

#### **4. Questions to Ministers without Notice - The Chief Minister**

##### **4.1 Deputy R.G. Le Hérissier:**

Would the Chief Minister confirm whether or not he approves the salary paid to the Managing Director of W.E.B. (Waterfront Enterprise Board) and would he not also confirm that much of that salary is the recycling of public money, e.g. the enormous rental paid for Liberation Bus Station.

##### **Senator T.A. Le Sueur (The Chief Minister):**

The remuneration paid to the Managing Director of W.E.B. was a matter gone into by the remuneration committee, the directors of that company, who take advice on comparable salaries in the private sector. On that basis the salary is considered to be comparable, and I believe the Managing Director of W.E.B. is doing an excellent job and clearly he is being paid out of the assets of W.E.B. and those assets of W.E.B. are rising due to the sound work that the Managing Director does.

##### **4.1.1 Deputy R.G. Le Hérissier:**

A supplementary, would the Chief Minister define whether the productivity of W.E.B. is reflected in the manager's salary and if so, how is the measurement undertaken?

##### **Senator T.A. Le Sueur:**

W.E.B. is not a company manufacturing widgets and productivity is not a matter which determines any great element of the Managing Director's salary.

##### **4.2 The Deputy of St. John:**

As the Chief Minister a year ago, with responsibility for the Treasury, and as the agreement for the Energy from Waste Plant was purchased in euros, will the Chief Minister please advise Members, while he was at the Treasury, did he not have a hand on the tiller of the Treasury, given that the purchasing of the euros for the Energy from Waste Plant was completed in his time? The contract was signed in July, and yet when he left the Treasury on 8th December, or 10th December, to become Chief Minister, no forward purchasing of euros had taken place. Will he give us a reason why this did not happen?

##### **Senator T.A. Le Sueur:**

I thank the Deputy for his question. The policy for this matter and policy in general is set by the States and set by the Minister. The implementation of that policy is done by the department. The policy was correct but there may have been shortcomings in the implementation of that policy, as a result of which the current Treasury Minister called for a review by the Comptroller and Auditor General, the results of which have now been published and are in Members' hands. As a result of that further investigation by a disciplinary panel is ongoing.

##### **4.2.1 The Deputy of St. John:**

Given that the Chief Minister was responsible at that time, can it be right that his officers are now being interviewed, or being accused of malpractice, or failing to do their particular work in that area by protecting that large sum of money when he himself was the head of that department and therefore, should he not be carrying the blame himself and therefore, finding some way of recompensing the Island.

##### **Senator T.A. Le Sueur:**

This matter is being reviewed, as I said by a disciplinary panel. Part of the remit of that panel is that matters are confidential at that stage and no detail should be gone into. While understanding the Deputy's question I think it would be unwise to go into the details prior to the review of that work, but I would point out to the House, at the risk of going on longer than I ought to do, that as

well as the disciplinary panel the Public Accounts Committee also had a look at this and I am sure between the 2 different areas the matter will be thoroughly aired.

#### **4.3 Deputy A.K.F. Green of St. Helier:**

An application was published in *The Gazette* to discharge water from Energy from Waste excavations. This water was described as brackish water. In answer to my written question today, 4373, it was indeed described as a mixture of rain and salt water. We now know, thanks to the States analysts, that the water which might be pumped into the sea from the excavation site is laced with lead, arsenic, and a cocktail of other metals. Will the Chief Minister use his influence to ensure that the environmental regulator, that is Planning and Environment; stand up to T.T.S. (Transport and Technical Services) for the sake of the environment and our fish industry.

#### **Senator T.A. Le Sueur:**

I have no doubt that the regulator will comply with all requirements of the law and ensure that if any misdemeanours have been, or are in danger of being, carried out the department will be brought to book and we have seen in the past that departments have been prosecuted for failures if standards are ... I hope there will not be a failure in this particular case but if there is I have no doubt that the law will apply its full force.

##### **4.3.1 Deputy A.K.F. Green:**

Supplementary, Sir. Will the Chief Minister please assure the House that the Food and Environment Protection Act 1985 will be in force vigorously?

#### **Senator T.A. Le Sueur:**

Without knowing much about that law at the current time I will ... I am sure that any law to be enforced will be properly applied and if I can do anything to make sure that it does occur then I shall certainly encourage that.

#### **4.4. Deputy J.A. Martin:**

Does the Chief Minister believe that the 20 per cent maximum rate of income tax is sacrosanct? If not, will he consider the introduction of graduated thresholds of taxation so that those most able to pay proportionately more will pay more?

#### **Senator T.A. Le Sueur:**

No, I do not regard the rate as sacrosanct, but I do think it would be a retrograde step for the Island to increase that rate at a time when countries around the world are reducing their income tax rates and reducing their reliance on that form of taxation in preference for taxation by other means. So, that subject was discussed at some considerable length in the fiscal strategy some years ago. It may well be that it is now due for review, but at the present time while I do not think it is sacrosanct, I think it would be a very dangerous precedent to try and tinker with it.

#### **4.5 Deputy R.C. Duhamel of St. Saviour:**

The Electricity (Jersey) 1937 Law, as revised under clause 22, provides for the States to set electricity tariffs when it is deemed to be in the public interest to do so. It also provides, under clause 29, an opportunity every 10 years for the States to consider exercising its right to purchase the J.E.C. (Jersey Electricity Company) and its assets at a favourable rate. In the current economic climate, and after the implemented increase in electricity costs of some 24 per cent, will the Chief Minister or his Minister for Treasury and Resources bring forward propositions to this Assembly to revise the States position in these 2 areas?

#### **Senator T.A. Le Sueur:**

I think since the law of 1937 times have changed somewhat. Apart from me getting older we also have a Jersey Competition Regulatory Authority in place who can examine the tariffs charged by the electricity company and if they have any concerns about those tariffs then they can comment accordingly. As to the possibility of the States buying the balance of the shares in that company at a favourable rate I would point out that the general trend is that governments should not be involved in purchasing assets of that nature. Ideally we should be divesting ourselves of those shares rather than buying more. That, so far as I am concerned, remains the position but I am happy to discuss that with the Minister for Treasury and Resources and, if appropriate, bring a proposition to this House.

**4.6 Deputy M. Tadier:**

Will the Chief Minister put aside any political differences and join me in congratulating Senator Syvret on the sterling work he has done in getting the police to re-open investigations into a possible mass-murder. **[Interruption]** Can I ask for any interventions to come through the Chair. I would be happy to answer any.

**The Deputy Bailiff:**

This is question time, Deputy.

**Deputy M. Tadier:**

That is what I thought. I will have to start again unfortunately, seeing as I was interrupted. So, will the Chief Minister join me in congratulating Senator Stuart Syvret on the sterling work he has done in getting the police to reopen investigations into a possible mass murder at the General Hospital?

**Senator T.A. Le Sueur:**

No, I will not.

**4.6.1 Deputy M. Tadier:**

On supplementary, can the Chief Minister perhaps give a more full answer as to why he will not? I think this is something which is in the public interest and which the public have a great deal of direct interest in at the moment.

**Senator T.A. Le Sueur:**

I am not privy to deciding as and when police should continue investigations. Any case which remains unsolved, or remains uncertain, remains open in the police files and if they seek and obtain more information that enables them to make a further decision, so be it. I welcome the police activities in continuing to investigate all matters and it would be up to them to decide if and when any new evidence comes to light.

**Deputy M. Tadier:**

The question has not been answered, if I may venture to say that. Simply I am saying that as far as I can see it is Senator Syvret's intervention that has re-opened this case; it seems black and white. Does the Chief Minister not welcome that?

**The Deputy Bailiff:**

The Chief Minister has given his answer, Deputy. You may not like it, but he has given it.

**4.7 Deputy S. Pitman:**

Will the Chief Minister inform Members what discussion he took part in, in trying to prevent the U.K. Health Agreement from being stopped, and what has he tried to do about it since the decision was made by the U.K. to pull it?

**Senator T.A. Le Sueur:**

The reciprocal health agreement with the U.K. contains a clause which enables either party to terminate that agreement at 3 months' notice. Last year I was aware that the U.K. had given notice under that agreement to terminate arrangements and immediately the Island took steps to see if that could be implemented in a more manageable way. Those discussions did continue under the previous Chief Minister and continued under my leadership, but the fact remains that the notice has been given and as the Deputy and Members are aware the agreement does come to an end on 31st March in accordance with agreed procedures.

#### **4.7.1 Deputy S. Pitman:**

Supplementary, the Chief Minister did not answer the second part of the question. What attempts has he made to try and bring this agreement back?

#### **Senator T.A. Le Sueur:**

This is a matter primarily for the Minister for Health and Social Services but I think we have to face reality that Jersey is not unique in the situation. This agreement is common with other countries with which the U.K. has arrangements and is no different from arrangements that Jersey has with other territories in Europe and elsewhere.

#### **4.8 Deputy M.R. Higgins of St. Helier:**

Part of my question has been asked already by the Deputy for St. John. My question is, does the Chief Minister believe in the concept of ministerial accountability, and if he does, will he accept the political responsibility for the actions of the Treasury Department when he was the Minister at the time when they failed to hedge the euro cost of the Energy from Waste Plant at great cost to the Island, and will he therefore consider resigning as Chief Minister?

#### **Senator T.A. Le Sueur:**

Ministers are accountable for policy. Officers are accountable for implementing that policy. We will decide as a matter of review to what extent responsibility lies with each particular individual and to the extent that I may come under scrutiny for that matter I am prepared to do that as much as anybody else.

#### **4.9 The Deputy of Grouville:**

Last year Education Sport and Culture were charged with organising an anthem for the Chief Minister's Department. The rights of that music were finally decided upon, or agreed to, at the end of last year. Could the Chief Minister explain to this Assembly what has happened to the anthem since then?

#### **Senator T.A. Le Sueur:**

I am afraid I would need notice of that question. I do not think it was an anthem written for the Chief Minister's Department, I think it was probably an anthem written for the Island, but commissioned by the Chief Minister's Department and it had been very successful, I think, and is a good image, if you like, a focal point for the Island. I will certainly look into it and see what is happening because I believe it should be promoted in all possible occasions.

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

Further to his response to my question 4150 earlier today where he reveals that 5 requests have been received from the U.S. (United States) over T.I.E.A.s (Tax Information Exchange Agreements) in the past 3 years, does he know, and will he inform the House how many of those requests resulted in prosecutions or tax returned to the U.S. authorities?

#### **Senator T.A. Le Sueur:**

The purpose of the Tax Information Exchange Agreements with the U.S. enables the U.S. authorities to take action in that country to recover any tax that was not properly declared. I do

not know the extent to which that tax recovery ... what the amount has been, but I do know that the U.S. authority has been very grateful and appreciative of the work and the co-operation that the Island did enabling them to pursue their case in their territory.

**4.10.1 Deputy G.P. Southern:**

Surely the judge of whether T.I.E.A.s are an effective mechanism to discourage and prevent tax avoidance and evasion is the success rate of getting tax back. Notwithstanding that, will he inform Members what the total numbers of requests for information under T.I.E.A.s with all authorities has been since we started signing them, and also the numbers accepted where information was revealed?

**Senator T.A. Le Sueur:**

I can certainly make available to you in due course the total number of requests that we have received. I would add that all of the requests that we have received we have willingly co-operated with and assisted other jurisdictions and, as I say, they have appreciated that support, but I do, at the risk of going on a bit too long, point out that it is not necessarily just in a case of the number of requests that we have received, the very fact that the agreement is in force means that the authorities have the weapon to attack taxpayers who they consider to be at risk and threaten them that if they do not disclose voluntarily to the tax authorities in that jurisdiction they can get the information legally through a Tax Information Exchange Agreement. So, I am sure that the effect of these agreements goes far wider than the number of requests we have received.

**The Deputy Bailiff:**

That concludes Questions Without Notice to the Chief Minister.