

# STATES OF JERSEY

## OFFICIAL REPORT

MONDAY, 5th OCTOBER 2015

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**ADJOURNMENT.....2**

[14:31]

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

## **COMMUNICATIONS BY THE PRESIDING OFFICER**

### **1. Former Member of the States – Mr. John de Carteret - Tribute**

#### **The Bailiff:**

Members will have noticed that Mr. John de Carteret sadly died over the weekend. Mr. de Carteret was elected as a Deputy in St. Lawrence in 1975 and served one term of 3 years, as it then was, in that capacity. He was subsequently elected as a Senator in 1978 when he topped the poll. During his time in the States he was known as a fluent contributor in debates and he served on the establishment of the Gambling Control and Overseas Aid Committees. He retired from the States in 1984, although he obviously did not lose his enthusiasm for politics, standing again, unsuccessfully as it turned out, in the 1990s. I am sure Members would want to join me in expressing our sympathy to his widow and family and I ask Members to stand for a few moments in the customary way in his memory as a past Member of the Assembly. **[Silence observed]** May he rest in peace.

## **QUESTIONS**

### **2. Written Questions**

#### **2.1 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING GAS SUPPLIES:**

##### **Question**

Will the Minister inform members when he intends to report to the States the results of the investigation by CICRA into the pricing of domestic and commercial gas supplies?

##### **Answer**

The JCRA committed to have the first stage of the Fuel Market Review completed by the third quarter of 2015 and I can confirm that the department received a draft of the report for comment on 30th September. Officers are currently reviewing the draft which covers some of the complex issues in the gas, heating oil and road fuel markets. The intention is to send comments back by Friday 9th October and it will be for the JCRA to determine when is the right time to publish the first stage of the review and whether it is necessary to progress any aspects to a second stage.

The terms of reference for the review are attached for information.

## **FUEL MARKET INVESTIGATION: TERMS OF REFERENCE**

### **Introduction**

Previous reports by the JCRA have shown that there is a widening difference between UK and Jersey retail prices for fuel products. As a consequence, the Minister has asked the JCRA to conduct a market review into the supply, distribution and sale of fuel products in and to Jersey.

Previous JCRA Market Reviews include:

- Marine Fuel Market Study 2014

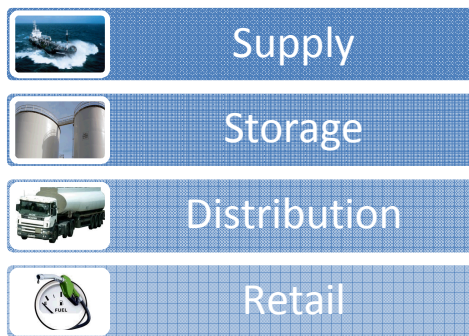
- Aviation Fuel Market Study 2014
- Heating Oil Review 2012
- Road Fuel 2011

The aims of the market investigation are twofold:

- (1) To conduct a review of all stages of the supply chain, starting with the ex-refinery wholesale market, of fuel to Jersey and the supply chain in Jersey and identify whether there are reasonable grounds to suspect that a feature or a combination of features of market/s for the supply and acquisition of fuel for supply in Jersey are not acting in the best interests of consumers.
- (2) Depending on the results of the first stage, the JCRA will focus on areas of potential concern in more detail. This may provide recommendations on changes to legislation or government policy, or suggest customer behaviour that might promote the functioning of the market.

**Stage 1: Diagnostic Assessment (3-6 months)**

The JCRA will conduct a high level assessment of trends in gross margins at key stages in the supply chain of the fuel markets to and in Jersey – including road fuel, heating oil, and gas. Where gross margins demonstrate unexplained trends, providers will be requested to substantiate and explain the evidence found. This will inform whether there are reasonable grounds for to suspect that a feature or a combination of features of the market/s for the supply and acquisition of fuel in Jersey are failing to work in consumers’ interests. The key stages examined will be:



The JCRA will conduct an assessment of:

- Whether there is prima facie evidence in gross margins and/or unexplained trends over the past three years to suggest competition is not working effectively in the fuel market. This will consider the separate fuel markets as well as the conduct of particular firms.
- Consider whether any specific aspects of the supply chain suggest further examination is justified and the appropriate means to carry out more detailed market assessment
- The review will also consider any possible structural issues and the conduct of customers

Step 1 will help to identify more detailed work required during the second stage and ensure that resources are utilised appropriately and targeted. It is not at this stage anticipated that formal information powers will be required. With full co-operation from the companies concerned, this work is likely to take approximately three months to complete but we suggest a 3-6 month time period is more realistic formally commencing in Q2 and concluding in Q3 of 2015.

## **Stage 2: Detailed Investigation**

It is likely that the Stage 1 Review will identify areas for more detailed investigation by the JCRA. As a result of this more focussed work, the JCRA may provide recommendations on, for example, the implications of States contractual agreements, legislation or customer action that may better support competition and choice. Any breaches of the Law will be investigated appropriately.



The length of time and resources which may be required for this stage of the review are clearly dependent on the results of the first stage.

## **2.2 DEPUTY G. P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE REVIEW OF PATIENT TRANSPORT SERVICES:**

### **Question**

Will the Minister detail for members what changes are involved in the “review of patient transport services” which appears on page 83 of the Annex to the draft Medium Term Financial Plan 2016 -2019?

### **Answer**

The ‘review’ will be just that and will encompass the following challenges:

- Who are we transporting and why?
- When and where do we transport patients and is there room for greater efficiency?
- Are our criteria for patient transport ‘fit for purpose’?
- How do we reduce ‘aborted journeys’?
- Should the user pay a contribution – for example, if the journey is to a private institution or if they receive long-term care benefit?
- Could the voluntary sector undertake any of the activity?



- Would any changes in the patient transport service have an impact upon the front-line ambulance service?
- Is it possible to make a saving on the current running costs?

The Health and Social Services Department has to deliver savings and a range of schemes is being considered, including reviewing the provision of patient transport services. As yet, no changes have been agreed for this area.

**2.3 DEPUTY G. P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE REVIEW OF DOMICILIARY CARE SERVICES:**

**Question**

Does the Minister accept that the “review” of domiciliary care services has resulted in the cessation of this service on the part of Family Nursing and Home Care and will result in increased costs for those concerned to replace this service?

**Answer**

I assume the Deputy’s question relates to FNHC’s decision to stop providing domestic support (cleaning services). In its news release, FNHC said: *‘FNHC has a long history of providing care in the community and this change will mean that we will continue to focus on what we do best, the delivery of high quality care to those who have more complex needs, those who require district nursing and those who require personal care such as assistance to wash and dress and take medication.’*

‘Domiciliary care’ covers a range of personal care and support services such as helping people to get into and out of bed each morning and evening, ensuring that medicines are taken at the right time, or assisting with bathing and getting dressed.

There are a number of companies in Jersey who provide cleaning services. Individuals are able to choose from these providers, and it is likely that people will not make their choice based on price alone, but will also consider issues such as quality of service, personal recommendation and convenience.

**2.4 SENATOR Z. A. CAMERON OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING TEMPORARY EMPLOYMENT:**

**Question**

Over the last 12 months how many members of staff were employed by the Health and Social Services Department on a temporary basis or stayed for less than a year and in what capacity were they employed?

**Answer**

113 staff (4.7% of the workforce) were employed on temporary contracts. The majority of these (37%) were civil servants (therapists, social workers, scientists, admin staff), junior doctors (32%) or nursing staff (15%).

Of these staff, 35 left after less than 1 year – the majority were junior doctors (24) rotating back to the UK as part of their planned training. Civil servants accounted for 7 of these staff.

In terms of permanent staff, 24 stayed for less than a year, mainly in nursing (10) and civil service (10) pay groups.

## **2.5 SENATOR Z. A. CAMERON OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING STAFF WITH RESIDENTIAL QUALIFICATIONS:**

### **Question**

What percentage of staff employed by the Health and Social Services Department over the last 12 months had local residential qualifications?

### **Answer**

In the year to August 2015, the HSSD workforce mapped across to the 4 categories of residential qualifications as follows –

Entitled - 63%

Entitled to work - 18%

Registered - 2%

Licensed - 17%

## **2.6 DEPUTY S. Y. MÉZEC OF ST. HELIER OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING DEPARTMENTAL VEHICLES:**

### **Question**

- a) Could the Minister inform members of the number of vehicles used by States departments which run on diesel?
- b) Could the Minister reveal what the department's policy is on reducing polluting emissions from States vehicles and what measures, if any, have been taken in recent years to use more electric vehicles?
- c) How many electric vehicles are in use at the moment and what plans, if any, are there to expand their use?

### **Answer**

- a) As of 30th September 2015 the States fleet comprised of 724 road registered vehicles, the breakdown of which is as follows:

- 520 Diesel road registered vehicles (cars, vans, heavy goods vehicles).
- 42 Road registered items of plant running on duty free diesel (gas oil).
- 144 Petrol road registered vehicles (cars, vans, motorcycles)
- 17 Electric powered road registered vehicles (cars, works trucks, motorcycles).
- 1 L.P.G. road registered fork lift truck.

- b) The Department's Fleet Management policy for States vehicles includes a nominal 8-year replacement period for owned vehicles; this provides a balance of purchase cost, environmental improvements in vehicle technology, maintenance cost and residual value and is in line with current industry standards. As a result, all commercial vehicles in the fleet exceed the Euro 3 emission standard with the majority being Euro 4 compliant or better.

In the case of cars contracted on a short term lease-hire arrangement, these are replaced annually by the supplier and comply with the latest emission standards, the vast majority being rated at less than 100 g/km of CO<sub>2</sub> (the current accepted criteria for 'Ecofriendly' recognition).

In 2011 the department procured an electric works truck to operate within the town parks area and specifically in the Millennium Town Park both as a trial of electric vehicle capability and to generate minimum emissions within this enclosed and populated area.

In 2012 the department included a requirement for a trial batch of 10 leased electric cars in the tendering of leased cars for use by the States for the period 2013 to 2015. These cars are in use by three departments (TTS, Environment and EDD) who agreed to 'sponsor' the additional cost of leasing these EVs in support of their own departmental environmental policies. The lease cost of these cars is more than double that of petrol/diesel equivalents and is only partially offset by lower fuel and maintenance costs. 6 of the original 10 electric cars will continue to be leased for the period 2016 – 2018 to enable a longer term evaluation; however changing departmental requirements will result in 4 being returned to the supplier in early 2016.

In 2014 TTS – Jersey Fleet Management purchased 3 electric cars for use by a section of Home Affairs which were being offered at a discounted rate and therefore combined the environmental benefits for town/urban use with acceptable economic implications.

- c) As of 30th September 2015 the States Electric Fleet comprises of 17 road registered vehicles, the breakdown of which is as follows:

- 13 Small Cars
- 2 Small Works trucks
- 2 Motorcycle Scooters

The current electric vehicles used by the States have been procured to test their usability and viability. Although they can be operationally effective the high initial purchase cost (generally twice the cost of their petrol/diesel equivalent), do not outweigh the lower fuel cost and environmental benefits. As a result there are no plans to increase their use during the

current financial climate. As explained in answer to question (b); the current leased electrical vehicle fleet of 10 cars is to reduce to 6 in 2016.

**2.7 DEPUTY S. Y. MÉZEC OF ST. HELIER OF THE MINISTER FOR HOME AFFAIRS REGARDING FUNDING FOR CUSTOMS AND IMMIGRATION:**

**Question**

Following the admission in a scrutiny hearing that the Jersey Customs and Immigration Service is currently under-resourced, what bids, if any, for extra funding will the Minister be making to ensure that further savings made from 2017 onwards will not risk the Service's ability to function properly?

**Answer**

Due to previous spending reviews there was an associated reduction in resources in the Jersey Customs and Immigration Service. However, for a number of years the Service has examined and successfully introduced methods of working that have increased efficiency and effectiveness within available budgets without adversely affecting the functions of the Service.

More recently, using the LEAN methodology, the Service has augmented controls at the borders and reduced overtime through an increased use of the multifunctional system of working of Officers.

Currently my Officers from both Customs and Immigration and the States of Jersey Police are examining ways for further collaborative working.

Increased collaboration will result in further efficiencies and will mitigate any risk to the Service's ability to function properly should further savings be required from 2017 onwards.

It is therefore not my intention to make any bid for extra funding for the Customs and Immigration Service.

**2.8 DEPUTY S. Y. MÉZEC OF ST. HELIER OF THE MINISTER FOR EDUCATION, SPORT AND CULTURE REGARDING INVESTMENT IN EDUCATION:**

**Question**

Following the admission in a scrutiny hearing that the budget of the Education, Sport and Culture Department is actually being reduced next year by £263,200 once changing demographics have been factored in, how does the Minister intend to proceed from 2017 onwards to ensure that the Council of Minister does not continue to be in breach of its Strategic Plan commitment to increase investment in education?

**Answer**

Since last November, the Council of Ministers, the Corporate Management Board and department teams have spent a considerable amount of time working on a sustainable solution to tackle the deficit. The importance of education has been recognised throughout the discussions, which have been lengthy and difficult at times.

We have reached a position where Education, Sport and Culture's budget for 2016 is £111.4 million – an increase of £2.8 million on the previous year. This means the department is in a position where it is still able to meet its statutory duties and provide education to the increased number of students in our schools.

If the issue of changing demographics is separated out – which is not the approach taken by the Minister or department – the investment may not be obvious in the revenue budget. However, it is clearly apparent once the capital expenditure is added:

- £40 million for Les Quennevais School
- £10 million for Grainville Phase 5
- £5.5 million for St Mary's School refurbishment

The Minister will continue to play a full part in Council of Ministers' ongoing discussions about investment and will continue to champion the case for supporting education.

## **2.9 DEPUTY S. Y. MÉZEC OF ST. HELIER OF THE CHIEF MINISTER REGARDING E-GOVERNMENT:**

### **Question**

Following the decision earlier this year to temporarily take a break from implementing e-Government, could the Chief Minister outline at what stage this is at now and state how much money has been spent on what in the intervening period?

### **Answer**

eGov is a complex programme established to transform services across the States of Jersey. Services are being reengineered both within and across existing departmental boundaries.

The programme aims to:

- Reorganise services around customers and move services online
- Deliver a more efficient public sector
- Stimulate the local digital industry.

A briefing will be arranged for States Members to explain progress in detail. In summary, progress to date includes: -

### **Business change**

A *Design Authority* is being established to create the layout for, amongst other things, systems and data architecture. This will help the States of Jersey adopt organisation-wide, rather than departmental, solutions. This will improve customer service and internal efficiency. We are currently out to tender for this work.

A *portfolio governance* function is also being established to manage the complex interdependencies of the Reform and eGov programmes and to ensure benefits are clearly identified and realised.

### **Technical developments**

Business requirements for online authentication have been established and we are in the advanced stages of negotiation with industry bodies.

## **Foundations**

We are working on publishing open government data, a natural extension to our approach to Freedom of Information. We are also expanding our ability to take online payments across the States of Jersey.

## **Processes**

A broad range of services are being simplified and moved online. This is being done both within and across departments, the latter under the banner of '*Tell us once*'.

This will make it easier for Islanders to inform government of changes in their circumstances so that eventually they will need to give information to just one department.

Several of these improvements have already been delivered:

- new epayments (Social Security);
- Health Screening appointments in some areas (HSSD)
- rate payment (parishes);
- several more are due later this year and early next year, including GST payment (HA); pensions applications (SSD); fault reporting (TTS)

### ***Tell us Once***

Four services - registration of new residents, new businesses, births and deaths - have been joined up across multiple service providers including States departments, parishes; Jersey Financial Services Commission, GPs and funeral directors. This demonstrates designing services around customers extends beyond the boundaries of the public sector.

The *Tell us Once* programme has now started work on change of details (e.g. address, email, telephone); and the combined return (manpower, ITIS and contributions).

## **Expenditure**

Expenditure from 1st January 2015 – 30th September 2015 has been £870,000. This is within budget, and includes £576,000 on eGov implementation and staff costs, and £161,000 on *Tell us once*.

## **2.10 DEPUTY S. Y. MÉZEC OF ST. HELIER OF THE CHIEF MINISTER REGARDING TELEVISION LICENCES:**

### **Question**

What discussions, if any, have taken place with the relevant authorities to investigate the possibility of the BBC funding free TV licences for the over 75s in a similar arrangement to that which has been announced in the UK?

### **Answer**

The BBC has agreed to take on the cost of free television licences for over-75s in the UK. This will be phased in from 2018/19 with the BBC taking on the full costs from 2020/21, at which point the BBC will decide on the future of free TV licences for over-75s in the UK.

Jersey Government officials are in contact with the Department for Culture, Media and Sport (DCMS) on this matter. In early discussions it was established that the agreement between the UK Government and the BBC regarding over-75s licences only applies to over-75s in the UK and not to the Crown Dependencies. This is partly due to the fact that the social security systems of the jurisdictions are separate.

There has been further correspondence between Jersey Government officials and the DCMS to explore the options available for a similar agreement between the BBC and the Government of Jersey.

Discussion with DCMS and the BBC are continuing on this issue, as well as on the future of the BBC and the renewal of its charter.

## **2.11 DEPUTY J.A. HILTON OF ST. HELIER OF THE CHAIRMAN OF THE CORPORATE SERVICES SCRUTINY PANEL REGARDING THE ESPLANADE CAR PARK:**

### **Question**

Will the Chair advise when he proposes to present to States Members and the public his Panel's completed report into the Esplanade car-park site and, in the event of further delay, the reasons why?

### **Answer**

The Panel's advisers Ernst and Young are presently finalising their report to us, which we anticipate receiving within a matter of days. Once this process has been completed, the Panel intends to publish the adviser's report, along with our own interim report on the matters it raises, without delay.

It should be noted that the Panel, along with its advisers, have encountered significant delays in accessing important relevant information, from the States of Jersey Development Company (SoJDC) in particular, during the course of our Jersey International Finance Centre Review.

On 12th March 2015 the Panel made a specific request for a copy (in confidence) of the un-redacted BNP Paribas valuation letter, a redacted version of which had been forwarded by SOJDC in its submission to the Panel.

This was pursued on various occasions subsequently, and on 17th April 2015 the Panel set a deadline and made direct reference to its ability to use the powers and processes available to it under the Code of Practice for Scrutiny Panels and PAC (this being the power to summons information).

On 28th April the Minister stated to the States Assembly "...With regard to the projected return, this has been independently verified by BNP Paribas and although this is being supplied to the

Corporate Services Scrutiny Panel as part of their current review it will not be made public due to highly sensitive commercial data...”

On that same day a letter was sent from the Minister stating the following : “...I have included with this letter a second redacted version with more information made available. Having spoken with JDC, before sending the CSSP the un-redacted version, JDC asks for written confirmation from the CSSP that the content of the document will be kept confidential to its members (Deputies Le Fondre, Bree and K. Lewis and Constable Taylor) and its officer...and will not be disclosed by any of those individuals under any circumstance and to any party either by sight, verbally, in writing or by copy.”

This was communicated to the Panel on 29th April and the condition agreed on 30th April. Verbal agreement to this was communicated that same day, and formalised in writing on 1<sup>st</sup> May.

Despite the undertaking by the Minister, and despite the Panel having agreed to the specific condition (bearing in mind it had always stated it would treat the information in confidence), the requested information did not arrive. Therefore the BNP letter was again, subsequently, pursued by officers and the Panel.

On 18<sup>th</sup> May, a requirement was received from the States of Jersey Development Company for the Panel Members and relevant Scrutiny Officers to individually sign a highly restrictive Non-Disclosure Agreement that was entirely disproportionate to the usual trust based process for receipt of confidential documentation by Panels. It was not in accordance with the proportionate terms of confidentiality offered by the Minister for Treasury and Resources and already agreed to by the Panel at the end of April.

This agreement had postponed the Panel’s agreed need, in the absence of reasonable co-operation, to pursue summoning the States of Jersey Development Company to provide the documentation. The requested documentation was eventually received on a confidential basis but without the requirement of a Non-Disclosure Agreement (NDA) on 29th May 2015 (ie a further delay of one month from the date of the Minister’s correspondence with the Panel and indeed his response made to the States Assembly).

During June, the Panel became further frustrated at being denied access to the following documentation that was crucial to its ability to properly fulfil its role in undertaking the Review:

- 1) The pre-let agreement between SoJDC and UBS
- 2) The funding agreement between SoJDC and HSBC
- 3) The construction contract between SoJDC and Camerons

The Panel requested the documentation from the States of Jersey Development Company (SOJDC) on 8<sup>th</sup> June, who refused to provide it on the grounds that they had entered into a confidentiality agreement with the respective third parties. It was also relayed to the Panel that the third parties had also refused to forward their respective documents on the same grounds regarding commercially sensitive information. This was despite the Panel’s confirmation to the Chief Minister, Minister for Treasury and Resources and SoJDC of its offer to receive the information on the same terms of confidentiality as it had agreed to in order to receive the BNP Paribas Real Estate documentation on 1<sup>st</sup> May 2015.



It had been confirmed, however, by SoJDC that there was again a requirement for the Panel to individually sign a high personal liability Non-Disclosure Agreement (NDA). A similar NDA would be required for its advisers Ernst and Young LLP to receive the information. Whilst such NDAs were noted as being common in commercial activity, and as such were acceptable to Ernst and Young LLP, it had been agreed by the Panel, discussed with its advisers and relayed to the Chief Minister and Minister for Treasury and Resources that as a matter of principle the information must be received by the Panel and its advisers on the basis that they could have free and unfettered discussions between them about the content.

Due to the impasse, on 29th June, the Panel agreed that in the first instance the Panel's adviser, Ernst Young, should proceed to sign a non-disclosure agreement to allow them to receive the outstanding confidential information from the States of Jersey Development Company in order to be able complete their report. It should be noted that this was an attempt to unblock the 'log-jam' of failure to be provided with the requisite information, and that the Panel remained concerned that this might impede the flow of information between it and its adviser.

Once that report, redacted as necessary within the terms of the non-disclosure agreement, was received by the Panel it would consider own requirement to obtain the confidential documentation as outlined.

On 12th August 2015, the Panel issued a Summons requiring the States of Jersey Development Company (SoJDC) to provide it with the pre-let agreement between SoJDC and UBS, the funding agreement between SoJDC and HSBC and the construction contract between SoJDC and Camerons, together with any side letters and other documentation pertaining to these agreements. The Summons has been formally challenged by SoJDC and the matter is presently subject to due process through the Privileges and Procedures Committee.

## **2.12 DEPUTY J.A. HILTON OF ST. HELIER OF THE CHIEF MINISTER REGARDING THE REMAND OF CHILDREN AND YOUNG PERSONS:**

### **Question**

Can the Chief Minister inform Members whether he is intending to review the legislation relating to the remand of children/young persons without charge for an unlimited time and if not, why not?"

### **Answer**

The Police Procedure and Criminal Evidence (Jersey) Law 2003, Part 5, contains the relevant provisions in Jersey law which govern the granting of bail to persons under investigation on suspicion of having committed a criminal offence or offences.

Article 31 of the Law is reproduced below. These provisions do not distinguish by age and do not include time limits.

#### Article 31 - Bail on arrest

*Where, following a person's arrest for an offence, it appears to the custody officer that the inquiry into the offence cannot be completed within a reasonable period he may release that person on bail.*

In May 2015, I made a Ministerial Decision which instructed the Law Draftsman to prepare a new draft Bail Law, which will include statutory provisions relating to pre-charge bail. The new provisions will include a limit to the duration of pre-bail, beyond which there will be a requirement to satisfy the Magistrate's Court that the investigation is being carried out efficiently and effectively.

These new provisions will take account of similar proposals currently being considered in the United Kingdom. The draft Bail Law should be lodged with the States Assembly during 2016.

**2.13 DEPUTY J.A. HILTON OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING CONTAMINATION ISSUES TO BE ADDRESSED BY THE STATES OF JERSEY DEVELOPMENT COMPANY:**

**Question**

Further to his response on 22nd September 2015 that he had written to the States of Jersey Development Company (SOJDC) after his meeting with them on the 3rd September 2015, specifically addressing the effects the contamination issue might have on the financial viability of the scheme, would the Minister advise whether he has received a reply, and if so, would he inform the Assembly?

Given that the cost of dealing with contamination is excluded from the fixed price construction contract sum, would the Minister advise whether, in the three months SOJDC have been on site, they have been able to give him any information on the first 90 days costs with regard to contamination issues?

Does the Minister believe that financial viability as distinct from financial profitability is an issue?

**Answer**

The Minister has received a response to his letter.

The excavation commenced on 19th August and is still underway and therefore SOJDC does not have final out-turn costs for this elements of the works. Furthermore, as these works will feature in all six buildings on the JIFC it is not in the commercial interests of SOJDC to publicly disclose how much has been expended on dealing with the contamination on Building No.4 as this will disadvantage the Company on future tenders.

SOJDC has confirmed that the project remains both financially viable and financially profitable. SOJDC is forecasting a net receipt of £7.5million from Building No.4.

**2.14 THE DEPUTY OF ST. OUVEN OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING INSURANCE COVER FOR DOCTORS:**

**Question**

What arrangements, if any, are made by the Department of Health and Social Services to provide professional indemnity insurance cover for doctors working within the hospital service at levels of consultant, middle grade and junior?

If there are doctors who work within the public hospital service but individually arrange their own insurance cover, what are the reasons for this?

In such cases, does the Department make any contribution to insurance premiums and how are such contributions calculated?

Also in such cases, how does the Department monitor the adequacy of insurance cover, whether cover is withdrawn or restricted during the term of insurance and whether cover is renewed on a timely basis?

Would the Minister provide figures for the years 2010 - 2014 showing the amount of insurance premiums or contributions paid by the Department to provide professional indemnity insurance cover for doctors working within the hospital service at levels of consultant, middle grade and junior and, in each case, state the number of doctors covered within each grade?

## **Answer**

The Department of Health and Social Services provides professional indemnity insurance for its staff including nurses, therapists, junior doctors, middle grade doctors, locum doctors and some consultants. This is arranged annually (through appropriate financial processes) with an international insurer as a corporate policy.

Consultant medical staff are contractually obliged to have personal indemnity insurance in place at all times. This is standard practice and recognised by the General Medical Council. In the UK this is usually just required to cover their private practice and also to provide them with medical defence union cover as NHS Trusts participate in a scheme run by the NHS Litigation Authority.

In Jersey it is acknowledged that consultants require indemnity insurance for both their public and private activity. HSSD has a system for reimbursement to recognise the public element of this activity. In 2014, 67 reimbursements were made to consultants. In 2013, the figure was 54; in 2012, 52; in 2011, 53; and in 2010, 39.

The system can be summarised as follows: if a consultant earns more than 10% of their annual public salary in additional income from private practice then we will reimburse 50% of their insurance premium; if they earn less than 10% then we reimburse all of their insurance premium (minus the basic subscription charge which the consultant will pay). There are only 8 hospital consultants who have all of their premiums reimbursed; this represents about 12% of the consultant body.

There is an exception to the rule that consultants are expected to source their own indemnity insurance for 3 of the 4 obstetric and gynaecology consultants. This is due to changes a few years ago to the premiums for consultants seeking indemnity cover who do not work on mainland UK being dramatically increased. It was agreed at that time that the corporate policy would cover these consultants as part of the overall policy. These consultants make a contribution to HSSD to represent their private activity cover.

All consultants are obliged to provide the details of their cover to the medical staffing department and this is part of the reimbursement process. There are a limited number of medical defence unions and medical indemnity insurers and all the consultants are insured with these well known and respected bodies. It is a contractual obligation for the consultant to have valid cover in place and any lapse would be treated as a breach of contract. Medical staffing run checks to ensure all

cover is up to date. If a consultant has any difficulty obtaining cover for whatever reason they would be immediately suspended from undertaking clinical activity until the situation is rectified.

The number of non-consultant medical staff for whom HSSD paid professional indemnity insurance in the period 2010-2014 was as follows:

	2010	2011	2012	2013	2014
Associate Specialists	18	22	23	23	22
Staff grades	31	33	33	35	36
Clinical Fellows	1	1	4	7	8
GP trainees	6	6	6	6	6
Foundation Year 2 doctors	12	12	13	13	13
Foundation Year 1 doctors	14	14	14	14	13

The cost to HSSD of providing professional indemnity insurance in the period 2010-2014 was as follows:

Year	2010	2011	2012	2013	2014
Cost (£)	1,273,990	1,057,472	1,530,741	1,957,471	2,392,939

### 3. Oral Questions

#### 3.1 Senator Z.A. Cameron of the Minister for Health and Social Services regarding complaints made about staff by staff within Health and Social Services:

Over the last 12 months, how many complaints have been made about staff by staff within Health and Social Services and how many of these have led to disciplinary hearings?

#### Senator A.K.F. Green (The Minister for Health and Social Services):

Over the last 12 months, 27 formal complaints were registered, of which 2 led to disciplinary hearings.

#### 3.1.1 Senator Z.A. Cameron:

Has the department considered introducing a culture of collaboration rather than competition and buck passing, where staff are encouraged to sit down together and discuss their differing

perspectives and points of view in an environment that encourages challenge in order to learn and improve the system?

**Senator A.K.F. Green:**

We are working on improving the culture. The Senator implies there is not a culture of working together. I am able to say that 25 of the complaints were settled by mature discussion.

**3.1.2 Senator Z.A. Cameron:**

It is just a shame that those complaints were necessary in the first place.

**The Bailiff:**

The question? Is that a question?

**Senator Z.A. Cameron:**

Is it not a shame?

**Senator A.K.F. Green:**

Well, yes, it is, but it is the real world and I do not always agree with my wife. Unfortunately, she does not have a procedure for complaining about me. **[Laughter]**

**The Bailiff:**

Some things are beyond even the States, Minister, I think. **[Laughter]**

**3.2 Deputy J.A. Hilton of St. Helier of the Minister for Health and Social Services regarding the consideration of People's Park as the location of the new hospital:**

Can the Minister inform Members when People's Park was put forward for consideration for the location of the new hospital and by whom?

**Senator A.K.F. Green (The Minister for Health and Social Services):**

I am pleased to say that the Minister for Treasury and Resources kindly agreed that I could answer this question on behalf of the M.O.G. (Ministerial Oversight Group) about the development of Health and Social Services' transformation. The People's Park was first put forward as a location for a new hospital on 22nd July this year. The site arose when Ministers and the Ministerial Oversight Group discussed what alternatives could potentially offer a good performance, as good a performance as the 4 previous shortlisted options, and requested a planning policy opinion on different alternatives. It was discussed, I think answering the Deputy's question, on 22nd July and no particular person put it forward. It came forward as a part of our discussions, our brainstorming, in the Ministerial Oversight Group.

**3.2.1 Deputy J.A. Hilton:**

Can the Minister inform Members why this particular site was not considered in the extensive rounds of sites that were considered 2 years ago? My understanding is that the senior officer group looked at 22 sites around the Island, which was whittled down to 10 and then 3 were put forward. The 3 top runners were put forward for consideration. So I am just wondering why it was not put forward 2 years ago when they started the process.

**Senator A.K.F. Green:**

The very simple answer to that is that while it was not considered as an option for a hospital, it was considered as an option for a car park that might support a hospital. That is because the site at the

time, on the information that the Ministers had available to them, was just not big enough. But further work in reducing the size of the hospital - for example, providing more care in the community, providing more changes around primary care - meant that the size of the hospital was somewhat reduced and it did fit on the site. I think it was right to ask the question was it now a viable option.

### **3.2.2 Deputy J.A. Martin of St. Helier:**

Following on from that, Deputy Hilton asked when and we have just been told 22nd July. When will this Minister cut-off new sites? Because it was only about 8 or 9 weeks ago he said a new site is imminent. Now, which is true? Is this really being taken seriously and all the scoping being done and we might get an answer next year?

[14:45]

### **Senator A.K.F. Green:**

That is somewhat disingenuous of a former Assistant Minister for Health and Social Services, who knows how difficult this job is and knows how important it is that we get the biggest project the States will ever undertake right, not just right for the people of St. Helier, but right for the people of Jersey. This is a hospital for the next 75 to 100 years and I make no apology for taking a little bit longer to think outside the box and look at the options before coming forward with our plan.

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

Sorry, the Minister did not answer; a lot of abuse there. I want to know when he is going to put the close date on and when this site will be considered properly.

### **Senator A.K.F. Green:**

When the work is completed. When I have seen all the reports, when I have discussed it with my Ministerial colleagues and when I have taken it to the Council of Ministers.

### **3.2.4 Deputy A.D. Lewis of St. Helier:**

As a former Deputy of the District, it will be no surprise to the Minister that there was a public outcry about this matter. Based on that and his own experiences in the District, would he consider withdrawing this as an option at this stage or not?

### **Senator A.K.F. Green:**

No, because there will be an outcry wherever I put it. There will be an outcry if we put it in the People's Park. There will be an outcry from the residents up around Overdale. There will be an outcry if we go to the Waterfront. There will be an outcry from me if we stay on the same site and take 11 years to build a new hospital.

### **3.2.5 Deputy M. Tadier of St. Brelade:**

I am disturbed to learn that the Council of Ministers might be following the Joni Mitchell school of politics where they pave people's parks to put up a parking lot. That is what we have heard this morning. Perhaps the Minister can tell us helpfully what the minimum ballpark figure is that he is looking at for the new hospital site.

### **Senator A.K.F. Green:**

I have been asked that question so many times you would think I would remember it. I am sorry, I cannot remember the square meterage but I will let Members have it. But I like the song.

### **3.2.6 Deputy R. Labey of St. Helier:**

The Minister says he is thinking outside the box. Is he still thinking outside St. Helier when in the U.K. (United Kingdom) when new hospitals are built in out of city centres, like Derriford Hospital in Plymouth, Addenbrooke's in Cambridge, the new Royal Infirmary in Edinburgh, they are all about 4 miles outside of town, about the same distance as St. Saviour's Hospital is from St. Helier.

**Senator A.K.F. Green:**

There are a number of questions there. Addenbrooke's Hospital might be 4 miles out of town, but it is actually built in the middle of a park. I have spoken to the chairman of the authority only the other day about this. St. Saviour's Hospital just is not big enough as a site. Not only would you need a site that is completely clear, if you go outside of town you will need to provide car parking similar to the size of Patriotic Street Car Park. Now, you can do that underground, if the topography allows it, or you can take up field after field after field of surface car parking. But even if you were able to do that, a hospital needs infrastructure. It needs mains sewerage, it needs proper electrical supplies, and all these things are considered when looking at a site.

**3.2.7 Deputy K.C. Lewis of St. Saviour:**

Is the Minister committed to building the new hospital, if it is a new site, within the St. Helier ring road or thereabouts?

**Senator A.K.F. Green:**

I am committed to find a site that works, that is affordable, that provides a sustainable, affordable and first-class hospital for the people of Jersey.

**3.2.8 Connétable M.P.S. Le Troquer of St. Martin:**

Could the Minister tell us if any incentives have been given to the Constable or the Parish of St. Helier for the possible use of the land?

**Senator A.K.F. Green:**

I have to be fair to the Constable. We have had a telephone conversation and a meeting with the Chief Minister, so no formal negotiations have taken place, just that - in principle - we would like to look at it. We did indicate to the Constable that obviously if it did turn out that that was the best site, if that was the way to go, then obviously we know that we would need to provide an alternative park and amenity space.

**3.2.9 Deputy J.A. Hilton:**

The Minister in answer to one of the questions said he believed that there would be an outcry wherever the new hospital was located, but I think we have seen by the outpourings of the public when the suggestion that the People's Park was under consideration that the people think that that is absolutely wrong and it should not happen. It is important green space for St. Helier, St. Helier needs more green space, not less. My question to the Minister is: the Waterfront was one of the top 3 ranked sites for the new hospital. In fact, I believe it was number one out of the top 3. Can the Minister ... sorry, Sir, I have forgotten what I was going to say. Will the Minister confirm that ... oh, I am sorry, Sir, I have completely lost my thread. I am sorry.

**3.3 Deputy J.A. Martin of the Minister for Social Security regarding the payment of Child Personal Care benefit:**

Given that the Personal Care benefit is now determined by the child's disability rather than the parents' household income, can the Minister provide the number of children who, since 1st January

2015, have received Child Personal Care benefit level 2 and level 3 and state whether this is an increase on previous years?

**Deputy S.J. Pinel of St. Clement (The Minister for Social Security):**

I can provide the Deputy with the number of claims of Child Personal Care benefit and payment at the end of September this year. The department is currently supporting 37 claims at level 2 and 97 claims at level 3, a total of 134 claims. This is an increase of 46 on the figures for August last year before the recent changes to the law. At that time, there were 20 claims being paid at level 2 and 68 claims at level 3.

**3.3.1 Deputy J.A. Martin:**

Can the Minister confirm the extra children, or the families who are claiming for the children on level 3, were getting nothing before the Assembly approved that it was on the children's disability and not the household income? I make that about 30-odd families that the department did not know about or that were receiving no money. Is that correct?

**Deputy S.J. Pinel:**

I do not know the exact figure of the numbers on level 3 before this came in, but the amendments to the law brought by Deputy Martin only affected level 2 claims.

**3.3.2 Deputy G.P. Southern of St. Helier:**

I do not believe that to be true, that last statement. However, what I do want to understand is that prior to the change in law brought by Deputy Martin, the acceptance of a level 2 or level 3 claim was based on Ministerial discretion. How many of these 97 on level 3 were subject to Ministerial discretion previously?

**Deputy S.J. Pinel:**

There have been a higher number than expected claims for Personal Care level 3 element, which has produced 20 entirely new claims. That is representing a £75,500 increase in cost from January to June this year.

**3.3.3 Deputy J.A. Martin:**

The Minister did not answer my question to Deputy Southern. So there were 20 children out there before the Personal Care level 3 - can she confirm this - that the department did not know about, because it was based on the household income and not how severely disabled the child was. 20 children in 9 months, is that correct?

**Deputy S.J. Pinel:**

That is the correct figure and these people are not necessarily on income support, so it is very difficult to know the exact numbers of households that do not come forward to claim. We only know the ones that do of Personal Care level 3 children.

**3.3.4 Deputy J.A. Martin:**

Will the Minister not agree this is why we took this benefit out of income support? It is based on the child's disability. How is this Minister advertising, or talking to Health, when children with a disability are born? They should be given this information, that there is a benefit there for them. Is she not doing this?

**Deputy S.J. Pinel:**



The change to the law mentioned by Deputy Martin has been very widely advertised through Health and in all the schools and playgroups, nurseries. It has been very widely advertised and I think that is why there has been quite a good take-up.

### **3.4 Deputy S.Y. Mézec of St. Helier of the Chief Minister regarding the distribution of the proceeds of economic growth:**

Following the publication of the latest *Measuring Jersey's Economy* report, which shows that the economic standard of living in Jersey has fallen by almost a fifth since 2007, what measures, if any, will the Government be introducing to ensure that the proceeds of economic growth are fairly distributed?

#### **Senator A.K.F. Green (Deputy Chief Minister - rapporteur):**

The latest economic figures are an indication of further recovery. Employment is growing, earnings are growing, our economy is growing. This comes after a difficult economic time with profits being hit by the global banking crisis. We now need to ensure that our recovery is sustained with standards of living rising for all Islanders of all walks of life. For me, this means supporting the strategic priorities we have outlined, the balance of budgets proposed in the Medium Term Financial Plan, more investment for health, education and a focus on jobs, productivity, innovation and enterprise. This is the best way to support our community, to ensure that we all benefit.

#### **3.4.1 Deputy S.Y. Mézec:**

Is the Deputy Chief Minister aware that, in the same period of time, the number of Islanders earning above £1 million a year has quadrupled and, if he is or is not aware of that, does he agree that it is a bad sign that Jersey is becoming a more unequal society? What does he believe the Government should be doing to rectify this?

#### **Senator A.K.F. Green:**

I think the Government's role is to ensure that we have an economy that supports growth. Those people with the high earnings that the Deputy refers to are the very people that supply employment. They are the very people that ensure that we have jobs for our children, for our grandchildren. I have no problem with people working hard to improve their situation, to increase their income. Everybody should do that.

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

The Income Distribution Survey of 2009-2010 brought out the fact that the lowest 20 per cent of the population claim 7 per cent of the income, whereas the top quintile, the top 20 per cent, claim around 50 per cent of total income. Does the Minister have any up-to-date figures on what distribution of income is involved on the Island today?

#### **Senator A.K.F. Green:**

I know those figures exist, but I do not have them with me. I am quite happy to ensure that the Members get them.

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

The Minister has stressed the importance of economic growth. Can I ask the Minister: bearing in mind the figures from 1998 to the present time show that we have had negative growth over that period of time, taking peaks and troughs into account, what makes him believe we are going to do better over the next few years or the next 5 years?

**Senator A.K.F. Green:**

My good friend the Deputy is right that we have been through a difficult time. That was not of our making. That was a global banking crisis. He fails to mention that in 2014 we saw a 10 per cent increase in benefit from the finance industry and a 5 per cent increase overall for our economy. That is a good sign. It does not mean that we are out of it yet. We have a lot of work to do, but it is a good sign, the best in Europe.

**3.4.4 Deputy M.R. Higgins:**

The Minister did not answer the question. He chose to choose from 2008, when we went into recession. I mentioned the figures from 1998, which shows from that time, taking peaks and troughs together, Jersey's economic growth has been negative. What makes him believe it is going to be any better this time?

**Senator A.K.F. Green:**

As I said, we know that it was negative and lots of other economies went through the same difficult patch, but we know that 2014 are the first green shoots of economic improvement.

**3.4.5 Deputy S.Y. Mézec:**

My question was actually about inequality and I do not think we have heard many answers on that subject. Could I ask him, therefore, if we accept the Corporate Services Scrutiny Panel's figures that the tax rises which are going to be introduced over the next few years are going to leave families £1,000 a year worse off, could he explain how that is conducive to reducing inequality in Jersey?

**Senator A.K.F. Green:**

I do not see how they can say that at the moment. We have not done those sums ourselves, but we do know that there are more jobs. Productivity is improving, income is increasing and we are heading in the right direction for the improvement in the economy. The best way to help people improve their situation is to reward hard work.

**3.5 Deputy C.F. Labey of Grouville of the Minister for Transport and Technical Services regarding taxpayers funding for the provision of the public service delivered by the taxi-cab industry:**

In accordance with Standing Order 106(2) and (3) I declare an interest in that my husband drives a taxi.

**The Bailiff:**

I am sorry, I did not hear that, Deputy.

**The Deputy of Grouville:**

I am sorry. In accordance with Standing Order 106(2) and (3) I declare an interest in that my husband drives a taxi.

[15:00]

How much did Jersey taxpayers pay towards the provision of the public service delivered by the taxicab industry and how much has the recent review of the taxi-cab service cost the taxpayer in U.K. consultancy fees, officer time and any other fees and expenses?

**Deputy E.J. Noel of St. Lawrence (The Minister for Transport and Technical Services):**

The review of taxi-cab regulations was a requirement of the States contained within the 2010 Sustainable Transport Policy, or S.T.P. Previous to my appointment, some £57,514 was spent on consultants to investigate, review and consult upon the regulatory options with the public, the industry and specialist interest groups. In finally delivering the States S.T.P. requirement, the department has spent a further £12,143 during my time as Minister. For Members' interest, maintenance of the taxi rank facilities is funded from general maintenance budgets and is relatively low. Routine administration of the taxicab regulations is funded by the various fees paid by the taxicab operators to D.V.S. (Driver and Vehicle Standards) and so is at a net no cost to the public. While not readily quantifiable, an estimated additional £65,000 worth of unproductive officer time per year is spent in dealing with internal industry quarrels and petty complaints about one another. This is equivalent to a Grade 13 officer salary for a year. What we have done is provide a regulatory framework which addresses the customer need as identified in the 2012 Green Paper and provides a sustainable basis for the industry to move forward.

**3.5.1 The Deputy of Grouville:**

So there is no direct subsidy to the taxi-cab service from the public purse, unlike the bus service which costs the taxpayer £2 million. Why then does the Minister believe he can dictate and impose extra burdens and costs to an industry of self-employed people? It is surely akin to telling all banks what fare structure they have and, by the way, they all have to paint their buildings blue.

**Deputy E.J. Noel:**

Just to pick up on the amount of subsidy that currently is paid for the bus service, it is not £2 million, it is £4 million per annum, which equates to a pound per journey. Currently, there are just over 4 million journeys carried out per year. With regard to why my department regulates the taxi service industry, that is something that the general public wants us to do. We carried out extensive consultation back in 2012. Three key areas were identified by the public. They found the current 2-tier system confusing. There was a perception that all taxi-cabs were too expensive. However, we have benchmarked the rank taxi fares and they are in line with the U.K. The third thing that the public had a concern about was the availability at peak times from both the taxi ranks and from the private hire side of the industry. During my tenure in office, we have discovered a fourth area that needs addressing and that is accessibility for those with mobility impairment. That is why we have been tasked by this Assembly to regulate this industry and that is what we are doing. We are moving away from what, historically, has been a quantitative regulation basis, i.e. restricting the numbers who can operate within the industry, and gradually moving towards a qualitative basis, thereby providing the public services that our Islanders demand.

**3.5.2 The Deputy of Grouville:**

Was it not the case that the U.K. consultant that was employed to do this review knew very little about the industry and identified the issue was the private hire in that they were not offering, sometimes, in some cases, the door-to-door service? I still fail to see how the Minister's proposals are going to improve a service of getting a passenger, for example, from Grouville to St. Mary, including passengers who are in wheelchairs. With his proposals they will be required to wheel themselves to the nearest rank.

**Deputy E.J. Noel:**

There are a number of issues there as opposed to a number of questions. To go back to the Deputy's comment about the U.K. expert, that expert has not only provided advice to us in Jersey, he has provided advice to many local authorities, including London, in the U.K. You do not have to be a taxi driver to be able to understand the industry. With regards to making the industry more

productive, which is what we are aiming to do, thereby creating greater capacity at peak times to allow individuals, for example, at 10.30 p.m. at night to get a cab from a residence in Grouville to a residence in St. Mary, we are providing that capacity by bringing the industry away from a 2-tier system that is a hybrid - because they interact and mesh against each other in a way that causes friction - to one where it will gradually migrate to a one-tier system whereby taxis will be available from ranks, taxis will be able to be hailed and taxis will be able to be called either via the phone or an app or some other device to wherever the passenger is that needs to be collected.

### **3.5.3 Deputy S.Y. Mézec:**

Is the Minister aware that the Taxi Drivers Association has been holding emergency meetings because of their dismay at the proposals that the Minister has come forward with? Will he agree to meet with them to talk about what elements of his proposals he may be willing to reconsider so that we can avoid any industrial action, which is something that is currently being spoken of at the moment?

### **Deputy E.J. Noel:**

I am afraid I have already beaten the Deputy to it. I have already invited the president or chair of the Taxi Drivers Association, together with other representatives, to meet me. In fact, this is a call out now to all taxi and private hire firms, drivers, *et cetera*. My door has been open for the last 9 months. It continues to be open. Come and see me.

### **3.5.4 Deputy M. Tadier:**

Following on from the answer given by the Minister for Health and Social Services, my question to the Minister for Transport and Technical Services relates to the size and colour of the vehicles and his preference. Would he envisage, perhaps, big yellow taxis as his preferred option for Jersey?

### **Deputy E.J. Noel:**

I hope the Deputy read the paperwork that was issued a week ago. He will note that, over time, we are looking to limit the range of colours to be used by the industry to that of metallic silver, metallic greys and black. That is to provide some branding and some quality images for the Island, so our visitors know that they are getting into a taxi and that our locals know that they are getting into a taxi. It is about branding it and improving the quality of the overall service.

### **3.5.5 Deputy J.M. Maçon of St. Saviour:**

Looking at the review, can the Minister confirm if it did or did not happen that vehicle emissions were taken into review? I know that in the recent London review they have made it that every taxicab has to have a certain level of emissions, which is causing quite a ruckus. Was that included within this review and, if not, why not?

### **Deputy E.J. Noel:**

No, it has not been included in this review. We put that back for a future date, mainly because we needed to make sure that there is still an adequate range of vehicles for drivers to purchase, because the majority of the drivers in this industry are owner-drivers. There are some company vehicles as well, so we are aware of the fact that we are dealing with some 400 individuals and their lives and their families' lives, so we must make the transition one that is affordable and sustainable. We have not imposed a system whereby we are looking at carbon emissions, for example, on the vehicles, but that is likely to come in due course as technology changes, as we use more hybrids or maybe all electric vehicles. That is something that will come in the future.

### **3.5.6 Deputy R. Labey:**

As 50 per cent of cars are silver on the Island, how are the new taxis going to be distinctive? Is the idea that every taxi should be wheelchair enabled not somewhat excessive as the demand is not there?

**Deputy E.J. Noel:**

If I can deal with the first matter first, we are also going to be bringing forward a bonnet wrap for the vehicles to give some distinctive branding for that. We are also freeing-up the regulations whereby cab drivers can get sponsorship for their vehicles and generate some additional income for them in that respect. I am afraid I have forgotten the last part of my good colleague Deputy Labey's question.

**Deputy R. Labey:**

About enabling all cabs to be wheelchair enabled is excessive because the demand is not there.

**Deputy E.J. Noel:**

Thank you. This is something that has come up in our research since I became a Minister and, indeed, at the Members' briefing a week ago, the Deputy of St. Mary commented that one of his parishioners had mentioned to him that they tried to book a disabled taxi to take them to an appointment and the earliest they could get was just before Christmas. We have many examples over the last 9 months of feedback from the public that shows that the accessibility is not working. There are only around 10 per cent of the current taxi fleet, both private hire and rank taxis, that are wheelchair friendly. Let us remind Members that by the end of 2018, under Social Security, we will be bringing forward the final tranches of the Island's anti-discrimination legislation and what we are proposing is to ensure that all our Island taxis conform to the spirit of that legislation and, therefore, are 100 per cent accessible for all Islanders. Currently, those disabled people, who wish to have a taxi to pick them up from their home and take them to an appointment, have to effectively get a private hire vehicle. Those fares are higher than rank fares currently. That is not right because by the mere fact of being disabled you are being penalised by having to book the most expensive part of the industry's offering and that is not right. It does not look like we will get drivers in sufficient quantities to volunteer to have disabled vehicles and, therefore, it is only fair that we have a blanket requirement across the piece, so no drivers are advantaged or disadvantaged.

**3.5.7 The Deputy of Grouville:**

Does the Minister realise that making it one system, as well as having C.I.C.R.A. (Channel Islands Competition and Regulatory Authorities) issues, is going to exacerbate the lack of cabs - because I think the Minister is getting confused between the 2 - offering door-to-door service in country Parishes as everyone will be waiting in town at peak times?

**Deputy E.J. Noel:**

Just simple economics tells you that if all of the vehicles currently, be they taxis or cabs, congregated on the ranks it would spread those existing businesses too thinly. By creating one industry we are providing greater flexibility and allowing for greater productivity to come out of the industry. What C.I.C.R.A. would like us to do was to deregulate completely. I had a long telephone conversation with the chairman over the weekend and his opinion was that we should not have any ... that taxi drivers should be treated the same way as hairdressers are, or any other shop retailers, or whatever, there should not be any barriers to entry. I believe that is not right, I believe that we should have some quality barriers to entry, we should have our drivers D.B.S. (Disclosure and Barring Service) checked, they should be in the appropriate vehicles and with the appropriate training for the people that they carry in those vehicles. They should also be our ambassadors for picking up people from the airport and from the harbours. So, I believe that we should have a

quality regulation, but I do not support the other side of the coin where C.I.C.R.A. believe that we should just open up and take away all boundaries to the industry. I think that would kill off the industry and adversely - seriously adversely - affect those 400 individuals that are currently working within it.

**3.6 Deputy R. Labey of the Minister for Treasury and Resources regarding progress made in the prevention of the widespread abuse by non-residents of parking spaces specifically allotted to tenants of housing association properties:**

Will the Minister update the Assembly on any progress made with the initiative he announced in June for powers to be put in place to prevent the widespread abuse by non-residents of parking spaces specifically allotted to tenants of un-gated housing association properties, including those of Andium Homes?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

I did advise Members in June that the Home Affairs Department was looking at this issue. As such, this question would really have been better addressed to my colleague, the Minister for Home Affairs. Having said that, I am informed that good progress has been made between Home Affairs and T.T.S. (Transport and Technical Services) and that law drafting instructions have been approved to make wheel clamping illegal and to introduce a form of civil penalty notice system where a car has been parked on private land without authorisation. Beyond that, I feel that any further detail or information should most appropriately be provided by the Minister for Home Affairs. Thank you.

**3.6.1 Deputy R. Labey:**

I am interested to know if the Minister for Treasury and Resources is in favour of a new civil penalty system with all that that would entail, new legislation, more expensive bureaucracy, potentially more civil servants to administer it, rather than another solution, quicker solution, which might be a tow truck or the installation of card or code barriers or sit-up, lie-down, bollards?

[15:15]

**Senator A.J.H. Maclean:**

The Deputy will know that the Minister for Treasury and Resources is not keen on extra layers of bureaucracy or cost, of course, and the detail will need to be fully assessed. I am sure the Minister for Home Affairs and the department have been looking very closely at the proposals they are bringing forward. The Deputy raises the point about additional barriers. There are a significant number of premises, some of course do already have, as I understand it, roller shutter doors, some have barrier systems, but to introduce such systems across all premises would, in itself, be a significant cost as well. I am sure that Andium Homes raised that as a point. Certainly, it is nothing that they have raised with me in a recent meeting that I had with them as being of particular concern.

**3.6.2 Deputy R. Labey:**

When tenants have provision of a parking space in their tenancy agreement, should the landlord not be doing something to ensure that that space is kept for them? A civil penalty system is not going to help chasing down foreign vehicles, who are the main offenders here, and I would just like to point out to the Minister that the situation has got worse, I am told, since June when I first brought it up with him.

**Senator A.J.H. Maclean:**

On the final point the Deputy makes, that is of interest, because I did specifically ask officers whether indeed there had been any deterioration or whether there are any updated figures with regard to offences, and I was told that there had not been an increase in numbers, although it was raised as a point with me that Andium felt in particular that it was not helpful this point had been raised in this forum, because now anybody thinking about abusing the system is now freely of the knowledge that there is no effective way of policing such matters. So that, in itself, is a point that they had been concerned about. With regard to civil penalties, yes, there are certain drawbacks but, as the Deputy has pointed out, under the tenancy arrangements, providing the vehicles are those belonging to tenants, there are certain provisions and powers that do exist in order to be able to remove the vehicles or certainly encourage their removal and ensure there is not a misuse of the spaces available and allocated.

**3.7 Deputy G.P. Southern of the Chief Minister regarding the reasons for the fall in the standard of living in Jersey since 2007:**

What explanation does the Chief Minister have for the results given in table 8 of the Statistics Unit's publication *Measuring Jersey's Economy: G.V.A. (Gross Value Added) and G.D.P. (Gross Domestic Product) 2014* which shows that the standard of living in Jersey has fallen by 19 per cent since 2007, and why Guernsey in particular has done so much better over the same period?

**Senator A.K.F. Green (Deputy Chief Minister - rapporteur):**

That is a really interesting question and it is quite natural, I think, to compare ourselves with our neighbours, Guernsey, but our economy is not the same, nor are our finance sectors. We have a large banking sector and, therefore, our headline economic statistics have not performed well during the banking crisis. However, if you exclude the financial services profits and just look at the earnings across our economy and non-banking profits, our economy has performed in line with both Guernsey and the United Kingdom. As alluded to earlier, with short shoots-of-green shoots, last year we did significantly better. We are now seeing economic growth. We are seeing earnings grow and we are seeing employment grow. Our task, as I said earlier, is to make sure that our recovery is sustained, delivering improvements in standards for all Islanders, and to do this we need to support our strategic priorities in the Medium Term Financial Plan.

**3.7.1 Deputy G.P. Southern:**

Surely it is not a matter of stripping out the banking sector, the standard of living in Jersey has fallen by almost 20 per cent. What he has not addressed is the fact that the standard of living has fallen over this period, whereas Guernsey's has gone up.

**Senator A.K.F. Green:**

The Deputy asked me to explain how our figures were different to Guernsey and I did that. I did that very clearly. When you look at the economy, outside of the finance sector, we performed very well with our competitors. We are in a different finance sector to Guernsey certainly and that is why we were different. But 2014 we performed better than our competitors.

**The Bailiff:**

Sorry, Minister, did you say "short shoots-of-green shoots", did I hear that correctly?

**Senator A.K.F. Green:**

I was trying to weave short and shoots together, Sir. Short green shoots.

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

The Minister is missing the point; the point is living standards in the Island have fallen by almost 20 per cent. That means that people in this Island are worse off because of, you could say, the recession, but our recession has been longer and part of it has been caused by government policy. The question is, how can he explain why people in Guernsey are better off? The people in Jersey are 20 per cent worse off, not just because of banking. There are a whole host of reasons why they are worse off and the policies that are being pursued by the Council of Ministers are making it worse. Does the Minister agree and explain why, please, at the same time?

### **Senator A.K.F. Green:**

I have already explained why I do not agree. I was asked to explain the difference between our figures and Guernsey's. I have clearly explained that and, as I said, if you look at 2014, 10 per cent growth overall, 5 per cent consolidated, far better than anything that anybody else in Europe has done.

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

A supplementary? The Minister is using some of the stats in a way that confuses. The economic growth figures for 2014 could well be a one-off. The Fiscal Policy Panel has said that going forward it expects economic growth to be zero. Right, so in other words we are going to get the first boost out of the recession 2014, but there is a danger of it going further down. Also, can the Minister explain whether it was any one-off banking items caused the particular banking figures to be higher and therefore the economic growth to be higher?

### **Senator A.K.F. Green:**

There is some agreement between myself and the Deputy, a certain amount of caution is required as G.V.A. improves. It is volatile, the situation we find ourselves in, so global economic conditions remain fragile, particularly with China. But trends in Jersey are indicating that the economy is on course for further real growth in 2015. Employment growth was very strong in December, which suggests that employment in 2015 is going to be even stronger.

### **3.7.4 Deputy S.Y. Mézec:**

Does the Minister accept that the drop in standard of living has been a direct result of government policy to shift taxation from corporations on to human beings and that our tax system should be re-examined to look towards a new model, which meets the needs of sections of the finance industry which rely on tax neutrality to be viable, but which does not leave a situation where ordinary working people are finding it harder and harder to get by?

### **Senator A.K.F. Green:**

No, I do not accept that. I do accept that we have been through difficult economic times and I know what the Deputy is asking me to do is to say that we should have a different policy, for example, Zero/Ten. If we did not comply with Zero/Ten along with our main competitors, we would be in an even worse position. So, no, tax policy is not done on the hoof, it is done properly on proper advice and looking at all the risks that go with that.

### **3.7.5 Deputy M. Tadier:**

Later on this week we will be debating whether or not to give money to the Comms Unit for the Chief Minister's Department, or to take some of that money away and give it to schools so that they can teach French at an early age. Will the Minister, talking about the Comms Unit, explain why the headline which was put out, no doubt with the blessing of his Chief Minister's Department, was that G.D.P. this year is up, but the real news, that was hidden further down in the small print, was that we are all 10 per cent worse off, or rather we are not all worse off but on average people are 10



per cent, 20 per cent worse off than they were 10 years ago. Is that not of concern to the Chief Minister and what does he think that the causes of that are?

**Senator A.K.F. Green:**

We can spend hours looking at what the different causes are. We know that the basic cause of the financial difficulties all economies have found themselves in have been down to the global recession, not of our making, but we had to pick up on that. The Comms Unit the Deputy asked me about; the Comms Unit produces the information as it becomes available from the different reports. I do not know quite whether the Deputy wants me to ask them to say something or not to release these reports as they become available. I have to say I am at a little bit of a loss to reply to that part of the question.

**3.7.6 Deputy M. Tadier:**

I think the point is that the Comms Unit draft a press release and they obviously put their spin on it. That is why it is also known as the Spin Department for the Chief Minister's Department. But does the Deputy Chief Minister acknowledge that the real reason we have seen 20 per cent reduction in people's standards of living - these are all our constituents incidentally, they are real people in the real world, some of whom voted for us - is due to the fact that, in the last 10 years, this Government and previous administrations have already been pursuing an austerity agenda and what we are seeing this week coming before the States is even a more enhanced austerity agenda which can only lessen the standard of living for our constituents into the future.

**Senator A.K.F. Green:**

I have already acknowledged it has been difficult. Difficult for all Islanders as we come out of the economic decline. But, no, I do not acknowledge that we are in a period of austerity, as the Deputy calls it. If you want austerity, go to Greece, or perhaps look closer to home, look at Southern Ireland, but also look how they pulled their socks up and managed to improve their situation. We have a need to invest in health, a need to invest in education, a need to invest in our infrastructure. We need to ensure that we have an economy that will support an ageing population. One third of Islanders, in 20 years' time, will be retired, so this Medium Term Financial Plan is about supporting our community going forward.

**3.7.7 Deputy M.J. Norton of St. Brelade:**

I was getting a little bit confused with words of austerity and how terrible we are doing when I see a 10 per cent rise in banking and 5 per cent rise consolidated as has just been outlined. I just wonder if the Deputy Chief Minister might be able to explain the G.V.A. per head and how we compare with Guernsey and the U.K., because the figures I was looking at seem to indicate that we were doing rather well.

**Senator A.K.F. Green:**

If you look at the G.V.A. per head for 2014 we are doing very well.

**3.7.8 Deputy G.P. Southern:**

Does the Minister accept 2 things about this so-called recovery: one, does he accept the Fiscal Policy Panel's analysis that suggests that 2014 was a one-off and will not necessarily be maintained; and secondly, does he accept that having a wage freeze in the public sector has contributed to public sector living standards falling?

**Senator A.K.F. Green:**

I think the Fiscal Policy Panel urged caution and said that we should be careful because, basically, one green shoot does not make a spring. But I think, also, they said that we should have a flexible

plan and that is what we have put together, that we will keep an eye on the economy as a whole and I think they forecasted that in 2 years' time we will be flat based on global trends. So we have to plan for all of that. I cannot remember the second part of the question.

**Deputy G.P. Southern:**

The second part was: does he not accept that the living standards have fallen in the public sector in particular because his Council of Ministers has imposed wage freeze, after wage freeze, after wage freeze?

**Senator A.K.F. Green:**

I wonder if I live in a different Island. We did have a time of restraint, but last year our staff got a 4 per cent pay rise.

**3.7.9 Deputy G.P. Southern:**

A final supplementary. If we can turn to the issue raised by Deputy Mézec before, does he not accept that there has been an increase in the inequality exhibited by our economy, in that the number of millionaires in the Island has risen by a factor of 4 over this time period?

**Senator A.K.F. Green:**

No, I do not accept that is a sign of inequality.

**3.8 Deputy M.R. Higgins of the Minister for Treasury and Resources regarding levels of tax revenue lost to the Treasury since Zero-Ten was introduced:**

Will the Minister advise Members how much tax revenue has been lost to the Treasury overall, and on an annual basis, since Zero/Ten was introduced, breaking it down into its component parts, and, in particular, how much was lost from the finance sector by reducing the tax from 20 per cent to 10 per cent, and how much from reducing other company taxes to zero?

[15:30]

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

I answered a very similar question from the Deputy on 28th April of this year. As I said at the time, it is very misleading to present the adoption of Zero/Ten simplistically as solely a reduction in corporate tax revenues. The fact is that a fiscal strategy was developed at the time which included broadening our tax base and, as a result, our overall tax revenues have continued to rise. Furthermore, if we had not adopted Zero/Ten as a competitive and internationally acceptable regime, the outlook for our financial services sector and economy as a whole would have been bleak, as was made clear by, among others, Oxera. The tax collected from financial services companies in 2008 at the 20 per cent rate was £116 million and for the year of assessment 2013 at the 10 per cent rate the figure was around £63 million. The best estimate, based on 2008 data of tax lost from 0 per cent non-locally owned trading companies, is £7.6 million.

**3.8.1 Deputy M.R. Higgins:**

Supplementary. Yes, the reason I asked this question was because I heard the Minister on Radio Jersey and he was asked a question specifically: "How much tax had been lost from companies because of the introduction of Zero/Ten?" The Minister mentioned £7 million or just over £7 million. I assume he is referring to the ordinary companies, non-financial services, but we can also see that not only did we lose £7.6 million from that sector, we have also lost, was it about £42 million, from the banks. So, in other words, by bringing Zero/Ten as a policy it has caused tax

revenue to fall quite substantially and although the Government brought in G.S.T. (Goods and Services Tax) to try and counter it, we are still faced with the situation that going forward we have a black hole and it is largely as a result of this Zero/Ten policy. What is the Minister going to do to try and restore a growth in tax revenue from companies?

**Senator A.J.H. Maclean:**

As I pointed out in my opening comment, we have seen our tax revenues grow over the period. If I can emphasise the point, in 2008 there was a total of £512 million in revenues of corporate and personal tax. In 2013 the corporate/personal and - as the Deputy quite rightly pointed out - G.S.T. total was £517 million, that is excluding other tax receipts. So we are seeing a growth in our tax revenues. The disreputable issues are clear for Members to see and for members of the public to be clear about. We were absolutely clear at the time with the fiscal strategy that was developed to broaden our tax base and, as a result, that strategy is to ensure that we have seen growing revenues over the period, despite the fact that there has been a recession, despite the fact that there has been low interest rates as part of that, which has impacted on the banking sector, one of our biggest contributors, and despite the fact there have been increasing international regulations and other costs which have impaired the growth of profit and, therefore, tax revenues.

**3.8.2 Deputy M.J. Higgins:**

Supplementary. Would the Minister tell Members then the percentage of tax that is paid by individuals and the percentage of tax that is being paid by companies at the present time, on the last figures that we have? Because what has happened, over that period, is the burden has been placed on the individual. This is the reason why ordinary members of this Island are feeling - or in fact are -19 per cent worse off than they were, largely because of the change in the tax system, so the burden is falling on individuals rather than companies. Is that not correct? Will you provide a figure?

**Senator A.J.H. Maclean:**

That is not entirely correct. The Deputy is right in part and the broadening of the tax base had exactly that effect, 20 means 20. G.S.T. did exactly that in many respects but, do not forget - and I am sure the Deputy will not either - that what we have seen is that companies themselves, the zero-rated companies, are not paying tax but, nevertheless, the employees are and the shareholders, who are Jersey resident, are also paying tax in the Island, so it is just a distributional change in many respects, although I do accept the point, which is why I mentioned the figure earlier, there are non-local trading companies which we have seen a loss in terms of the region of about £7.6 million, although that is based on 2008 data.

**3.8.3 Deputy G.P. Southern:**

Does the Minister have any figures to state how many companies are foreign-owned, non-finance companies, and therefore pay no tax at all in the Island, despite doing business here?

**Senator A.J.H. Maclean:**

Not to hand.

**3.8.4 Deputy G.P. Southern:**

Will the Minister for Treasury and Resources ensure that he does discover what that number is and the proportion of companies in the Island which are paying no tax? Will he bring that figure back to the Assembly?

**Senator A.J.H. Maclean:**

I see no reason not to supply that to the Deputy.

### **3.8.5 Deputy S.Y. Mézec:**

Does the Minister accept that it was the poorly handled transition to Zero/Ten which has eventually led to the situation now where we are facing a £145 million black hole on the way?

**Senator A.J.H. Maclean:**

No.

### **3.8.6 Deputy S.Y. Mézec:**

In which case could he point out where the incompetence did really lie?

**Senator A.J.H. Maclean:**

If the Deputy is asking specific issues around forecasting and, in particular, forecasting of income, forecasts are exactly that. There will be variances in forecasts. We have seen it in the past; we will certainly see it in the future. What we have to do, is ensure that we have necessary contingencies in place to manage such variations and, particularly, in such incredible circumstances as we have seen over recent years. That may not necessarily be the case in the future, but we have ensured with the introduction of the new Income Forecasting Group that we are taking a very prudent and conservative position with regard to forecasting for the current Medium Term Financial Plan and I expect that into the future.

### **3.8.7 Deputy D. Johnson of St. Mary:**

My understanding is that Guernsey is contemplating introducing a tax on trading companies owned by non-residents where their profits exceed £500,000. Is that something the Minister will consider here?

**Senator A.J.H. Maclean:**

I did not get the start of the Deputy's question but I think he was referring to Guernsey?

**The Deputy of St. Mary:**

I refer to Guernsey, yes.

**Senator A.J.H. Maclean:**

Also the Isle of Man?

**The Deputy of St. Mary:**

Well I mentioned only Guernsey.

**Senator A.J.H. Maclean:**

All right. Yes, indeed. In fact, the Isle of Man have introduced what has been dubbed "The Tesco Tax" for large retail entities, and they introduced that a year or 2 ago. Guernsey have announced in their budget proposals to do exactly as the Deputy suggested. It is certainly a matter that will be considered, but at the moment we are not in the position where we have enough data to be able to support that. We have got a far broader application of the tax under Zero/Ten than Guernsey currently has, although I accept the attractions, to a certain extent, for a retail tax of that size. We must bear in mind that we have to be compliant with the Code Group and until we have the data to be able to support that, we would not be able to bring such a move forward. I would also point out that the expected revenue, as I understand it, in Guernsey from such a move is around £1.5 to £2 million. It may be slightly more here, of course, but that is the type of revenue we are talking about, so there is not a massive collection but certainly an area that needs to be looked at further.

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

Is the Minister aware that the Organisation of Economic Co-operation and Development, the O.E.C.D., is today publishing proposals that companies should pay tax where their revenue is earned and does the Minister support this principle?

**Senator A.J.H. Maclean:**

That is a much wider question that, obviously, would need some further consideration. I think we will give that thought in due course when we have had an opportunity to look at the detail.

**The Bailiff:**

We come to question 10, which the Deputy of Grouville will ask of the Minister for Economic Development. Sorry, I beg your pardon, I have missed number 9. Deputy Tadier will ask of the Deputy Chief Minister.

### **3.9 Deputy M. Tadier of the Chief Minister regarding the commemoration of ‘Reform Day’ to mark the anniversary of the events in Jersey of 28th September 1769:**

Just when I thought we had forgotten about the events of 1769. Further to the decision of the States on 19th November 2012 that the 28th September should be recognised annually by the States of Jersey as “Reform Day” to mark the anniversary of the events in Jersey of 28th September 1769, can the Chief Minister explain whether the day was marked by the States this year and what plans there are in the future to mark this anniversary?

**Senator A.K.F. Green (Deputy Chief Minister - rapporteur):**

As with all good questions, the Deputy knows the answer to this. The States Assembly agreed in November 2012 that 28th September should be recognised as “Reform Day” to mark events that took place in 1769. The Assembly voted against 4 of the accompanying paragraphs of the proposition, while a further paragraph was withdrawn. This means that the Assembly agreed to recognise the occasion, without agreeing any proposals as to how this should be achieved. I am not aware of any formal events that took place this year or any future plans to mark the anniversary, but it is open to Members to suggest, or for anyone in our community to suggest, how that day might be celebrated in the future.

#### **3.9.1 Deputy M. Tadier:**

It sounds remarkably like the M.T.F.P. (Medium Term Financial Plan) that we are about to vote on. We are going to vote on something we have absolutely no idea how we are going to deliver on it with all the monies being made available. But perhaps that is an argument for later on. The point remains that the States are very good at making in principle decisions and it was a close fought vote. I think it was 21 to 19 from memory; the Deputy at the time was not there, which is probably a good thing, he can remain neutral now. But the point is, it was recognised as being an important day in Jersey’s history. We are going to have a significant anniversary coming up in 2019, which gives us sufficient time to prepare. Does the Deputy Chief Minister acknowledge that it is an important day, it was recognised by the States and there should be something, even if it is done at no cost, where the day could be remembered, either by one of those in power, be it in the Chief Minister’s Department or, in the alternative, the Head of the Assembly?

**Senator A.K.F. Green:**

I think we have, but while we agreed - and I was fortunate that day, I was having a hernia operation, so I did not have to go through that debate [**Laughter**] - that we should mark it, they did not agree any budget or any allocation of any resources to do it. That is the difficulty. If the Deputy has an idea on how we might do this, I would be happy to listen to it.

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

Can I ask the Assistant Minister whether he feels that it is right that we should acknowledge a major date on the step towards democracy in this Island and that not to do so would be almost to say that democracy is not important?

### **Senator A.K.F. Green:**

It is open for Members to bring ideas forward, but at this time I would not be, myself, supporting the expenditure on things that are not absolutely essential.

### **3.9.3 Deputy M. Tadier:**

I do not know who is talking about expenditure. It does not take money, for example, for the Chief Minister to say: "By the way, today is Reform Day"; perhaps it is the name he does not like. Incidentally, this was established a long time before the party of Reform or even the economic reforms that the Council of Ministers are putting through. It is a generic word which gets used. The point is it really is incumbent on the Chief Minister, I would have thought, as the leader of this Assembly and certainly the leader of the Government, to do something that was asked of him when he himself was in the Assembly. So I would simply ask if the Deputy Chief Minister would take the message back that a decision has been made. It does not need to cost anything, it simply needs a bit of goodwill, and there should be joined-up working with other Ministers, in particular the Minister for Education, so that this important event can be taught in our schools and it can be referred to perhaps with a press release, which does not really cost anything. If it really comes to that, I would be happy to draft the press release and send it on behalf of the Chief Minister if the Comms Unit is that overstretched.

### **Senator A.K.F. Green:**

I will take on board the comments that the Deputy has made and I will discuss it with the Chief Minister.

### **3.10 The Deputy of Grouville of the Minister for Economic Development regarding the restoration of Jersey's historical fishing rights in Channel Islands waters:**

Following my email exchange with the Minister for Planning and Environment at the beginning of August when the U.K. suspended their F.M.A. (Fisheries Management Agreement) with Guernsey, could the Minister inform the Assembly what action was taken at that time to negotiate a joint Channel Islands F.M.A. with the U.K. and, more importantly, what progress has been made to restore our historical fishing rights in Channel Islands waters?

### **Senator L.J. Farnham (The Minister for Economic Development):**

Can I thank the Deputy for the question and her continued support for our local fishermen and their industry. At this time there are no discussions under way, although I can report that officers of our department happened to be meeting at the Department for the Environment, Food and Rural Affairs, known as Defra, on the very day that they issued the action against Guernsey. Our officers made it very clear to the U.K. authorities at that stage that we would be very prepared and, in fact, keen, to negotiate with them a joint agreement. I have to report that, however, firstly the U.K. very much see this as a matter for Jersey and Guernsey, as we both have separate fisheries management agreements, and did not indicate that they had an appetite to get involved at this stage.

[15:45]

Now, as the Deputy knows from her previous role as Assistant Minister for Economic Development, where she immersed herself in this issue and she did have talks with my counterpart in Guernsey, the Minister for Commerce. I happened to speak to him about this very matter last week and she will know that there is not an appetite, really, in Guernsey for working together on this at this stage. However, I can assure the Assembly that we remain absolutely committed to working with all of our neighbouring jurisdictions to ensure the best possible arrangements for our fishing industry and the sustainable use of our valuable resources.

### **3.10.1 The Deputy of Grouville:**

Even if the U.K. are not trying to shirk their responsibilities by trying to wash their hands of the situation, that is also of their making, because they were instrumental in the F.M.A. with Guernsey and they, with Guernsey, did not acknowledge Jersey's historical fishing rights. So what I would like to know is, what is the Jersey Government doing about it? I quite agree the Minister in Guernsey has no appetite, however, this has got to be taken up with the U.K., with Defra, and if the Fisheries Department, External Relations, Chief Minister's Department cannot call on their Entente Cordiale with Guernsey then, surely, it is time to bypass Defra and Guernsey and start drawing on our constitutional ties and Ministry of Justice. Our Jersey fishermen are in the courts in Guernsey on a regular basis, costing them a personal fortune, and I would like some action taken on this.

### **Senator L.J. Farnham:**

I can report, the Deputy will know, that some of our fishermen still have licences to enjoy the historical fishing rights, but a matter of concern is as these licences expire they will not be renewed. Members may also be aware that we have a very different type of fishery to Guernsey. 80 per cent of our fishery is shellfish, where Guernsey fish in much deeper waters. One of the disagreements we have is in relation to quotas. We abide by the quotas, Guernsey do not, which is why the action was taken against them by the U.K. So we are quite a distance apart from being able to agree anything with Guernsey. Why would Guernsey agree it with us? Politically, it is certainly not a vote winner for Guernsey politicians, to give up what they see to be more fruitful or bountiful fishing waters, or to share them with their Jersey counterparts. Now, as I have said previously, currently Defra have no appetite to intervene in what they see as a matter between Jersey and Guernsey, but I certainly will - because I think this is very important and I agree with the Deputy of Grouville - and we must continue to try and find some sort of compromise, so our fisherman can continue to enjoy and have their licences extended to share Guernsey waters.

### **3.10.2 The Deputy of Grouville:**

I am glad the Minister brought up quotas, because I believe that Jersey has recently renegotiated its own F.M.A. with the U.K. going down the quota route, notwithstanding the fact that we are not in the E.U. (European Union), so why are we going down the quota route when smaller jurisdictions, like Guernsey, the Isle of Man, Orkneys are going on a point system? Can he explain that, please?

### **Senator L.J. Farnham:**

That is not my understanding of the situation. Our F.M.A. was negotiated in 1996 and is in the process of being updated at present. In these matters we have to behave as an E.U. state would behave. We have to abide by the quotas that are set by Europe for these waters, and we are doing that. Guernsey are not, which is why they are facing sanctions. The first sanctions were to prohibit some of their fleet from entering U.K. waters, and I believe if Guernsey do not come into line with the quotas, then the sanctions will get harder and harder for them. But I understand where the Deputy is coming from and I undertake to work with officers and the Minister for the Environment, because if the States approve the transfer of functions later this month then the matter will rest with

him and his department, but he can be assured of our support at E.D.D. (Economic Development Department).

**3.11 Deputy G.P. Southern of the Minister for Social Security regarding the impact of the removal of £40 per week from the lone parent component of Income Support:**

What evidence does the Minister have that the proposal to remove £40 per week from the lone parent component of income support will not increase the numbers of children in relative low income, and, if none, why?

**Deputy S.J. Pinel (The Minister for Social Security):**

The proposal to phase out the single parent component of income support is just one of a wide-range of measures that form part of the Medium Term Financial Plan. This plan focuses on achieving the 5 strategic priorities agreed by the States. Holding the overall budget steady for the next 4 years will allow investment to be made in these strategic priorities, including Education investing in a pupil premium and Health and Social Services providing extra support for vulnerable families and services for children. It is the overall impact of the M.T.F.P. on all households, including households with relatively low incomes, that we need to consider, not just the impact of one proposal in isolation. The income support benefit is made up of a number of components to cover a range of basic household needs. Families receive support for their rental costs, their general household costs, their childcare costs and their living costs through a component for each child and each adult in the household. However, under the current system, a single parent is also given an additional component which is not associated with any specific household need. Removing this will mean that single parents will be treated in line with other families with children who claim income support.

**3.11.1 Deputy G.P. Southern:**

At a Scrutiny hearing on 3rd September, the Minister said the following statement: “Every single change we have made has been done on the most enormous amount of research and calculations. We do not pull things out of the air.” Does the Minister stand by that statement?

**Deputy S.J. Pinel:**

Yes, I do, and for every proposal that we have made in the Medium Term Financial Plan there has been an enormous amount of research and calculations, as the Deputy has just quoted. We also listen to a huge amount of national and international research, and there is plenty of evidence that children do better while their parents are working. Children growing up in workless households, it is bad for the children and bad for the parents. The department continues to support low income parents into employment through its Back to Work programme.

**3.11.2 Deputy G.P. Southern:**

The fact is that something like half of our single parents do go out to work and their children do obviously thrive, but can I follow up? When talking to your Policy and Strategy Director we said: “Can you bring us the research that you have on this particular action?” and the Policy and Strategy Director said: “There is none, we have not done any field work.” I said: “When the Minister says, ‘We have done the research’ are you saying we have not done the research?” The answer to that was: “yes”. Does the Minister still insist that research has been done and evidence has been found that there will be no harmful effects from this decision to withdraw the additional £40 for single parents?

**Deputy S.J. Pinel:**



I can only repeat what I said before. We have done a huge amount of research and calculation in a whole programme of proposals, not any particular one in isolation, because it comes as a package. Interested groups were consulted, but we could not do a whole Island consultation and we are waiting for the Household Income Distribution Survey, which is only done once every 5 years because of the enormous amount of work that it takes. That is due out later this year.

**3.11.3 Deputy M. Tadier:**

The Minister will appreciate, perhaps, where we are coming from insofar as if we are to suggest, for example, changing the tax rate from 20 to 25 per cent, if we are suggesting maybe taxing what used to be 1(1)(k)s the same rate of tax as everybody, if we suggest putting the social security cap, lifting it for those most wealthy owners, the Council of Ministers would say: "Oh, but we do not know what the consequences are going to be of that; therefore, we cannot do it because we presume that these people will leave or it is going to cause an Armageddon of some kind of economic state in Jersey". But when we simply state that the consequences of the cuts and austerity that the Minister is putting through are going to cause hardship for families, we are told not only do we not need to worry about it because somehow it will all be okay, but we find out that the true impact on those individuals has not been assessed at all, it is purely ideological. So does the Minister think that there needs to be more research about how it will affect people on the ground because there will be consequences which will be negative on those individuals, be that intended or unintended?

**Deputy S.J. Pinel:**

Undoubtedly there will be consequences and in the case of removal of benefits, a lot of them will be negative. But we are not in this alone. This is a global situation that we are in and cutbacks have to be made. The Council of Ministers have come up with a very comprehensive plan to do so, specifically social security, with the savings in benefits in keeping certainly a lot of the components on a flat level. So avoiding cuts, just not increasing, that way we hope that the impact on people would be less severe than if we had introduced cuts. So in answer to the question, yes, there will be negative effects.

**Deputy M. Tadier:**

Can I just thank the Minister for that honest answer, that she acknowledges there will negative impacts on these families?

**3.11.4 Deputy G.P. Southern:**

It is a sad day, as far as I am concerned, because I cannot believe what the Minister has just said. Will the Minister come to the Assembly tomorrow, prepared with the evidence of research she has performed, or her department has performed, and evidence of the consultation she says has taken place so that we can believe when she says this has been thoroughly researched, all the initiatives have been thoroughly researched and consulted on, and we can see the list of those consultees and what the result of that consultation was, and what the result of the request for evidence was that we can safely vote tomorrow for the £10 million, eventually, of cuts to benefits. That we can do so in the safe knowledge that these have been thoroughly researched?

**Deputy S.J. Pinel:**

No, because there is no such evidence. The evidence is calculated by the staff at Social Security who are all very trained in calculating this evidence. That is together with calculations made by the computer as how we arrived at this particular component. Other research has been done into the other components but it has been extraordinarily thorough within the department.

**3.11.5 Deputy G.P. Southern:**

Is it not the case that the calculations have been performed, but no research has been done?

**The Bailiff:**

Final supplementary is actually final supplementary, Deputy.

**3.12 Deputy M.R. Higgins of the Minister for Treasury and Resources regarding the expenditure on the new police station:**

Will the Minister give Members an update on the expenditure on the new police station and whether it is within budget?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

I will ask my Assistant Minister, who has responsibility for this area, to answer this question, thank you.

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

As previously reported to the Assembly, the approved budget for the new police headquarters and extension to Green Street Car Park is some £24.371 million. Based on the most recent financial report from the project quantity surveyor, the overrun costs of the project are fully expected to be contained within the budget available. The expenditure to the end of September was £7.384 million. The construction phase of the project is still progressing well. At the current time, the project is on budget and is expected to be completed, as planned, by the end of December 2016.

**The Bailiff:**

Assistant Minister, I am very sorry, did I mishear you? I thought you said the budget was 3-point-something million and the spending was 7-point million. Could you just repeat the figures please?

**Deputy E.J. Noel:**

No, Sir, the budget is £24.371 million and the total spend to date is £7.384 million.

**3.12.1 Deputy M.R. Higgins:**

Can the Assistant Minister advise Members whether there had been any changes to the original specification of the new police station which were not budgeted for and, if so, where the money is coming from for those changes?

**Deputy E.J. Noel:**

The budget for the construction of the new police headquarters has not changed since the appointment of a contractor back in September 2014.

[16:00]

**The Bailiff:**

We come to question 13, which Deputy Tadier will ask of the Deputy Chief Minister. He is not here.

**3.13 Deputy S.Y. Mézec of the Minister for Social Security regarding raising Jersey's minimum wage to ensure parity with the U.K:**

Given that from 1st April 2016 the minimum wage in Jersey will be lower than the U.K.'s statutory "National Living Wage", what consideration, if any, has been given to raising Jersey's minimum wage to ensure that we do not fall behind the U.K.?

**The Bailiff:**

I am sorry, Deputy, we seem to be in a hurry. Can I invite those Members who are listening to these questions and answers in the adjoining rooms to return? Just in time.

**Deputy M. Tadier:**

May I apologise to Members, I was so parched from my earlier verbosity that I forgot. I was just coming up.

**The Bailiff:**

We have actually moved on from your question.

**Deputy M. Tadier:**

Can I just apologise, Sir, and I will leave it to the Assembly whether they want to take the question at the end.

**The Bailiff:**

Thank you. Deputy Mézec, would you start again?

**Deputy S.Y. Mézec:**

Given that from 1st April 2016 the minimum wage in Jersey will be lower than the U.K.'s statutory "National Living Wage", what consideration, if any, has been given to raising Jersey's minimum wage to ensure that we do not fall behind the U.K.?

**Deputy S.J. Pinel (The Minister for Social Security):**

The Employment Forum's last minimum wage recommendation was presented to the States last week. As the report explains, the Forum consulted through a survey that was released in May. The U.K. made its announcement in July. This was only 2 weeks before the end of the Forum's public consultation period and so the survey could not seek comments on the U.K. proposal to introduce a premium minimum wage rate for workers aged over 25. The U.K. proposal does not apply to younger workers. The Forum has recommended a minimum wage of £6.97 for all employees in Jersey from age 16 upwards. This 2.8 per cent increase is 1 per cent higher than the latest average earnings increase and is 1.9 per cent higher than the increase in prices. £6.97 is the equivalent to 41 per cent of average earnings, which shows a commitment to move towards the States' 45 per cent target. The Low Pay Commission is currently taking evidence on the potential impact of the minimum wage for over 25s and will report to the U.K. Government in February 2016. The Forum will start work on its minimum wage review in April 2016 and so this will be a good time for us to reflect on the U.K. Position.

**3.13 Deputy S.Y. Mézec:**

Would the Minister be satisfied with a position where Jersey workers on minimum wage, the lowest paid workers in our economy, are earning less than what their counterparts in the U.K. are earning given that the cost of living is high here? Would she consider that to be a satisfactory situation? Or would she like to see a situation where we, if not exceed the U.K.'s national living wage, at least match it?

**Deputy S.J. Pinel:**

I think I have said before in answer to questions that I would very much like to see the minimum wage increased and it has been, this time, by a considerably larger per cent than last time. It was 2.3 per cent last year, it is 2.8 per cent this time. What has to be recognised is our recommended rate of £6.97 for all employees over 16 is only 3.3 per cent lower than the U.K.'s proposed £7.20 rate. That is for employees over the age of 25. In Jersey, it is for everybody over age 16.

**3.13.1 Deputy G.P. Southern:**

Does the Minister accept that the cost of living in the U.K. and compared with the cost of living in Jersey, the cost of living in Jersey is something like 20 per cent higher than the majority of areas in the U.K., if one includes the cost of housing?

**Deputy S.J. Pinel:**

When the Forum are assessing any increase, or not, of the minimum wage, the cost of living is taken into account, along with the effect on businesses in establishing what is a feasible rate for the likes of hospitality and agriculture to accept for their employees, and a cost of living is taken into account.

**3.13.2 Deputy G.P. Southern:**

Does the Minister accept, equally, that there is risk that, for example, agricultural workers will no longer come to Jersey when they see that the minimum wage, which most of them are on, is lower than that which they could obtain in the U.K.?

**Deputy S.J. Pinel:**

I do not see any reason why agricultural workers will stop coming to Jersey, because the offsets, which are included in the minimum wage for agriculture and hospitality workers, are far superior to anything that they can get in the U.K. They also like - we have done the research on this - being in one place, whereas in the U.K. they tend to move from one farm to another to another to another and they much prefer being in Jersey.

**3.13.3 Deputy A.D. Lewis:**

The Minister will know this, I think: the U.K.'s target for minimum earnings is 60 per cent of median earnings within the next 5 years of the life of this Government or their Government, yet her target is 45 per cent within the next 11 years. Does she feel this is ambitious enough?

**Deputy S.J. Pinel:**

This was a target that was agreed by the States.

**The Bailiff:**

Final supplementary.

**Deputy S.Y. Mézec:**

No, Sir, I think I have everything that needs to be asked has been asked.

**3.14 Senator Z.A. Cameron of the Minister for Treasury and Resources regarding the diversification of the Fiscal Policy Panel:**

Given that a large proportion of Jersey's budget is spent on health, social support and education, what consideration, if any, has been given to employing a more diverse Fiscal Policy Panel in order to broaden the panel's ability to report on whether the States are spending wisely?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

It is not the role of the Fiscal Policy Panel to report on whether the States are spending wisely. The responsibilities of the panel are clearly stated in the Public Finances Law and relate to financial and economic advice. The expertise required to meet the panel's remit is the domain of professional economists and I am very pleased to say that we have 4 very highly regarded and vastly experienced economists who, between them, have served on the Bank of England Monetary Policy

Committee, held senior economist posts at the European Commission, and led a number of independent government reviews for the U.K. Government.

**3.14.1 Senator Z.A. Cameron:**

Does it concern the Minister for Treasury and Resources that the only thing the Fiscal Policy Panel could say with any certainty was that they were unable to predict the future of the economy in such uncertain times? A lot is known, however, about what sustainable health services could look like in the future and would he not agree that someone able to comment on our future health spending and its impact on the economy could be beneficial?

**Senator A.J.H. Maclean:**

I would agree with the Senator with respect that giving advice on how to appropriately spend the department's budget, in particular Health, where there is significant expenditure, is absolutely right. I believe that the Health Department do have that expertise available in order to ensure that they apportion their budget appropriately and indeed, if they need external advice they ensure that they obtain that advice, and that is exactly as it should be.

**3.14.2 Connétable C.H. Taylor of St. John:**

Does the Minister not agree that as an Island we are very lucky to have a significant number - a very large number - of highly qualified bankers, accountants, fund managers and professional people of that ilk? Could we not draw on some of their expertise as well on the panel?

**Senator A.J.H. Maclean:**

It is always possible that locally-based individuals with the right levels of expertise could indeed apply for a role on the panel when any of those posts become available. It is an open process. But I think Jersey can be extremely thankful that we have the high level of expertise that we currently do on the Fiscal Policy Panel. The C.V.s (curriculum vitae) of the individuals involved currently are of an incredibly high standard for a jurisdiction of this size to be able to tap into that level of expertise. It is remarkable and extremely valuable.

**3.14.3 Deputy G.P. Southern:**

The Minister has suggested that the brief of the Fiscal Policy Panel is wider than straightforward taxation. It is about economic advice as well. Does he accept that economic advice should be sought as to how you grow an economy through cuts and how you best revive an economy by putting resource into the bottom end of society, rather than the top, and that trickle-down economics does not work?

**Senator A.J.H. Maclean:**

Is the Deputy suggesting we have trickle-down economics? Surely I do not think that is the case. We have a very successful economy. We have a very broad-based economy. There is a heavy definition and involvement with financial services - 44 per cent of G.V.A. - but Members will be aware that that industry itself is fairly diversified in terms of geographical location and product and continues to be so, and that is exactly as it should be. We have also had a significant amount of investment put into developing areas like the digital economy, which again is beginning to show encouraging signs that it can add significant value, both in terms of jobs and additional revenue more broadly in the economy.

**The Bailiff:**

The question is about the composition of the Fiscal Policy Panel and I am not going to permit supplementary questions on the economy generally. Are there any more supplementary questions?

#### **3.14.4 Senator Z.A. Cameron:**

When it comes to healthcare economics, there is considerable conflict of interest between the profits that corporations can make from health care versus the service that people can receive. Perhaps it would be better, in future, if we had some more clinical input rather than just from economists in this sphere; would the Minister for Treasury and Resources agree?

#### **Senator A.J.H. Maclean:**

As I pointed out earlier on, I am clear that the Health Department ensure that they get the necessary advice with regard to the apportionment of their budget, and I am sure that clinical advice is given, and is of very high quality, and that is absolutely as it should be. I do not know if I can add much more to that.

#### **3.15 Deputy J.A. Martin of the Minister for Health and Social Services regarding discussions relating to the consideration of People's Park as a possible location for the new hospital with the Connétable of St. Helier::**

Can the Minister explain why People's Park came to be under consideration as a possible location for the new hospital and state how many meetings have been held with the Connétable of St Helier to discuss this possible site?

#### **Senator A.K.F. Green (The Minister for Health and Social Services):**

I do not think I can add much to the previous answer, but to answer the Deputy's question: the People's Park has been considered in the past for underground parking as part of other potential hospital sites but not for the whole hospital. The Island Plan requires that hospital sites and other sites in the built-up area should be fully assessed before development elsewhere is considered. This work has been done and so the People's Park is now being considered as a possible single hospital site. Following the confirmation of the possible suitability of the People's Park for a further assessment by the Ministers of the Ministerial Oversight Group on 2nd September, then an informal meeting was organised with the Chief Minister and myself to meet, in confidence, with the Constable of St. Helier, and this took place on 24th September. I should emphasise, as I did before, this discussion was not part of any formal negotiation which, of course, would be, if required, subject to the usual requirements of *Financial Directions* and led by the Treasury and Resources Department.

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

The Minister, in the previous answer to the previous question, said this site was first put into consideration on 22nd July. Is the Minister saying they did not approach the Constable before this date and have proper discussions as this is in his Parish? It surely would not have happened in any other Parish, or is Howard Davis Park up for consideration as well and we do not know about it?

#### **Senator A.K.F. Green:**

That is certainly a site I had not considered. What I am saying is that it became very clear when we understood the size of the hospital and when we went back and looked at the 20-odd sites that we had reviewed, it became very clear that possibly - possibly - the People's Park might be a suitable site. It took 3 weeks to get a meeting together with myself, the Chief Minister and Constable.

[16:15]

I make no apologies for that. Our diaries are busy. We did try. We did have that meeting with the Constable. It was very informal. It was formal insomuch as it was a particular request, but no negotiations took place. It is just we were wishing to look at the People's Park as an option.

**3.15.2 Deputy J.A. Hilton:**

As a follow on from my previous aborted question: the Waterfront site for the location of the new hospital was ranked top of all the 3 sites examined. It seems to me the Council of Ministers are desperately scouting around for new sites because they do not want the taxpayer funded reclamation of the Waterfront to be used for the hospital, which will benefit all Islanders, but would rather explore the potential of green space land-grabbing from the residents of St. Helier. **[Approbation]** Does the Minister agree with me the Council of Ministers are displaying their usual preference of knowing the cost of everything but the value of nothing? Can the Minister please give an assurance that to minimise the distress to the public, particularly west of town residents, he will confirm publicly that the People's Park site is not being considered further, as soon as he reaches that inevitable conclusion?

**Senator A.K.F. Green:**

No, I do not agree with the Deputy and, no, I will not confirm that we will not consider this site further. If you wanted to prevent distress to Members, if it was looked at in the same way as all the other sites, confidentially with all the other landowners, no leaking, no massive headlines, if we wanted to delay distress or prevent distress it would have been better if we had done that exercise to see whether that site is suitable, or not, and then said: "We have looked at the Waterfront, we have looked at the People's Park, we have looked at Overdale, we have looked at the current site."

**3.15.3 Deputy G.P. Southern:**

Indeed, and the Minister is living up to his logo "To go Green" in 2014, 2015 and 2016, it seems to me, certainly, taking away Parish of St. Helier's green. But more seriously, can the Minister release any minutes that were made of the topics that were under discussion of that meeting albeit it was informal?

**Senator A.K.F. Green:**

No, but I do believe that some minutes have been released to one of the Scrutiny Panels, who have asked for some information. I cannot remember which one offhand.

**3.15.4 Deputy J.A. Martin:**

Can the Minister assure us that there is an end line in sight or are we going to get ... if this site is not okay, which I hope it is not, that they are going to go looking around for other sites? There must be an end site for the Ministerial Oversight Group. As he said, I was the Assistant Minister, I thought this was done and dusted in the last Assembly and now we are looking at impossible green lung in St. Helier. When is the end site? When is the closing date for looking for a site?

**Senator A.K.F. Green:**

When we have done the work. This is the biggest project that the States will ever undertake and we need to get it right. Had we gone down the route that the Deputy suggested, we had gone down with the 2-site, I can tell Members it would have cost considerably more than a new build. That is why I blocked that one. Then we go back to the drawing board and we are looking at the other sites and we will find a site suitable for the people of Jersey.

#### **4. Questions to Ministers without notice - The Minister for Transport and Technical Services**

##### **4.1 Deputy K.C. Lewis:**

Is the Minister aware that many departments at Transport and Technical Services have people shadowing the workforce from outside companies with a view to privatisation? Is he aware of the demoralising effect this is having on staff?

##### **Deputy E.J. Noel (The Minister for Transport and Technical Services):**

I have not been briefed at all about any external companies shadowing our T.T.S. workforce. We are undertaking some internal reviews across the whole of T.T.S. right from cleaning through to parks and gardens, through to those providing services within the liquid waste and the solid waste side of our organisation. This is part of the ongoing public reform. We are no different to any other department. We are looking at everything we do and how we do it to ensure that we can continue to do it more efficiently going forward and continue to provide the services to the public that they need.

##### **4.1.1 Deputy K.C. Lewis:**

Presumably, if T.T.S. workforce are extremely lucky, they may be able to reapply for their old jobs back at reduced rates. With regard to possible redundancies, will the Minister promise the Assembly that all departments under his control will be treated fairly and openly and consulted every step of the way?

##### **Deputy E.J. Noel:**

T.T.S. is no different to any other States department. We abide and operate within the rules of the States Employment Board and all our staff are treated in that way. The States Employment Board, certainly in the 3 years that I sat on it, wanted to be a valued employer. I do not believe that has changed under the current board. We work with the unions, with our staff, to ensure that the outcomes and the services that we deliver to the public are what they want, at a price we can afford.

##### **4.2 Deputy R. Labey:**

I just wanted to drill down on an answer the Minister gave a little earlier, and I am sure he did not mean to give the impression that the disabled taxi policy was being based on one single unfortunate lady's incident in St. Mary. She will have phoned private hire companies that have very few wheelchair enabled vehicles. The last 20 disabled cabs were given rank plates and she would not have their telephone numbers. Is the Minister not repeating that failed exercise? Should not the wheelchair cabs be private hire, best operated continuously under company-owned red plates, negating the need for 100 per cent wheelchair enabled vehicles?

##### **Deputy E.J. Noel:**

I agree with Deputy Labey from St. Helier No. 1 District. The current system is broken. It does not work for those with disabilities. It was not just one example. We have had several examples over the last 9 months brought to our attention. That is why, going forward, all taxis that access the rank will obviously be able to pick up from the rank, they will be able to be hailed, and they will be able to be booked. Currently, rank drivers can only do 20 per cent of their business as private hire business. Going forward they will be able to ... that cap is going to be released. What we are producing is an evolutionary pathway to provide a one type of taxi service for the Island.

##### **4.2.1 Deputy R. Labey:**

Can I just ask one supplementary? Are all drivers able to still consult with the Minister and the department on this or is it now set in stone?



**Deputy E.J. Noel:**

The consultation happened in 2012, in the form of the Green Paper, and following that with a White Paper that was published in January 2014. What I said, my door is open, has been open for the last 9 months, it continues to be open. I will speak to any member of the industry, or indeed any member of the public, for that matter, but we have laid out the plan for the next 3 and a quarter years and that is the plan that we intend to implement.

**4.3 Deputy G.P. Southern:**

Given the Council of Ministers' commitment to reduce, cease or outsource all or any public services as it sees fit, is it not the case that the Minister is preparing to outsource significant amounts of his particular public service with consequent redundancies, which will probably be compulsory?

**Deputy E.J. Noel:**

As all departments are currently doing, we are going through an exercise, as Deputy Southern has explained, of seeing should we be doing that service, how can we do it better, and the different ways of funding that and different ways of providing that. T.T.S. is no different. We are looking at across the board, as I have already mentioned. We are doing service reviews for every service that we provide. I believe 4 or 5 have already been done. I am waiting for those to be presented to me in the coming weeks, but that is an ongoing process. We will look at the whole range of services that we provide and T.T.S. covers the whole spectrum. It goes from A to Z. It goes from abattoirs to zebra crossings. We are looking at the whole sector of what we do, to make sure that we can carry on doing it, and provide the services to the public that they want and at a price that the public can afford.

**4.3.1 Deputy G.P. Southern:**

Will the Minister come clean and admit that what he is preparing for is mass outsourcing of services?

**Deputy E.J. Noel:**

No, I do not know what we are going to be recommending. The work needs to continue to be done. As I said, I believe it is 5 sectors that have been looked at, although I have not had the reports from those yet - I am due to get them next week and the week after - so we will be going forward but doing the same exercise, looking at what we do, how we can do it better, and I will get those reports in due course over the next 6 to 12 months.

**4.4 Connétable J. Gallichan of St. Mary:**

I know that the Minister is pursuing work on the road safety strategy. Can he advise please: how close are we now to a review of speed limits Island wide?

**Deputy E.J. Noel:**

That is something that came up at the workshop that I organised on 26th June with the 13 roads authorities and the 13 police authorities on our Island, being the States Police and the Honorary Police, and T.T.S. and the 12 Parishes. It was a very productive workshop. We covered the 3 core areas of road safety, the education, the environment, which is the infrastructure, and enforcement. The top 2 or 3 ideas from each section have been developed and, yes, as soon as we have the results in from the J.A.S.S. (Jersey Annual Social Survey), which is coming in November, we will be ... hopefully that will confirm our belief that an Island-wide speed limit should be introduced for all roads that currently do not have a white line down the middle of them. That is a suggestion that has come forward from that meeting whereby, if the road does not have a white line down the middle of it, it will be a 30 miles an hour speed limit at the maximum. Obviously, those lanes that are already

20, or already a green lane at 15, will still remain. But that overall idea is to stop this current situation where you can have a country lane that currently has a 40 mile an hour speed limit on it but it has effectively got the width of one car. That does not make sense.

#### **4.4.1 The Connétable of St. Mary:**

I understand what the Minister has just said but, case in point, the residents of Grève de Lecq are still concerned that they have a bay area with very heavy pedestrianised traffic. The road, I do believe, does have a white line along most of it and they are still concerned that they have a 40 mile an hour limit and other areas of the Island, with similar characteristics, have a 20. Does the Minister acknowledge that these discrepancies are difficult for drivers to come to terms with, proliferate signage, which is unnecessary, and are very unacceptable to the residents? Are we not going to look at an Island-wide review, taking into consideration where the existing speed limits are at as well?

#### **Deputy E.J. Noel:**

We have gone to particular areas such as Grève de Lecq. If the 2 Parishes involved there wish to effectively lobby their roads committees, and then lobby myself as Minister, I would be quite happy to listen to that and, if appropriate, bring in a lower speed limit than the current 40. The idea with having effectively a blanket Island-wide limit of 30 miles an hour on roads that have not got white lines down the middle will not preclude the roads that do have white lines down the middle from being reduced from 40 to 30, as many of them currently already are.

#### **4.5 Deputy M. Tadier:**

The mind boggles at how one might outsource or privatise zebra crossings. Maybe the idea is to get them sponsored by Investec. But on the subject of outsourcing, the Minister in Scrutiny, along with his chief officers, did say that if, and when, certain areas are outsourced, they would seek to make sure that the new company that was employed was ethical. What does he mean by that?

#### **Deputy E.J. Noel:**

Indeed, that is something that we have been discussing with Scrutiny. By “ethical” I mean that they are complying with the legislation. They are complying with the equivalent of Control of Undertakings Law, that they are using things, for example, like zero-hour contract in an appropriate way, that they are treating their employees as we would want to treat our own employees. It is about building up a relationship with potential suppliers to make sure that the services that we outsource to them, if we do outsource to them, are done in a way that we meet our own ethical guidelines. It is about being a good employer and treating your staff fairly.

#### **4.5.1 Deputy M. Tadier:**

The first 2 answers given by the Minister is we want them to comply with legislation but presumably that is a given. Everybody has to comply with legislation, otherwise you are breaking the law, so that is not really a particularly high bar for any particular outsourcer to comply with. Is it not the fact that the reality of it is that the workers will see lower wages. They will not expect the same terms and conditions from their employers and there will be a profit margin which will be going to the service provider, which will not be seeing its way down. We will see an erosion of terms and conditions, possibly longer hours for less money. Does he also acknowledge the fact that the Chief Minister, or certainly the Deputy, ... someone from the Chief Minister’s Department has already said that terms and conditions are “nothing to do with him”.

[16:30]

So what kind of cold comfort is that for the current employees of T.T.S.

**Deputy E.J. Noel:**

The example that I believe my chief officer gave in the last Scrutiny meeting was of Cyril Le Marquand House. We had that benchmark of what it cost us to clean that building and what it would cost for an outside contractor to clean that building. Forgive me, but from memory, I think the figure was some £160,000 for T.T.S. to clean that building and for a private contractor it was some £90,000. That was a difference of some £70,000 on one building alone, but the percentage difference is huge. That shocked us. We were expecting it to be much closer. If it was much closer, then there is obviously less ground to try and capture that saving, or less grounds for taking the decision to outsource a particular building or not. That type of difference, between the cost of the public sector and the cost of the private sector doing it, is too great. We need to look at that and we need to bring the differences down, and when it is at an acceptable level then the Deputy is right, then you would not outsource. But when we are faced with the evidence that you have a current service being done effectively in-house costing £160,000 and it could be outsourced for £90,000, that difference is too great and we need to narrow the gap, and it is not by bringing the private sector cost up.

**The Bailiff:**

Can I remind Members that questions and answers are supposed to be concise?

**4.6 Deputy G.J. Truscott of St. Brelade:**

Can the Minister explain why he is insisting that all public rank taxis must be wheelchair accessible and also explain why private hire companies are not required to follow suit?

**Deputy E.J. Noel:**

The aim of this is because the current system simply is not working for those with disabilities. It is quite evident that the industry are not going to change of their own free will to have greater significant numbers available to the public to meet the demands. But also it is true we do not have different types of buses. All our buses are wheelchair friendly, so why should not all our public service vehicles, which buses are, which taxis are, why should they not be all wheelchair friendly? In this modern day and age we should not be discriminating at all those in our community with disabilities. We should be allowing them to have freely available - not free in terms of cost - public transport and that is why we have gone down the route we have. It is not necessarily the case that all private companies will continue not to have wheelchair ... not have the requirement to have wheelchair-friendly vehicles. Certainly, those red-plate vehicles over a time will also have to be wheelchair friendly. What I cannot do is to take a current ranked taxi driver and say: "In 3 years' time if you have not changed your vehicle, I am putting you out of business", because that would be unfair. But what I can say is that there is an alternative market for you to ply your trade in and to earn a living, and that would be private hire.

**4.7 Deputy A.D. Lewis:**

The Minister will, no doubt, be aware of the gentle aroma that tends to drift over parts of my District, i.e. Bellozanne, coming from our sewage works. The residents have also had to put up in recent times with the rotting sea cabbage on the beach as well. Can the Minister give us any assurance that with the expected investment in Bellozanne and the new sewage works will eliminate the pong in Bellozanne, as residents would be delighted to hear that that might be the consequence of the forthcoming investment in that area of our infrastructure?

**The Bailiff:**

Extraordinarily good question, but time is now up for the Minister for Transport and Technical Services. I might just mention to Members before we start on the next question period that the

consequence of automatically giving a supplementary question is that inevitably numbers of Members will not be able to ask questions at the time for Questions to Ministers Without Notice and, for my part, I am not sure that that is the right approach at all. In this case, we had 3 Members, at least, who wanted to ask questions and have not been able to ask questions of the Minister.

**Deputy A.D. Lewis:**

Just a point of order: when we have very few questions with notice, is it not possible, perhaps through discussion with P.P.C. (Privileges and Procedures Committee), to extend the period of questioning for Ministers?

**The Bailiff:**

The question then is whether or not one needs to change the Standing Orders process. That has never been the approach adopted, as far as I am aware, in the past.

**5. Questions to Ministers without notice - The Chief Minister**

**5.1 Deputy K.C. Lewis:**

Further to news that the Chief Minister is to invite up to 30 Syrian refugees to live in Jersey, presumably with housing and social security, will the Deputy Chief Minister agree to take no steps towards this action until it has been fully debated by this Assembly?

**Senator A.K.F. Green (Deputy Chief Minister - rapporteur)**

I must correct the Deputy. The Chief Minister has not announced that we intend to take 30 refugees or 5 families. What he has announced is we are in discussions with the Home Office as to whether that might be possible, might be suitable. I do believe that the Chief Minister did intend, in the event that the Home Office said that it would be possible, to bring it to the Assembly.

**5.2 Deputy M. Tadier:**

Perhaps not surprising, I want to ask a question about disability. Will the Deputy Chief Minister update Members on the progress of the disability strategy and advise when it is likely to be published?

**Senator A.K.F. Green:**

When we were looking at question time, this was the one question I was really looking forward to and disappointed that we did not do it, so I am grateful that the Deputy brings it back. A number of focus groups have already taken place. A postal survey has been distributed to 10,000 Island households. It focuses on the prevalence of disability and long-term conditions. It asks about demographics and experience of people who are affected. The deadline for completion of the survey is later this month, towards the end of this month, and the findings of that survey will be available at the end of this year. The quantitative information from the survey will be supplemented with qualitative information from one-to-one and focus group meetings. The consultation on the draft strategy starting quarter 2 of next year and the agreed strategy should be ready for 2017.

**Deputy J.M. Maçon:**

Deputy Lewis got there before me.

**5.3 Deputy J.A. Hilton:**

In response to a written question I lodged this week about the remand of children and young people without charge for an unlimited time, the Chief Minister informs Members a new draft bail law will

be lodged during 2016. Does the Chief Minister agree with me the remand of young people for 21 weeks and 2 days, in a case that is currently happening, without charge is not acceptable and the new bail law should be expedited in order oversight can be provided by the Magistrate's Court that investigations are being carried out efficiently and effectively?

**Senator A.K.F. Green:**

That is not for me to make comment about current cases or investigations. The Chief Minister has given an undertaking that we are to look at the appropriateness of the old bail law and it is right that we do that. But I am not going to make any comment about a case that is currently under review.

**5.4 The Deputy of Grouville:**

How many times in the past year, or since this Government formed, has the S.E.B. (States Employment Board) met the unions, what form of meetings, what was it - was it a PowerPoint presentation, discussion - and were the unions asked how they can make efficiencies?

**Senator A.K.F. Green:**

I think there is a misunderstanding, and I will answer the question on how many times in a minute. But I do think it is an opportunity for me to put Members right as to the role of S.E.B. I think there is a misunderstanding that the States Employment Board is the negotiating body for terms and conditions, including wages. It is not. The States Employment Board is the group that sets the policy and the strategic direction. The officers, who are professionals in negotiation, then talk to the staff. We have met, from memory, because I did not prepare for this question, with all the unions twice recently. That took the part of a presentation by the union to us about a number of different things, but also their view of the economy. We are not a negotiating panel. We are a panel that set the policy. Yes, we listen to what people tell us, but then we get our officers, who are the professionals, to go out there and, if necessary, where appropriate, negotiate on our behalf.

**5.5 Deputy S.M. Wickenden of St. Helier:**

Upon reading today the answer to page 9 of the written questions on eGov by Deputy Mézec, I see that in the programme aims for eGovernment, a third party is to stimulate the local digital economy. Could the Deputy Chief Minister explain why, then, the tender document that has gone out for the eGovernment programme only gives 5 per cent of the points to using local skills, whereas they give 40 points to having a proven track record of running a design authority of which nobody in the Island has? Would he agree this is completely the wrong way round if you are to engage a local economy?

**Senator A.K.F. Green:**

I am aware that there is work going on around the digital economy and eGovernment, but I am not aware of what the Deputy has told me and the best I can give him is I will look at it and come back to him.

**5.6 Deputy S.Y. Mézec:**

Given how controversial many of the measures in the M.T.F.P. coming up have already proven to be, and sort of following on from the question asked by the Deputy of Grouville about engagement with the unions, could the Deputy Chief Minister reveal why neither he, nor any of his colleagues, saw fit to attend the demonstration on Saturday to hear, first-hand, what many of the people, who are at the forefront of the cuts that are coming forward to public services, have to say?

**Senator A.K.F. Green:**

I can only speak for myself. First of all, I was thinking today about the rally and I was thinking how lucky and how privileged we are that we live in a society where people can make their feelings

known, are able to parade without fear of consequences. I, and the Chief Minister, have met directly with the representatives and the full-time officials to hear their views. I doubt that there was anything new at the rally on Saturday. My officers have had something like, and I do have a list here, 200 meetings with the staff and inter-departmental meetings have also taken place with the staff, for example, in health ... safely reducing costs and how we might do things differently. So it is not true that we ignore the staff but the S.E.B.'s role is to set policy.

**The Connétable of St. Mary:**

My ring binder does not spend vast amounts of money, but apparently it does like to try to ask questions, so I apologise, Sir. It was my ring binder that pressed the button.

**5.7 Deputy M.R. Higgins:**

Following on from Deputy Kevin Lewis's question about the Chief Minister talking about bringing 30 individuals or families, whatever it is, into the Island, does the Deputy Chief Minister think it would have been better had the Chief Minister kept his thoughts to himself and sought the advice of the U.K. authorities before going public, because it is splashed all over the national newspapers in the U.K.? One paper I do not read normally, the *Daily Express*, is mentioning it and mentioning about the disquiet in both Islands. Would it not have been better to have got the information first, then spoken with the States, if it was sought, rather than going public?

**Senator A.K.F. Green:**

No, I do not think it would be. Some of the public were asking the Chief Minister what he was going to do about it and some of the public ... I think we may well be a divided society on this one, some of the public do not think we should be doing anything. Some think that we should be providing just money. Others think we should be providing shelter. This is all a matter of negotiation with the Home Office. I am not responsible for what articles appear in papers.

**5.8 Deputy G.P. Southern:**

Does the Deputy Chief Minister accept the reservations expressed in section 2.9 of the Fiscal Policy Annual Report, which suggests that some of the terms involved in the Medium Term Financial Plan are at risk of being unfeasible or unsustainable, especially where they say ... bearing in mind inflation, the plans proposed total expenditure in 2019 that is 9 per cent lower in real terms than in 2015. How can the Minister say this is not austerity written large when those reservations are expressed about the cut effectively to public spending?

[16:45]

**Senator A.K.F. Green:**

I have a different interpretation to the advice that the panel gave us. I think the panel said it was right to have a plan. I think the panel said that we need to treat that plan with caution. I think the panel said that we need to be prepared to be flexible depending on circumstances. One thing they did definitely say was that it was right to have a plan.

**5.8.1 Deputy G.P. Southern:**

They also go on, on the same page, to talk about: "There is clearly a risk that departments will not be able to develop achievable plans within the overall envelope set out in the draft M.T.F.P. for the years 2017 and beyond." Does the Deputy Chief Minister agree?

**Senator A.K.F. Green:**

What they said was: have a plan, be prepared to be flexible. The plan is not without risk. That is what they said.

### **5.9 Deputy K.C. Lewis:**

Just to balance my previous question, can I just say that I applaud the great work undertaken by the Overseas Aid Committee panel? It says in Jersey passports that they are not entitled to work in the European Union or claim benefit. Jersey is a small Island, 9 by 5, with well over 100,000 residents already and many people in fear of losing their jobs. Is the Deputy Chief Minister aware of how many residents are on the housing waiting list and will they be pushed yet further down that list?

### **Senator A.K.F. Green:**

The Deputy is trying to create something that does not yet exist. We have negotiations going on between Home Affairs, the Home Office and the Chief Minister's Department as to how we might help these refugees. These are genuine refugees. People fleeing for their lives. **[Approbation]** Whether they would then come into normal housing, I believe one or 2 already ... 1(1)(k) said if it was possible to bring people into Jersey we will house them. All of that is up for discussion, but I would not want to frighten the local people by telling them that they are going to be disadvantaged because we have a few homeless, hard-hit, refugees fleeing from war.

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

Following on from Deputy Southern's questions, I have just been glancing at the Public Accounts Committee public sector reform programme, talking about the plans that were made in the past in this particular area and saying that there is a lack of clarity regarding the vision key objectives and extent and duration of the programme, so there was a plan for this. But even this Public Accounts Committee are saying it was not clear, and again they are saying, for example, that the oversight body did not seem to be meeting and it needs to be done. Why should we take anything that the Council of Ministers is saying with regard to their future plans and how they are going to achieve it in the Medium Term Financial Plan when this report is already showing they have failed to do it in the past?

### **Senator A.K.F. Green:**

I think this might be a case of glass half full/glass half empty. I have only glanced at the report. I only got it today and the chairman will no doubt tell me if I am interpreting what he says wrongly. I think what he is saying is that we need to reform, but we need to do it more quickly and we need to have some - my words - smarter indicators of achievement. Good report, welcome the report and we will be working on it.

### **5.11 Deputy R. Labey:**

Is he aware that for a People's Park hospital plan to progress it would have to go before not just a Parish Assembly but a Parish referendum where it would take a lot of time and be on a hiding to nothing? I wonder if the Chief Minister would advise his Minister for Health to continue looking at States-owned land, not protected public open space.

### **Senator A.K.F. Green:**

I am not quite sure how to answer that. **[Laughter]** I could have a chat with myself tonight. But the fact is, all jokes aside, this is a really serious matter. This is a hospital for the people of Jersey. This has to be done properly. It is right to push at the boundaries. It is right to look at the options. If there was an easy solution, does the Deputy not think we would have found it by now?

### **Deputy R. Labey:**

Can I just say the way the Minister answers his questions is a lesson for all Ministers? He answers the question in a short and direct fashion. Congratulations.

### **The Bailiff:**

That brings Questions Without Notice to an end. There is nothing under J or K and in those circumstances we will be adjourning now.

**Senator P.F. Routier:**

I propose the adjournment, Sir.

**The Bailiff:**

And reconvening at 9.30 a.m. tomorrow morning for the Medium Term Financial Plan. Accordingly the States now stand adjourned until 9.30 a.m. tomorrow.

**ADJOURNMENT**

[16:50]