

#### **2.14. Deputy G.P. Southern of the Minister for Treasury and Resources regarding estimates for job losses contained in Stage 2 of the C.S.R:**

Will the Minister confirm his estimate for job losses contained in stage 2 of the C.S.R. and state how many of these are due to efficiency savings and how many to service cuts?

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

The F.T.E. (Full-Time Equivalent) potentially affects, for stage 2 of the C.S.R., as set out by each department in the publication that was set out last week... There are 176 in 2012 and 152 in 2013. As far as efficiencies versus service cuts, these obviously vary from department to department. I hope that these are not, and should not be taken, as the Deputy asking these questions, as job losses. The programme of a virtual recruitment freeze, coupled with the natural turnover that exists in the public sector, should mean that they are not going to be, hopefully, compulsory redundancies. I should also point out that the package of measures set out in the Council of Ministers' proposals also are a package of investment in some services, which will mean there were some corresponding creation of jobs, particularly in the areas, for example, such as Health and Social Services.

#### **2.14.1 Deputy G.P. Southern:**

Does the Minister accept what I am going to call job losses will continue into 2014 and beyond?

#### **Senator P.F.C. Ozouf:**

I have made it clear that I believe that we should do and should be working to lifting the target of £65 million worth of savings in the period after the stage 2 of the Comprehensive Spending Review. We need to deliver public services more efficiently, more effectively, and there should never be a return to the year-on-year increases - the inefficiencies - that we have seen in recent years. We need to redistribute taxpayers' money into those areas that are most valued by the public, and that means that, I am afraid, the C.S.R. does not end in 2013, it should be carrying on in 2014 and 2015 and there will be some redistribution of jobs within the public sector as a result, if we are to find new money for vital public services.

#### **2.14.2 Deputy M.R. Higgins:**

I may have misheard the Minister for Treasury and Resources, so I would like him to clarify. If I am not mistaken he said that the number of full-time equivalent cuts were 176 for 2012 and 152 for 2013. In his written answer to me this morning, question 8, he says the latest estimates suggest there could be a reduction of 69 posts in 2011 and a further 177 in 2012/2013. Could he please tell us which of the figures are correct?

#### **Senator P.F.C. Ozouf:**

I responded to the Deputy's question by simply lifting off the F.T.E.s affected, which are published in the comprehensive spending review, part 2, document. That is the actual number of F.T.E.s that have been submitted by each department and, as has been rehearsed on a number of occasions this morning, these are proposals, they are not actual decisions that have been made in terms of savings. There is an awful lot of work to be done on those individual departmental proposals before we bring forward the proposals for the Business Plan in next year.

#### **2.14.3 Deputy M.R. Higgins:**

Just indicate which ones are the ones we should be following at the moment then?

**Senator P.F.C. Ozouf:**

The F.T.E.s affected by the Stage 2 of the C.S.R., as I responded directly to Deputy Southern's questions, are those that are set out in the document. In the written answer I have given my estimate of what we think it may well be in terms of job losses. I hope that clarifies.

**2.14.4 Deputy T.M. Pitman:**

Only last month I recall the Minister for Treasury and Resources stated that he did not recognise my ultimate figure of around 500 job losses. Doing the quick sums, as that now seems to be the way we are going, would he like to reconsider that answer?

**Senator P.F.C. Ozouf:**

Certainly, as a direct result of the C.S.R., all the numbers are clearly set out both in the Stage 1 and Stage 2 of the C.S.R. What I would ask the Deputy to consider is what the net position is for the public sector, taking account of the significant amount of investment that is going in, for example, services in Health and Social Services. The net number I think is the number that the public are really interested in, which is the ongoing debate that we have when we issue the amount of people that have been employed by the public sector.

**2.14.5 Deputy P.V.F. Le Claire:**

The question focuses on job losses contained in Stage 2 of the C.S.R., and I just wonder if the Minister for Treasury and Resources could inform us as to whether or not ... yesterday I was told members in States employment who were going to take voluntary redundancy went into work expecting to be given answers and were told to go away because we have some more work to do on it. Has this process been stalled?

**Senator P.F.C. Ozouf:**

Slightly different point, but I will answer the question nevertheless. The voluntary redundancy scheme has been brought to a conclusion at the end of last week and there are decisions going to be made at lunchtime by me and by Ministerial decision, after having consulted the States Employment Board from a financial aspect being made today. I believe it is the case that staff are going to be informed within the next 24-48 hours. I do not think there has been a delay. In fact, we have moved pretty quickly in relation to most of those issues.

**Deputy P.V.F. Le Claire:**

Thank you, Sir.

**2.14.6 Deputy G.P. Southern:**

I have 2: left hand, right hand, toss a coin. Does the Minister intend to negotiate the terms of voluntary redundancy to be offered in 2011 and is he aware that the terms for voluntary redundancy are no different from that of compulsory redundancy at the moment?

**Senator P.F.C. Ozouf:**

I think those are properly questions to be addressed to the Chief Minister who chairs the States Employment Board. I am aware, as a member of the States Employment Board, what the current arrangements, the enhanced terms, the voluntary redundancy

scheme, which has been run after the States approved the allocation of £6.5 million, are on the enhanced scheme. S.E.B. (States Employment Board) has considered revised redundancy terms and they are indeed the same, voluntary or compulsory. S.E.B. has discussed whether or not there should be any differences in relation to voluntary or compulsory redundancy and concluded it should be the same.

**2.14.7 Deputy G.P. Southern:**

Will the Minister please answer the question? Will those terms be negotiated?

**Senator P.F.C. Ozouf:**

That is not a proper question for me, because I am not the Chairman of S.E.B. It should be really the Chief Minister to answer those things. However, what I will say is that S.E.B. has made decisions in relation to voluntary redundancy and they have been communicated to that staff and there is an ongoing process of discussion.