to the House in order to remove the Minister for Treasury and Resources?

Senator I.J. Gorst:

I have not read the report. The report has not been published, as far as I am aware.

4.2 Deputy S. Power:

The Chief Minister will be aware of the importance of the third sector in Jersey, does he have any concerns that some of the 3,000 charities, or almost 3,000 charities that are registered in Jersey, that some or all of their funds are going to their specified causes?

Senator I.J. Gorst:

This is an area in which I have a very keen interest. The Deputy might be aware that we are, hopefully, shortly bringing forward a change to the Charities Law and the description of charity in Jersey based upon the Scottish model. That, to my mind, is a step along the road to improving governance and confidence in what is a first-class third sector within our community. The Minister for Treasury and Resources, in the previous administration, gave money for the Jersey Association of Charities to develop a third sector co-ordinator. I see that new Charities Law and inevitably some type of Charities Commission working together to address any of these concerns while enhancing the credibility of the third sector and thereby enabling a greater confidence and greater giving into the third sector because they perform an absolutely first-class outstanding service to our community. We should be working with them, we should be improving them, we should be supporting them and I am committed to that.

4.3 Deputy M.R. Higgins:

I believe when the Human Rights Law was introduced into Jersey the Chief Minister's Department was responsible and insisted that all Government Departments produced a human rights audit to make sure that all our laws, regulations, policies and procedures were compliant with the Convention. I would like to ask the Chief Minister how confident he can be that States Departments are still being compliant with the law when there has been no further audit being made? When I can get no answer from the Planning and Environment Office; I have asked them to publish the human rights audit that they had to compile at the time when this law came in, that all departments had to do, they will not produce that and they hide behind the fact that they have referred it to the Law Officers' Department. How can I have confidence and the public have confidence that States Departments are complying with the Human Rights Law?

Senator I.J. Gorst:

I would suggest that if that ... and I was not aware of that audit having been undertaken at the point of introduction of the law, if that is when it were but if that was undertaken and that was given the seal of approval, as it were, as being compliant by the Law Officers' Department, then I believe that every Member can have confidence that that is the case. New pieces of legislation brought forward to this Assembly, of course, have a ... I am just trying to think of exactly the wording of the clause ...

The Bailiff:

A declaration.

Senator I.J. Gorst:

A declaration, that is it. Thank you, Sir. A declaration to say that they are indeed compliant with the Human Rights Convention and I believe, therefore, that we can have confidence that they are. If there is a particular issue which the department is seeking advice on then I suggest that we wait to receive that advice that will be considered. If there is an area that needs addressing I have no doubt that the Minister will address that particular area.

4.3.1 Deputy M.R. Higgins:

Supplementary, Sir. The law, yes, there is a requirement, for example, that there is a declaration to say that any laws are compliant with the Human Rights Law but what about the procedures being followed by the departments? Are they following the correct processes in terms of their application

of those laws and their regulation? Unless we have another audit or we do a check there is no way of knowing. Would the Chief Minister, please, look into this and make sure that we are complying with Convention rights?

Senator I.J. Gorst:

Certainly, of course, I am more than happy to do so and gather further information. Perhaps with regard to the particular issue that the Deputy has alluded to he could either take that up with myself or with the Planning Department or, indeed, with the Law Officers' Department.

4.4 Deputy J.A. Hilton:

On Friday some details into the inquest of the death of a teenage mum were published. It would seem that there is some discrepancy between some of the evidence given by the professionals and friends of the young lady concerned and what I am seeking from the Chief Minister is that he will support a serious case review into this young lady's death. I understand that Mike Taylor of the Jersey Child Protection Committee will be considering this and I am requesting that the Chief Minister throw his weight behind that serious case review.

Senator I.J. Gorst:

Of course that is not something I would do without reviewing the facts and I have not done that. I believe that it would be the responsibility of the J.C.P.C. (Jersey Child Protection Committee), which I think the questioner referred. I believe that they have an element of independence and if they have concerns then they would ask for that review to be undertaken. I am not certain that it is right for me, as Chief Minister or indeed any politician necessarily, to direct that body down a particular course of action.

4.4.1 Deputy J.A. Hilton:

Sir, supplementary. Again we have details or reports presented at an inquest that are not being made public and I think it is very important, when you have the death of a young person whose child was removed from her care 2 months before she committed suicide, that those questions are asked and answers are found. If those departments dealing with that young lady have failed in some way to prevent her death then it is important that we take steps to make sure that that does not happen again and that was why I asked the question.

Senator I.J. Gorst:

Which seems to be, perhaps, a stand alone issue and is a fair issue that the Deputy raises. However, I would perhaps have an element of caution; these are, by very nature, extremely difficult issues and judgment calls and sometimes from the outside it can appear that something is which is not. But, of course, if any member of staff is acting in a way which is unprofessional or inappropriate that must be addressed.

4.5 Deputy G.P. Southern:

Does the Chief Minister have a 'Plan B' should the States Employment Board fail to negotiate reduced terms and conditions with professionals employed by the States, such as nurses, doctors and teachers, given the competition issues or recruitment or retention with the U.K.?

Senator I.J. Gorst:

I am absolutely committed to modernising the public sector and, therefore, if the Deputy means will I be swayed from modernisation and from transformation, the answer is no. Will that be quite in the way that I might have initially thought of when I started out or the States Employment Board thought of, then inevitably these things will change because they need to involve all employees? They are around what is desirable, what is achievable, what is in the best interest of our

community. The important thing is being committed to the change and the transformation without being necessarily set or firm in ones view of what the ultimate outcome or service might look like.

4.5.1 Deputy G.P. Southern:

Notwithstanding that answer, does the Minister accept that if terms and conditions in Jersey differ markedly from those in the U.K., retention and recruitment issues will continue?

Senator I.J. Gorst:

Of course that is a challenge that we always face, that for many of our professionals that require skills and experience that must, by necessity, be gained elsewhere, then we must have terms and conditions that are comparable from the major jurisdictions from which we will be recruiting.

4.6 Deputy S. Pinel:

The Chief Minister has already declared his commitment to the third sector, in answer to the question from Deputy Power. But would the Chief Minister advise the Assembly as to the progress of the introduction of a Charities Law and when this long overdue law may be introduced?

Senator I.J. Gorst:

Not quickly enough, in my mind, in answer to the final part of that question. I have passed this responsibility now to my Assistant Minister to ensure that there is some political will placed behind the lodging of this particular law and I know that a meeting has now been scheduled with Ministers at high level to ensure that any potential issues are addressed and thereby allowing it to be lodged in very short order.

4.7 Deputy S.G. Luce of St. Martin:

There are a large number of local people applying for jobs on the Working for Jersey website on a daily basis. Those applicants are informed, when they go on the site, that they will hear nothing within a specific time and if they have heard nothing they will assume that the application has not been successful. Would the Chief Minister agree with me that this method of non-communication is unhelpful, unnecessary and discourteous and the applicants deserve better?

Senator I.J. Gorst:

Yes, I would. This is an issue that I have had drawn to my attention independently as well. Individuals who are seeking employment and applying for jobs are perhaps not communicated with by the employers in a way that is helpful. We know that if an individual continually, rightly, looks for work and applies for jobs and there is no helpful or positive feedback on perhaps why the application has failed, issues that they need to address, then that is ... I do not want to use the word depressing but it compounds the problems that that individual is facing.

[11:45]

Therefore, I would encourage, where possible, all employers to respond to applications, even it is simply to say that there were other people with other skills who were better suited to the post.

4.7.1 The Deputy of St. Martin:

Specifically on the jobs that are advertised by the States of Jersey, given that all applications are made via the internet, will the Chief Minister agree that it cannot be complicated to reply to all applicants by email and will he agree to implement something, at the earliest opportunity, that will make the change necessary?

Senator I.J. Gorst:

Sorry, I had not quite realised that the questioner was asking me about States jobs. That being the case I am disappointed to hear what he is saying and I will certainly go away and ensure it is addressed.

4.8 Deputy J.H. Young:

Is the Chief Minister aware of the inequality of resources available to ordinary citizens in the Island who exercise their rights of appeal under various Government laws and find themselves having to appeal to the Royal Court as litigants in person against decisions made by Government Ministers and departments in a situation where the Minister has available the Solicitor General, legal assistants, staff of departments, where the ordinary citizen has only themselves to be able to deal with these important matters affecting their lives? If he is not aware will he agree to look at it and if he is aware could he, please, undertake to try and remove that inequality?

Senator I.J. Gorst:

I think there are some things, as the Americans might say, are above my pay scale. Of course if an individual does find themselves in disagreement with the decision of a Minister or a department surely the first instance would be to approach the Board of Administrative Appeal and for them to review the decision. Other than that I think that if we are talking about representation in the Royal Court and how our judicial system works then perhaps that is an issue that the Deputy must take up elsewhere.

STATEMENT ON A MATTER OF OFFICIAL RESPONSIBILITY

The Bailiff:

Very well, that brings questions to the Chief Minister to a close. There are no matters under J but under K the Minister for Treasury and Resources wishes to make a statement on a matter of official responsibility.

5. Statement by the Minister for Treasury and Resources regarding the allocation of £27 million to fund 6 social housing projects

5.1 Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

This is almost a joint statement from the Minister for Housing and myself. Following discussions with the Minister for Housing and the Council of Ministers I will today be proposing to allocate £27 million to fund 6 social housing projects. The money will be released on a project-by-project basis and it has become available because the latest figures show the balance in the Consolidated Fund is currently £27 million higher than expected. This is due to improved taxation revenues in 2011, combined with the transfer of the remaining balance of the States approved funding of the Stabilisation Fund. The projects in question will be: the refurbishment of La Collette high rise; refurbishments and additional units at Osborne Court; new builds at Le Squez, Journeaux Street and Lesquende; and further new builds as part of the Purchase of Life Long Homes scheme. I am sure that all Members will agree these projects will provide much needed social housing for vulnerable Islanders, while also giving a welcome boost to the construction industry. Tackling unemployment is also a priority that we all share and we will be working with the industry to ensure that only locally qualified unemployed people are able to make the most of job opportunities that these projects create. The projects at Le Squez and La Collette and the Purchase of Life Long Homes schemes already have expenditure approval of £10.8 million in the 2012 Annual Business Plan but would not have been funded this year because of insufficient receipts from the sales of States homes. The other 3 schemes are being brought forward from future years' capital programmes. If the States agree that the Housing Department can become a separate incorporated body then

£27 million can be repaid in 2014 when the new body will become eligible for investment from the States Currency Fund to build more social housing. However, if it is decided not to approve incorporation, adjustments will be needed to be made in the future capital programme. I should just say that this is an important proposition that will also be lodged during the course of the day.

The Bailiff:

Very well, then Members have 10 minutes to ask questions. Deputy Martin.

5.1.1 Deputy J.A. Martin:

Could the Minister remind me; in my memory the Le Squez and La Collette developments were, after phase 1(a) and (b) and the sell-off, supposed to be completely self-funding right to the end of the scheme? Why has this changed?

Senator P.F.C. Ozouf:

There is a self-funding issue, the Deputy is right. They need the capital to make the schemes to build them but then, of course, they are repaid over the lifetime of the rent receivable on the debt redemption model that goes to 20 to 25 years. It is important that this is not an investment of capital write-off, this is an investment of which there will be a return. Almost, it is correct to say that this is the cash flow providing for the schemes as opposed to the repayment schedules, which will be within the normal way.

5.1.2 Deputy M. Tadier:

Can the Minister comment on the fact that much is being made of the fact that £27 million is being given from the Treasury to Housing when in fact it is Housing's money in the first place and the fact that Housing are giving the Minister for Treasury and Resources roughly £8 million or £9 million a year, so this is simply 3 years' worth of money that is being passed between Housing and the Treasury? To say that this money can be repaid is, first of all, dependent on the fact that the States will agree to a separate body, which may not happen anyway; where is the contingency there? Also, will he comment on the fact that in fact Housing does not need to become a separate body simply to be able to borrow money from the Treasury or elsewhere because it can happen under the current arrangements? There may be other reasons, this desire for a separate body to be built but this is not one of them.

Senator P.F.C. Ozouf:

There are quite a few questions there, I will attempt to deal with them. This is an investment of money in order to bring forward these schemes. As far as the receipt which Housing make to the Treasury, I think the Minister for Housing explained very well exactly what happens to that. That arose because of the shifted responsibility of paying rent rebate; public sector rent abatement and private sector rent rebate, which is received through the Treasury and then passed to my good friend, the Minister for Social Security, who administers the low income support scheme. Let us be clear about whether the return is that what happens. Whether or not Housing is going to be incorporated is, of course, a matter which is out for consultation and the Minister is debating that and going to be bringing forward a proposition. What we were keen to do is to ensure that notwithstanding those structural decisions we could get on with these housing projects and get good value for money. The Minister is achieving excellent value for money on buying homes and refurbishments. We are taking advantage of those good prices and we are boosting the economy and we are providing more social housing. The decanting arrangements that he will be able to do, as a result of these new homes, allows other housing projects to also be brought forward in the manner in which Deputy Martin also quite rightly said about how Le Squez was being rolled-out over a number of years.

5.1.3 The Deputy of St. Ouen:

First of all, I am rather surprised that the balance in the Consolidated Fund is to be £27 million higher than expected, given that annual receipts for G.S.T. at 2 per cent would equate to that same amount. But, saying that, I would like to ask the Minister for Treasury and Resources what assurances can he give this Assembly that using the £27 million in the way he is proposing is the best use of what, after all, is taxpayers' money?

Senator P.F.C. Ozouf:

This is investment, first of all, and the Fiscal Policy Panel recommended that we should do everything we can to bring forward capital expenditure in order to stimulate the economy without breaking any of our fiscal rules. It is true to say that income tax receipts were higher last year than expected and I have already explained that to the Assembly and indeed the States Accounts are now in final preparation and they will be published, so that will become clear. I am not saying that, unfortunately, that is likely to be a recurring issue. Clearly, the economic situation internationally has meant that the recession is likely to last longer and I certainly need to balance the books in the medium term but that will be a debate to be had about the medium-term financial plan. Nothing in what we are proposing is going to compromise our ability to balance our books. We are doing what the Fiscal Policy Panel said: "Where you have projects to bring forward get on with them" and certainly if we have got available resources for investment we should do so. I congratulate the Minister for Housing on having a pipeline of projects ready to go in order to meet the requirements of the emerging difficult economic situation that we find ourselves. I stand ready to assist others, Parishes and other departments, where they can bring forward projects, for example, such as St. Martin's School.

5.1.4 The Deputy of St. Ouen:

Is the Minister suggesting that the Fiscal Policy Panel that have been briefed this week, as we have just been informed, support this use of surplus monies being held in the Consolidated Fund?

Senator P.F.C. Ozouf:

I have written to the Fiscal Policy Panel in order to get their advice, which will be ready in time for the States debate when the States make the decision about this. I am alerting Members to this because I think it is important, with the Minister for Housing and the Minister for Economic Development, that we signal our determination to make sure that there is capacity and building projects available for construction companies that otherwise, I have to regretfully say to Members, if there was not this news they would start laying off jobs because there is simply not the construction activity in the Island. I am making this statement signalling, hoping the States agree to it, and all the advice in the Fiscal Policy Panel will be available for Members' information in advance of the debate.

5.1.5 Deputy G.P. Southern:

While welcoming this element of fiscal stimulus - I have been arguing for it for a long time - I am, nonetheless, concerned with the final paragraph which seems to be holding the States Chamber up to some form of political blackmail. If you go forward with the Housing Department reorganisation then this money will be paid back. If not then we will have to adjust the future capital programme, i.e. build fewer houses in the future. How does that help us solve issues of housing?

Senator P.F.C. Ozouf:

Not at all, I welcome the Deputy's agreement that it is important that we do whatever we can to stimulate the economy; he and I agree on that. There are a number of ways that we can invest for investment projects that create a return.

The Bailiff:

A concise answer, please, so we can hear more questions.

Senator P.F.C. Ozouf:

Okay. We could borrow but I do not think it is sensible to go and take a loan to borrow when we have the money on the Consolidated Fund. I will consider borrowing for other investment projects if the case arises and I am happy to discuss that with the Deputy in terms of it. It is not going to compromise any of our future arrangements and it is certainly not blackmail. We will make arrangements, we are doing this urgently because we can get on with it now.

5.1.6 Deputy G.P. Southern:

Can the Minister clarify what adjustments will need to be made to the future capital programme means then?

Senator P.F.C. Ozouf:

Okay, if we do not incorporate Housing we are going to go and have to borrow the £27 million from some other source in order to make arrangements if we cannot borrow it from the Currency Fund. We will just simply go and get a bank loan or we will refinance it but we will refinance a project that will be returning to be a repayment schedule on our debt redemption model in 20 years but we have got the cash, let us get on and do it.

Deputy M. Tadier:

Sir, a point of order. I suspect that the Minister for Treasury and Resources is misleading the House inadvertently there because to say that if we do not pass this then we cannot borrow the money from the States is not true. Such ...

The Bailiff:

I am sorry, that is not a point of order, Deputy.

Deputy M. Tadier:

I still think it is misleading, Sir.

5.1.7 Deputy S. Power:

I too welcome the statement by the Minister for Treasury and Resources in conjunction with the Minister for Housing. Would he not agree with me that until such time as this Assembly and, indeed, 3 States Departments deal with first-time buyer housing, over-55 housing and Homebuy housing there will be an exponential increase in the demand for social housing?

Senator P.F.C. Ozouf:

There is a difficult issue in relation to supply, which is within the Bailiwick of the Minister for Housing and the Minister for Planning and Environment and that is receiving Ministerial attention. This certainly is being able to be assisting in terms of providing and boosting the amount of social rental housing, shared ownership housing, which is part of the Constable of Trinity's proposal and indeed right along homes for social rent as well. It is a whole range of issues; I cannot really answer about the whole of supply and demand.

5.1.8 Senator S.C. Ferguson:

Given that the other countries suffering the economic cycle are finding that excessive use of fiscal stimulus is highly inflationary, to what degree has the Minister taken this into account?

Senator P.F.C. Ozouf:

I do not think that £27 million in a construction industry, which is on its knees, is going to be inflationary. What I am trying to do with Ministerial colleagues is make sure that there is work for people in the construction industry. In fact, if anything, the construction industry is seeing significant deflation. We are seeing the construction prices coming in back at almost 2007 pricing levels. I have no concerns of inflation in relation to this element of boosting the economy.

The Bailiff:

Very well, I appreciate there are other Members who have indicated they have questions but that brings the 10 minutes to an end.

[12:00]

PUBLIC BUSINESS

6. Ratification of the Agreement for the Exchange of Information relating to Tax Matters between the Government of Jersey and the Government of Japan (P.13/2012)

The Bailiff:

That completes Public Statements and we now come to Public Business and the first matter on the Order Paper is Ratification of the Agreement for the exchange of information relating to tax matters between the Government of Jersey and the Government of Japan - Projet 13 - lodged by the Chief Minister and I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion - to ratify the Agreement for the exchange of information for the purpose of the prevention of fiscal evasion and the avoidance of double taxation with respect to taxes on income of individuals between the States of Jersey and the Government of Japan as set out in the Appendix to the Report of the Chief Minister dated 2nd December 2011.

Senator I.J. Gorst (The Chief Minister):

Sir, could I ask my Assistant Minister to act as rapporteur for this item and the following 2 as well, please?

6.1 Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

This proposition follows a well established pattern; in February 2002 the Island entered a political commitment to support the Organization for Economic Co-operation and Development's (O.E.C.D.) tax initiative on transparency and exchange of information through the execution of Tax Information Exchange Agreements. A number of agreements have already been completed. This agreement was signed by the Chief Minister at the beginning of December last year and the Assembly is now asked to ratify the agreement so that it can, in due course, come into force. A reasonably full report accompanies the proposition, which I hope that Members will have found useful. I, accordingly, move the proposition and I am happy to answer any questions.

The Bailiff:

Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the proposition? Very well, all those in favour of adopting the proposition, kindly show. Those against. The proposition is adopted.

7. Ratification of the Agreement for the Exchange of Information relating to Tax Matters between the Government of Jersey and the Government of the Republic of Poland (P.14/2012)

The Bailiff:

We then come to Projet 14 - Ratification of the Agreement for the exchange of information relating to tax matters between the Government of Jersey and the Government of the Republic of Poland. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion - to ratify the Agreement for the exchange of information relating to tax matters, and associated agreements, between the States of Jersey and the Republic of Poland as set out in the Appendices to the Report of the Chief Minister dated 2nd December 2011.

7.1 Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

This is a further agreement on exactly the same lines with the Republic of Poland. Again the agreement was signed by the Chief Minister on 2nd December last year. The report attached to the proposition gives the relevant detail. I move the proposition and I am happy to answer any questions?

The Bailiff:

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

7.1.1 Senator P.F.C. Ozouf:

If I may just also draw to the Assembly's attention the importance that this will have to a number of Polish residents, that will deal with longstanding issues about income declaration in the Republic of Poland and Jersey and is a welcome boost in terms of our Polish community and their own arrangements of their own double taxation matters.

The Bailiff:

Does any other Member wish to speak? Do you wish to reply, Senator Bailhache?

7.1.2 Senator P.M. Bailhache:

I am grateful to the Minister for Treasury and Resources for pointing out what I should have pointed out and I move the proposition.

The Bailiff:

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

8. Ratification of the Agreement for the Exchange of Information relating to Tax Matters between the Government of Jersey and the Government of the Republic of India (P.15/2012)

The Bailiff:

We then come to P.15 - Ratification of the agreement for the exchange of information relating to tax matters between the Government of Jersey and the Government of the Republic of India. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion - to ratify the Agreement for the exchange of information and assistance in collection with respect of taxes between the States of Jersey and the Government of the Republic of India, as set out in the Appendices to the Report of the Chief Minister dated 2nd November 2011.

8.1 Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

This is the third of the Chief Minister's propositions relating to Tax Information Exchange Agreements. The agreement follows basically the same form, but includes an additional provision which will not come into force until the States have agreed that the relevant O.E.C.D. (Organization for Economic Co-operation and Development) Council of Europe Convention on Mutual Administrative Assistance in Tax Matters has come into force. The detail is again set out in the report attached to the proposition. I move the proposition and I am happy to answer any questions.

The Bailiff:

Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the proposition? Deputy Tadier?

8.1.1 Deputy M. Tadier:

This Tax Exchange Agreement is not quite as straightforward as the previous 2, due to the circumstances under which it was signed, which I think need to be clarified further in the Assembly. Also due to the clause which Senator Bailhache has just told us about, which I think needs greater clarification as to when this agreement or part of the agreement will come into force? It seems strange today that we are passing something the whole of which or any of which may not be coming into force any time soon. We do not know what time those parts will be coming into force. So, we need this information, first of all. If Members look at written question 19, which they should have in front of them, they will see that I have asked questions on several areas, simply for greater information as to what was happening when these things happen. Now, certainly on the surface these things are fairly straightforward. That does not go to in any way disparage the amount of work that goes into these things, which of course will be very large from the officers involved and those who are at Ministerial or departmental level engaging with Tax Information Exchange Agreements, which are inherently complex in their nature. Nonetheless, we do have a strange scenario and it was reported in the media at the time, which also reflects the reality, which was that we had Senator Ozouf, then the Deputy Chief Minister, making an overseas visit to India. Now, what was the purpose of that visit? Ostensibly we were told initially that it was to sign a Tax Information Exchange Agreement. Certainly we would have been told that a Tax Information Exchange Agreement had been signed at the time. Let us go through the question. In March 2011 the Senator went over to India to sign a Tax Information Exchange Agreement when he reportedly spotted clauses in the document which could have put Jersey at a competitive disadvantage, which related to Article 8, we understand from the letter. So, what I am saying is that I do not understand why the Deputy Chief Minister was not given advice in advance. If we look at part 2 to the answer it says: "The negotiations with Indian authorities they had indicated that they wanted to include Article 8 in the agreement." Later on we are told on that Article 8 was not in that document at all. So, had the document been drafted or was it basically: "Let us go over to India. Seeing as we are in New Delhi at the time, let us just sit down and ... oh, there is not a document." We are sending

people across the world on States business, quite legitimately, where they have not been properly briefed. One would have thought that a document would have been ratified. You do not simply say: "Oh, we expected that this would have been in the document. When we sat round the table, we found out that it was not." Because it either means that the officers that we have in our department who usually, I think, do a very good standard of work have been sloppy and not spotted this. It either means that the document was not there in its concrete form when it was due to be signed. Again, is completely unsatisfactory. Or it means that the Ministers or the department had not been doing his work or their work. It could be any of those or it could be something else which I have not thought of. But, all of those scenarios are unsatisfactory. So, of course, that does not mean that the T.I.E.A. (Tax Information Exchange Agreement) in itself in its current form is not valid. I think these answers do need to be addressed, simply for the then Deputy Chief Minister to be able to convey his point of view, because this has been portrayed in the media. The second point that I would like to ask is what I raised at the beginning and is what does it mean when it says that the provisions of the T.I.E.A. in Article 8 will not be put into effect until - and this is part 8 of the written answer, incidentally - the O.E.C.D. Council of Europe Convention on Mutual Administrative Assistance in Tax Matters comes into force in respect of Jersey, subject to any reservations entered into it on its behalf. What does the second part mean when it says Jersey starts giving administrative assistance in connection with tax claims to any other country or jurisdiction? Is that because that does not currently happen? Is it because Jersey wants to do that or has not started doing it yet or is it because Jersey is refusing to give administrative assistance in connection with tax claims to any other country or jurisdiction? It seems strange that we have an Article in here which is not going to be invoked at the present time. If that is the case, we need explanations as to why that is the case and when it is likely that that Article will start to be invoked, so we all know what we are signing up to here.

8.1.2 Senator P.F.C. Ozouf:

I will not steal any of the Assistant Chief Minister's thunder, but as the counterparty and as the individual that was responsible for signing the agreement and the late discussions about it, then it is appropriate that I address the Assembly on it. First of all, it is important that Deputy Tadier recalls that the mission to India and indeed the Middle East was to open the Jersey finance offices in both Mumbai and Abu Dhabi. Certainly we took the advantage of seeking to sign the T.I.E.A. with the India authorities, which is an important issue. Signing the T.I.E.A. with India will ensure that Jersey is not on a black list, which has been a long expected issue within the Indian Finance Department that was expected. The issue about mutual assistance is an important one and it is going to be a really important issue that this Assembly, over the coming months and years, is going to be addressing. It is a new convention on the way in which countries will co-operate in collecting taxes and co-operating in the collection of taxes. It was always clear that the Island will, in terms of international practice, move at an appropriate time with the international community to this discussion about how one will co-operate. The Indian authorities at the time of the negotiation of the T.I.E.A. represented that they were putting this in all of their T.I.E.A.s with other jurisdictions. What it became clear about was that Article in fact was not in T.I.E.A.s that they had signed recently with Bermuda. In fact, where we have ended up is almost where we have started. It is the fact that mutual assistance would only be invoked when this Assembly has considered, we have advice from our Law Officers and we have consulted with the industry about mutual assistance arrangements. It is going to be a big step for Jersey to take. It will come in time. Indeed this is now crafted in the agreement with India that India's mutual assistance clause will be invoked when the Island does accept the international convention, when we put legislation to facilitate it and we agree to do mutual assistance with another jurisdiction. So, it is almost prophetic in relation to that. I was faced with the decision of whether or not I was prepared to sign that agreement with the late information that we had that other agreements did not have this arrangement in and I wanted the

additional safeguard in place, which is not in the side agreement. I hope that after consultation with the then Council of Ministers, the excellent input from the Law Officers that we had, it was the appropriate decision not to sign the T.I.E.A. at that stage and negotiate the agreement that we now have. That is my job in terms of defending the Island's interests. I was sad not to sign the T.I.E.A. in New Delhi, but we did sign the T.I.E.A. and the agreement at the High Commission in London just before Christmas. So, I think it shows that Ministers need to be properly advised, and they were, and advice was sought. I sought counsel from the then Chief Minister and the Council of Ministers on a conference call from New Delhi. I was greatly assisted by the former Assistant Minister Cohen in India in dealing with this issue and made the decision not to sign the agreement. Jersey's position has been safeguarded. We have now indicated that mutual assistance is something that we will consider, but we need to put the legislation in place. The good news is that we now have clear understanding between the Indian tax authorities and the Jersey authorities of exactly the fact that we are now going to do the T.I.E.A. and mutual assistance will follow. Facts always come out. In relation to that there has been media speculation about it. The facts are now here. I am grateful for Deputy Tadier for giving the opportunity of answering this question and to clarify what this particular Minister did, I hope, in order to safeguard Jersey's interests upon proper advice.

The Bailiff:

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

[12:15]

8.1.3 Senator P.M. Bailhache:

I am grateful for Deputy Tadier's question and I am also grateful for the intervention of the Minister for Treasury and Resources. The Minister for Treasury and Resources has explained exactly what happened in India when the plan had been made to sign the Tax Information Exchange Agreement and a decision was taken that that signature should be postponed. I think I have to say that a mistake was made in my department and I take responsibility for that mistake. The mistake was that there was an assumption that Tax Information Exchange Agreements were all of a type, they were based upon a standard form, which is produced by the O.E.C.D. and that is the form to which our negotiators worked. It was not the practice at the time when the Tax Information Exchange Agreement with India was negotiated for legal advice to be taken before the negotiations got to an advanced stage. I think that was a mistake. As a result of a review which has taken place in the Chief Minister's Department there is now a much closer co-ordination between the negotiators and the Law Officers' Department. Certainly no agreement is signed without a report from the Attorney General certifying that it is proper for the Minister to sign the agreement. But, the Attorney General's Department is now involved at a much earlier stage. So that these kinds of problems can be anticipated and avoided before an embarrassing situation occurs. So, I am grateful to the Deputy for taking an interest in this particular matter. The second question that he put was does Jersey not give administrative assistance in tax claims and why not. The answer is no, Jersey does not and neither does any other country. There is an established rule of international law that countries do not collect taxes for each other. The collection of taxes is a matter for a national government. That indeed was at the kernel of the problems, so far as the T.I.E.A. with India, as negotiated, was. There is a move to develop the situation which obtains and has obtained for a very long time in international law and as the report makes clear there is now a convention or an agreement sponsored by the O.E.C.D. and the Council of Europe setting out the arrangements for mutual administrative assistance in tax matters which can involve assistance in the collection of tax. This is a potentially controversial area. Not every country agrees that they should assist other countries in the collection of tax. It is a matter where it is important from Jersey's perspective that the Island should not be a leader. We should certainly comply with international standards, but it cannot be said, at this stage, that there is that international standard. So, when the time comes that

the international community as a generality signs up to the O.E.C.D. convention and it is ratified by the majority of countries, that will be the time for the Island to consider the extension of the United Kingdom's ratification to Jersey. That will be a matter which will have to come back to the Assembly. It is a matter which will no doubt be the subject of debate at that time. That is the protection that has now been built into the Tax Information Exchange Agreement with India. This particular provision will not come into force until the Assembly has had the opportunity to debate and to approve the O.E.C.D. convention and has agreed to give administrative assistance in the collection of tax claims to other countries. I hope that answers the question of Deputy Tadier and any other questions that Members might have had as a result of his intervention. I accordingly move the proposition.

The Bailiff:

The appel is asked for in relation to the proposition, which is P.15, the Tax Information Exchange Agreement with India. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 38		CONTRE: 1		ABSTAIN: 0
Senator P.F. Routier		Deputy G.P. Southern (H)		
Senator P.F.C. Ozouf				
Senator S.C. Ferguson				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator P.M. Bailhache				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of Grouville				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. John				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérisssier (S)				
Deputy J.A. Martin (H)				
Deputy of St. Ouen				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy S.S.P.A. Power (B)				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy G.C.L. Baudains (C)				
Deputy of St. John				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				

Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy R.J. Rondel (H)				

The Bailiff:

The next matter on the Order Paper is P.20. Deputy Southern, do you want to start that now?

Deputy G.P. Southern:

I would prefer not to, although I am willing to. I wonder if any of the smaller items can be taken beforehand, because I prefer to have one run at it.

The Bailiff:

Yes. If Members agree, it might seem sensible to take some of the items which come later, which do not appear to be very long.

Senator I.J. Gorst:

I hesitate to rise, but perhaps we could take P.22. I will be asking my Assistant Minister to act a rapporteur for this item as well, because it arises from the Legislation Advisory Panel which he chairs.

9. Draft Loi (201-) (Amendement No. 2) sur l'atténuation des peines et sur la mise en liberté surveillée (P.22/2012)

The Bailiff:

Very well. Senator Bailhache, are you happy to take P.22 now then? Very well, the Greffier will read P.22/2012 Draft Loi (201-) (Amendement No. 2) sur l'atténuation des peines et sur La mise en liberté surveillée.

The Greffier of the States:

Draft Loi (201-) (Amendement No. 2) sur l'atténuation des peines et sur La mise en liberté surveillée A Law to amend further the Loi (201-) (Amendement No.2) sur l'attenuation des peines et sur La mise en liberté surveillée. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

9.1 Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

I guess the Assembly would like me to address them in English and I can say that the amendment is a very minor one of housekeeping nature. When the law was first enacted in 1937 the function of the probation officer were at the time to act in accordance with the 1937(?) law. But ...

The Connétable of St. John:

Could the Minister put his microphone on please?

Senator P.M. Bailhache:

I am sorry. The law when passed in 1937 applied only to probation officers in the context of the 1937 law. During the last 10 or 15 years the Assembly has passed other laws which have involved probation officers, the Criminal Justice Young Offenders (Jersey) Law 1994, the Children's Law 2002, the Child Abduction and Custody Law 2005 and the Sex Offenders Law 2010. All of those laws impose duties upon probation officers. The purpose of this Bill is, therefore, to amend Article 7 of the law, so as to confer responsibilities upon probation officers, not only in relation to

the 1937 law but also in relation to any other law which may be passed by this Assembly conferring responsibilities upon them. I accordingly move the principles of the bill.

The Bailiff:

Is the principle seconded? **[Seconded]** Does any Member wish to speak on the principles. Very well, all those in favour of adopting the principles, kindly show? Those against? The principles are adopted. Senator Ferguson, do you wish this matter to be referred to your Scrutiny Panel?

Senator S.C. Ferguson (Chairman, Corporate Services Scrutiny Panel):

No, thank you, Sir.

The Bailiff:

Very well. Senator Bailhache, do you wish to move the 2 Articles *en bloc*?

Senator P.M. Bailhache:

I accordingly move the Articles 1 and 2 *en bloc*. **[Seconded]**

The Bailiff:

Does any Member wish to speak on either of Articles 1 or 2? Very well, all those in favour of adopting Articles 1 and 2, kindly show? Those against? They are adopted.

9.2 Senator P.M. Bailhache:

I move the Bill in Third Reading. **[Seconded]**

The Bailiff:

Does any Member wish to speak in Third Reading? Deputy Tadier?

9.2.1 Deputy M. Tadier:

I will keep it brief. Members will know me as a Francophile as I think the rapporteur for this proposition also is. The difficulty I have had is in the past I have raised this issue, so again to keep it brief, I do not know why at an English-speaking Assembly, certainly in the modern era, we are still dealing with legislation, albeit minor amendments in French. It seems to me, put your finger up in the air, that most legislation pre-1945 was drafted in French. It is just to see if at some point we could get a commitment from the Chief Minister's Department or the relevant departments that we should be updating our laws on a regular basis, so that they do become English, so that they can be accessible to the majority of our residents in the Island.

The Bailiff:

Does any other Member wish to speak in Third Reading? Deputy Baudains?

9.2.2 Deputy G.C.L. Baudains:

In response to the Deputy who has just spoken, as Member of the Law Revision Board we often deal with laws which are in French as well as, obviously, in English. We made a conscious decision at the very beginning some years ago not to translate any of the laws, because there is never a direct translation between one word in one language and the substitute word in the second language. There is a danger if one did that that the law would mean something slightly different to what it did in its original language. So, I am afraid we have to stay with things as they are.

The Bailiff:

Very well. We cannot allow this to turn into a general debate on the issue or laws in French or English. This is the Third Reading of this particular law.

9.2.3 Deputy G.P. Southern:

But just briefly, why has it taken so long to make this minor amendment? Has nobody spotted that things were not quite phrased properly in the past?

The Bailiff:

Does any other Member wish to speak in Third Reading? Senator Bailhache, do you wish to reply?

9.2.4 Senator P.M. Bailhache:

I am rather disappointed that Deputy Tadier should have made such a suggestion. I thought the alternative suggestion is that all Members should learn French and be able [**Approbation**] to understand the laws which come before the Assembly in one of our 2 official languages. That is why we have prayers in French, I remind Members. That notwithstanding the policy is where new legislation is brought into force to draft that legislation in English. But where a minor amendment of a law which was originally conceived in French is being proposed it is more cost effective and quicker to deal with the amendment in the French language. So, I maintain the proposition and move the Bill.

The Bailiff:

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

10. Commissioners of Appeal for Income Tax: re-appointment (P.25/2012)

Would P.25 be an appropriate one to take next, Minister for Treasury and Resources?

Senator P.F.C. Ozouf:

Yes, Sir.

The Bailiff:

Very well. We will move to P.25/2012 - Commissioners of Appeal for Income: re-appointment - lodged by Minister for Treasury and Resources. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion (a) in accordance with Article 10 of the Income Tax (Jersey) Law 1961 to approve the re-appointment as Commissioners of Appeal for Income Tax the following persons with immediate effect and for a term expiring on 1st July 2013: Mr. Philip J. Barber, Mr. Charles R. Blampied, Ms. Jacqueline Collins, Mr. Peter G. Farley, Mrs. Elizabeth Rees; (b) in accordance with Article 10 of the Income Tax (Jersey) Law 1961 to approve the re-appointment as Commissioners of Appeal for Income Tax the following persons from 16th June 2012 for a term of 3 years: Mr. John F. Mills, C.B.E., Mr. Michael R. Lanyon.

10.1 Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I am seeking the Assembly's approval for the re-appointment of 7 individuals of Commissioners of Appeal for the Taxes Office. The detailed background, knowledge and experience of these individuals is outlined in my report. As Members will be aware, Commissioners of Appeal are appointed by virtue of Article 10 of the Income Tax Law and are independent and an impartial body that exists as the first point of appeal for taxpayers, both individuals and businesses who are in dispute over decisions and rulings made by the Comptroller of Taxes.

[12:30]

So, I am seeking re-appointment of 5 of the individuals with immediate effect, with a term expiring on 1st July 2013, and 2 of these individuals from 16th June 2012 for a period of 3 years. So, I should say that the 3-year term for the 2 commissioners, Mr. Mills and Mr. Lanyon, commenced on 1st June 2009 and expires on 1st June 2012. Their re-appointment is for simply a 3-year term. The 3-year term of the 5 commissioners, Mrs. Rees, Mr. Collins, Mr. Farley, Mr. Blampied and Mr. Barber, commenced on 1st July 2010 and expires on 1st July 2013. However, due to an administrative oversight, their re-appointment was not approved by the Assembly as it should have been in 2010. This proposition seeks to readdress that issue and that oversight and to approve their appointment with immediate effect and for those periods to expire in 2013, which would have been the end of their 3-year term. Three of the commissioners were, in fact, sworn in by the Royal Court in 2010 and 2 in August 2010. So, I can tell the Assembly, and I do apologise on behalf of the Treasury, that this matter was not brought forward. We have put robust arrangements in place that this does not happen - this is a similar problem that happened in the Planning Panel - and will ensure that it does not happen again. I can say to Members that I have received advice about the decision-making of those Commissioners that had not been approved by the Assembly but sworn-in and heard cases, the advice is that a report and proposition should be lodged without delay in order to secure the re-appointment of the term that was expected. The 5 commissioners should not, with immediate effect on understanding this problem, hear any further cases until the States Assembly has approved the re-appointments and that any decisions that were taken by those commissioners still stand unless a person sought to challenge a decision on the basis that the commissioners acted potentially without the mandate of the Assembly. If there is a challenge, the Solicitor General will be provided with all the facts and matters will be dealt with. I am advised that 69 cases were heard over 4 meetings and a review of such cases indicates that there was maybe one which may be subject to a challenge by an applicant, which of course will be dealt with appropriately. I will repeat that the Comptroller's Department has in place robust arrangements to ensure that this administrative oversight is not repeated. I hope that explains why there is a twin re-appointment as part of this proposition. I should say that all 7 commissioners have made an invaluable contribution during their previous term on hearing appeals from taxpayers, making decisions based upon their wisdom, sound judgment, in-depth understanding of the Income Tax Law. They all, without question, possess integrity, common sense and patience, which are essential qualities in dealing with this important role. I hope Member will, therefore, join me in thanking these commissioners, who serve as commissioners of appeal, and approve the re-appointments, notwithstanding the late re-appointment of a number of these individuals and I move the proposition.

The Bailiff:

Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the proposition?
Deputy Southern?

10.1.1 Deputy G.P. Southern:

Of the cases that have been heard and might be reviewed, did any of those cases involved 134A, our general anti-avoidance rule?

10.1.2 Senator S.C. Ferguson:

This is the second incident where a panel which deals in matters which affect the public has not been re-elected correctly. The last one was the Planning Applications Panel. I do question whether the arrangements within the Ministerial sector are properly done, so that we do not have this business of having to approve people in retrospect. I would like some sort of reassurance from the Minister that it will not occur again in this case and perhaps from the Council of Ministers that it will not occur again in any case.

The Bailiff:

Does any other Member wish to speak? I call upon the Minister to reply.

10.1.3 Senator P.F.C. Ozouf:

Taking the 2 interventions in reverse order, I agree with Senator Ferguson. I am not aware that the Treasury has ever had to come back to the Assembly to seek a retrospective confirmation of an individual. I am sorry that that has been the case and I take full responsibility for that. I have ensured with the acting Comptroller of Income Tax that this is not going to happen again and indeed we have reviewed where we are responsible for a number of different bodies and I am going to ensure that we have procedures in place to do that. I will certainly take that message to the Chief Minister, who has obviously been listening, to ensure that there are no issues in relation to boards. This Assembly approves all sorts of individuals on all sorts of important boards and the Senator is quite right, they do need to be done on a timely basis to ensure decision-making is robust. I do not know the answer to the question of Deputy Southern. The Minister and the Assistant Minister do not take part and are not advised of any of the decisions of the Comptroller and the Board of Commissioners of Appeal. That is appropriate. I do not want to get ever involved in individual cases. I will ask the question whether or any involved 134A. I have circulated an answer about how 134A is used, strongly, by the Comptroller using the G.A. (General Anti-Avoidance) rule that we discussed earlier and I will alert him to any others. If any of those cases need to be reheard, of course the commissioners will do so appropriately upon advice from the Law Officers' Department.

Deputy G.P. Southern:

I thank the Minister for his answer. I raise it, because obviously this is a sensitive area where it is down to the opinion is this overly avoiding tax.

The Bailiff:

Very well. All those in favour of adopting the position, kindly show? Those against? The proposition is adopted.

Deputy R.G. Le Hérissier:

At the risk of going into extra time, is it possible we could do the Jersey Football Association before lunch?

The Bailiff:

I was going to suggest we do the Financial Services Commission as the last item before lunch, because that requires us to go into camera. Do Members wish also to do P.21 before lunch? Is there general support or not?

11. Draft Loi sur l'Association dite "The Jersey Football Association" (Repeal) (Jersey) (P.21/2012)

Very well, we will move then to P.21/2012 - Draft Loi Sur l'Association dite "The Jersey Football Association" (Repeal) (Jersey) Law 201-, lodged by the Minister for Education Sport and Culture. The Greffier will read the citation.

The Greffier of the States:

Draft Loi Sur l'Association dite "The Jersey Football Association" (Repeal) (Jersey) Law 201-. A Law to repeal the Loi accordant un Acte d'Incorporation à l'Association dite "The Jersey Football Association", confirmée par Ordre de Sa Majesté en Conseil en date du 29 avril 1952 and for connected purposes. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

The Deputy of St. John (The Minister for Education, Sport and Culture):

May I appoint Deputy Roy Le Hérissier to be rapporteur for this projet?

11.1 Deputy R.G. Le Hérissier (Assistant Minister for Education, Sport and Culture - rapporteur):

It is not often I am a substitute, but I would like to strike while the iron is hot. Basically, I was reflecting on the words of Senator Bailhache, why are the States involved and what is the history? We could not find the history. Why, in 1952, did the States get involved in the structure of the Jersey Football Association? It is beyond our knowledge, I am afraid. This is our means of getting out of that. It is quite clearly wrong that the States should be involved in determining football structure, football policy and the fortunes of the Jersey combination or the football teams. So, that is what this is intended to do. It is a legal instrument from which we have had great co-operation from the Law Drafting Department. The Association itself has paid for a fair degree of legal input and this has been around for nearly 3 years to try and get this resolved. What it simply does it winds down the Association as under the current law. It comes out of the ashes in a new shell called NewCo, simply new company. Then as part of this, in order that the States be not bothered any further, all the assets of the Association will then be transferred to this company. It will then, not necessarily, but it will hopefully be re-called the Jersey Football Association. There are absolutely no financial or monetary aspects that need to concern the States. All the assets of the Association, of which the main one ironically is in my constituency, the IJ Bathe playing field on Rue Du Trot. They will be passed, hopefully if the States approve this law, back to NewCo/Jersey Football Association. That is the intention. Thank you.

The Bailiff:

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

11.1.1 Deputy M. Tadier:

I do have a question. I completely understand why this is being done. But to say that there are no financial implications cannot be true. Because surely the Jersey Football Association, as it is currently constituted, is property of the people, it belongs to the States of Jersey. So, any assets held there within are also public property, so I feel that certainly while the argument can be made very compellingly that this should be transferred to a company, we are transferring public assets to a private company. That should not simply be passed on a nod of the head. It should at least be acknowledged in the financial manpower implications. I think a case for that needs to be made, because we are giving away public assets. That may not be the case, so I will let the Deputy reply.

11.1.2 Senator L.J. Farnham:

I am just wondering about a similar question, but I am sure it says here that the properties belong to the Association. I am sure the Deputy will clarify.

11.1.3 Senator P.F.C. Ozouf:

Just very briefly. I was hoping that the Deputy would, in proposing the law, say how much and how strongly he supports football and sporting endeavours in the Island and will be doing everything he can to support this Association and how much of a pride that he takes in the success that our football and rugby teams are taking in Jersey. **[Approbation]**

The Bailiff:

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

11.1.4 Deputy R.G. Le Hérissier:

As Senator Farnham intimated in his comments in reply to Deputy Tadier, these are not public assets, these are assets that belong to the Association. But we have this heavy handed approach where they are currently governed by a law of the States of Jersey. That is the situation. Senator Ozouf is quite right. I thought I was going to be asked why Guernsey has been so successful in having a Guernsey football team and although I have not been asked that I will answer that question. **[Laughter]** The reason is that the Jersey football fraternity consists of 19 clubs. It has taken a different path, often based on the development of young people. There is a massive young people programme operating. In fact, we are just about to lose a very good Chief Executive of the Association, who has pioneered a lot of that and is joining a very big regional association entity in the U.K.; which in itself is a source of pride, that this person has earned that role. But Jersey has chosen to go down a slightly different path than Guernsey. I would add, Guernsey by running not a national team, but by running a team which appears to operate as a national team, have created enormous problems with their constituent clubs and their other clubs in their groups, which Jersey has tried to avoid. Yes, Senator Ozouf was quite right, this should liberate the Jersey Football Association. It wants to be placed in a more business-like model and it has all sorts of exciting plans to move things forward. So he is quite right. Thank you, Sir.

The Bailiff:

The appel is called for in relation to the principles of the law. I invite Members to return to their seats and the Greffier will open the voting.

POUR: 41		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator P.F.C. Ozouf				
Senator S.C. Ferguson				
Senator A.J.H. Maclean				
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator L.J. Farnham				
Connétable of Trinity				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérisssier (S)				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of St. Ouen				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy S.S.P.A. Power (B)				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				

Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy G.C.L. Baudains (C)				
Deputy of St. John				
Deputy J.P.G. Baker (H)				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy R.J. Rondel (H)				

The Bailiff:

Deputy Maçon, do you wish this matter to be referred to your Scrutiny Panel?

Deputy J.M. Maçon of St. Saviour (Chairman, Education, Sports and Culture Scrutiny Panel):

No, thank you, Sir.

The Bailiff:

Very well. Deputy Le Hérisssier, do you wish to propose Articles 1 to 6 *en bloc*?

Deputy R.G. Le Hérisssier:

Yes, I will propose Articles 1 to 6. Thank you, Sir.

The Bailiff:

Articles 1 to 6 *en bloc*, are they seconded? **[Seconded]** Does any Member wish to speak on any of Articles 1 to 6? All those in favour of adopting Articles 1 to 6, kindly show? Those against? They are adopted. Do you propose to put in a Third Reading, Deputy?

Deputy R.G. Le Hérisssier:

Yes, Sir.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak in Third Reading? All those in favour of adopting the Bill in Third Reading, kindly show? Those against? The Bill is adopted in Third Reading.

12. Jersey Financial Services Commission: appointment of Commissioner (P.29/2012)

The Bailiff:

We come to the final matter before the adjournment, P.29 - Jersey Financial Services Commission: appointment of Commissioner - lodged by the Minister for Economic Development. This is a matter which has to be heard in camera, so we will read the proposition in public and then have to move into camera. So, the Greffier will read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion in pursuance of Article 3 of the Financial Services Commission (Jersey) Law 1998 to appoint Mr. Ian Wright as a Commissioner of the Jersey Financial Services Commission for a period of 5 years.

[12:45]

The Bailiff:

Very well. If people would be kind enough to clear the gallery; I am afraid all of those in the public gallery must leave. Very well, I think the gallery is clear. So, I invite the Minister to make the proposition.

[Debate proceeded in camera]

The Bailiff:

Very well, the public gallery has now been re-opened. So, we come to the vote of P.29 Jersey Financial Services Commission: appointment of Commissioner. All those in favour of adopting the proposition, kindly show? Those against? The proposition is adopted.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

Shall we move to the adjournment now? The adjournment is proposed and the Assembly will reconvene at 2.15 p.m.

[12:51]

LUNCHEON ADJOURNMENT

[14:15]

13. Prescription charges and income support for primary health costs (P.20/2012)

The Bailiff:

Very well, I am able to inform Members that a matter has been lodged, Social Housing Schemes funding - P.40 - lodged by the Minister for Treasury and Resources. So, we come next then to P.20/2012 - Prescription charges and income support for primary health costs - lodged by Deputy Southern. I will ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether of opinion (a) to request the Minister for Social Security to take the necessary steps to reintroduce prescription charges except for residents aged 65 and over; (b) to request the Minister for Social Security to identify those recipients of income support or other benefit schemes in greatest need of assistance with primary care costs and to amend the schemes to provide those identified with free (i) access to G.P. (General Practitioner) consultations; (ii) prescriptions; (iii) X-rays and scans at the hospital; (iv) repeat prescriptions; (c) to request the Minister for Social Security to bring forward the necessary legislation to give effect to the proposals and to further request the Minister, in consultation with the Minister for Treasury and Resources and the Council of Ministers, to make the necessary financial provision in the draft medium-term financial plan to be debated in September 2012 to allow the measures to be introduced from January 2013.

13. Deputy G.P. Southern:

As Members will be aware, back in 2008 we introduced a new welfare scheme, Income Support, to support those in greatest need on the Island. When we did that, I believe, we made 2 wrong decisions. One, we decided since it was election year we were going to scrap prescription charges for all, no matter how wealthy or how well-off. As I say, I have no idea what the motivation for

that was, apart from the fact it was an election year and the current Minister then was standing for election. He also at that time ...

Senator P.F. Routier:

Sir, I was going to save it until later, but I just could not resist, the Deputy has impugned my motives for why I introduced the free prescriptions and I would ask him to withdraw that if he would.

Deputy G.P. Southern:

Have I impugned, Sir?

The Bailiff:

No, in my judgment, politicians, one of the things they like to do is to get re-elected. **[Laughter]** To assert that a politician may have had an eye on how something was played with the electorate does not seem to me impugning his motives.

Deputy G.P. Southern:

Thank you, Sir.

The Bailiff:

But, of course, the Member will be able to make it clear ... please do not talk at the same time as me, Deputy. But of course any Member who has that remark made against him then has the opportunity to assert that the contrary is true.

Deputy G.P. Southern:

Absolutely. I make no imputation whatsoever, I merely point to the coincidence. **[Laughter]** He also made a second decision to remove the benefit from a small selected band of people of free access to their G.P.s, these people were health insurance exemptions. We were told at that time that these people were very badly targeted. It was a mishmash of a bunch of people, who really some of them did not deserve it, some of them were deserving, some of them were not and that scrapping that system was the way to go forward. However, we were told at the time, and increasingly now, that we have income support, which is supporting people, and it is very well-targeted. The right benefits and the right components are going to the right people all the time now. That has been going on for 4 years. But, I believed at the time they were mistakes. The motivation for this proposition is twofold. There are 2 elements to it, (1) about prescriptions and (2) about access to G.P.s for the very worst off. I was aware that it was the intention of the Chief Minister and the Minister for Social Security to reintroduce prescription charges at some time in this current 3-year tenure. What I was concerned about was that if we increase costs by reintroducing prescription charges, we should take the opportunity at the same time to reopen free access to G.P.s for the very worst off among us. That was spectacularly highlighted by a visit from the Royal College of General Practitioners President, Dr. Heath, who said clearly this year: "We absolutely know that payment for attendance worsens health inequalities so that poor people have to think twice before they see their G.P. They do have worse health problems to start with. It also encourages people to go to the hospital, where it is free. Hospital care is a high cost to the community." The question is, have we got a problem? Do people out there find it increasingly difficult to pay for their G.P.? Does Income Support help some of those adequately to do so? As we shall see, as I present the case, I believe Income Support is not adequately protecting some people from those costs. Also, look around the room, is there anybody in this room relatively middle class as we are, who cannot afford prescription charges or who would be saying that prescription charges, at a reasonable level, are a bind that would prevent us from medicating? I do not believe we would. Some of us might already be noticing that the costs of the G.P. are extremely high and going through the ceiling. Is

there a problem? Let us have a look. What has happened to the number of prescriptions? What has happened to the number of visits to G.P.s over the past few years? On page 8 and 9 of my proposition, Members will see that while the number of people in the health insurance scheme has risen by 10 per cent since 2006, the number of G.P. visits has remained fairly constant, it bumps along at 346,000, 366,000, 344,000, it is fairly steady, while the numbers insured have gone up 10 per cent. That indicates that fewer people today are going to their G.P. when they need to. To reinforce this, I have to quote from reports I have done in the past and quite recently, quoting a G.P., for example: "However, there has not been the case from our experience. Many patients are very concerned about their medical budget and restrict their medical treatment to the detriment of their health." Ditto, another G.P. practice: "Those patients who have spent more than their medical budget are being asked to contribute from their other income towards medical expenses." Now, this is what is happening with Income Support. If you are ill and you run up a high bill then you may receive additional payments from the system, some of which would be categorised as special payments. What is happening, however, with Income Support and the Household Medical Account is that that medical account, the cost of your G.P.s, is being topped-up from other elements that you need to live on. People are noticing that their spending money is going to the G.P. first and not to them eating and not to their expenses. That is what is happening. So, there is a problem. Not only with G.P. visits, but there is also a problem with prescriptions. When we took the prescription charge off, Members will notice on page 8, 2006, 1,200,051 prescriptions. Over the years that has climbed. It climbed spectacularly in 2008 when we took the charge off. It now stands 25 per cent higher at 1,650,000. What has happened as a result of taking off prescription charges is that people have got more prescriptions and more items on that prescription. People are getting their aspirin by their prescription, people are getting their Ibuprofen by prescription and Diclofenac to ease the pains from prescription, rather than buying it. That is what has happened. The costs have gone up. When we took away prescription charges back in 2008 the cost was estimated at around £3 million to the Health Insurance Fund. I believe that figure now is probably closer to £5 million. Removing prescription charges cost the States money. What I propose here is to reinstate prescription charges with generous exemptions for all pensioners over 65 and all those with chronic conditions. How that is decided, although I have very carefully gone into one method of targeting this benefit, is in the report. It is perfectly feasible for the Minister himself to target however he chooses if Members were to accept this proposition. It does not restrict him in any way. I did not put how to target in the proposition. It is in the report. I think, if I may say so myself, I have done quite a good job of focusing it down to not very many people, so that we are getting who we should be getting. It could be done more generously or not. Nonetheless, to target those on income support or receiving another benefit, because that scope, that flexibility is in there, like long-term incapacity, like disability, whatever, down to around 2,000 people is exactly what we used to do under H.I. (Health Insurance). It was around 2,000 people. So, this replaces it, but much more accurately and finely targeted. Absolutely no problem about doing that. The promise that was made time and time again by the previous Minister for Social Security and his predecessor was that no one who wishes to visit a G.P. should stop visiting their G.P. because of the cost. The reality is that the figures show that that is now happening.

[14:30]

People are not going the doctor to the detriment of their health and this is causing ... this runs in the face, directly opposite, the principles that we are trying to introduce through Health to prevent illness and have people take charge of their health rather than simply treat the poor health that results. It goes hand in hand with the initiatives being made by Health. While I am on it, we are told by the Minister and the Council of Ministers that this proposition in principle is the right direction, because the Minister is going to reinstate prescription charges in the near future, we hope. But this is the wrong time for it. There will be those of you who will say to themselves: "Given the

recession, given how hard people are finding it to make ends meet, is this the time to reinstate prescription charges?" Well, perhaps not, but I believe it is. Certainly many in our society can afford those prescription charges, not least those Members here. But, we are told we must wait. We must wait for the overall scheme. It is an overall scheme which, we are told in the next breath, is already being initiated by the Minister for Health and Social Services, because she is going to reintroduce prescription charges at £5 per item for hospital prescriptions. Wow. But, this has got to be co-ordinated, we are told, because the whole thing must work together. Are we going to see community prescription charge reintroduced as well in the same sort of phasing? Perhaps we are, perhaps we are not, because we have not seen any of the working yet. We are told we must wait. How many times have I been told in my 10 years in the States that I must wait for the Minister to devise his own scheme and do what I am proposing? We are directed, not only to the comments made by the Council of Ministers, but also the strategic document, the White Paper, that is currently being consulted on by Health. In section 8.3 we are given a timetable for implementation. It says: "Recruit additional practice nurses and administration reception staff in order to deliver primary health care in the community." Recruit additional practice nurses. How many nurses do we have on this Island and how much of a shortage is there already of specialist nurses on this Island? We cannot fill our hospital and yet a target for 2012 is recruit additional practice nurses, so that we can deliver. Is that going to happen this year, it is 2012? I do not think so. As you look down the list you will see: "Establish an I.T. (Information Technology) in 2012." Is it established? I have not heard it. Going further down you will see: "Develop a plan for integration of services, including governance, education and supervision. Implement transformation in 2014." If you believe that White Paper can be put into action by 2014 and that we will have a unified strategy that includes Social Security then if you are confident about it, vote against my proposition. If you are less than absolutely sure it is going to happen in the next 2 years, then think again. Perhaps we ought to be doing something now. Are people suffering with the cost of G.P. visits? Yes, they are. By 2015 we are reviewing the impact on Health and Wellbeing. It is done and dusted. If you believe that can happen in 2 years, then (a) I believe you are a bit naïve and, (b) you must be very confident in the powers of the Minister for Health and Social Services, Minister for Social Security and indeed the Chief Minister in being able to force this through in that sort of timescale. Time and time again we have seen delay after delay. Are people hurting now? Yes, they are. We could do something to alleviate some of that hurt. I believe we should. We should not be waiting for that old canard that usually comes out of Ministers: "Wait for me to do it in my own time." I have a targeted system which takes into consideration, for example, for free G.P. visits, all those on personal care components, 2 and 3, in Income Support, lone parents whose children are under 5, couples with children under 5, pensioners and pregnant women. On page 15 of my report, if Members would like to turn to it, you will see that that is where the costs are. The costs are with the young, pregnant women, children under 5, at and around birth and with the elderly, the over 65s. You can see the use and the cost is a curve. Young cost money in terms of health care and the elderly cost money in terms of health care. That is exactly who can be targeted for this free access to G.P.s, which I think is worth having and should not have been taken away. If I can just turn to the comments on page 2, they suggest, this is one that occurs time and time again and we must nail it, it says here that it is not targeted enough because I am trying to exempt all pensioners. It says: "There are many older people who remain healthy and have substantial incomes who do not need additional report from the public purse." All these rich pensioners in Jersey. Do the figures. If you examine the figures from the Income Distribution Survey, you will find that 50 per cent, half of the households in the lowest quintile - lowest earners - are pensioners. If you add up that lowest quintile, the next one and middle quintile, you will find that 82 per cent of pensioners are in the lower half of the income distribution. 18 per cent, less than one in 5 are these so-called wealthy pensioners who do not need any benefit. We should means test them. Means testing costs money. 82 per cent, over 4 in 5, pensioners could use this benefit. Why not exempt them? It works. Now,

the Minister says that he is prepared to give a commitment to reintroduce prescription charges during his tenure as a Minister. When the charges are reintroduced there will be a simple mechanism for local residents to purchase a season ticket. So, no question about free access to any G.P.s or no question about exemption from all of the costs of prescriptions for the pensioners. They will be able to purchase a season ticket. So, there will be a cost still for everybody, it seems to me. Creating an exemption for those over 65 is opposed, because anybody can purchase a season ticket. Can they? What is a season ticket for £3 an item? It goes on: "This would result in the cost of the season ticket being, say, £48." No reduction there. You get a season ticket and you pay the price, it seems to me. That is no way to organise things. He then goes on to say: "Your proposition would require changes to existing primary laws and could not be given priority within the timescale that you propose." It says: "Bring it in in medium-term financial plan, which will go on to debate later on this year." It is as generous a timescale as anything else. Everybody knows you cannot alter a business plan, but you can say early: "Do it." It is perfectly feasible. The Minister then goes on to say: "I am working with officers to find a way to reduce the cost of G.P. consultations for people of all ages with chronic conditions. This would be an interim measure until the new primary healthcare strategy is implemented." So, the Minister knows there is a problem. He wants to implement something, but just not this proposition. He wants to deal with it in his way in his own time. He then goes on to say: "And this could be introduced by regulations." So, that second item, item (b) reducing the costs of G.P. consultations for some, if I do it, it requires enormous legislation and could not be done in the timescale. If the Minister does it, it can be introduced by way of regulation. Well, there is an interesting thing. The Minister must be able to do things that I cannot do. So, regulation could be used, but I cannot do it. I have to ask him to do it and that is what I am doing. I am asking him to do it now, because there is a problem with our health costs. I am asking him to do it in a fashion which is not particularly prescribed. For those of you who consider the costs, we must not impose costs at this stage, then by all means, you might now wish to go for item (a), but you can certainly alleviate the costs of G.P.s and go for item (b), because they do stand separately. You can have one and not the other. I think the way forward is to have (a) and (b). That, if you like, reduces the overall cost of any scheme. I think it is workable. I think it is do-able in the timescale. I am disappointed that the Minister has not wholeheartedly, enthusiastically embraced this particular scheme and promoted it. He has decided otherwise. I wait to hear his detailed arguments about why we cannot do what my proposition is saying, whereas he is going to something about everything some time later and co-ordinated with a plan coming from Health that we do not know ... we certainly do not have any guarantee, will be in place by 2014 when the hurt is now. I urge Members to support this proposition.

The Bailiff:

Is the proposition seconded? [**Seconded**] Deputy Baudains.

13.1.1 Deputy G.C.L. Baudains:

I notice Deputy Southern's perfect timing, because as of yesterday part (a) would not affect me. Now, I would normally support part (a) for 2 reasons. I believe that the charges were withdrawn for not the reason that we were told, because they were withdrawn immediately before the introduction of G.S.T. and I think it was more about preventing a public outcry about a tax on medicine and the reason we were given at the time was that the fund was apparently overflowing and it was an embarrassment to have so much in it. If, in fact, the latter was the case, I would rather the money was spent on perhaps alleviating or off-setting the rather high cost of dental charges in the Island. Secondly, a charge for prescriptions would, I believe, save a lot of waste, because some medicines cost an absolute fortune. But, unfortunately, there are patients out there who present several months' prescriptions at a time and then proceed not to use those medicines, throw them away when they find that they do not agree with them or that their doctor prescribed an

alternative and there is that much wasted. I believe if charges were introduced some of that waste would disappear. However, following on from my opening remark, I think I would probably be conflicted on part (a) and would abstain from it.

[14:45]

What I would like somebody from the Council of Ministers to explain to me, unless I have misunderstood their comments, on page 2 the penultimate paragraph, it says: "The reintroduction of hospital pharmacy prescription charges will encourage patients to make more appropriate use of community based services, where free G.P. prescriptions will continue to be available." The next line says: "The Social Security Department is committed to the reintroduction of charges for community prescriptions." Now, maybe I have misunderstood that, but it seems to contradict itself. I look forward to an explanation of that in due course.

13.1.2 The Deputy of Trinity:

I ask Members to think carefully about this proposition with the aim of rejecting it. I will explain the reasons why. As you are aware, my department is currently working on the development of a White Paper, which will set out the future of health and social care in our Island. As you know, with a Green Paper there are a lot of issues facing us within health and social services and for the Island. Our ageing population, our States management, our recruitment of staff, retiring of medical clinicians in the next 5 years and the need for 24-hour cover in the community. The White Paper will be the result of work undertaken by the experts in the field of health and social services care since November 2010. This White Paper is being produced in partnership with professionals, charitable organisations, third sector organisations and service providers, in addition to reflecting feedback from all Islanders. This White Paper will set out a cohesive vision for all elements of our Island health care, covering services delivered in the primary care, secondary care and community settings and whether those services are delivered by G.P.s, pharmacists, charitable sector, third sector, Parishes or others. To ask the Social Security Department to make changes to one part of the funding system for one part of our healthcare system at this point of time would be wrong. It just simply would cut across the work and deny Islanders the opportunity to be consulted on the changes required if we are all to benefit from a joined-up cohesive service. Over the last 2 years this Assembly has made some very important decisions relating to Island health care, working with the Medical Officer of Health have led on significant pieces of work relating to the quality and sustainability of primary care services. This is services in the community. This has been undertaken in partnership with the Social Security Department, the primary care body, which is made up on G.P.s, and all the Island's G.P.s. This work... and some people were very sceptical at the time that we would do it - not looking at a particular Deputy - includes General Medical Council revalidation on appraisals, development of the quality contract with G.P.s. This quality contract aims to support delivery of best value, targeting the most important Health Insurance Fund monies to areas where it is most needed and will benefit Islanders. Putting 3 G.P.s into the pot at this stage would have a dramatic impact on the Health Insurance Fund and would at best mean that we were working with one hand tied behind our backs. Without doubt there are elements of this proposition that have merits. As set out in the 2012 States Business Plan, we and Housing and Social Services are going to be looking at reintroduced pharmacy prescription charges over the next coming months for out-patients and A. and E (Accident and Emergency). We would, in principle, be supportive of charges for community-based prescriptions. Deputy Baudains has just mentioned about the differences and contrasts. It is to begin to educate the public to use the community. Because we are, as it has been mentioned by KPMG and we have had outward discussion, we are an institutionalised, hospital and medical Island, because there is not much out in the community to give that support. This is what we want to change. Until this Assembly has the White Paper in front of us, we should not be debating free G.P. visits. The implications of such a change must be

set within a broader context and with a broader funding framework. The White Paper will be published in May and will be brought to this Assembly for debate in the autumn. This will dovetail with the States medium-term financial plan, allowing this Assembly to consider the financial implications of all the important changes to our Island's health and social services system in the round not bit by bit, where more emphasis will be placed for caring in the community and protecting the vulnerable in our society. This proposition is directed at the Social Security Department, because it is that department that holds the mechanism for funding primary care through the collection of social security contributions and the assessments of benefits to individuals. Yet, the heart of this proposition is about long-term health and social care strategy, which is the responsibility of this Assembly. I ask Members, please, that we as an Assembly need to have an opportunity to fully debate the White Paper in its entirety. It has been through the Green Paper consultation stage and out with the public. Deputy Southern mentioned about implementation of the White Paper. Yes, it is on track for out to consultation in May and debated in autumn. Very importantly, we need to do it. I have said here many times, regarding the Island's health and as we go forward with the hospital and in the community, doing nothing is not an option. That is why the White Paper is so important. Therefore, I ask Members, please, that you reject this proposition. Thank you, Sir.

13.1.3 Deputy M.R. Higgins:

I am pleased to be able to follow the last speaker, because we all know that there are problems with the system as it stands at the moment. I am aware of people who I believe are abusing the prescription service who, as Deputy Baudains mentioned, are buying more prescription items than they require and they are wasted. I am also aware of people even getting soluble aspirin on prescription, which I think is absolutely crazy. So, there is abuse in that area. I also agree with Deputy Southern that there are many people in this Island who cannot afford to go to a doctor and, as he mentioned in his paper, dentists and so on. It is quite scandalous. As far as the Minister for Health and Social Services is concerned, if we look at the proposition that Deputy Southern is coming forward, he is asking them to come forward with proposals before the end of the year. If this miraculous White Paper comes forward and we are so convinced that they have the solution and we are going to debate it at the end of the year, then we can obviously dispense with Deputy Southern's ... not this particular proposition, but whatever the Ministers come back with, if we have a far better alternative. Let us move forward with what is on the table at the moment rather than a pie-in-the-sky solution to all our problems tomorrow.

13.1.4 Deputy M. Tadier:

I think that last speaker has put it quite clearly. I think it is fair to say that for every Member in this Assembly we are concerned about access to G.P.s and about the way we can ensure the health of all the residents in our society. I think we agree with that. I know that many Members, even Ministers, have stated in the past that they think that the prescription charge being free or being dropped completely was the wrong step to take. In the context the money could have been far better targeted. I think everyone is in agreement about that. I think we have heard the arguments about this White Paper coming forward. I have certainly listened to that thought, yes, should we just sit back and look at this holistically. First of all, let us address that issue. I do not think that argument in itself stands anyway. To suggest that we cannot look at one aspect that needs urgent addressing and it does need urgent addressing. I will say this by way of anecdote, but it is a true thing that happened to me last week. I was stopped going about my business in the street: "Deputy Tadier." I looked around wondering: "Oh no, what have I done?" This gentleman just said: "When are we going to get free doctors' visits? My initial thought was: "Well, keep waiting, mate. Keep waiting." But he hit on something very pertinent there. He was, I would say, somebody of the socio-economic group that the Deputy was talking about in his introduction. I could see clearly he

was over 65 and I suspect from the nature of the question he was asking me he did not have lots of money to go and visit the doctor. So, it is an urgent issue that we are looking at now and it needs urgent attention. Clearly in our non-party political system where the ultimate power rests with the Assembly, we cannot simply always expect to wait on Ministers with their various demands and various workloads for everything to be coming out at the right time. So, it is good that we do have Back-Benchers who are knowledgeable in certain areas, who are willing to do the research and I think it is important to acknowledge, whether one agrees with this proposition or not, the work that has gone into this. I think it is a credit to the Assembly. Basically, mindful of what Deputy Higgins has said, we can accept this proposition. We do get an undertaking from the Minister for Social Security to come forward with the relevant ideas to be drawn up. If they are superseded or can be improved on by the White Paper, that is fair enough. Let us, obviously, be intelligent about that and then take that into account. Just more generally, and I do not want to step into the area of the discussion of the White Paper that will hopefully ensue, but there is an issue in a wealthy island like Jersey that so many people who would not be targeted, even in part (b) here, do put off going to the doctor. The dentist is a completely different issue, because that is even more out of the reach of many, even modestly earning Islanders, who cannot even think about going to the dentist. Certainly I know people do put off going to the doctors. Not simply those who are 65 and unemployed and on income support. There is a whole *couche sociale*, if I can call it that, that sit above the income support who do not get any kind of G.S.T. bonus at Christmas, who are struggling out there. We need to put our heads together to make sure that people are going to the doctors when they need to at the right time, so that they do not simply fall ill, so that these things can be picked up. I know that is something that we all share as a common goal. I think let us do something positive today. Let us not simply wait for something which is to come in the future, but let us take this important step today, even though I think we are clearly removing a benefit from the public and it needs to be better targeted in the future. But, I think this is a step in the right direction.

13.1.5 Senator P.F. Routier:

As we know over the years there have been a number of comments regarding the original decision about making prescriptions free. During 2007, it was, when we were making all the final preparations for the introduction of the income support system and the move away from - I have to say I know Deputy Southern perhaps has a different view - a totally dysfunctional H.I.E. (Health Insurance Exemption) system, it became more and more evident that the best way to ensure that those people who had previously under that system received free prescriptions that they would be best served by continuing to receive free prescriptions, those people on H.I.E. Members may recall that the H.I.E. system also allowed free doctors' visits as well as the free prescriptions. There were unfortunately under that system many cases of abuse of free doctors' visits. There were examples of people going to the doctor when there was absolutely no medical need. There was one example of a patient who visited more than one doctor's several times, up to 100 times in one year. The Deputy is shaking his head as if it does not really matter. The concern is that allowing free doctors' visits without the controls, which the Health Department and the Minister for Health and Social Services is wanting to bring in along with the Minister for Social Security, and without the procedures to being put in place first would be the wrong thing to do, if we just upped the money that could go to doctors.

[15:00]

So, there were serious problems with the H.I.E. system. On an annual basis the President of the committee at the time or the Minister would review the subsidy given to prescriptions and or visits to the doctors. While subsidising the visits to the doctor was increased in many years, it was often matched by, as we know, by increased doctors' charges. So, the patients themselves did not see

any financial benefit, whereas increasing the subsidy on prescriptions did make a definite benefit to the patient. There is a need to reform the primary health care system. That is exactly what the Minister for Social Security and Minister for Health and Social Services are doing right now. In 2007, when we researched who else could and should benefit from free prescriptions we looked at other places. For instance, we knew that in Wales they already had free prescriptions for all and that Scotland and Northern Ireland were working towards that. Scotland and Ireland have both since ensured that prescriptions are free for all. When we looked at England there was, at that time, a charge of £6.85 for their prescriptions. Now it is £7.65, I think. They also have many exemptions, ensuring that the most vulnerable do not pay anything at all. Back in 2007, when we were making the decision, 85 per cent of all the prescriptions in England were free, because they wanted to protect the most vulnerable. But, as reported only a couple of weeks ago, now 90 per cent of prescriptions are free in the U.K. I am aware that from discussions I have had with people involved with the system in the U.K. that the administrative burden and the cost of identifying those who should qualify for the exemptions and the collection from the other 10 per cent that is a questionable thing, about whether to go to the bother of making the exemptions and charging for that 10 per cent. It is a questionable thing, which needs to be looked at carefully. We have heard from the Minister for Health and Social Services and reading the report the Minister for Social Security says that they are looking again at making a charge for prescriptions. All I would ask is that they look very, very carefully at how the vulnerable people within our community are protected and that there are no barriers to the health care when they reintroduced, because it is important that people do not have that barrier put in their way, to make sure their health is good. It really has amused me in recent years that some Members have made comments about when I made the decision in an election year. Well, that is not the case, because the decision was made in 2007, the year before the election. So, I have not followed that up. I have just let people say what they wanted to say and I thought it was not worth responding to until today. I firstly signed the Order making the decision after a great deal of research and after discussion with the Council of Ministers. As we know, Wales have had their free prescriptions and only a couple of weeks ago I was in the Welsh Assembly. Their Minister for Health and Social Services made a statement that the health of children had improved significantly since the introduction of free prescriptions. As I said before, since my decision in 2007, Scotland and Northern Ireland have now introduced free prescriptions. If Members want to check on the facts of all that, the Ministerial Decision is MD-S2007-0089. It makes quite clear that the decision was made prior to election year. I know I asked earlier if Deputy Southern would be prepared to withdraw his comments about it was election nearing. I would just ask him again, would he be prepared to do that?

Deputy G.P. Southern:

As I said originally, I made no such imputation.

Senator P.F. Routier:

I thank the Deputy for his kind words. I would also like to thank him for his other kind words in his report where on page 4 of his report he says a very good comment, which I was really surprised to see from him: "Fortunately we have a new income support scheme in place since 2008, which allows us to effectively target this protection at the most needy." I think that is the best comment I have heard from the Deputy about the income support system. Thank you very much. As an aside, preparing for this debate I came across a cartoon which appeared in the *J.E.P.* in 2007, depicting me, at least I think it was me, distributing prescriptions. I really was not offended by that and I have not taken the trouble to sue anybody over that. I found it all very amusing. A general point I would make regarding the Health Fund, on a serious note, as a matter of principle for those Members who believe that the Social Security Health Fund is a fund that is paid for by the working community and should be available to the whole community. This is a view that I share and I hold

as a strong principle and I find it very difficult to move away from that. This is a contributory system, which the working people of the Island have contributed to. With regard to this proposition it is not really aimed at solely the clinical need of people, it is more aimed at their age or if they qualify for income support or for other benefits. So, it is not as wide as what the Social Security Health Fund is really aimed at. So, I would on that principle alone find it difficult to support this proposition. Just a comment about the overall increased cost of prescriptions and the number of prescriptions, I have to say I do find it difficult to understand why Members continue to criticise the increase in the number of prescriptions being caused by the increase of the subsidy from an average of £13 to £15, which is what happened at the time when the decision was made. It may be that there has been some increase in prescribing individual items. But, by far the major cause of the increase will have been the very significant adding of £450 additional drug items which were formerly only available at the hospital. That has been one of the increases in the number of prescriptions which are available on the community and have been attributed to the fund, not just the fact of making it free prescriptions. That has been a really positive move for patients and I have to say also for the funds of Health and Social Services. However, it has increased the cost of the fund. Free prescriptions cannot be blamed for the sizable majority of the increase costs to the fund. All Members know that both the Minister for Health and Social Services and the Minister for Social Security are doing some tremendous work in redesigning the provision of the health care in conjunction with the general practitioners. This work is ongoing and should be allowed to progress without this, I have to say, unnecessary proposition, which will not help at all. In fact, it will hinder the much needed modernisation of our health services. When Deputy Southern recently withdrew his previous proposition, P.17, which was on a similar principle, he admitted that he had it wrong. I am afraid this proposition is still wrong and I urge Members to reject the proposition.

13.1.6 Deputy J.A. Martin:

When the Assistant Minister for the Chief Minister was speaking I was slightly confused about which way he was going on this proposition, because one minute it was not wide enough for what the Health Insurance Fund is collecting money for. But, if you read the comment from the Council of Ministers they want to make it much smaller. He also said: "Please be very careful." Now, his actual speech was saying: "Leave it as it is." If he believes that, that is fine. You vote against this and you do not vote for when anything comes in from the Council. That is what he was saying, it is done in Wales, it is done in Scotland and it is done in Northern Ireland. Only 10 per cent of the U.K. population pay and administratively it is too much of a burden for what they collect. If you believe that, we stay as we are. I just have to pull the now - who was then - the Minister for Social Security to task when he said in his speech: "H.I.E. was abused and prescriptions." He cited one person visiting the doctor 100 times under H.I.E. It has always been in the gift of Social Security who it may have been free to the patient, the doctor got their fee and Social Security paid it. It has always been in the gift of the Social Security Department to check these out. Now if somebody was visiting 100 times and there was no illness, why did Social Security not just crack the nut, not bring the sledgehammer down? That is what they did. They made up all excuses after and I fully believe that, unlike Deputy Southern and probably like Deputy Baudains, the Minister for Social Security was in between a rock and a hard place. They were bringing in quickly low-income support. They had sorted out H.M.A.s but they had not sorted out what they were going to do with people with chronic medical needs, low incomes who had to pay for prescriptions. So they decided now we are told it was in 2007. If it was so popular, why was it not debated? We are where we are. Health is the Assistant Minister for the Chief Minister and I do not really feel he believes in the proposition or the comments of the Council so I do not know really where we are today. Health is bringing in a charge. As it says in the comments, it is to educate but to put people where the best needs for G.P.s and primary health care is going to be delivered. I do not really see a problem with... if Health can do it, Social Security... it says in here and I have read these comments and I

had a hand in bringing them together but it says the timing ... this is the Social Security Department is also committed to reintroduce charges for community prescriptions. The timing of this will be carefully co-ordinated with the reintroduction of hospital pharmacy charges and any other potential changes. Well, as it says, Health is introducing it later this year probably on 99 per cent possibly. What does that comment mean? The Minister for Social Security has not spoken yet but the more I hear, I am getting more confused and I should know a bit more about this because I am the Assistant Minister for Health and I fully understand where we are coming from. I am not sure where Social Security and the Chief Minister's Department are coming from and I would like to hear from them. I have heard from the Assistant Chief Minister. As I said, his speech was completely backwards and forwards. If I had not had my eyes shut and I know my hearing is not that good, I would have thought that it was Deputy Le Hérisier speaking because it was the best fence-sitting I have ever heard. So he did say in the last it was not wide and it was too wide so you think of all the people you are going to affect, not wide enough so think of all the people you are going to affect but definitely do not support it. So as I say, a good speech for the actual Minister, as was then, who just brought us into this mess by saying: "Right everyone gets free prescription charges and it is not electioneering but I have a problem to solve and this is how I am going to do it." Somebody went to the doctor 100 times for free so we are going to give everyone free prescription charges.

[15:15]

Does that add up in your mind? No. I am very confused. I think that the Deputy is only asking for Social Security to commit to doing something. I do not get the feeling that the Council of Ministers are behind this and I do not, in reading the comments, believe that this will happen, even in 2014. So you give something free and again with prescriptions, it is in the gift of Social Security. If they think prescriptions free or otherwise are being abused, too many are being given out, I am not looking at that Minister, I am talking to Social Security, it is in their gift to check these things. If somebody is getting too many prescriptions free, they pay the piper, they pay the chemist, they pay the pharmacy so they know everyone who is having a prescription in the community. So why then are we brought to this House and saying that this reason why prescriptions went up could be this and this reason could be that. Social Security, small piece of work, just needs to do a 3-month check on why and who these people are. Are they being abused or are they actual medicines needed? Are they repeat prescriptions that are needed out in the community? Sorry, I am a bit fed up with all this anecdotal evidence and only Social Security always have it in their gift to do the checking. They pay the piper, they pay the money, so if they want us to know what is going on and the rest of the community, just do an extra piece of work and then come back and tell us.

13.1.7 The Deputy of St. Ouen:

If I can start with a point raised by Deputy Southern where he says, really what is the issue? Have we got a problem and does income support provide sufficient financial help to those who need to access their G.P. and other services. I believe the answer is: "Not always" and even the Chief Minister's Assistant Minister alluded to that fact in his speech where he wants to protect the most vulnerable. At first glance, I really was not necessarily in favour of Deputy Southern's proposition until, I suppose, I started to look a bit more closely and read some of the comments of the Council of Ministers that they kindly provided to us. It starts off quite well because bearing in mind that the new Council of Ministers are proposing co-ordinating policy and probably one of the chief aims of the Chief Minister is to co-ordinate policy across departments to ensure that we really hit the mark and support those and help those in need. It says here: "The Council does not believe that now is the right time for the Social Security Department to make changes to one part of our Island's healthcare system, changes that should be seen in the overall context of health and social care reform." Great, however, and it is a big but, we are then told that the Health Department are going

to do their own thing. They are going to introduce some charges for prescriptions and by the way the idea is that that will encourage more people to go out into the community to the pharmacies scattered around the Island to access their prescriptions. Well, I am not sure about that. Then we are also told that separately the Social Security Department are also committed to reintroducing some form of charges and both of them seem to have already come to a decision as if we have a season ticket. But the Minister for Health and Social Services informs us that, well hold on, there is a process due here. We have got a White Paper coming out which should be published in May. That is going to encourage all parties and the public to express their views about how primary care and other services should be provided but do not worry. We are told in our comments here that we have already made up our minds, so I am not sure exactly as an individual how that White Paper and what influence that consultation will be. That is sad when I know that the reasons are genuine reasons behind the White Paper and the consultation is to ensure that we do have the proper health service that our Island requires. Coming back to the comments that Senator Routier made, and he is absolutely right, and he says we absolutely need to protect and provide for the most vulnerable in our society and I look at the wording of the proposition of Deputy Southern. Part (a) is basically to request the Minister for Social Security to take the necessary steps to introduce prescription charges. We are already told that is happening; the Council of Ministers confirmed that. Secondly, the wording of (b) is very, very important, to me at any rate, because what Deputy Southern is requesting is that the Minister for Social Security identifies those recipients of income support in greatest need of assistance with primary care costs and then to amend the income support scheme to provide for those people in the way with free access to G.P.s, prescriptions, X-ray scans at hospitals and repeat prescriptions. That is absolutely right and reflects what the Assistant Chief Minister said in his speech. I presume that is what we all want. Do we really know who we need to help at the moment? No, that is why Deputy Southern quite rightly is saying to the Minister for Social Security get out there, identify those in greatest need, not a blanket free access, those in greatest need and let us help them. It might be that for those that are not in the greatest need who are outside of that band start paying or contributing in some form but that is quite appropriate and the income support is well able to provide for that. I suppose my challenge to the Minister for Social Security and perhaps even the Chief Minister, if they choose to speak in this debate, is to highlight the real reasons why they are choosing not to support this but in the same breath choose to support the proposal brought forward separately by Health to introduce prescription charges and the efforts of the Social Security Department to introduce prescription charges and both of them to introduce some form of season ticket which is purchased. Well, that is not going to help the most vulnerable, as Senator Routier spoke about earlier, but again we do not understand but we are told: "Do not worry, we have got everything under control, these things are happening so do not bother about this." Well, I am beginning to wonder whether the proposition that Deputy Southern has brought is the one to support.

13.1.8 Senator F. du H. Le Gresley:

I have got a lot of sympathy with the basic principles behind this proposition brought by Deputy Southern but as we all know, or at least we should know, there are plans to reorganise and review the whole delivery of primary care under the Health White Paper. It strikes me as absolutely amazing that the Deputy can produce a proposition where there is not one word of mention of the White Paper. The Green Paper was circulated last June and Members of this House at that time, one of which was Deputy Southern, were sent an email from the department drawing their attention to the KPMG report which is some 300 pages which laid out the way forward for primary healthcare among other obviously secondary care in Jersey. The Deputy appears not to have read this otherwise he would surely have mentioned it in his proposition. It is not in his report and I can only assume that he never read the KPMG report because otherwise he should have mentioned it. That is an absolute failing on the part of the Deputy. His other failing was to refuse to come and

talk to me about his proposition. I invited him on 2 occasions to come and talk to me and my officers about this proposition. He turned down the first invitation on the basis that he assumed I would not be supporting it. I gave him some reasons why I would not be supporting it, still offering him the invitation to come and talk and he did not even have the courtesy to respond to that email. So I urge Members, if you are of a mind to develop your own major policies for the Island, do come and talk to the Ministers first. That is the correct way to do it. I have been a Back-Bencher in this House and that is exactly what I did and because I did that, I had some success with my propositions. It is no good this Island paying a fortune in advisers and getting outside consultants if Members think that they on their own can develop such major policy without any liaison with Ministers and their officers. It is absolutely ridiculous. That is my first point; I feel very strongly about that as can be exhibited by my emotion. Now, as to the proposition. Well, the proposition wording requires me to change existing income support and other benefit laws to provide extra free access to primary G.P. services. The fact is that in doing what Deputy Southern would wish me to do, money will flow through the new prescription charges into the Health Insurance Fund but it needs to be spent from other budgets. I am sure Members are fully aware that income support is paid out of taxation. It is not paid out of social security contributions. It is paid out of taxation. Therefore, if I am to subsidise the G.P. services for people on income support, I would have to find a means of transferring money from the Health Insurance Fund into my Income Support budget. I cannot do that without primary legislation so that will take some time. Deputy Southern also wants me to look at people on other benefits such as long-term incapacity, invalidity benefits and other ones, to try and identify people who, as the Deputy of St. Ouen says, are in greatest need. So those 2 pieces of legislation that underwrite those 2 benefits will also have to be looked at. That is primary legislation that will need to be approved by this House, taken to the Privy Council and it will take months if not years to make these changes. All the while, the Health White Paper is being developed, consulted with the public so that we know what the public want, not what Deputy Southern wants, and then we can move forward. Part (a) of Deputy Southern's proposition refers to the reintroduction of prescription charges. I will give this House an assurance that during my time in office, and I have, I believe, unless I am replaced, and that is always a possibility, until about the summer of 2014. I give you an assurance and the public listening that prescription charges will be reintroduced during my time in office. I cannot do better than that; that is an assurance. However, what I will say is that those with chronic illnesses of any age, not people just over 65 but any age, will be able to access prescriptions through the method of what we are calling a season ticket. Now, Deputy Southern scoffs at the idea of a season ticket. Well, quite simply, we take an average of the number of prescriptions that a person has in a year which at the moment is about 16 a year and we multiply by the proposed prescription charge using Deputy Southern's suggestion of £3. That would give a £48 a year season ticket cost. Now, I can assure you that people with chronic conditions require a lot more than 16 prescriptions a year. We know that some people have really serious chronic conditions who require over 100 prescriptions a year. Therefore, purchasing a season ticket at £48 is good value for those people with chronic conditions. But, quite rightly, those in greatest need, as Deputy Southern is continually stressing, are the right target group. For example, those on income support; we will be able to amend the income support scheme to allow them to receive a season ticket at no cost. So the people on income support will be able to, if they are in need of a considerable number of prescriptions, receive a season ticket so they will be covered under any proposed introduction of prescription charges.

[15:30]

The idea of exempting people over 65 purely because Deputy Southern had to withdraw his first proposition because he took some stick on a website; yes, he did, we all read that. So we change policy on the basis of a few blogs. Amazing. How can we possibly have any sort of belief that this is the right way to go when we change a proposition because a few people comment to the

champion of the people that you cannot charge pensioners a new prescription charge? Of course we cannot do that. That is just not acceptable. So we have a new proposition which says we will exempt people over 65. It is a fact that in this Island we have some very wealthy pensioners. He shrugs his shoulders but 50 per cent of our pensioners pay income tax and 50 per cent of our pensioners will be expected to pay the new long-term care benefit because they are taxpayers. We have to understand that we cannot have these sorts of ... I suppose they are somewhat old ideas, old Labour ideas, I think that is where they come from, that all pensioners are poor. Deputy Southern was at length to tell us that a lot of these people are in the lowest quintile but in Jersey, it is a fact that we have some very wealthy pensioners. Some of our pensioners now will be the most wealthy pensioners we will ever see in this Island, I suspect certainly in my lifetime, because they had pension plans, they were in occupational pension schemes, they made investments, they bought houses at a fraction of the value that they are now. We cannot stand here and say that we have a lot of poor pensioners in Jersey because it is just not true and therefore to exempt all pensioners over the age of 65 is, in my opinion, quite ridiculous. I have got a lot to say. I need to point out to Members, I think there is a lot of misunderstanding, and she has left the Chamber, but Deputy Martin, as Assistant Minister for Health, says she does not understand the Council of Ministers' comments but the provision of primary care in Jersey is quite complicated, I accept that, but let us be honest about what a prescription charge covers. Even if we reintroduced it at £3, it will only cover 30 per cent of the cost of a prescription. At the moment, the average cost of a prescription in 2010 was £10.11. Now, we all know that there are some drugs which are far more expensive than the aspirins that Deputy Baudains is worried about. Generic drugs are, yes, quite cheap but there are drugs on the list which are very expensive so when we take an average, we are not talking about the very expensive drugs of £45-£50 a prescription. The dispensing fee is included in that £10.11 and is under review at regular intervals so even if we introduce the £3 prescription charge, it will only be equivalent to about 30 per cent of the cost of a prescription and at £5, it will still only be 50 per cent. Part (b) of Deputy Southern's proposition. He has been very clever. I give him a lot of credit for the way he has worded this because although in his report, he is quite clearly trying to go back to the old H.I.E. system, he tries to put all the emphasis on the Minister for Social Security to identify those in greatest need. So I am going to go around and ask the 7,000 or so individuals on income support: "Are you in greatest need for subsidised G.P. fees, subsidised X-rays?" I would have to be so intrusive into the health condition of income support applicants, it is really just not feasible. Similarly, he wants me to target the other benefit recipients of long-term incapacity and invalidity benefit. What was the problem with the old Health Insurance Exception system? The benefit went to the head of the household. So you could have a situation where a household was awarded an H.I.E. card and only one person in that household had any real need to go to the doctor regularly or needed free prescriptions but the whole household benefited. So you could have a family of 5, only one person is in need, but the old H.I.E. scheme meant that everybody, mum, dad, brother, sister, all had access to free G.P. visits and so, quite rightly, what happened was that there were frequent visits, possibly in some cases unnecessary visits, to the G.P. and we at Social Security had to pay for those. I do not see... and I think here again Deputy Southern does not understand how income support works. Income support is paid to the head of the household. It is not paid to the individual members of that household. So we are no different to where we were with H.I.E. If I am to identify individuals within a household who should benefit from free G.P. visits, I would have to find a way of paying a benefit to individuals within a household who are not the main claimant so that is a problem in itself. So I will have to bring changes to Regulations or Orders to be able to effect what Deputy Southern wants me to do. At the moment, about £1.5 million is spent on specific assistance with medical costs in income support. I will explain to Members how that is made up. Within income support, we have what is called clinical costs but every applicant for income support, every member of a household, is entitled, within their personal component, to 4 visits to the G.P. per annum and that is equivalent to £2.31 a week. That is a

component built within the personal component, which is £120 a year for G.P. visits. Everybody in an income support household of any age is allowed that part of the component within their personal component. Now, clinical costs is where we identify that people may need to go to the G.P. more regularly and so we have 2 levels. The first low level is at £3.01 a week and the higher level at £6.02 a week. That equates to the lower level of £156 annually and the second level, £313. These are components that are extra money for the cost of G.P. visits. Currently on the lower level we have 1,185 individuals within income support households who qualify for Level 1 and 1,030 who qualify for Level 2 so that is something in the order of 2,200 people who are getting extra money for their G.P. visits. In addition, we pay out just short of £1 million a year in special payments for all medical items which includes G.P.s, dentists' bills, family nursing care, *et cetera*. Those are special payments so in all we are paying out in the region of £1.5 million to support low income recipients through the income support scheme to access G.P.s. I should say that as part of the transition to income support, all Health Insurance Exception recipients received clinical cost awards but as H.I.E. was not targeted to clinical need, some households have built up positive balances on their household medical accounts. To explain that statement, every member who was in receipt of Health Insurance Exception who moved into income support was offered a Household Medical Account where they could save money for their G.P. visits. As at 29th February, of the 692 income support households who have a positive balance on their H.M.A. (Household Medical Account), 74 per cent had at least one member of the household with previous H.I.E. entitlement. So what is happening there, to explain that to Members, is that the money that we are putting aside is not being used for G.P. visits. It is building up and we will, at some stage, close those H.M.A. accounts and return the money to the income support household. But it is wrong to say, and Deputy Southern states this a number of times in his report, that he has clear evidence that people on low incomes are not accessing G.P.s. I am sorry; I just do not accept that statement at all. I just cannot accept it. Deputy Southern also makes reference to the number of people covered by the Health Insurance Fund. This is on page 9 of his report and he mentioned this in his speech. He says: "The number of people covered by the Health Insurance Fund has increased by 10 per cent between 2006 and 2010." This is absolutely incorrect information. The correct figures were published in answer 6755 on 6th March, 2 weeks before this proposition was lodged. The correct figure is 2006 the population estimate was 88,200, G.P. visits 346,465 and in 2010, population estimate 92,500, G.P. visits 344,054. Now, and I have stated before to Members that my maths is not very good but a 10 per cent increase on 88,200 of the estimated number of people in the Health Insurance Fund taking us to 92,500 is not 10 per cent. It is about 4 per cent. So that information was incorrect and I ask Members to ignore it. It is a fact, of course, that the census revealed that the population had grown by probably about 5,000 more than we expected but, having looked at the makeup of the age of the newer people who come to live in the Island, they are a lot of hardworking young people from other countries and it is most likely that they will not need to access the G.P. service as much as perhaps older people or younger people. However, there is also the fact, and this is what is happening at A. and E. that more people are going to A. and E. because they can get G.P. services for free. That is a fact and that is why the hospital are looking at in the future perhaps introducing user-pay charges to encourage people to use community services, not to use the hospital as a G.P. clinic. But the hard fact is that the number of G.P. visits increased by 2.1 per cent from 2010 to 2011 so that is the latest information. I also want to take Deputy Southern to task on another piece of his research. Deputy Tadier was at length to congratulate the Deputy on the depth of his research. I fully understand, I have been a Back-Bencher and I know how hard it is to do research but if you do not come and ask the department for up-to-date information, you will produce tables such as Table C on page 16 which is completely out of date and wrong. If Members would like to turn to page 16, they will see that Deputy Southern is trying to arrive at the number of individuals that he wishes to target under his proposals. He is using data from June 2008. Now, that is nearly 4 years old and you are asked as Members today to decide a complete change in policy based on

Deputy Southern's 2008 figures. Well, if you are prepared to do that, more fool you, that is all I can say. The answer is that where he quotes the number of households in these various categories of people, quite rightly people who more than likely will need some help, he has got the people on personal care components levels 2 and 3. His figure is 443. As at 31st March of this year, the figure is 792.

[15:45]

Lone parents he has got 808, current figure 1,022. Couples with children, he has got 351. My figure 854. 65 plus not quite so bad here, 1,113 Deputy Southern's figure, my figure 1,431. My total 4,099, Deputy Southern's total 2,715. I am sure Members will agree that is quite a big difference when you are looking at who you want to target. He then goes on to try to estimate the number of people under 5 in some of these households. His figure in total 1,837, my actual figure, 2,677. So across those tables, there is about a 30 to 40 per cent difference. Why am I telling you that? Well, the answer is it is going to make a big difference to the cost of what Deputy Southern is proposing. He admits in his report that by introducing prescription charges and excluding the over 65s, he will produce income of about £2.5 million but his proposals need about £4.4 million. So there is already a shortfall of £1.9 million, nearly £2 million, which will have to come out of the Health Insurance Fund. But if you use my figures, which are up-to-date figures, because he is about 40 per cent out, we have estimated that the cost of his proposals will be in the region of £6 million per year. Now, I suggest to Members that if a Back-Bencher comes to you with a proposition which tells you that prescription charges will produce £2.5 million but what he is proposing in the second part of his proposition that we spend £6 million, I think you might have some doubts about whether the mathematics is stacking up as well as he has described. Irrespective of the fact that I would have to find about £4 million from the Health Insurance Fund to do what Deputy Southern wants me to do, the House has charged the Social Security Department to find £2.2 million of C.S.R. savings in 2013. So what am I to do? Should I reduce some of the benefits with income support so that I can produce Deputy Southern's extra £4 million? Would he be pleased if I did that, because those are the options that he is placing me under. Ridiculous. The other fact and unfortunately Senator Breckon is not here today but he - and I give him full compliment for this - came to talk to me about his idea of helping people with dental costs and I said to him: "I agree with you, I think we do need to do something about dental costs" and the social surveys that Deputy Southern goes to great lengths to explain what is in the social surveys, they recognise that dental care is the biggest cost to people which they are most worried about. Some people in those social surveys, only about 4 per cent of pensioners were worried about the cost of going to a G.P., 4 per cent, and yet dental care was a much higher priority. So if I am going to bring in prescription charges and in the order of the sort of cost of paying out as required by this proposition in the region of £6 million, well, I am going to say to myself: "Well, I could deliver a first-rate dental scheme for the Island with £6 million. I would much rather do that. I am already catering for the people on income support to help them with their G.P. costs so why would I want to give them free treatments at G.P.s when I can develop, as I have been charged by this House, to produce a good dental scheme for Jersey?" These are all the priorities that I have to deal with as Minister for Social Security. So I am starting to summarise and I hope I am not taking up too much of Members' time but approving this proposition will create major delays as the Minister for Health and Social Services has said in the Health and Social Services review. We have already in my department diverted efforts from reviewing the operation of Household Medical Accounts, which Deputy Southern is aware that we are doing the review, and which I am treating as an urgent matter. We have had to divert efforts from that to deal with his proposition so we have wasted 2 weeks if not 3 weeks of work on improving the use of H.M.A.s. Quite simply, the financial costs outlined in the report are based on vague assumptions and inaccurate and out of date data. There are massive inaccuracies in some of the figures and no clear and consistent analysis of the proposed

costs. Whole areas of expenditure are just ignored such as the cost of providing support to people with chronic health conditions who fall just outside of the income support system and the new cost of paying G.P.s for repeat prescriptions which is not currently allowed for under Health Insurance Fund Law and that would mean another primary care law change. The cost of access to free scans is one previously borne by the Health Department and has never been funded through the Health Insurance Exception system. In my opinion, there is no need to support every member in the household if one individual has a chronic condition. There is no need to provide free medical services to all families who have one child under 5. It is counterproductive to set up a new benefit that provides free access to G.P. consultations but ignores the range of other health professionals who will be increasingly providing services in the community in the next few years. As the proposition is worded, Deputy Southern requires amendments to the Income Support Law and other benefit laws to provide the additional benefits. From a legal and operational point of view, this is complicated to achieve and would create a cumbersome set of benefits. In conclusion, this proposition is so out of line with the policies being pursued by my department and the Health and Social Services Department that it would be a massive back step and I therefore urge Members to reject it.

Deputy J.H. Young:

Am I in order to ask for clarification on a point made by the speaker who has just sat down, please?

The Bailiff:

Yes, if it is indeed clarification.

Deputy J.H. Young:

The clarification of his statement that he said that Deputy Southern's proposals would cost us over £6 million. The comments that we have say: "Costed at £4.4 million with a net drawdown of £1.9 million." Could the speaker please just tell us which of those figures is the correct one?

Senator F. du H. Le Gresley:

Well, I think, in response to Deputy Young, I would say that I did explain that Deputy Southern has used out of date figures to work out the number of people within households that he thinks should be targeted. My current figures come up some 40 per cent higher than the figures that he has used. Consequently, he has said in his report that he estimates that the cost of the scheme will be £4.4 million of which £2.5 million will come from prescriptions, having exempted over 65s, and what I am saying is that that £4.4 million needs to be increased by 40 per cent which gets me to my £6 million.

13.1.9 Senator P.F.C. Ozouf:

I generally believe in collective responsibility and I wholeheartedly agree with the remarks given by the Minister for Social Security and Minister for Health and Social Services. I will, however, confess that when the original decision on prescriptions was made, I voted against it on the Council of Ministers even though I, of course, backed the majority line. Some Members sometimes do not see the constructive tension that there is on the Council of Ministers on these important issues. Senator Routier was quite right that it was at the time probably the fastest way to deal with the problem in relation to many people bearing the cost of prescriptions. However, things have moved on. I think that he would agree that we have all been struck in the last years since the decision was made just at the scale, the enormity of the reform of Health and Social Services and primary health care that we need to undertake in Jersey. We are almost 10 years behind where we should be in modernising our health service and we are going to see unfortunately still some aspects of past failures as we have been seeing in the last few days come forward and we are going to have to explain them. What I know is that we are reforming Health and Social Services and the Ministers

directly responsible are doing all they can. The Minister for Treasury and Resources is asked to co-operate with the other Ministers about funding resources in part (c) of the proposition. I need to say to the Deputy that there are significant challenges in relation to funding health care both at the primary level and at the secondary level and, indeed, in capital too. We have got an enormous amount of modernisation as the Minister for Health and Social Security has indicated and previously the Ministers for Social Security. We need to do much more than what Deputy Southern is asking us to do. We need a comprehensive reinvention, building capacity in the primary healthcare system. We need polyclinics, which is more than just doctors at the primary health care level. We need to target government resources where it is absolutely necessary. We need to provide much more community facilities for the avoidance of people getting ill in the first place, in primary preventative care and, indeed, in stopping people going into hospital until absolutely necessary. This is all part of the White Paper and it is somewhat extraordinary that Deputy Southern has not even attempted to pigeonhole this proposal within the context of what is going on in now planning for the future of health care. The medium-term financial plan which is in part (c) of the proposition is requested to deal with this, has got to put in place arrangements for funding the necessary improvements of secondary care, acute care and primary care. We need to find solutions to the almost the Band-Aid, the plaster, that we have put over in funding some aspects of primary healthcare which is delivered by Health and Social Services because of the backlog of issues, because of the failures of the past and we need to find replacements. We need to target resources where they are absolutely needed and yes, the health insurance scheme which people have paid into with an expectation of primary healthcare needs to have its scope extended further, not to just deal with the co-payment of G.P. visits and medicines. Yes, of course, we need to target benefits where they are needed. Where is this 65 limit sitting in a proposition where we have just increased and had a planned increase in the retirement age? Not only do I agree with the remarks of the Minister for Social Security about the fact that we need to be targeting benefit to those that really need it, and yes we do have pensioner households that do need more support and they need to get it, but simply spraying a benefit, I will not say across the board because that is what part (a) of the proposition says: giving to all people over the age of 65, effectively to exempt residents over 65 when we are raising the retirement age. Is this sensible? Absolutely no, it is not. It does not even sit alongside the decisions that we are making about the difficult decisions as we are seeing people living longer. The Minister for Health and Social Services and the Ministerial oversight group for Health is working to reform fundamentally the whole of our healthcare system in 3 phases over the next 10 years. I favour the reintroduction of a co-payment for prescriptions for people that can afford it. I also believe absolutely that we need to be isolating those groups of people who should not be paying for prescription charges and we need a proper debate, not a back of - this is not politically correct - but not a back-of-the-cigarette-paper-packet arrangement but we should not be doing things like this. We need proper policy development, proper policy informed by proper debate, not simply because we are trying to please of course the people that bring us to this Assembly. Of course we want to target benefit, of course we want to target primary health care, of course we need to bolster significantly primary health care but this is not the right prescription for that. The right prescription for this Assembly is to back the Minister for Social Security and the Minister for Health and Social Services in their reforms of health care and doing a staged introduction, and I hope Members will vote against it but with the certain undertakings that have been given by the Ministers, including the excellent remarks by the Minister for Social Security.

[16:00]

13.1.10 The Connétable of St. John:

Well, I have heard it all before and the Minister for Social Security wearing a different hat, a young man who comes into the House, thinks he knows it all and he has got all the civil servants to help him. A number of us have been in Government where the Minister is sitting, maybe in different

committees, as it would have been, but we have seen it and our officers do not always get it right. Back-Benchers sometimes do come up with some very good suggestions and ways forward. For the young Senator, who has only been in office a few months, I sincerely hope he apologises to Deputy Southern because I think Deputy Southern is doing what he thinks is right. The former Senator who was in charge of Health, our Chief Minister, during his term of office, happened to find in excess of £12 million over 2 years to help bail out the Health Department and yet the current Minister is telling us it cannot afford this, that and the other and it has got to be all structured. Why was this not all structured under the previous Minister? He knew full well, because I raised it with the Chief Minister, that things were not right and that we should have never done away with the prescription charge. All the Deputy is doing is trying to do what is right by this Island and those people who need it at a time in the middle of the deepest recession that any of us will remember, trying to help people. Government takes so long to put things in place. I can recall when I came into this House some 18 years ago that you try to move things today and it takes about 10 to 15 years before they happen. What Deputy Southern is trying to do is to make something happen much faster. He is trying to cut through a lot of the red tape that goes on and the files that stay in certain filing trays for months if not years because certain officers do not particularly want to do certain projects, it is not on their 'to do' list, and therefore until that happens, nothing moves forward. So they call for another report from some obscure group that comes along and I take my hat off to Deputy Southern for having raised this again because I have been very concerned. We lost our Health Agreement because somebody in authority did not have their eye on the ball and it took us several years to get it back and if the Ministers who were responsible - I do not believe some of them are in the Chamber at the moment, they have left us - had had their eye on the ball, we would have not lost our original Health Agreement with the United Kingdom but that was another time. We have now got that back but to have lost the prescription charge in the first place I always thought was wrong and a loss of income annually. In the 4 years since it was lost, we have lost approximately £16 million to the Health Insurance Fund. I was not going to say anything today until I heard the attack by the Minister for Social Security on a Back-Bencher. Possibly if that Minister had been a Back-Bencher for a longer period of time and learned the ropes - I am not saying he is not a very good orator - but learned the ropes of the Back-Bencher and of Members who have been on that side of the Government instead of Back-Benchers now, he would have not said a lot of what he said and I sincerely hope by the end of the day he does apologise to Deputy Southern.

The Deputy of Trinity:

Can I just make a point of clarification? The Reciprocal Health Agreement was withdrawn by the U.K. Government if I remember rightly, nobody over here...

13.1.11 The Very Reverend R.F. Key, B.A., The Dean of Jersey:

I just want to ask the Assembly a couple of questions if I may. I will be exceptionally brief. It seems to me that we are all united on asking the question how do we make sure that every Islander can access high quality medical services at both primary and secondary level? If that is the case, then the question arises in my mind, why charge for prescriptions at all? That is not a political thing about whether we should to which the answer is: "Of course" because medicines cost money. So there is a cost here that has to be paid for. But why charge the person in need? Well, it seems to me there are 3 possible solutions. One is ideologically because the user pays. We never push that too far because otherwise all our schools would be funded entirely by those who have children. There is a possibility that we say: "Well we do charge because we want to make sure that we deter misuse" and there is absolutely nothing wrong with that. Friends of mine who work in the Indian subcontinent say that they will often try and charge even the poorest something because it deters misuse and increases the value given to that service. It seems to me that the third reason is by far

the most likely, and there is nothing wrong with this at all ethically, which is that it is pragmatic, that all our costs as a society have to be borne somewhere and the Minister for Treasury and Resources is extremely helpful at telling us which particular pot it is, whether it is taxation or whether it is social security and that is really very helpful but for those of us like me who do not really do numbers, there is a kind of global cost out of which things come and that is great. So if we assume that it is the pragmatic reason that holds most sway, the money has to come from somewhere, then it does seem to me that there is another principle that then comes in which is the protection of those who are most vulnerable. I would put the most vulnerable in 2 groups. There are those who are vulnerable because of their poverty, either their real poverty in absolute terms or their own self-perception of their poverty. To put it like this, it would be crazy, would it not, if somebody went to the doctor and the doctor prescribed 4 items on their script and the person is standing there perceiving that they do not have enough money for all 4 and trying to decide which 2 they will have prescribed, have cashed as it were. Clearly none of us want people in that situation. So it seems to me that if prescription charges are reintroduced, and I do not have a problem with that at all, then we need to protect the vulnerable poor so that no one is ever standing in the pharmacy with that kind of debate in their mind. The second, it seems to me, is that we ought to protect in fairness those with chronic conditions. It seems to me to be a very good idea of the season ticket or any other kind of way, so that we are not seen as a society to be saying we want to give, I will use the word colloquially rather than exactly, we want to give a kind of charge increase to those who happen to be unfortunate enough that their genetic makeup means that they end up with a chronic condition before they hit 65. Whichever way Members go on this, I hope that those will be some guiding ethical as opposed to political principles that will inform not only the way that people have this debate but all the work of Ministers and others that will follow this debate so that our aim of making sure that every Islander can access high quality medical services at both primary and secondary level is one on which this community delivers.

13.1.12 Deputy J.H. Young:

I rise to express some disappointment in this debate. I looked forward to today looking at the lengthy report we have from Deputy Southern, well-researched and what we have had is, at times, really a quite personal debate and I think that is very much to be regretted. We have published, I think it was only yesterday, a 2-page report in riposte to the proposition and yet today we have had new information; we have been given new numbers. It is said that the figures are wrong and that the costs are wrong and so on, all of which I ask why have we not had that information before? Why have we not had properly researched information to help us make the judgment on these difficult issues, as the Dean has kindly helped us with? Of course, as a new Member, and I have been a manager in a health service so I know very well the importance of having a strategy for the primary healthcare service and how it all has to make sense in that way, and I look through the papers and say: "Okay, where are the clues to what that is going to be?" and I find in the strategy report it says one line; it says there is going to be a White Paper. I think one could be forgiven as a new Member saying I really would like much more information than that and I have listened carefully to what has been said. But in the midst of all that, what seems to me very surprising is that there does not seem to be any doubt that it was not a good decision to remove prescription charges. We have heard within the hospital they are going to do that anyway, to move those patients into the primary care system as opposed to the secondary care system, and we have heard also that the secondary care system is going to have some proposals. So if the principle is right, I am puzzled why we are making this so difficult. But there are a couple of points, which I think are very important to me, and again the Dean has reflected on those as to how to make sure vulnerable groups are not penalised by the reintroduction of charges and I am going to listen carefully to what Deputy Southern says here because, yes, he has set the vulnerable group as the over 65s and I accept there is an issue that not all over 65s are vulnerable, but many are. Of course, at the

moment, all those over 65s are all getting the free subsidy and nobody is paying. So that is one group and the others are probably ... they are certainly more worrying to me at the moment in how I vote for this because on page 15 of Deputy Southern's report, he mentions lone parents with children under 5 and couples with young children. Now, I am not convinced that all of those are queuing up in the income support chain. I notice that in Deputy Southern's proposition, he asks the Minister not just to look at other income support but other benefit schemes and I think that chimes in more with what the Dean says, how can we do this. What I have heard from the Minister is that it is all too complicated and all too difficult to do and it is all going to be tied-up with legislation. I really find that very, very difficult to accept. It is the principle that I thought this House is about and this is why I stood as a new Member to come here and to put issues forward and have debates and not be told we cannot do anything because it is too difficult, because it is too complex, and I worry, is this the "not invented here" syndrome? So I am really hoping that we will not do too much more of this, that we will have private Members' propositions, that we will have well-researched responses from Ministers to help us make those judgments on these difficult points and I think it matters less where the author of these proposals comes from than their content and their objectives. So I am going to listen carefully to what Deputy Southern says in reply because I would have a concern about voting for a proposition to approve charges, to put charges back, without measures to compensate for those vulnerable groups. So I am going to listen to that carefully and I suppose the other thing I want to hear from Deputy Southern is what is his answer to the challenges that have been made about all of his figures are all wrong and therefore we are sitting here and we are debating on a completely false set of numbers and a completely false basis because that would concern me greatly. So with that, I am going to hold my vote until I hear from the proposer.

[16:15]

13.1.13 The Connétable of St. Peter:

Really, I am just sitting here wondering if this was the sort of argument that went on in 2007 when this Chamber debated the removal of charges for prescriptions without looking at the full implications of what impact it would have in the longer term. It seems to me that is exactly what we are doing now. We are on the brink here of all agreeing it is the right thing to do.

Deputy J.M. Maçon of St. Saviour:

Would the speaker give way? I am very grateful. I believe that previously it was down to a Ministerial Order and it was not brought by a Report and Proposition and therefore there was no debate in this Chamber.

The Connétable of St. Peter:

Thank you, I stand corrected, but I wonder if at that time people saw around the Chamber if we agreed with the Ministerial Decision or was it argued against? Did anyone bring a rescindment motion? Clearly not because it went through and if it did, it failed anyway. So I just think we are back here again. We are making potentially the right decision but at the wrong time because what we are saying from both the Social Security and Health and Social Services Department, let us look at this properly. We are doing a tremendous amount of work in the background. I was working with a number of Ministers at 8.00 a.m. this morning on the White Paper. I was very disappointed to hear Deputy Higgins' comment about this miraculous White Paper which may or may not materialise. We are working day and night to make it materialise in May this year to all of the Members of this Chamber and to the public at large. All I am saying that I would like Members to think about today is to give that process the air that it needs to come with the right decision and echoing the Dean's comments to make sure that we target the right people in the right way and at the right time, and I really do not think now is the time and I know Deputy Southern will not agree with me but I would ask him if he would consider withdrawing his proposition now, even if he

brings it back later on when we have had a chance, as Deputy Young has said, to get the right figures from both Social Security and also Deputy Southern to reflect on both the conflicting information that we are being asked to make a decision on here this afternoon.

13.1.14 The Deputy of St. Martin:

I support free prescriptions for old age pensioners but not those that can afford to pay. I support free prescriptions for the parents of young children but not those that can afford to pay. I support free prescriptions for all people who can afford to pay but not for those that need financial assistance with medical care. Those that need financial assistance need help. I agree that the cost of going to the doctor and particularly the dentist is putting some people off visiting those surgeries and this subject needs addressing. In the past, I have questioned the Minister for Social Security and his mathematics but today I am persuaded that he may have got it just about right but I would say this to him, and to the other Ministers that together form a team that are looking at the whole question of primary health care. I will not be supporting Deputy Southern today but I may well in the future because much of what he says and proposes makes perfect sense. There must be a way forward and I very much hope that we can all work together to come to a conclusion to this before the end of the session that the Minister for Social Security has in the next 3 years.

The Bailiff:

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

13.1.15 Deputy G.P. Southern:

That was a very close thing. I was reminding myself of my grandson who has just been visiting for a week. Right, here we go. Where shall I start? I will start with the business end and the thorough going over - quite personal going over I got from Senator Le Gresley. It was very enjoyable to hear a debate, robust as that was, but I have been around for 10 years so I will live and besides which, I have jousting with Jerry Dorey and Jerry Dorey could be really vicious. He can make you quake. You try to get up and stand and do your bit after him because he would savage you. The Minister made much of the fact that I have not mentioned the White Paper in my document and says: "I do not believe he has read it." He then went on to talk about the rich wealthy pensioners that we have on the Island and ignored the facts contained in the income distribution survey 2009 saying that 50 per cent of the lowest quintile in terms of earnings in our society are pensioner households and that, in fact, 82 per cent of pensioners are in the middle to bottom quintiles. So the vast majority, 8 out of 10 plus, are not wealthy individuals. To say that that is a scattergun approach to a benefit is simply not true. It is a very simple and cheap way of getting a benefit to a group of people who usually need it and they need it why? Because examination of Table B as I called it shows that the greatest demand for N.H.S. (National Health Service) costs in the U.K. and therefore here, medical costs, are with those around birth and the highest around old age. So post-65, the numbers start going up from 185 for young fit people to 949, that is fivefold, to 1,600 to 2,689 for the 85 pluses. The demand is there but that is where the need is. Targeting pensioners is a very cheap and effective way of targeting. To ignore the income distribution survey is, in my opinion, absolutely shameful to pretend that that fact does not exist. Twice he made the comment that I was not focusing properly on the vulnerable and those most in need and ignored item (b)(ii) where I say: "To request the Minister for Social Security to identify those recipients of income support and all other benefit schemes." So it is perfectly possible to get those with chronic need in greatest need of assistance with primary healthcare costs and to amend the schemes to provide those identified with free prescriptions. So my proposition is permissive and asked the Minister to target the right group of people. I do indeed go into a fairly complex mechanism which says: "And this is one way in which you might target" and I am accused of getting those numbers wrong by a factor of 40 per cent and I am asked particularly to deal with that. The fact is that that 2008 paper is the only paper

this department has produced over who gets what and what components are going where in the last 4 years. I have consistently - as Members will know, because I keep asking every couple of months for figures relating to income support - asked who gets what and where. The only document in the public is that report that I have chosen to highlight. It happens to be inaccurate now and I am not surprised it is but I note that numbers on income support are going down whereas these particular groups are going up. But notwithstanding that, let us not argue about that, let us look at the overall figures. So what I am suggesting is free prescriptions for all costs to Health Insurance Fund around £5 million. Free prescriptions for some targeted in the way I suggested is likely to cost with the new numbers £6 million less £2.5 million that you get in from those people that you are charging. So do the maths, £2.5 million from £6 million, £3.5 million compared to £5 million that is currently going out for free prescriptions for all. In any case, the Minister is saying: "I totally agree with Deputy Southern. We should not have prescription charges free for all. We should reintroduce them and I am going to do it and I am going to do it in my way and I am going to do it in conjunction with the Minister for Health and Social Services because the Minister for Health and Social Services has got a White Paper which is due to be consulted on and debated and will be coming into action any day soon and will deliver, we hope, by 2014, 2 years down the line." The need is now. Is there a problem with health costs? Yes, there is. We need to sort it out. I think we need to do it now. He says, and I will return to his statement: "I do not believe the Deputy has read the White Paper." The Deputy has read the White Paper and it was not an enjoyable task but I have read it and what I noticed is that most of the aims of the White Paper, certainly in terms of primary care, have got nothing to do and do not interfere with what I am proposing. So, for example, let us just go through some of them. A population-based approach to health and wellbeing: does not rule out what I am proposing. Registration with a doctor: does not rule anything out. Needs-based assessment: absolutely excellent under any system. Comprehensive integrated clinical information system: absolutely a must in whatever system you are running, no interference. Determining priorities: well, please do. Contracting for quality: again no interference with what I am proposing. Expanded primary care teams: absolutely, we must deliver. I note though we need 30 practice nurses there, a difficult one. I hope they are here by 2014. I am not sure they will be. Pharmacy services: not interfered with. Closer working across health and social care: not interfered with. Closer working across Health locations: no problem. So I have read it and it does not prevent anything that I am proposing. He then went on to accuse me of running scared from a website. I did not read the website. I did not know there was one. It was news to me. Oh, dear. I have not been terrified by a website. What I did get were some carefully argued letters from people to say: "Oh, have you thought about this?" and so surprise, surprise I went back and thought about it and thought: "Yes, you are right, we need some proper exemptions here that can be made to work" and that is what I did and to lambaste me for coming back with an amended proposal is quite frankly just ludicrous. He then went on to say that he could not afford it when he was using his money argument. Let us have a look at the Health Insurance Fund. It has got plenty of money, 2003, £32 million; 2004, £37 million; 2005, £44 million; 2006, £53 million; 2007, £63 million; 2008, £72 million; 2009, £77 million; 2010, £83 million, £83 million in a very healthy fund year on year. It is accumulating money so it is not a question of we cannot afford it. The £6 million can be afforded. In fact, last year, we took £12 million out of it anyway and the net assets of the Health Insurance Fund reached £83.2 million at the end of 2010. The fund joined the Central Investment Fund in July 2010 and continues to perform well. That argument does not wash. He then went on to say it will be nearly impossible to decide who should get benefit from my system. He has got a 26-page questionnaire on everybody who is on income support. He knows more about those families - not him personally but the computer does - than maybe they know themselves. In terms of the impairment component, he knows exactly where that goes and for what reasons and at what level and there is an 18-question assessment that people have to fill in to get it. So when he says that something goes to the household: "We do not know anything, how can I find out who has got

the impairment in the household?" go to his computer, press the button, it is there. It is there, it can be done. To pretend that it is impossible and too complicated Deputy Young points out, that is not what we are here for. Find a way of doing it and that is what I am asking the Minister to do. Yes, he then pretended for some reason that I was in favour of the reintroduction of the H.I.E. scheme. He said: "What has he done? He has remodelled H.I.E."

[16:30]

No, I have remodelled a scheme based on what we know about the components and the households in receipt of income support so that we can target this particular benefit. When he talks about income support meeting health needs, and he spent some time on that, then he mentioned people who allowed their H.M.A. to build up. He did not mention what happens to people who have on top of their chronic condition another illness and fall ill and their bills get enormous. I asked in 2009 the then Minister, Senator Gorst: "Is the Minister aware that additional medical cost will be picked up as extra payments?" A person phoned the Social Security Department to be told that her H.M.A. was £260 in the red because she had fallen ill. How was she going to propose to pay that back? That is what has been happening. I refer to 3 cases in the document where I know people are having their income support component reduced and diverted to medical need unnecessarily because the special payments are not being used. So £1 million in special payments, that is limited use of them, because it is far easier just to slide the components over. So remember what income support does. Income support says: "In your circumstances, this is how much you need to live on. Some of that is medical and your income is this therefore you get this money. This money in some cases less £25 a week because your H.M.A. is behind. You have got high medical need, less £30 a week." I met somebody only last week who keeps coming to me. Her H.M.A. - she has got a family of 4, mind - is £47 a week. "So here is the level of income you need to live on less £47 in a week", £47 a week. No wonder she is struggling. The Minister then said: "Look, people are going to A. and E." and he seemed to think that (a) this is a bad thing but (b) had nothing to do with the fact that it costs to go to your G.P. The evidence is there. He says I have not proven that people are avoiding going to their G.P. but he quoted numbers going to A. and E. are rising and the Minister for Health and Social Services is trying to do something about it. Why? Because they cannot afford to go to the doctor and so what are we going to do to improve things? We are going to charge them for any prescription we give them. That is a real good answer to people who cannot afford to go to their G.P. I think and I will just leave Members with 2 quotes after I have thanked everybody who joined in what has been a thoroughly enjoyable debate, the commitment made by Senator Routier when he was Minister when he said: "There is no reason whatsoever that anybody should not go to the doctor or delay going to the doctor if they have a genuine medical need." This was down from 2008. Similarly later in the year: "There is no need for anybody to fear that they cannot afford the G.P. through the costs of not being met by income support if there is medical need." The reality is in Jersey today, there are people avoiding going to their G.P. because they are afraid of how much it will cost and they are unsure about how to get money out of the system. That is the reality. Those assurances, promises, if you like, given by the previous Minister for Social Security, have been broken. We need to act now. We need to do the right thing for the vulnerable and for pensioners and for those of you who think that (a) is the right way to go but not (b) or *vice versa*, by all means vote for (a) and (b) and then (c) will go through but you can choose. If you think it is not the right time to reintroduce prescription charges, then do not vote for it. Wait for the Minister's scheme. It is coming anyway but please act to restore some access among the vulnerable and the poor which are highly targeted to assist them, in fact to give them free G.P. visits. I think that is the least we can do today and I urge Members to vote for this proposition.

The Bailiff:

How do you wish the vote to be taken on the proposition, Deputy?

Deputy G.P. Southern:

Parts (a) and (b) separately if we can.

The Bailiff:

The appel is called for then and the vote will be on paragraphs (a) and (b) separately. I invite Members to return to their seats and the first matter will be paragraph (a) of the proposition and the Greffier will open the voting.

POUR: 4		CONTRE: 36		ABSTAIN: 1
Deputy G.P. Southern (H)		Senator P.F. Routier		Deputy G.C.L. Baudains (C)
Deputy J.A. Hilton (H)		Senator P.F.C. Ozouf		
Deputy M.R. Higgins (H)		Senator S.C. Ferguson		
Deputy J.H. Young (B)		Senator A.J.H. Maclean		
		Senator B.I. Le Marquand		
		Senator F. du H. Le Gresley		
		Senator I.J. Gorst		
		Senator L.J. Farnham		
		Connétable of St. Helier		
		Connétable of Trinity		
		Connétable of St. Peter		
		Connétable of St. Lawrence		
		Connétable of St. Ouen		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of St. Saviour		
		Deputy R.C. Duhamel (S)		
		Deputy R.G. Le Hérisier (S)		
		Deputy of St. Ouen		
		Deputy of Grouville		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy S.S.P.A. Power (B)		
		Deputy K.C. Lewis (S)		
		Deputy M. Tadier (B)		
		Deputy E.J. Noel (L)		
		Deputy T.A. Vallois (S)		
		Deputy A.K.F. Green (H)		
		Deputy J.M. Maçon (S)		
		Deputy of St. John		
		Deputy J.P.G. Baker (H)		
		Deputy S.J. Pinel (C)		
		Deputy of St. Mary		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy R.J. Rondel (H)		

The Bailiff:

Very well, the Greffier will reset the machine and we will move on to paragraph (b) and the Greffier will open the voting.

POUR: 10		CONTRE: 33		ABSTAIN: 0
Connétable of St. John		Senator P.F. Routier		

Deputy R.G. Le Hérisier (S)		Senator P.F.C. Ozouf		
Deputy G.P. Southern (H)		Senator S.C. Ferguson		
Deputy of St. Ouen		Senator A.J.H. Maclean		
Deputy J.A. Hilton (H)		Senator B.I. Le Marquand		
Deputy M. Tadier (B)		Senator F. du H. Le Gresley		
Deputy T.M. Pitman (H)		Senator I.J. Gorst		
Deputy M.R. Higgins (H)		Senator L.J. Farnham		
Deputy G.C.L. Baudains (C)		Connétable of St. Helier		
Deputy J.H. Young (B)		Connétable of Trinity		
		Connétable of St. Peter		
		Connétable of St. Lawrence		
		Connétable of St. Ouen		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of St. Saviour		
		Deputy R.C. Duhamel (S)		
		Deputy of Grouville		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy S.S.P.A. Power (B)		
		Deputy K.C. Lewis (S)		
		Deputy E.J. Noel (L)		
		Deputy T.A. Vallois (S)		
		Deputy A.K.F. Green (H)		
		Deputy J.M. Maçon (S)		
		Deputy of St. John		
		Deputy J.P.G. Baker (H)		
		Deputy S.J. Pinel (C)		
		Deputy of St. Mary		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy R.J. Rondel (H)		

The Bailiff:

Very well then paragraph (c) falls away. So that concludes Public Business.

ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

The Bailiff:

There are 2 matters that I should inform Members of which have been lodged. Projet 41 the Draft Money Laundering and Weapons Development (Directions) (Amendment) (Jersey) Law lodged by the Chief Minister and Projet 42, Draft Collective Investment Funds (Amendment and Validation) (Jersey) Law lodged by the Minister for Economic Development. So then we come to arrangement of Public Business for Future Meetings and I invite the Chairman of P.P.C. to speak to it.

14. Connétable A.S. Crowcroft of St. Helier:

Matters for the next meeting on 1st May are as set out on M of the Order Paper with the exception, I believe, that Deputy Le Hérisier wishes to withdraw Projet 2 from the list.

Deputy R.G. Le Hérisier:

Yes, I confirm that. P.A.C. is undertaking an inquiry.

The Connétable of St. Helier:

In addition, I have checked with Deputy Higgins in relation to his projet which is P.37 in relation to the *ex gratia* payment and he has confirmed that he will be circulating his addendum this week to Members so that can go ahead and, finally, I wanted to ask Deputy Southern whether he wished to press ahead with the debate on P.30 into Standing Orders which has been relodged, given that this proposition is the same as the one that was previously lodged and he is himself on a Sub-Committee of Privileges and Procedures which is doing exactly what he asks in his proposition. So I would urge him to at least seek a later date than the next sitting because I am hopeful that the Sub-Committee will have finished its work in good time.

Deputy G.P. Southern:

I admire the Constable's faith in the efficacy of the sub-panel and I am prepared to wait a little while before we discuss the issue of answering the question.

The Connétable of St. Helier:

I thank the Deputy. One has to have faith. Finally, with respect to 29th May, 3 propositions lodged today, P.40, P.41 and P.42 are due to be taken at that meeting.

The Bailiff:

Very well. Does any Member wish to say anything in relation to the future programme? Very well. So do Members then agree to take the order of business as set out as amended by the Connétable? Very well, thank you very much. Then that concludes the Assembly's business. It will now close until the next sitting on 1st May.

ADJOURNMENT

[16:41]