

STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 17th MAY 2011

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[9:30]

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

APPOINTMENT OF MINISTERS, COMMITTEES AND PANEL

1. Appointment of the Chairman and members of the Economic Affairs Scrutiny Panel

The Bailiff:

The Assembly need to consider the appointment of the Chairman of the Economic Affairs Scrutiny Panel. Are there any nominations?

1.1 Senator A. Breckon:

Could I propose the Deputy of Grouville as Chairman of the Economic Affairs Scrutiny Panel?

The Bailiff:

Is that nomination seconded? **[Seconded]** Are there any other nominations? Very well, then I declare the Deputy of Grouville appointed as Chairman of the panel. **[Approbation]**

1.1.1 Deputy C.F. Labey of Grouville:

Could I just thank my proposer and thank the other 2 members of the Scrutiny Panel, who are left, Deputies Wimberley and Maçon, for agreeing to continue to serve with me.

The Bailiff:

Deputy, you will, I think, need to nominate them because they have ceased to be members upon the chairman folding.

The Deputy of Grouville:

I am grateful for the fact that they have agreed to serve, so I hereby nominate them and I would welcome any interest from anyone else. In fact it has been quite disappointing the uptake that there has been with Scrutiny. People might believe that it does not work effectively but I really think this is the system of Government we have and while it is here we should be working within it. So, if anybody else is interested in serving with us, I would welcome any interest.

The Bailiff:

Sorry, your nominations were the Deputy of St. Mary and Deputy Maçon. Are those nominations seconded? **[Seconded]** Are there any other nominations? Very well, then I declare that those 2 Deputies are elected as members of the Scrutiny Panel.

Connétable J. Gallichan of St. Mary:

I wonder if I might take this opportunity, as you are aware Standing Order 122 under paragraph 9 means that I now need to liaise with the President of the Chairmen's Committee and find a replacement representative of that committee on the P.P.C. (Privileges and Procedures Committee). I would like to give notice to Members that I will be doing that today, and with your permission making a recommendation tomorrow. So just to put Members on notice that they are aware of that.

The Bailiff:

Thank you, Chairman.

QUESTIONS

2. Written Questions

2.1 DEPUTY A.E. JEUNE OF ST. BRELADE OF THE CHIEF MINISTER REGARDING THE STATES EMPLOYMENT BOARD AND THE POLICY RELATING TO VACANT POSTS:

Question

Would the Chief Minister, as Chairman of the States Employment Board advise Members whether States Employment practices ensure that where vacant posts and/or re-graded posts occur these are subject to ‘open competition’ internally (within the States) and externally, both within the Island and elsewhere, as appropriate? If so, would he please identify the policy and if not, explain why?

Answer

A fundamental principle of recruitment and selection within the States of Jersey is that all vacant appointments advertised either internally or externally (on-Island or off-Island) must be made on merit, on the basis of fair and open competition.

The Recruitment Code of Practice clearly states that “those appointed should have the necessary skills, attitude and competencies for the job”.

When considering appointments to public sector jobs, it is States’ policy that preference is always given to applicants who are “locally qualified” under the Regulation of Undertakings and Development Law. In circumstances where it is not possible to identify suitable, locally qualified candidates it may be necessary to advertise off-Island.

The recruitment and selection policy, and codes of practice, are published on the Human Resources section of the States’ Intranet site.

Exceptions to open recruitment may be allowed in certain circumstances such as secondment opportunities, restructuring or short-term appointments.

Vacant re-graded posts are subject to open competition and those already filled may be subject to open competition if substantial changes are made to the grade of the post. (A general guideline would be where the post has increased by two or more grades).

2.2 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR SOCIAL SECURITY REGARDING SENIOR CITIZENS’ LONG-TERM CARE:

Question

Would the Minister advise the total number of senior citizens in long-term care within the Island who have never paid Social Security contributions in Jersey in their own right nor had them paid for by their spouse?

Who pays for the upkeep of these residents once a person has been in the Island for over 5 years and would the Minister provide details as to which fund the money comes from?

Would he provide a breakdown of the nationalities of those residents in long term care?

What action is being taken, if any, to get these people repatriated or to get funding from their country of origin to upkeep people in long term care?

Do the above receive free medication if it is required and, if so, which fund does the money come from?

What is the total cost to the Island or Social Security to keep the above in care annually?

Answer

It should be noted that there is no connection between the Social Security contribution record of an individual and their eligibility to receive assistance with long-term care funding.

There is no central register of senior citizens in long-term care in Jersey. Individuals in long-term care may be funding the care themselves, or some or all of their care costs may be met by the Health and Social Services Department and/or the Social Security Department. Subject to data protection, the only way to obtain details of senior citizens in this position would be to collect information from individuals who are receiving care and, if necessary, cross-reference this against Social Security data.

In the time available it has been possible to examine Income Support and Old Age Pension records. The question refers to the payment of Social Security contributions. To receive an Old Age Pension, the individual (or their husband) will have paid at least 4½ years contributions. The individuals identified in this preliminary analysis do not receive an Old Age Pension but they may have paid some contributions, if so, it will be for less than this period.

From the preliminary analysis that has been undertaken a maximum of 43 individuals who are over the age of 65 and do not receive a Jersey Social Security pension have been identified and are receiving funding with long-term care costs.

Of these, 41 are recorded with a British nationality, one individual has EU nationality and one individual has a non-EU nationality. Jersey born individuals are of British nationality and are included within the 41 above.

As Long-Term Care is funded from tax revenues it would be more appropriate to assess the Income Tax history of these individuals. However, this cannot be done by Social Security; this information can only be obtained direct from the Income Tax Department.

As set out in the answer to question 5756, asked by the Deputy in November 2010, individuals who have been resident in Jersey for more than five years are eligible for Income Support if they are unable to meet the full cost of their care fees themselves. To receive assistance from Income Support, the individual must provide full financial details of their income and assets. If they have assets below £13,706, the Income Support system will meet the difference between their own income and the cost of the fees, allowing for a £31.36 weekly personal allowance. The cost of Income Support is met by general revenues, funded by the tax-payer, as opposed to the Social Security Fund, which is funded by contributions. Individuals who require nursing care and are placed in a nursing care bed by the Health and Social Services Department are not required to meet the full costs of their care but they are required to make a contribution of £456.40 per week. Again, if the individual has income/assets below a given level, the difference can be made up by Income Support. This system applies to all residents with five years' residence and is not dependent upon their Social Security contribution record.

When someone has been living in Jersey for more than five years, it would not normally be appropriate to seek to repatriate them to a separate jurisdiction where they had lived in the past. The repatriation of frail elderly people could create ethical and medical issues and would need to be considered extremely carefully. This is a matter for consideration by the Minister for Health and Social Services.

From the point of view of the funding provided by the Social Security Department, the Income Support Law is quite clear. If an individual does not satisfy the residency conditions for Income Support, they will not receive financial support from the Social Security Department. Once they do satisfy the residency conditions, they are entitled to apply for Income Support.

People who have lived in Jersey for at least six months and have paid any Social Security contributions due during that time are covered by the Health Insurance Fund. The Health Insurance Fund covers the costs of medicines prescribed by a General Practitioner and included on a list of approved medicines. The cost of medication provided directly by the General Hospital is met by the Health and Social Services Department.

The total annual Income Support cost for the individuals identified above is approximately £1,700,000 per year.

2.3 SENATOR B.E. SHENTON OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING PLANNING APPLICATIONS:

Question

Would an applicant have a legitimate expectation of compensation if a planning application is not determined in a timely manner? Can the Minister detail the five longest outstanding planning applications awaiting determination and give reasons for the delay in each case?

Answer

The Courts have made it clear that there is a duty on the Minister to determine planning applications in a timely manner. There have been no examples during my time as Minister where an applicant has had to revert to the Courts to precipitate a decision. I do not recall having come across any application that has been unduly delayed and as such, whilst every case should be judged on its own merits, I do not consider there should be an expectation that compensation should be paid in any form for the non-determination of an application.

Turning now to the five longest outstanding planning applications, they are listed below along with details as to the delay in determining the application and why they remain undetermined;

P/2004/2136 La Saline Quarry St. John— submitted 19/10/2004

RETROSPECTIVE: For stone splitting shed & generator room.

Protracted negotiations and currently awaiting additional information from the applicant

P/2006/0636 St Juste Merton Hotel St. Saviour — submitted 31/3/2006

Demolish existing staff accommodation and construct indoor bowling hall with associated landscaping works.

AMENDED PLANS: Minor material and design alterations.

FURTHER AMENDED: Demolish modern extensions to 'St. Juste' and replace roof with thatch. Construct indoor bowling alley and associated landscaping. Erect tensile roof over existing tennis court for multi-purpose ball court.

FURTHER AMENDED PLANS: Demolish structure to north/east of site & modern extensions to

'St. Juste'; removal of three external support walls to east elevation of 'St. Juste'; replace roof with thatch. Construct indoor bowling alley to north/east of 'St. Juste'; associated landscaping. Erect tensile roof over existing tennis court for multi-purpose ball court.

Protracted negotiations and currently awaiting the completion of a Planning Obligation Agreement (POA) by the applicant to secure heritage assets (La Fantasie) on the site

P/2006/2367 12,14,16,18 Hilgrove Street & 8, 10 & 12 Halkett Street St. Helier – submitted 26/10/2006

Demolish existing buildings and construct new 3 storey retail unit and 1 No. 1 bed flat. Retain facades of 12 and 14 Hilgrove Street.

Protracted negotiations and currently awaiting further information from the applicant (requested April 2011) following significant and lengthy negotiations including deferral from PAP

PP/2006/2444 80 - 92 Bath Street (West Side), The Former Odeon Cinema & 14 – 28 James Street St. Helier – submitted 16/11/2006

Refurbishment & regeneration of the former Odeon cinema to form retail unit. Construct retail unit adjacent to cinema on basement & ground floor & multi storey carpark on first to fourth floor. Extensive hard landscaping and external works including enclosed service yard and plant compound. REVISED PLANS: Former Odeon Cinema removed from the scheme. Transport assessment and supplementary retail impact assessment submitted. Food store car park reduced in height.

The applicant has been in discussions with the former Director of Planning who agreed to hold the application in abeyance pending the progress of regeneration initiatives in the area.

P/2006/2562 Thorp House, Broadcasting House & Summerland St. Helier – submitted 16/11/2006

Construct new 4 storey Police Headquarters & refurbish existing facilities within Summerland. Provide 3.6m High Perimeter fencing/screening and improve existing parking. Alter vehicular access.

The application has been put on hold at the request of the applicant as the site is part of the ongoing rationalisation programme for States assets and accommodation. The development may not go ahead but the States wishes to keep all options open.

2.4 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING BARRIERS AT BONNE NUIT:

Question

Despite repeated requests the PVC barriers have yet to be removed from Les Charrières de Bonne Nuit and replaced by an Armco barrier or similar, could the Minister give a firm date as to when

this work will be completed and advise whether this will be before the Bonne Nuit Water Carnival on 24th June 2011?

Answer

Work on replacing the PVC barriers has now started with on site trial holes being completed and detailed design being instructed.

It is unlikely that work will be able to start before early June. Should the construction period fall within the Bonne Nuit Water Carnival then TTS will ensure that operations are closed down for the period.

2.5 DEPUTY OF ST. JOHN OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE REPORT ON P.97/2010:

Question

Following an e-mail from the Chief Executive Officer of Planning and Environment on 29th March 2011 stating that Jersey Property Holdings were leading on this project and hoped to present a response to P.97/2010 (Recycling of waste materials: identification of suitable sites) within a week or thereabout, will the Minister advise when the report will be presented so the residents of sites adjacent to skip sorting operations can be given some peace of mind?

Answer

Jersey Property Holdings prepared a draft report which was circulated on 15th April 2011 for comment by the Environment and Transport and Technical Services Departments. It is hoped that the report will be finalised and presented to the respective Ministers for their consideration by the end of the month following which the report will be released publicly.

2.6 THE DEPUTY OF ST. MARY OF THE CHIEF MINISTER REGARDING TRAINING FOR MINISTERS:

Question

What training, if any, do Ministers receive?

Answer

The first two meetings of the Council of Ministers held in December 2008 were devoted to induction issues. These include the role of Ministers, recording of Ministerial Decisions, the initial work programme for the Council, the Strategic Plan and timetable, States Questions and the Code of Conduct for Ministers. As other matters of general interest have been identified they have been discussed at specific meetings.

In addition Ministers have been fully briefed by their departments on the policies of the previous administration, operational matters and other significant issues. The regular Ministerial meetings have also identified matters specific to their portfolios which are then addressed.

2.7 THE DEPUTY OF ST. MARY OF THE CHIEF MINISTER REGARDING THE CO-OPERATION OF THE FORMER CHIEF OFFICER OF THE STATES OF JERSEY POLICE WITH THE NAPIER INQUIRY:

Question

When the former Chief Officer of the States of Jersey Police wrote to the Deputy Chief Executive on 31st March 2010 saying that he would cooperate with the Napier inquiry into his suspension, were there any qualifications or provisos made by him in that letter as to his willingness to cooperate with the inquiry?

Answer

The former Chief Officer of the States of Jersey Police wrote to the Deputy Chief Executive on 31st March 2010 saying that he would wish to assist Mr. Napier subject to clarification on aspects of the confidentiality and evidence obtained by Mr. Napier. The Deputy Chief Executive clarified these issues in writing on 16th April 2010 along with other practical matters regarding records, professional advice and accompaniment. Subsequently, the former Chief Officer did indeed cooperate with Mr. Napier in the inquiry.

2.8 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE PREDICTION OF TIDAL SURGES:

Question

What work, if any, has the Department carried out with respect to the prediction of tidal surges and preventing damage to the Island from them?

Answer

The department commissioned HR Wallingford in 2009 to carry out a study to predict the effects of climate change on Jersey's coastal defences.

In order to assess overtopping and flood risk, the study determined the joint probability return periods for water levels and wave conditions at different sites around the Island. This calculation included a surge component.

TTS are working on a long term programme of projects designed to reduce future flood risk.

2.9 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING STREET WORKS:

Question

Can the Minister advise what measures, if any, are in place to ensure that the utilities should not only do their street works in a satisfactory manner and make good the road they have worked in if they do not but also that they should do those works in a timely manner so as to minimise disruption and traffic delay on our roads?

Can the Minister tell members what steps, if any, he is taking to ensure that the utilities are incentivised to complete their works speedily or be penalised if they do not, and will such incentives and penalties feature in the new Street Works Law which he is preparing, and if not why not?

Answer

Part 1a: The current legal situation generally favours Utility Company ‘rights’ over Highway Authority powers and provides few clear means of enforcing TTS (and Parish) requirements. TTS has nevertheless successfully introduced a number of important measures since 2003 (using a consultative approach) intended to ensure that street works are carried out in a satisfactory manner, including the ‘making good’ of the highway. These include the introduction of:-

- Requirements with respect to training, qualifications and supervision for those carrying out street works. These requirements are fully in accordance with UK best practice as prescribed by the ‘New Roads and Street Works Act 1991’ (NRSWA) with qualifications being registered with the UK’s ‘Street Works Qualifications Register’ (SWQR) .
- ‘Safety at Street Works and Road Works – A Code of Practice’ (UK), which sets out minimum signing, lighting and guarding requirements to ensure the safety of works in the highway. This has been introduced as an example of best practice rather than as an ‘approved’ local code, as current legislation does not support this.
- The ‘Specification for the Reinstatement of Openings in the Main Road’, setting out minimum reinstatement requirements with respect to excavations, backfilling, types of materials to be used, depths, methods of laying and testing. The Specification is in accordance with best UK practice as recommended by the UK’s ‘Highway Authorities & Utilities Committee’ (HAUC).

In addition TTS has in place an ongoing inspection regime covering both live works (in relation to safety and compliance with the reinstatement specification) and the ongoing monitoring of reinstated utility trenches.

Part 1b: Current legislation does not provide a clear means of issuing directions with respect to how and when street works are undertaken, nor does it specifically impose a duty on those undertaking such works to do so in an expeditious manner. Despite this TTS uses its ‘moral’ authority to ensure that works are properly planned and co-ordinated before going ahead and that total disruption is kept to an absolute minimum.

In recent years TTS has made significant improvements to its street works management regime, starting in 2005 with the introduction of a ‘Street Works Manager’ to specifically regulate activity on main roads and to provide a focal point for planning and co-ordination in the Island. For example, TTS hosts and chairs a monthly co-ordination meeting with representatives from the Parish of St. Helier, the Island’s Utility Companies, Connex and Honorary Police, looking at planning/co-ordination issues both in the short and long term (1 month to 5 years). In 2008 TTS also introduced its ‘Directions for the Control and Management of Street Works’, which provides Utility Companies with a clear framework for planning (with a strong emphasis on consultation) and implementing street works on main roads.

TTS continues to work closely with the Island’s Utility Companies in developing the optimum solution as to when and how works are to be undertaken before permitting them to go ahead. For example, where there is flexibility to do so TTS ensures that works are carried out at low traffic volume times (i.e. early morning, between am/pm commuter peaks, in the evening or at night, or during school holidays where that is relevant). There is also an increasing emphasis on joint working (i.e. Utilities sharing road and lane closures or trenches where possible).

Part 2: The proposed Street Works Law which the Department is looking to bring before the States towards the end of 2012 (in partnership with the Parishes) will include both immediate and longer-term provisions intended to ensure that street works are undertaken in an expeditious manner.

The most basic control proposed by the new law would be the introduction of ‘street work permits’ which would give the Highway Authority (subject to the test of reasonableness) power to either refuse a permit or issue a permit subject to a combination of conditions, including timing

(i.e. times, dates and durations). Changes to a permit's conditions, such as a significant time extension, would first need the Highway Authority's approval. Failure to obtain approval would be a breach of conditions and an offence would have been committed. The law would also provide for the future introduction (through Regulation) of measures intended to create financial incentives to expedite works on the Island's most critical roads.

2.10 DEPUTY D.J. DE SOUSA OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING AN INVESTIGATION INTO MENTAL HEALTH SERVICES:

Question

Following recent reports in the media, would the Minister inform members as to whether she will commit to a full and independent investigation into the provision and delivery of services to adults with mental health and related conditions within the remit of Health and Social Services and, if not, why not?

Answer

A nursing staff review for all inpatient wards was carried out between 2007 and 2008. Although the review identified a shortfall of nursing staff within Old Age Psychiatry it did find the staff allocation on Beech Ward to be adequate at the time.

Since then the needs of this complex and vulnerable client group have continued to increase and the Ward is now facing a staffing challenge. This was identified within a 2010 report written by Dr. Lesley Wilson, Consultant Psychiatrist for Old Age Psychiatry and is also the opinion of the Jersey Alzheimer's Association.

Within the 2012 Business Plan HSSD has identified the need for an additional £750,000 for old age psychiatry services, of which £617,000 would be invested in nurse staffing. As an interim measure, the Department has reprioritised its existing budget and employed 6 additional Health Care Assistants in old age psychiatry services. This is however only a short term measure and funding will finish at the end of 2011.

The 2012 Business Plan also includes a £1.1 million capital bid to refurbish the Clinique Pinel facility which includes Beech Ward. This will be in addition to the fiscal stimulus monies already invested in improvements to the facilities in Rosewood House.

HSSD's Mental Health Services are currently accredited with the Royal College of Psychiatrists (RCP) and College Centre of Quality Improvement (CCQI) through the AIMS scheme (Accreditation for Inpatient Mental Health Services). Orchard House is also accredited through this process and will be further reviewed during this year. The Memory Clinic is also audited through the Memory Services National Accreditation Programme, with accreditation awarded until 2014.

HSSD is also currently seeking accreditation with the Psychiatric Liaison Accreditation Network for our Liaison Mental Health Services. These services will also be reviewed through RCP & CCQI.

In addition to these formal review processes Mental Health Services also undertook an external nurse consultant lead review in 2008 and works closely with the Alzheimer's Association and the independent patient's advocacy service provided by Jersey FOCUS.

Mental Health Services are already subject to independent review through the accreditation processes. Any additional independent review process would simply serve to identify the problems that are already known in relation to the shortages and pressures in staff nursing and the poor state of facilities. The Department believes that resources would be better allocated to addressing these issues than to investing in another independent review.

It is always regrettable when it is perceived that an individual's care has fallen below expectations. As evidenced by recent media coverage however, it is very clear that our staff, who are all specially trained to work with people with dementia, care passionately for their patients and are committed to providing the highest possible standards.

2.11 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING HOISTS AT THE HARBOUR:

Question

Having received complaints from several boat yards and users over the last month regarding the 25-ton hoist being out of action for an extended period, as well as the 65-ton hoist over the week of the Boat Show, can members be advised—

- (a) the details of the breakdowns?
- (b) the reasons for lack of action in repairing the 25-ton hoist?
- (c) the age of both hoists?
- (d) the details as to the frequency of the servicing of the equipment?
- (e) who is responsible for ensuring that all cranes, hoists etc at Harbours are in good working order?
- (f) whether the 25-ton hoist was transporting a vessel at the time it lost its wheel, and, if so, were officers from the Health and Safety Inspectorate called to investigate and, if so what were the findings?
- (g) what measures were necessary at the end of the Boat Show to put boats in the water given both hoists were out of action?
- (h) was this same service offered to local boat owners whose boats were left stranded in the boat park?
- (i) will the Department now put in place a proper maintenance programme to prevent this happening again?"

Answer

- (a) On the 7th April, the 25-tonne boat hoist suffered a catastrophic failure of a wheel bearing which completely severed one of the legs.

On the 28th April, the 65-tonne boat hoist suffered a fuel pump failure which put it out of action for six days. Four of these days were over the bank holiday weekend when suppliers

were closed. The main agent was contacted, and the part identified and ordered as soon as work recommenced.

- (b) Immediate action was taken to repair the 25-tonne hoist. The failure was reported to the manufacturer, WISE, who made arrangements to carry out an inspection the following week. Whilst no responsibility has been accepted for the failure, WISE have agreed to supply new re-designed parts and bearings for both sides, complete with the steering arms that required cutting to free the wheel station. The manufacture of these parts has been placed with their engineering company, and we have been assured that they will take priority to limit downtime and inconvenience as far as possible.
- (c) The 25-tonne hoist was manufactured in 2008, and the 65-tonne in 1999
- (d) Both hoists are inspected monthly and serviced twice a year by Transport and Technical Services.
- (e) Jersey Harbours, supported by the Service Level Agreement with Transport and Technical Services, is responsible for ensuring that all port equipment is in good working order.
- (f) The 25-tonne hoist was transporting an abandoned vessel at the time. No damage was sustained to the boat. The Health and Safety Inspectorate were called and attended that afternoon. They also met representatives from WISE when they were in the Island. The broken steering pintle parts and bearings have been sent back to the manufacturer for material analysis we have not yet been advised of their findings.
- (g) Only three small boats needed to be lifted following the Boat Show so they could be returned to the UK by ferry. These were sailed to the slip at La Collette and taken out of the water by trailer.
- (h) Alternative arrangements were discussed with marine traders, including the use of the smaller crane on the Victoria Pier. They were also advised on the progress of repairs. All those with lifts booked opted to wait until the 65-tonne hoist was repaired on Thursday 5th May. By Tuesday 10th, the hoist office was on schedule and up to date with all lifts.
- (i) Jersey Harbours already has a proper maintenance programme in place, in line with manufacturer's specifications. Both breakdowns over this period have no bearing on the maintenance schedule as neither failure would have been evident during recommended manufacturer's maintenance inspections.

2.12 DEPUTY R.G. LE HERISSIER OF ST. SAVIOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING THE RESIDENTIAL STATUS OF SENIOR OFFICERS:

Question

Would the Minister advise how many senior officers of Health and Social Services, if any, reside in the UK, and who they are?

Answer

Two senior HSSD Officers, the Hospital Managing Director and the Director of Community and Social Services spend their working week in Jersey and return to their homes in UK for most weekends.

2.13 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING 1(1)(k) RESIDENTS IN JERSEY:

Question

Will the Minister clarify how many 1(1)(k) residents currently reside in the Island; further still, clarify with the latest tax year figures available how many of these paid less than the £100,000 benchmark and within this figure how many paid in the following lower brackets?

- (a) Less than £5,000;
- (b) Between £5,000 - £10,000;
- (c) Between £10,000 - £15,000;
- (d) Between £15,000 - £20,000.

Answer

From latest figures available (Year of Assessment 2009) the number of high net worth individuals currently resident in the Island is 137.

Eighty-two of those individuals are paying less than £100,000 income tax per annum.

The specific figures in the lower brackets requested by the Deputy are as follows:

- (a) Less than £5,000 - 17 individuals
- (b) Between £5,000 - £10,000 - 9 individuals
- (c) Between £10,000 - £15,000 - 6 individuals
- (d) Between £15,000 - £20,000 - 6 individuals

Current indications are that:

- for the 82 individuals each paying less than £100k the total tax payable will be approximately £2.25 million;

- for the 55 individuals each paying more than £100k the total tax payable is expected to exceed £9.5 million

The Minister will be announcing new 1(1)(k) legislation within the next 2 weeks.

2.14 SENATOR F. DU H. LE GRESLEY OF H.M. ATTORNEY GENERAL REGARDING GAMBLING PERMITS:

Question

Could HM Attorney General advise if the Gambling (Gaming and Lotteries) (Jersey) Regulations 1965, or any related Orders, enable the Minister for Economic Development to issue a gaming machine licence to a business which is not a licensed betting office? Could he also advise if the definition of a gaming machine in the legislation could include a server based, touch screen, lottery terminal?

Answer

Part 3 and the Schedule of the Gambling (Gaming and Lotteries)(Jersey) Regulations 1965 govern the use of gaming machines in licensed betting offices. Under the Regulations, “relevant licensed premises” means a licensed betting office in respect of which a licence under Part 3 is for the time being in force. The legislation does not provide for the licensing of gaming machines in respect of premises which are not (or cease to be) a licensed betting office.

The definition of a gaming machine is unlikely to include a server based, touch screen lottery terminal, noting the definition set out in Regulation 1(1) of the Gambling (Gaming and Lotteries)(Jersey) Regulations 1965.

In any event, Regulation 1(2) of the Gambling (Channel Islands Lottery)(Jersey) Regulations 1975 provides that for the purposes of any enactment, participation in the Channel Islands Lottery shall not be held to be gaming.

3. Oral Questions

The Bailiff:

We come first to oral questions and there are 2 questions brought over from last time at the request of the Minister, as he was away, and with the agreement of the Member concerned.

3.1 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Planning and Environment regarding pre-application advice given in respect of removing Field 528, St. Saviour from the Green Zone:

What pre-application advice, if any, was given by the Minister and/or the department in respect of removing Field 528, St. Saviour from the green zone?

[9:45]

Senator F.E. Cohen (The Minister for Planning and Environment):

The pre-application advice relating to Field 528, St. Saviour, consisted of 2 pre-application meetings and a letter. Two meetings were requested by the Rotary Club to introduce its concept of relocating the Good Companions Club. While my department is supportive of providing assistance to the Good Companions Club it is clear that this particular site is a Countryside Zone and proposed

Green Zone in the new Island Plan, and will require a States debate if it were to be rezoned. During those meetings it became clear that any proposals to develop the site would be contrary to the Island Plan and the Draft Island Plan. Written formal advice was given to the Rotary Club regarding the relocation of the Good Companions Club by the department in a letter of 21st March this year. This letter advised the Rotary Club of the current zoning. The advice indicated that in these circumstances if an application was received for development it would be a departure from the Island Plan, and consideration of an application would likely result in a public inquiry. I conclude by saying that I will do everything I can to help the Good Companions Club find a new home.

3.1.1 Deputy R.G. Le Hérissier:

I thank the Minister for that answer. Could the Minister confirm that no oral advice was given, or if it was given, a note was taken to that effect? Would he also confirm that the Club was told in very strong terms that the chances of approval, given the procedures outlined, were likely to be very, very slim?

Senator F.E. Cohen:

All meetings with the Good Companions Club were with officers present and formal notes were taken and there is a record of those meetings. It was made clear to the Good Companions Club, as I have stated in my answer, that we regarded this as an application that was going to be contentious. While we were supportive of the principle of helping the Good Companions Club it was always made clear that this would likely result in a public inquiry and if the rezoning was to be taken forward it would be the subject of a States debate.

3.1.2 Deputy J.A. Hilton of St. Helier:

Can the Minister tell Members whether he has engaged in dialogue with the owner/developers of land rezoned in 2008 in St. Saviour to try and help Rotary establish a centre that they are trying to do. That land was rezoned for the sole purpose of providing senior citizens' accommodation.

Senator F.E. Cohen:

We are referring here of course to what is known generally as the Carter site, and I would dearly like to do as the Deputy has suggested, but it would not be appropriate as Minister for Planning and Environment for me to negotiate an arrangement between the Good Companions Club and the owners and developers of what we know as the Carter site. However, I believe that another Minister is taking that matter forward.

3.1.3 Senator J.L. Perchard:

Does the Minister recall informing the States Assembly some while ago that he would be sympathetic to any planning application within a Parish envelope brought forward by the Constable of the Parish? Will he please advise the Assembly as to exactly what he meant by "the Constable"? Did he mean the Constable as the individual or the Constable as a representative of his community?

Senator F.E. Cohen:

I think what I said was that large applications for the rezoning of land for housing would, in most cases, be expected to have the enthusiastic support of the Connétable. Just because the Connétable wishes a particular planning decision to be made does not mean that it has to be made in the direction the Connétable wishes it to be made. But, of course, always the views of the Connétable - and indeed the Deputies of the Parish - are a most important matter in any planning application.

3.1.4 Senator J.L. Perchard:

Would the Minister then perhaps kindly consider rephrasing his advice to States Members and that he would be sympathetic to giving support to an application within the Parish envelope if it had the support of the Parish?

Senator F.E. Cohen:

Another, of course, important matter is the support of the Parish. The question is how does one ascertain whether the Parish is supportive of an application? That, in my view, must be through the views of the Connétable and the Parish Deputies. I am perfectly happy to dig out the previous comments that I have made in relation to this matter to review them, to alter and clarify them, if necessary, and circulate them to Members.

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

Does the Minister not accept that it is a perfectly simple matter to call a Parish Assembly and ascertain the depth or level of support for any development?

Senator F.E. Cohen:

As the Deputy knows perfectly well, it is not up to the Minister for Planning and Environment to call Parish Assemblies.

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

Would the Minister for Planning and Environment overall not admit now that it was a very silly decision he made when he said: "I will only put things into this zone and that zone" if he has agreement with Constables because we are doing the hokey-cokey. Some Constables agree, and some Constables do not. Absolutely ridiculous. Will he not now agree?

Senator F.E. Cohen:

I am not particularly good at the hokey-cokey but **[Laughter]** what I will say is that I was very clear in relation to my clarification on this matter, and I am more than happy to circulate what I said to Members probably later in the day.

Deputy P.V.F. Le Claire of St. Helier:

A point of order, if I might, the Minister did circulate in comments to all States Members ahead of a previous debate this year the legal advice he had received outlining his position, and that is available on the website. He has stated to us that he has to take into consideration under the Planning Law all matters, not just those of the Constable.

3.1.7 Connétable P.F.M. Hanning of St. Saviour:

As we are dealing with this Field 528, would the Minister not agree that, as we have had a Parish Assembly, the result of that Assembly was very clear, and I had said at that Assembly that I would carry forward the view of that Assembly to the Minister; would he please bear that in mind should this ever come before him again?

Senator F.E. Cohen:

There is not currently an application on this site, and if there was to be an application I think it is probable that it would be dealt with by the Planning Applications Panel. **[Laughter]**

The Bailiff:

Some subtle delegation there, Minister, I think, is there?

Senator F.E. Cohen:

No, Sir.

3.2 Deputy S. Power of St. Brelade of the Minister for Planning and Environment regarding the establishment of a Coastal National Park:

I welcome the Minister for Planning and Environment back. The Draft Island Plan in its present form proposes, in Policy NE6, on page 95 of the Draft Island Plan, a Coastal National Park; can the Minister confirm the manpower and financial implications that will arise if this proposal is approved and will he clarify whether more staff will be required at the Environment Department?

Senator F.E. Cohen (The Minister for Planning and Environment):

The Coastal National Park is a planning policy designation, and as such there are no cost implications. The designation is proposed by the new Island Plan Policy NE6 and is shown on the proposals map. If approved by the States, and it is only if approved by the States, it will provide a planning policy framework for the determination of planning applications in this area. There is also an aim to further the objectives of a national park to more common land management practises across the area. The draft plan sets out more detail for the development and adoption of a Coastal National Park management plan over the planned period. The aim is for greater engagement and co-operation of the public and private agencies, interest groups, landowners and farmers within the National Park area. This will harness existing resources and lead to a more common land management regime. The preparation of the management plan will be led and facilitated by the Department of Environment from within existing resources, it will therefore have no additional financial or manpower implications for the department as stated in my proposition.

3.2.1 Deputy S. Power:

If I may be allowed to ask a supplementary of the Minister. On the Coastal National Park proposals map, which is 2.4 on page 93, there is a large area along the north coast from St. Martin to St. Ouen and all the way down the west coast, and it includes parts of St. Brelade's Bay and Noirmont. Can the Minister assure the Assembly that with the increase including 2 valleys, that with this increase in area to be proposed as a Coastal National Park - including the outlying reefs - that he will not need further countryside officers?

Senator F.E. Cohen:

As I have just stated, this is a planning designation and therefore we will not be requiring additional officers to facilitate the implementation of the plan should it be approved by the States.

3.2.2 Deputy D.J.A. Wimberley of St. Mary:

Does the Minister agree that it is not really extra resources that are required if we approve the Coastal National Park; what is required is sticking to the guidelines and the rules implicit within the park so that the park is really protected?

Senator F.E. Cohen:

I could not have said it better myself.

3.2.3 The Deputy of St. Mary:

Will the Minister undertake to do this if and when we vote for the Coastal National Park? Will there be adherence to the policies within the Coastal National Park designation?

Senator F.E. Cohen:

As the Deputy is well aware, as he has studied the Draft Island Plan very carefully and lodged, I think, approximately 20 amendments, the Island Plan is very prescriptive and will require the Minister for Planning and Environment to adhere precisely to the terms of the Island Plan.

3.2.4 Deputy A.E. Jeune of St. Brelade:

Would the Minister accept that the areas designated should just be left as a natural environment as they are now, not manicured, and not built upon? That is probably the most important aspect.

Senator F.E. Cohen:

I would certainly concur that generally they should not be built upon.

3.2.5 Deputy M. Tadier of St. Brelade:

Is any special consideration given to applications being currently made which will be constructed, if passed, that will be in the National Park zone?

Senator F.E. Cohen:

I am not sure I entirely understood the question, but I think that the Deputy was asking whether current applications will be considered under the new Draft Island Plan. The fact is that while the new Draft Island Plan has weight and can be considered partially in terms of the planning determination, it is not the sole determining factor. Until the Island Plan is approved by this Assembly, if it is approved by this Assembly, it does not have the full weight of the Assembly.

3.2.6 Deputy M. Tadier:

Does that mean then, for example, any applications which are passed perhaps the day before the new Island Plan comes into force, which would be in the National Park will still get the go ahead and we will see perhaps large constructions in the National Park zone perhaps going on for a year or so, while that area is still being designated a National Park?

Senator F.E. Cohen:

I certainly hope that is not the case but, in general terms, an applicant has a general right to have his application determined within the planning policies applicable at the time the planning application is received. Having said that, the new Island Plan can be given weight in any determination and indeed the Planning Applications Panel and I have both given weight in determinations recently to proposals in the Draft Island Plan.

3.2.7 Deputy S. Power:

One last question for the Minister: paragraph 2.64 on page 93 of the Draft Island Plan refers to areas within the Coastal National Park to be accorded the highest level of protection in the Countryside Character Appraisal. Could the Minister briefly explain the difference between what is proposed in the highest level of protection and what is the case now in the 2002 Island Plan?

Senator F.E. Cohen:

The principle is simply that by designating and titling the area “Coastal National Park”, that it will raise the status of these particular areas and the policies themselves are fine-tuned to deliver better protection of the Coastal National Park area, that while not significantly greater than in some cases, the protection afforded presently will generally afford greater protection to the area designated. But I must stress that that is, of course, dependent on this Assembly approving the Draft Island Plan.

Senator T.J. Le Main:

On a point of order, Sir, could I ask you a question please? In view of the next question asking for so much detail, could you explain to us how you allow this as an oral question when you keep asking us to keep our responses very short and sweet?

The Bailiff:

The position is that Members are entitled to ask the questions. There is nothing in Standing Orders which says that the Chair can disallow it on the basis that it ought to be an oral question. If there were some questions perhaps would be disallowed on that basis.

[10:00]

Senator T.J. Le Main:

It would be easier for Members to have the answers of the Minister to all the details in this question than done orally.

The Bailiff:

I can well understand your being of that view, and it is up to Members ultimately to try and ask questions that are more suitable for oral than written questions.

Senator P.F.C. Ozouf:

I was a little concerned that the Senator was suggesting that I was not sweet. [Laughter]

The Bailiff:

I am afraid that remark passes me by. [Laughter] Just to say to Members too, that the first 2 questions were of course held over from last time so the 2 hours will start from now.

3.3 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the £21 million departmental underspends:

Thank you for your kind permission to ask this question. Will the Minister provide Members with a breakdown of the £21 million departmental underspends showing how these were obtained, by department and service, and stating whether they were obtained by efficiency savings, increased charges, staffing reductions and/or reductions or cessation of service provision; and will he further indicate how the £13 million returned to departments will assist in delivering overall C.S.R. targets?

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

I will attempt to do it justifiably shortly and sweetly. The Deputy's question has 2 elements where departments have underspent. There are a number of reasons why departments have underspent, for example, the Chief Minister's Department had an underspend of £168,000 relating to the timing of the Census work. There are lots of other examples, which is difficult to go through in an oral question. What I can say is that the States accounts will include, when they are published before the end of May, the most detailed account of expenditure that I think we have ever issued and it will answer a number of those questions. If the Deputy requires more information over and above that which is in the States accounts, then of course he can address them to individual departments. With the move towards medium-term financial planning, departments are, however I should say, being encouraged to have confidence in underspends that are going to be allowed to be carried forward in line with the proposed increased flexibility that departments will be given 3-year cash limits and then work within them. I also would like to ensure, if I may, that the Deputy does not confuse underspends and planned C.S.R. savings. While there are elements of early delivery of C.S.R. savings within the underspend discussions what I can say is that these do not materially contribute to the £21 million worth of underspends. The second half of the Deputy's question referred to the carry forward process itself, which is overseen by the Treasury. Departments have had to justify why they need to carry forward any element of their budgets and these explanations have been scrutinised by the Council of Ministers before approval. The £13 million return to the department covers a number of initiatives, most are a result of timing rather than supporting the achievement of C.S.R. savings themselves, however some previously identified savings to be achieved over a longer period of time - like the reduction in schools' grants and fee-paying schools - are planned over a longer period. I can go into more detail if Members would wish but I think that most of the information is going to be in the States accounts.

3.3.1 Deputy G.P. Southern:

I thank the Minister for his answer and obviously there will be further material coming. In particular, I am concerned that there has not been involved any cessation or reduction in service

provision, front line services in particular. Can the Minister assure Members that there has not been reduction or cessation of front line services and is he equally confident that in the C.S.R. stage 2 process, front line services will not be cut?

Senator P.F.C. Ozouf:

The £65 million savings reductions will not lead to an absolute maintenance of all services that the States provides. There are political discussions about what are front line services, but generally speaking the £65 million worth of savings, of which I have a high confidence of being able to be presented towards this Assembly for this Assembly to make their decisions on, are reasonable, are appropriate, and where departments are stopping services and reallocating money elsewhere, I think that those matters should be supported by the Assembly. The Deputy does not believe that £65 million can be delivered. I think we can and we must.

3.3.2 Deputy D.J. De Sousa of St. Helier:

I wonder if the Minister would undertake right now to clarify for both Members and the media that these underspends are not savings, they are underspends of departments that have been budgeted for, but for some reason the work has as yet not been carried out, so it is not savings, they are underspends of work that has not been carried out?

Senator P.F.C. Ozouf:

I do not think I understand the point that the Deputy is making. This Assembly sets budgets for departments. Last year departments underspent those budgets by £21 million. Some of that, not a large amount of it, were departments getting on with delivering C.S.R. savings. Other ones were elements of discretionary expenditure, which was delayed over a period of time. While I heard the Chairman of the Public Accounts Committee, it may have been taken out of context, saying that underspends were as bad as overspends: I congratulate departments. I congratulate Ministers, their chief officers and their Assistant Ministers on making sensible decisions in terms of timing of expenditure in order to deliver a more efficient public sector.

3.3.3 Senator S.C. Ferguson:

I might say that perhaps underspends are bad budgeting. But does the Minister not think that it was somewhat naïve to issue this plain amount without an explanation, and will he issue a written explanation to Members before the States Accounts are out, unless the States Accounts are going to be out this week?

Senator P.F.C. Ozouf:

I cannot do anything really about the timing of decisions. Ministers were certainly giving me pressure, understandably so, that they wanted to know what the Treasury decisions were about their carry forward as soon as possible because they wanted - we are now May - and they wanted to know whether or not they were going to get their underspends in order to manage their departments appropriately. The preparation of the States Accounts, as the chairman will know, take some time. While the Treasury has completed their work, the matters now are in the hands of the auditors and the States Accounts will be published imminently. I need, in the way that we run transparent administration in Jersey... when I make a decision about carry forwards, that is published and I issued a fairly detailed report in respect of where the carry forwards were going, which accompany the Ministerial Decision.

3.3.4 Senator S.C. Ferguson:

I am sorry, I think the Minister did not understand my question. I said was it perhaps somewhat naïve to issue a press release just stating that there is a £21 million departmental underspend without any explanation of where the underspends had come from?

Senator P.F.C. Ozouf:

The press release is just simply the indication that the Ministerial Decision has been made, all of which the detail of which is on easy media links now, one click away to look at the full report. If we had just published the Ministerial Decision then people might not have been aware of the fact that it would have been, and frankly I would be criticised either way. I think that I needed to make it clear that I was making the underspend allocations to carry forward and drawing the media and Members' attention to the fact that that has happened. Members, of course, will have the complete picture when they have the States Accounts, which are going to be published by the end of May or in very early June.

3.3.5 Deputy M. Tadier:

Point of order first, there will be a statement made later on by the Chief Minister to do with racial intolerance, will that permit oral questions, Sir?

The Bailiff:

Can we just concentrate on this at the moment?

Deputy M. Tadier:

The reason I am asking is because if not I will ask a question which covers both aspects.

The Bailiff:

I see. Any statement does have 10 minutes of oral questions.

Deputy M. Tadier:

That is fine. It will become clear later on. Thank you. The question in that case is, first of all, does the Minister accept that there is great unease about the way in which the money appears to have been reallocated to States departments in the guise, I would say, of savings, when in fact they are underspends? Secondly, does the Minister accept the fact that normal practice, I believe, is for the money to be returned to the Treasury and any subsequent spending would be brought back for the House to decide. There is an issue, I think, because Ministers are perhaps deciding priorities within the C.S.R. rather than the actual Members of this House.

Senator P.F.C. Ozouf:

No, I do not. The decisions in relation to carry forwards, if departments are underspent ... this Assembly has given the T.T.S. (Transport and Technical Services) £20 million, for example, it probably has not had that, but just by way of example, at the end of the year if T.T.S. have come forward, of which they should be recognised and congratulated that they have come forward actually only having spent £19 million of their expenditure because they have deferred some expenditure, if the Treasury is content to reallocate that money, not in exceeding any expenditure limits, then I think that it is perfectly reasonable for the Minister for Treasury and Resources, after an appropriate discussion with the department, to allocate that underspend. This Assembly is living within its overall means, that is one of the key objectives is living with overall net expenditure control and that is the discussion that will happen in this Assembly in the Business Plan when we confirm, and I have back, the £65 million worth of spending reductions across the States departments.

3.3.6 Deputy M. Tadier:

Supplementary? But does the Minister accept that it is very difficult for Members to know what are genuine underspends or perhaps which is money that has not been allocated or not been spent because the programme itself may not have been fully rolled-out over 2 years? It is a completely different matter for money being earmarked for a project which is ongoing, or simply for the Fire Service not having been called out to so many fires this year, and therefore that money has not been spent. Does he agree that the 2 are different and that States Members and the public, until we see

the figures, it is going to be very difficult for us to judge the validity of where that money is being spent?

Senator P.F.C. Ozouf:

I do appreciate that there is a difference between underspend and C.S.R. They are linked in some ways, in the way that I have described. I look forward to seeing the Deputy at lunchtime with the update that we are going to have on the comprehensive spending review, it is this Assembly that makes decisions in relation to the comprehensive spending review and where those spending reductions are going to be allocated across departments. Those are going to be lodged in July and debated and confirmed by this Assembly in September. So if Members want, all the information is there. We have a very high transparency of information that is about C.S.R. and savings and I hope the Deputy attends at lunchtime.

3.3.7 Deputy P.V.F. Le Claire:

I would like to ask the Minister for Treasury and Resources what is going on at Transport and Technical Services because we had the debate recently on green waste and the issues in relation to commercial charges being introduced because it is costing in excess of £800,000 a year. Nothing gets mentioned and then 6 weeks later, they spend £1.6 million. So we are spending £2.4 million minimum this year on composting green waste before we have even introduced a charging mechanism or the weighing machine for that. What is going on at Transport and Technical Services? What money were they given? Is it not a fact that we do not make decisions in this Assembly? We just rubberstamp what the Ministers are going to do and then once we have rubberstamped it, they go and change their minds and do whatever they want anyway.

Senator P.F.C. Ozouf:

I am not an expert on all aspects. I can research the matter but it is a matter better addressed to the Minister. There has been a discussion in this Assembly about the introduction of waste charges and I just would remind the Deputy that one of the most important functions of this Assembly, on an annual basis and going forward on a 3-year basis, is to give departments an allocation and then it is up to the department as to how they allocate that, but Members are going to be persuaded on the makeup and the construction of those budgets. But we need to give departments some confidence that they have all **[Interruption]** ...

3.3.8 Deputy P.V.F. Le Claire:

Could I ask a supplementary on that very briefly? How does that answer marry with his previous answer that there is a high level of transparency in this process?

Senator P.F.C. Ozouf:

All the information is published and debated in this Assembly leading towards that decision but ultimately when the Assembly has confirmed an overall cash limit to a department, then they must work within it and we must have confidence in Ministers and their departments to do that work.

3.3.9 Senator B.E. Shenton:

Will the Minister concede that if you are trying to run a balanced budget that accurate forecasting is vital and will he furthermore concede that the lack of accurate forecasting in this case may have led to higher taxation on the public of Jersey than was in fact necessary?

Senator P.F.C. Ozouf:

I have just done a calculation, and outwith the £8 million that was underspend from Social Security in respect of various different matters, which had previously been discussed, that has been returned to the Consolidated Fund. The actual underspend across departments was, I calculate, in the region of 2 per cent. I think that is a fairly reasonable tolerance for departments to operate in and I wish sometimes that the Chairman of P.A.C. (Public Accounts Committee) who is rightly critical about

administration of public finances, for once says: “Well done, well done to departments for managing expenditure properly and not working towards the end of the year and just spending your budget.” **[Approbation]** So sometimes politics is difficult but sometimes say a nice thing, Senator Shenton, if I may say.

Senator B.E. Shenton:

Sir, could I just say: “Well done”? **[Laughter]**

[10:15]

3.3.10 Deputy G.P. Southern:

Notwithstanding the publication of the end of year annual report in which this material will be contained, will the Minister extract the details and publish them before, for the sake of Members of the States following-up with departments where these underspends have occurred, how they have occurred, as I wish to do in the next written questions session, which requires me to have that information before this coming Sunday? Will the Minister extract the data which fits this question and circulate it among Members so that they can do what they are required to do, hold Ministers to account for those underspends and to examine the way in which those underspends have occurred?

Senator P.F.C. Ozouf:

I would encourage the Deputy to wait for the States Accounts which will be published imminently. There is a huge amount of work that goes into the publication of the States Accounts and I would prefer to deploy Treasury resources to completing that work, getting that information out. If the information is not complete, then of course the Deputy can ask individual written questions to do it. I am sorry, I did not answer Senator Shenton’s other question. No, this would not change anything in relation to this Assembly’s decision in relation to the fiscal strategy. The public financial position of Jersey has improved, that is good, but nothing stops us from having to stick to the decisions on the savings programme and the taxation in order to rebalance our books.

3.4 The Deputy of St. Mary of the Chairman of the Public Accounts Committee regarding debates on the Public Accounts Committee’s report on the ‘Accounts of the States of Jersey for the year ended December 31st 2009’ and their update report:

Given the importance of the Public Accounts Committee’s report on the Accounts of the States of Jersey for the year ended 31st December 2009 and their update report, will the Chairman agree to take steps to enable a debate on the 2 reports and if not why not?

Senator B.E. Shenton (Chairman, Public Accounts Committee):

I think this is a very good question and we discussed it at the P.A.C. meeting briefly yesterday. The P.A.C. historically has, unlike the U.K. (United Kingdom) P.A.C... we have brought propositions in our own right and we have been in quite detailed conversations with the Treasury about the Public Finances Law and the Chief Minister’s Department about the States of Jersey Law. These negotiations and discussions will be ongoing. Perhaps the best promise I can make to the Deputy is that the States of Jersey Accounts are going to be published by the end of the month and we will be carrying out a full review of these accounts, which will include the underspends and other aspects. There is also a report coming out on States senior management salaries. Perhaps I could give the Deputy the assurance that we will liaise with P.A.C. and the Deputy himself about when this report comes out, which will be in a couple of months’ time, that we will bring this to the Chamber in some format for full debate on the issues. In that way, it will be a report that will be hot off the press and will cover some of the questions that were asked with the previous questioner as well.

3.4.1 The Deputy of St. Mary:

Yes, the reason I asked this question was that the report I referred to in the question made some astonishing allegations about our public service and also about this Assembly about, for instance, uncontrolled spending and I quote: “Considerable sums of public money which cannot be accounted for.” They also referred to an overspend of £100 million, which made a very good headline but it has turned out not to be true as in any normal version of English it was not an overspend. So that is why I am asking for this debate because I think these are very important issues and the Chairman of P.A.C. has not answered my question. He has offered a debate on a totally different report but that is not the point. The report about the 2009 Accounts had comments in it that should be debated on the floor of this House.

Senator B.E. Shenton:

I think unfortunately the Deputy has perhaps misread the report. The £100 million overspend was basically taking the 2004 estimate for what we would spend in 2009 and comparing it to what we did spend in 2009, which was about £100 million more than we estimated in 2004. So that is where that particular overspend came from. With regard to the control of finances, once we allocate funds to an individual Minister, how that Minister spends that money is down to the particular Minister. It is not down to this Assembly. We have no influence on how that Minister will spend the budget that he is allocated, and that was the point we were making. Furthermore, because certain Clothier reforms were not implemented, the Council of Ministers do not even have the power to pull a Minister into line if he deviates. So these were the points that we were making.

3.4.2 Deputy R.G. Le Hérisier:

Building on that very point that the Senator made, could the Senator say whether his committee has come up with ideas - which seem to have eluded almost every group that has studied the States and made recommendations - to enforce stronger accountability? We also had the Welsh Audit Report...

The Bailiff:

I am sorry, Deputy, I think that is getting too far off the question which was whether there should be a debate on 2 pre-existing reports.

Deputy R.G. Le Hérisier:

Could the Senator indicate whether in this debate he will be focusing on the lack of accountability and the lack of the ability to enforce accountability?

The Bailiff:

Still too far off, sorry, Deputy. **[Laughter]** Good try but ... Deputy Higgins and then the final question Deputy of St. Mary.

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

Recently there has been much discussion about Scrutiny Reports being debated on the floor of the House and otherwise being brought out into the open. The Deputy of St. Mary is basically asking for a debate on the reports you have brought out so that Members can not only go over the evidence you have found but also see the validity of it. Does the Chairman of the P.A.C. believe that his reports equally should be debated on the floor of this House in the same way that Scrutiny Reports should be?

Senator B.E. Shenton:

There is an updated report coming out fairly imminently and what I have offered is to work with P.A.C. about having a meaningful debate on that account containing the latest information. So the answer is going forward; yes. I cannot see the point of debating reports that have already come out because there is updated information and we have got the 2010 report and accounts out fairly imminently.

3.4.4 The Deputy of St. Mary:

Will the new report be a proper Public Accounts Committee report or will it be full of the spin and personal views of the people on the committee dressed up as a critique of the accounts because otherwise if it is not, then it does not help the Assembly very much. So will the new report be better ...

The Bailiff:

Do you have a question there, Deputy?

Senator B.E. Shenton:

I think that is a subjective statement. I know that the Deputy did have some difficulty in understanding the report [Aside] [Laughter] and maybe the P.A.C. could take him to one side and educate him on the workings of the States finances.

3.5 Senator S.C. Ferguson of the Minister for Planning and Environment regarding visits to listed Jersey houses to document the interiors:

Will the Minister advise whether consultants are asking permission to visit listed Jersey houses to document the interiors and, if so, who is paying and why is it necessary to employ English consultants?

Senator F.E. Cohen (The Minister for Planning and Environment):

We are in the process of revising the current inadequate listing system and replacing it with a simplified system of 4 grades. This involves re-surveying every listed building and the work is being managed by Jersey Heritage. The appointed surveyors are seeking the permission of historic buildings' owners to visit their properties to assess the appropriate grading. The purpose of this work is to allow the preservation of historic buildings to be concentrated on only the most important buildings and allowing a more flexible approach to be taken with others. Many buildings are likely to be effectively downgraded. The cost of the re-survey is being met from within my department's existing budgets and spread over 3 financial years. The process of re-surveying about 3,500 buildings in the Island is a major task and was not something that could be undertaken by Jersey Heritage Trust alone. As a result, external consultants have been engaged to undertake much of the re-survey work. They have been appointed on the basis of their specialist knowledge of historic buildings following a rigorous competitive tendering process. Two bids were received from Jersey-based partnerships. While I cannot provide the exact figures due to commercial confidentiality, I can confirm that the local tenders were well over £400,000. The successful U.K. contractor was less than half the price.

3.5.1 Senator S.C. Ferguson:

Does the Minister not realise that this is an extremely intrusive measure, wanting to look at the inside of listed buildings not inspect the outside, particularly when so many buildings have been listed without any consent from the owner and any intimation being given to the owner before the building was listed? Does he not consider that this is intrusive?

Senator F.E. Cohen:

Yes, I do, and I have been very careful to ensure that the procedures followed by the surveyors are polite and practical, and the Chairman of the Planning Applications Panel and I indeed had discussions with officers to ensure that even the finest details of their attitude towards those whose properties they visit is carefully controlled. At the end of the day, this is not intended to be a forcible process and we hope to work with property owners on the basis that most of those who own listed buildings are proud of them and are interested in experts viewing them. Bear in mind, if anyone has a particular view on a listed building and considers the current planning regime to be

too intrusive and too restricted, this of course is an opportunity to have greater flexibility applied to their particular property.

3.5.2 Senator S.C. Ferguson:

Does the Minister know how many of the owners contacted refused to allow the consultants to inspect the insides of their houses?

Senator F.E. Cohen:

I am afraid I do not know but I can certainly ask the department if they have those figures and, if they do so, I will ensure that the information is circulated to Members.

3.6 Deputy T.M. Pitman of St. Helier of the Minister for Planning and Environment regarding damage by a developer to properties or the foundations of neighbours' properties who had objected to the development:

Who is responsible upon the passing of a planning application if damage occurs as a result of the consequent work to the properties or foundations of neighbours' properties who had objected to the development?

Senator F.E. Cohen (The Minister for Planning and Environment):

Responsibility for damage to adjoining property lies with the person carrying out the building work. It is common practice, although not a legal requirement, for developers to undertake a conditional survey of surrounding properties prior to the commencement of work. The report is usually agreed with the neighbouring residents. The purpose of this is to provide a baseline survey of the condition of neighbouring buildings and walls for comparison in the event that damage is subsequently claimed. This is a practice similar to the requirements, of course, under law of the Party Wall Act in the U.K. In addition, reputable developers and builders usually operate with indemnity insurance to cover against damage to neighbouring property. However, damage to a neighbour's property is a civil matter. Nonetheless, I have in a number of cases, where I am aware of potential damage to neighbours, conditioned planning consents to ensure that developers undertake surveys and are covered by insurance before development commences.

3.6.1 Deputy T.M. Pitman:

I thank the Minister for that and he has partially answered this question. However, to what extent does his department consider such information put forward suggesting that damage might occur? For instance, one area in my own district where builders suggest it will need pylons sunk 90 feet or more into the ground where subsidence has already occurred, how much does that get taken into consideration when his department is considering those planning applications?

Senator F.E. Cohen:

If neighbours alert us to their concerns, we will always take those concerns into account and, as I said earlier and to reiterate, where those concerns have been raised at my public planning hearings, the consent has been conditioned to ensure that proper surveys are prepared and insurance taken out. But it is largely up to the neighbours to notify the Planning Department of their concerns, albeit the Planning Department are aware and are alert to the issue.

3.6.2 Deputy M. Tadier:

Does the Minister acknowledge that planning conditions regarding surveys and insurance are only of limited peace of mind to residents, for example, who may have construction going on both sides of their houses, as will be the case in the Petit Port, an area which will be in the National Park, and it is very difficult for the person stuck in the middle to prove which building is responsible for any subsidence, any damage that occurs to the property. So will the Minister state if there is any power

for applications to be quashed completely if there is reasonable expectation for damage to occur to the property which, while it could be resolved by a legal route, might entail many years of litigation and extreme cost for the person in the middle who is perhaps not so wealthy.

[10:30]

Senator F.E. Cohen:

I do not want to comment on a particular application, and the comments of the Deputy do relate to a particular and rather unusual set of circumstances. All I can say is that issues of damage can be taken into account in any determination and should be appropriately dealt with by the department at the point of determination.

3.6.3 Deputy M. Tadier:

Can I have a supplementary? I will try and make it more concise this time. We have heard that appropriate points can be taken into consideration by the department but will the Minister categorically state whether it is within the department's power to say a development cannot go ahead because they think there is an unreasonable risk that damage will occur on the balance of probabilities and they will not allow that?

Senator F.E. Cohen:

Because of the particular relevance to a particular highly contentious application, I think before answering that question, I would like to seek formal legal advice and I will circulate my response to Members as soon as I receive it.

3.6.4 Deputy P.V.F. Le Claire:

I recall a debate on La Fantaisie Lodge which was being required to be repaired and kept in condition by the owner by the States at great expense. What are we doing in this process? Are we going into people's homes and saying: "Right this is how things are. Let us keep them that way and make sure you keep them that way and pay to keep them that way." Is that what we are doing?

Senator F.E. Cohen:

I think the Deputy's question relates to the previous question.

Deputy P.V.F. Le Claire:

I was confused when I asked the question so now it is worse. [Aside] [Laughter]

3.7 Deputy J.A.N. Le Fondré of St. Lawrence of the Minister for Treasury and Resources regarding the administration costs of G.S.T. exemptions in respect of food and fuel:

What are the estimated administration costs within the States of G.S.T. (Goods and Services Tax) exemptions in respect of food and fuel and what impact, if any, would there be on income support, G.S.T. bonus and tax exemption limits as a result?

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

I thank the Deputy for an important question. The complexities of zero-rating food and domestic energy will of course increase the cost of administration by the Taxes Office and Customs and Immigration. The stated amount of additional costs as set out in the report by Treasury is in the region of £200,000 to £300,000 a year but more importantly, over and above that, it would also increase of course the cost of compliance for businesses in the Island, and that is not easily quantified but is perhaps underlined very well by the strong line that the Chamber of Commerce and I.O.D. (Institute of Directors) have come out against a complicated system of exemptions. In relation to what G.S.T. has given back - and Members have in the past voted for a range of

measures to compensate Islanders for the difficult decisions that Members have been called to make on G.S.T. and increasing Income Tax thresholds in 2008 and 2009, increasing Income Support in 2008 and again in 2009 and of course the G.S.T. bonus scheme - the total amount of financial benefit to those on low and middle income families is in the region of £12 million and that is, of course, over and above the existing benefits system that we have. If G.S.T. is removed from food and domestic energy, then consideration will of course have to be given - in fact that is what the States has already required us to do - to removing or reviewing some of these measures and potentially revoking or adjusting these measures. But I recognise these are very difficult issues.

3.7.1 Deputy J.A.N. Le Fondré:

Just a quick follow-on from that. Could the Minister confirm what the compliance rate is for the current Jersey G.S.T. system and how might that compliance rate change with a more complex G.S.T.?

Senator P.F.C. Ozouf:

The compliance rate is one of the real concerns that the Tax Department has about having a complex system. This is all set out interestingly in the report that we have issued. The compliance rate in the U.K. is much less than Jersey. The compliance rate in Jersey is significantly high because it is simple and therefore not only are we collecting tax in a simple way that is administratively efficient, we are also collecting all the taxes due because there are no uncertainties. When there is complexity, there will be a falling in the amount of compliance, and I do not want to see that.

3.7.2 Deputy T.M. Pitman:

I hope you will not say this is too wide of the mark. Would the Minister concede that some of this potential damage could be offset if we were to ensure companies who contribute no tax at all to the Island did so and perhaps some of our very wealthy tax evaders also paid a reasonable amount of tax?

The Bailiff:

I fear your hope is going to be dashed, Deputy. I think that that is too wide off the mark. No doubt that can be raised in the debate in due course.

3.7.3 Senator A. Breckon:

I wonder if the Minister could say what the reduction will be in administration costs if some of these things are removed for all the things you mentioned before, and also is he aware that utilities have a list of domestic users, therefore it is not difficult to implement at all.

Senator P.F.C. Ozouf:

If the Senator is going to suggest that putting in food and domestic heating exemptions is going to reduce cost, then he lives in a different world than I do and he needs to listen to the expert advice that we are being given by the people that are asked to discharge decisions of this Assembly. If he does not believe our local experts in relation to tax collection, then I suggest that he re-reads the Sir James Mirrlees Report which set out U.K. recommendations on their own tax system. You would not set out to design a system that the U.K. has, or indeed some other places have, if you had a blank piece of paper. You want efficient collection and frankly I would prefer to spend the £300,000 that we would spend on increased costs collecting an exempted system of G.S.T. and I prefer to direct that towards lower income families. **[Approbation]** I would also like to use some of the 2,500 hours of debate this Assembly has had on this matter by individual Members and perhaps do better by supporting people that he is concerned about.

3.7.4 Senator A. Breckon:

May I ask a supplementary? That is a very interesting answer but it does not address the question I asked about the cost of the existing administration and whether it would be reduced if we do not have to produce all this mumbo jumbo.

Senator P.F.C. Ozouf:

I simply do not understand. The Senator is suggesting a complex system of tax which will cost more. His exemptions will not cost us less, they will cost us more, £300,000 worth, and it will cost the companies that are asked to run this system significant amounts of money, and they have been telling him that they do not want that.

3.7.5 The Deputy of St. Mary:

Without prejudice to what I might say in the debate but the question is still important in the context of reducing costs or what the additional costs would be rather. Could the Minister give some response to the idea that if instead of having the U.K. system, which we all know leads to extraordinary amounts of litigation and problems with advocates and so on, would he care to comment on if there was a simpler system that food is simply anything that people eat or consume, whether it is liquid or solid and then you would have no legal hassles at all. Would that not reduce the additional cost somewhat?

Senator P.F.C. Ozouf:

I do share and I genuinely understand what Members would like to do in a perfect world in respect of helping low income families in creating something simple. The debate before us later on today is U.K. exemptions, so that is the matter which we are having to address. I have to say to the Deputy that all the experience of having looked at G.S.T. systems around the world is that it is not easy to find a definition of what you can eat. There is, for example, whether or not you can eat ferret food. There has been the recent example that after the 2009 ferret census, now ferret food is zero-rated or is it not exempted - I cannot quite remember - but it is either in or out. Rabbit food; all these things. It is extremely difficult to construct a list of things which you can eat and not eat and, at the end of the day, if we are not going to collect money on food, it is going to come from and is going to be asked to be raised in other areas. These are not simple issues. I plead with Members, let us keep our G.S.T. simple and direct money to those that need it.

3.7.6 The Deputy of St. Mary:

A supplementary, if I may. That was an extraordinary answer. I do not think anyone is talking about people in Jersey eating ferret food or rabbit food although if things get really, really tough. **[Laughter]** No, the question is, and I say without prejudice to what I might say in the debate because I think it could be that exemptions is the wrong way to go to help poor people but nevertheless, in terms of reducing the additional cost of exemptions, the Minister has not really addressed the issue that if we define anything that goes into a human being's mouth as food or drink then it excludes, by definition, rabbit food and ferret food.

Senator P.F.C. Ozouf:

That is not before the Assembly. The Assembly is considering the U.K. exemptions and that is the matter which I have had to respond to, and other Members have on previous occasions explained that they would try and find a simpler list but a simple list is not easy. The devil is in the detail I am afraid and that is always the problem which we have come back to. Keep it simple is the advice and direct the money where it is necessary after you have collected it from everybody.

3.7.7 Deputy J.A. Hilton:

I may have missed something here but is it not possible for us to keep G.S.T. at 3 per cent on food and raise G.S.T. on other things? Really the question I wanted to ask the Minister was is there an additional cost to keeping G.S.T. at 3 per cent but raising it on other items so at least we give people on fixed incomes - low incomes - a chance to buy affordable healthy food?

Senator P.F.C. Ozouf:

I understand what the Deputy is suggesting. The advice is that it does not matter, once you have a system which effectively divides up different categories, you are incurring the same costs in terms of tax collection because you will have to separate out between the categories of food that are 3 per cent or 5 per cent. It does not matter whether it is 0 per cent or 5 per cent; it is the difference. It does not make any difference in terms of if it is 3 per cent or 5 per cent, but the Deputy makes an important point. We are at a G.S.T. level of 5 per cent. I do not want to see it go any higher than that. I do not think there are reasons for doing that.

The Bailiff:

I think, Minister, you have answered that particular question. Very well. Final question, Deputy Le Fondré?

3.7.8 Deputy J.A.N. Le Fondré:

Especially given a couple of the comments made already in some of the questions, would the Minister indicate whether he thinks it is likely that exempting food and domestic energy would leave those on low and middle incomes, including many pensioners, better or worse off compared to the present systems which are in place?

Senator P.F.C. Ozouf:

These are complicated issues but, in very simple terms, low and middle income households have been compensated twice for the introduction of G.S.T. The changes to income support and the introduction of the G.S.T. bonus in 2008 ensured that households were compensated by the additional cost of G.S.T. bonus, *et cetera*. Then, following the Deputy's second round of proposals, there was a further compensation. Overall, in my view, if one was to remove those issues, then at least the issue would be neutral but they were going to be very difficult to withdraw and, of course, the other issue - and I wish no offence to members of the Chamber of Commerce - but there is absolutely no guarantee that removing food from the list of exemptions will lead to lower prices. At least this way, these individuals get the money, they have had the money twice, in income support and bonus payments. I would say that the first order effect is that we would be in this Assembly as a result of the decision, meaning that lower income people were worse off. I think that is an important issue for Members who say that there is something uncaring about the debate in relation to G.S.T. exemptions.

3.8 Deputy K.C. Lewis of St. Saviour of the Minister for Treasury and Resources regarding the use of an area of the demolished former d'Hautrée School site to construct a new Good Companions Centre:

Will the Minister, after consultation with the Minister for Education, Sport and Culture, consider selling an area of the demolished former d'Hautrée School site to construct a new Good Companions Centre and, if not why?

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

Can I ask Connétable of St. Peter to be rapporteur for this item?

Connétable J.M. Refault of St. Peter (Assistant Minister for Treasury and Resources - rapporteur):

If, as a result of the review of the Education, Sport and Culture properties, which is due to be delivered around about this June, it is decided that the former d'Hautrée School site is no longer required for educational use, the Minister will consider all alternative uses for this land. This could include the sale of an area of the site for the construction of a new Good Companions Centre. However, that option would need to be fully evaluated in the context of the need to release States

land to provide essential, affordable housing for the Island. The Draft Island Plan identifies a site for development of affordable housing, although the Minister for E.S.C. (Education, Sport and Culture) has lodged an amendment so that this would only apply if the land was deemed surplus to E.S.C.'s requirements.

[10:45]

3.8.1 Deputy K.C. Lewis:

I am aware that it is not the Assistant Minister's responsibility, but as this is such a good cause, will the Assistant Minister use his best endeavours to examine his property portfolio with a view to identifying a suitable building or brownfield site for the Rotary Good Companions? Thank you.

The Connétable of St. Peter:

The short answer to that is yes, but if I can add a little bit more to that to give it some colour. Jersey Property Holdings has been approached in the past regarding potential sites for Good Companions. However, the option of d'Hautrée School was not one of the ones considered at that time. Thank you.

3.8.2 Deputy P.V.F. Le Claire:

Will the Assistant Minister agree that there is also an amendment to the amendment from Deputy Lewis for removing altogether the d'Hautrée site, and meanwhile, conversely, within the Samarès Nursery proposals, which were supported by the independent Island inspector as necessary for homes, if the States were to purchase that because the seller is willing, the Housing Department can easily offer the Good Companions a home on that site?

The Connétable of St. Peter:

I am not sure which site the Deputy was referring to, whether it was the Samarès site he wanted to put it on or d'Hautrée. Would the Deputy help me?

Deputy P.V.F. Le Claire:

It is in relation to the Samarès site. It has always been spoken of in the past that it was a perfect site for the Good Companions Club.

The Connétable of St. Peter:

Thank you for that clarification. That would certainly be a matter for the Minister for Planning and Environment and also, for example, the Housing Department on their needs for housing should the Samarès site become available through the Island Plan. Thank you.

3.8.3 Senator T.J. Le Main:

I would like to follow up on that. The Samarès site is a site, as quite rightly said by Deputy Le Claire, as identified by the independent planning inspector in discussions with the Housing officers. Would the Assistant Minister therefore agree that Samarès Nurseries could take a considerable amount of sheltered rental homes and accommodate a new eastern Good Companions Club for the Rotary Club? It meets all the criteria. Will he agree to look into it and perhaps give his support?

The Connétable of St. Peter:

Certainly. Every option to improve the housing offering to local residents with affordable housing would be something that I would very strongly support. However, this would have to be looked at within the terms of the Island Plan and the amendments being brought forward within it. But as a matter of being in-principle, yes, I would, in general, support this. However, I would need to see the detail before I could firmly support it. Thank you.

3.9 Deputy S. Pitman of St. Helier of the Minister for Education, Sport and Culture regarding vandalism at Springfield Stadium:

How much has been spent over the last 10 years on repairing vandalism at Springfield Stadium?

Deputy J.G. Reed of St. Ouen (The Minister for Education, Sport and Culture):

It is difficult to provide exact figures for damage caused by vandalism at Springfield because these are included in the overall sum for maintenance. However, my officers have reviewed maintenance expenditure for the past 10 years and they have estimated the total cost which could be attributed to vandalism over that period is £16,000. This equates to approximately £1,600 per annum.

3.9.1 Deputy S. Pitman:

The Minister will know that there was a recent incident at Springfield, which took place, I believe, around 10.00 p.m. on a Saturday night. This would have been a time when young people were going in and out of there, because they often do during the week, and at the weekend know that the stadium is just closing and that there still are employees around. What measures will the Minister take in trying to prevent young people hanging around the stadium, causing trouble and antisocial behaviour, which I believe he knows has been a problem for quite a while as he knows there are complaints from residents in the area?

The Deputy of St. Ouen:

I am aware that young people, at times, congregate in and around the Springfield area. However, it has got to be recognised that Springfield is a park, which has a football pitch used for major matches and other facilities within the confines of the site. As the Deputy rightly points out, the site is open from around 6.30 a.m. until 10.00 p.m. or 11.00 p.m., with personnel visible at most times. Equally, we do have C.C.T.V. (closed circuit television) cameras strategically placed to again oversee the site. Although I recognise and do not condone any form of vandalism, in this particular area I do believe that the vandalism that we have experienced is relatively minor in nature and we should recognise that many people, especially young people, do enjoy the facilities available on that area.

3.9.2 Deputy P.V.F. Le Claire:

I would like to commend the Minister on the excellent facilities, but also, yesterday I was there playing football with my son as part of a group event and, in the small nursery playground, the largest school children's playground, the football area and then the caged football area, there must have been somewhere in the region of 150 to 200 people. I have been there on many occasions. I have never seen a member of staff walking around and trying to monitor or control those situations or even have a presence, and I wonder if he might review that.

The Deputy of St. Ouen:

There are people in and around the facility. There are groundsmen that take care of the premises and obviously staff that travel on and off the site, but ultimately the parents have to take some responsibility for their children and although we can make every effort to support parents in their endeavours, we do require, as I said before, parents to take that responsibility.

3.9.3 Deputy P.V.F. Le Claire:

So would the Minister not appreciate that while I am there taking care of the responsibility of my children, and while there are other parents sitting on the grass - because we cannot access the chairs now because they are all fenced-off - while we are taking responsibility for our children, it is not our responsibility to take care of the other children whose parents are not taking responsibility for them?

The Deputy of St. Ouen:

Absolutely, but I do think that the community has equally a responsibility, and the good thing is... and we know for a fact that where there are parents and young people enjoying themselves, that generally the activities that the young people engage in are good and positive.

3.9.4 Senator T.J. Le Main:

The Minister has reported that approximately £16,000 has been spent on vandalism over 10 years. That is £16,000 spent by the department but the recent damage shows me that it was probably a big insurance claim. Could the Minister confirm that, apart from the £16,000, there were claims against our States insurers for considerable sums of money for vandalism over 10 years?

The Deputy of St. Ouen:

The information I have been provided with does not mention any insurance claims, but I can tell the Senator that the recent damage that was caused to 68 seats, the cost of replacing the broken seats amounted to approximately £500.

Senator T.J. Le Main:

Could the Minister ...

The Bailiff:

I am sorry, we have gone inquorate. We have 2 Members back so we are quorate again. Now, Senator Le Main, were you asking a supplementary?

3.9.5 Senator T.J. Le Main:

I just wanted to know if the Minister would contact the media with a press release, which says the £500 because the inferences in the media, it was many, many thousands of pounds worth of damage.

The Deputy of St. Ouen:

I will make sure that the full cost of the damage is first of all verified to ensure that the figure that I have quoted today is absolutely correct and that that information will be shared with States Members.

3.9.6 Deputy S. Pitman:

I am afraid the answer given by the Minister to my question was a bit wishy-washy. The employees... the fact that there are more around recently is because residents have made complaints and they have done it quite strongly after years of antisocial behaviour, but still we see the recent vandalism where employees would have been around and young people would have known that they had been around but they still do it. As far as the cameras around the stadium, I am afraid they are not working. So can I have a clear answer because it is not just the responsibility of the community? I would like to hear what measures the Minister is undertaking or he has given an Assistant Minister to undertake to try and prevent more antisocial behaviour in the stadium.

The Deputy of St. Ouen:

The Deputy is fully aware that every effort has been made by my department after the Deputy herself raised concerns about antisocial behaviour. Meetings have taken place. My Assistant Ministers have attended meetings. My department officers have engaged with local residents and in fact it was due to the actions of one local resident that we managed to identify the culprits of the recent vandalism. That is part of the community responsibility, which I applaud. We are unable, I am afraid, to stop all vandalism, to stop all antisocial behaviour. What we can do is make every effort, as I believe we are doing, to manage the situation and engage these young people in positive activities. As a department, we are continuing to provide the community sports ...

The Bailiff:

A concise answer, please, Minister.

3.9.7 Deputy S. Pitman:

Again, the Minister has not defined what he means by “every effort” and I understand that there is not currently an Assistant Minister dealing with the stadium on this issue because the former Assistant Minister, Deputy Green, was attending meetings with residents. Is there an Assistant Minister now that would be assigned to that? And please define “every effort”.

The Deputy of St. Ouen:

The Deputy is making statements which I am unable to verify. First of all, with regards the Assistant Ministers, yes, it is true that Deputy Green has now become the Minister for Housing. I still have 2 Assistant Ministers and collectively we oversee all areas of the department. If there are further issues relating to Springfield, then one of my Assistant Ministers will continue and attend meetings. Equally, my department is always open to address issues of individuals that use any of our facilities, and this will continue.

Deputy S. Pitman:

Can the Minister just ...

The Bailiff:

I am sorry, Deputy, we have had enough on that question now because we have many other questions that we have to deal with and we are running quite slowly this morning. So we come next to the question the Deputy of St. Martin will ask the Minister for Home Affairs.

3.10 Deputy F.J. Hill of St. Martin of the Minister for Home Affairs regarding the investigation and evidence gathering by the States of Jersey Police in relation to a drugs case:

Will the Minister update Members on the Hampshire Police investigation into the circumstances surrounding the investigation and evidence gathering by the States of Jersey Police which led to the arrest and conviction of a high profile drugs dealer who was attempting to import a considerable amount of drugs to the Island?

Senator B.I. Le Marquand (The Minister for Home Affairs):

The Hampshire Police investigation in relation to this matter is still continuing and no formal report has been received by the States of Jersey Police.

3.10.1 The Deputy of St. Martin:

I was under the impression that the investigation began maybe 2, 3, 4 months ago. Is there any reason as to why this investigation is taking so long?

Senator B.I. Le Marquand:

I presume that is because that is the length of time it needs to take, but my memory is that the announcement in relation to the investigation was made just before the decision was made by the Privy Council. I did not think it was quite that long ago, but I may be wrong.

3.10.2 Deputy R.G. Le Hérissier:

Could the Minister inform the House, all being well and the wind behind the ship, so to speak, when does he anticipate receiving the report?

Senator B.I. Le Marquand:

I do not anticipate receiving the report. The report will be going to the Deputy Chief Officer of Police and not to myself. My understanding is that this may well be received in the next few weeks.

[11:00]

3.10.3 Deputy M.R. Higgins:

Can the Minister tell us what effect, if any, the referral of the case to the European Court of Human Rights will have and, secondly, if the European Court of Human Rights upheld the appeal by Warren and his associates, whether that will lead to compensation being paid by the Island to them if they are released, on the basis of the way that the evidence was gathered?

Senator B.I. Le Marquand:

This is taking me into an area which I do not know the answer to. I am not sure, if there was a successful reference to the European Court of Human Rights, as to whether that would overturn a criminal conviction or not. I have not taken advice on that point or as to whether it would purely have a civil effect in relation to that. I am afraid I do not know the answer to that and, curiously, although I am a lawyer, I would need to take legal advice on the point.

3.10.4 The Deputy of St. Martin:

In an answer to an oral question on 8th December 2009, the Minister stated he was not aware of any intention on the part of the acting leadership of the States Police to take disciplinary action against anyone concerned. Can the Minister inform Members why there appears to be a u-turn and why there now seems to have an investigation almost 13, 14, 15 months maybe after these initial statements and has the Minister himself been consulted with a decision to ask the Hampshire Police to investigate the matter?

Senator B.I. Le Marquand:

We have a new Police Chief and it may well be that the new Police Chief has taken a different view of the matter. I was informed of the decision that was being made and I am fully supportive of it.

3.11 Deputy P.V.F. Le Claire of the Minister For Planning and Environment regarding the publication of revised new standards for residential development:

Could I ask the Minister when will the Minister be publishing revised new standards for residential development to ensure the provision of homes which meet people's needs and aspirations, please?

Senator F.E. Cohen (The Minister for Planning and Environment):

One of the key priorities of the States Strategic Plan is to adequately house the population. In doing this, it is essential that Islanders are provided with a good standard of accommodation. That means spacious and with adequate amenity space. In years gone by it is true that some accommodation was considered by some to be inadequate. Consequently, I increased minimum dwelling sizes by 15 per cent some years ago. As a result, we are now providing good-sized homes, in my view. The regeneration proposals and the North of Town Masterplan are based specifically on providing good-sized homes with good public and private amenity space. Furthermore, I propose to publish supplementary planning guidance setting out new standards for residential development as a draft for consultation early in the summer. Following a period of consultation, we will review representations received with a view to adopting new revised guidance in September this year. Thank you.

3.11.1 Deputy P.V.F. Le Claire:

I do not have the documents with me but I am certain that the independent Island Plan inspector said that it would be necessary for these guidelines to be issued prior to the Island Plan debate so we could be certain that the proposals within the Island Plan are going to meet the aspirations, and the Minister is saying he is going to make those public in the summer. We will have debated the Plan by then. Is it not necessary to get these guidelines out for us to understand what is being proposed prior to the Island Plan?

Senator F.E. Cohen:

No, not at all. These guidelines effectively take the form of supplementary planning guidance and it is indeed perfectly appropriate that States Members have the opportunity of debating the Draft Island Plan and then considering the principles within that and then a supplementary planning guidance follows and fills in the detail. Thank you.

3.12 Deputy A.E. Jeune of the Minister for Home Affairs regarding domestic violence towards men in Jersey:

Can the Minister advise, please, what evidence there is of actual and perceived incidents of domestic violence towards men in Jersey and detail what percentage of the male population have reported such allegations to the States of Jersey Police in 2010? Thank you.

Senator B.I. Le Marquand (The Minister for Home Affairs):

This is an interesting question. In 2010, there were 94 reported incidents of domestic violence towards men in Jersey, involving 74 individual men. The States Statistics Unit estimates that the number of males aged 18 and over in Jersey is 35,400 which would mean that the percentage was 0.21 per cent or, in layman's terms, about one in 500. These complaints relate to physical violence. There may have been other cases involving verbal or psychological abuse.

3.12.1 Deputy A.E. Jeune:

I thank the Minister for his reply, but as far as he is aware, including psychological and verbal abuse, does he believe that this rate would increase to one in 6 men within the Island? Thank you.

Senator B.I. Le Marquand:

Well, not one in 6 in a single year, but if the question is whether one in 6 men would experience physical violence and verbal or psychological abuse, I think that probably depends what one means by verbal or psychological abuse, but I think I could say that it is most unlikely from these figures that one in 6 men would experience physical violence.

3.12.2 Deputy T.M. Pitman:

Does the Minister agree that information, certainly from my own past, indicates that many men will not ... **[Laughter]** I should rephrase that. **[Laughter]** Yes, my wife sometimes will not give me the dinner I want, but there we go. **[Laughter]** Does the Minister agree that these figures were lower than the reality because many men would not come forward and report this? Research does prove that. I am not sure if the proposer knows that.

Senator B.I. Le Marquand:

Yes, I would agree with that. That is a problem that exists not just in relation to men at reporting abuse but also ladies as well, and that is one of the difficulties that we always have in seeking to combat this problem: the relatively low incidence of reported matters.

3.12.3 Deputy J.M. Maçon of St. Saviour:

I was going to raise that point, but going on from that, given then that the Minister of the department does not know the incidence of these types of offence, how does the department develop appropriate strategies to assist with these?

Senator B.I. Le Marquand:

There has been a substantial increase in numbers of staff employed in recent years in the Public Protection Unit, whose work is best known in relation to children and vulnerable adults but which also operates in this particular area. Obviously we do have campaigns from time to time to try to encourage people to come forward and to report incidents and so on. When I was working as a magistrate, there was an excellent course being set up by the Probation Department, whose name I cannot remember. I think it was called the Change Course, possibly, designed specifically for trying to re-educate or retrain - or whatever the right word is - people who were involved with this kind of thing. The difficulty they had was that there were not sufficient people coming through the course and certainly the Magistrates Court in the period when I was there - and I assume they are still doing the same - had a policy when dealing with such cases of routinely seeking to get a background report in order to see whether people were appropriate for this kind of input.

3.12.4 Deputy D.J. De Sousa:

I wonder if the Minister would not agree that it is a very serious matter that is being talked about here and that whether it be one case or 2 cases, any abuse of any kind to man, woman or child is absolutely not acceptable in a society and that the Women's Refuge and now the new Men's Refuge do a sterling job and that the Men's Refuge is not just for men who have been abused; it is for men that are down on their luck and helping them to get back on their feet and take part in society?

Senator B.I. Le Marquand:

There were about 5 questions there. Firstly, I have always taken a serious view of domestic violence in whatever format it comes. There was a historical period when perhaps one could say that the authorities did not treat such matters sufficiently seriously, but certainly the view of the courts over the last 10 or 15 years at least has been to treat such matters on equal seriousness with other types of violence so that there was this differentiation. The role played by shelters, the Women's Refuge, is important, but I do not want to be drawn into any debate in relation to the merits or demerits of a particular refuge which may underlie the questions. Nevertheless, there is a need for such premises.

The Deputy of St. Martin:

Deputy Maçon asked the question I was going to ask, thank you, Sir.

Deputy A.E. Jeune:

The Minister has answered what I had as a final, thank you.

3.13 Deputy M. Tadier of the Chairman of the Comité des Connétables regarding warrant cards:

Further to his response to a question on 17th November 2009 when the Chairman told the Assembly that the Connétables carried warrant cards for means of identification and in the view of the fact that I.D. (identification) cards have subsequently been made available to all States Members, is there now a need for Constables to carry warrant cards at all?

Connétable K.P. Vibert of St. Ouen (Chairman of the Comité des Connétables):

The Connétables retain the authority to carry a warrant card under existing legislation. It is therefore the decision of each individual Connétable whether to do so.

3.13.1 Deputy M. Tadier:

It was stated on 17th November 2009 that they were carried for identification purposes. Will the Constable confirm whether this is to identify them as States Members at which point they could use an I.D. card from the States of Jersey or is it to identify them as police officers?

The Connétable of St. Ouen:

That question would have to be aimed at each individual Connétable who does carry a warrant card. I cannot answer for them.

3.13.2 Deputy R.G. Le Hérissier:

Would the Constable not agree that a lot of this residual problem has arisen from the fact that the proposition put before the States in May 1998 re Clothier 1 - if I may call it that - was never fully implemented and we live in a state of fog as regards the implementation of that proposition?

The Connétable of St. Ouen:

Yes, I would agree with that and I would also point out that the Comité des Connétables of the day sought guidance from the Law Officers as to how their role could be more clearly identified as far as being States Members was concerned and that, to date, has not been resolved.

3.13.3 Deputy R.G. Le Hérissier:

Sir, a supplementary. Would the Constable or the Chairman of the Committee tell me why, in his view, this law was not fully implemented?

The Connétable of St. Ouen:

I might answer that question with another question. Why do the States of Jersey not implement every law that is supposed to be implemented?

3.13.4 Deputy M. Tadier:

I think the question is very simple. States Members now have I.D. cards available to them. It was put to the Constable the last time this was discussed, in a question by Deputy Martin, whether or not all Constables should have warrant cards if they are all police officers. It is perceivable that they should be able to identify themselves as such and the Constable said that he would look into that issue. Will the Constable give a clear indication if he will bring this up at the next Comité des Connétables meeting and I would suggest that if Constables are police officers, as we know they are, and a member of the public wants them to identify them as such, they should have warrant cards? Would the Constable agree to do that?

The Connétable of St. Ouen:

I do give an assurance that it will be on a future agenda of the Comité des Connétables.

3.14 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding the establishment of a private sector rival to Ship2Me:

Given the establishment of a private sector rival to Ship2Me, what restrictions, if any, exist to govern the business activities of senior executives who leave the publicly owned utilities and move to directly comparable activities?

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

I am advised that Ship2Me competes with a number of private sector operators, each offering different services. Market innovation, I would imagine, is something that all Members would want to encourage within the business community. The Treasury requires the directors of Jersey Post, and indeed all of the States owned entities, to operate their companies in an efficient and effective

way. Jersey Post, like other commercial businesses, has restrictive clauses within its contracts but these are private to the parties concerned. The terms and conditions of employment of the company staff are a matter for the board, its employees and their representatives and I do not believe that it is appropriate for the shareholder to be involved in individual contracts for employment.

[11:15]

I expect the board to adhere to the highest standards of governance in all areas of management of the company and I am satisfied that they have done so.

3.14.1 Deputy R.G. Le Hérissier:

Which says precisely nothing. I wonder if the Minister could define what are the material differences between the newly set up private sector company and the activity which was headed up by the self same executive when employed by the public utility?

Senator P.F.C. Ozouf:

I do not believe that my answer said nothing. It said to that - and I will repeat it unless the Deputy did not hear it or did not understand it - that matters of terms and conditions and remuneration must be a matter for the boards, not for the shareholder. I am not aware ... and I have not researched the issue of a competitor company setting up to Ship2Me. Those are market issues which I do not think should involve the Minister for Treasury and Resources. I repeat also what I said that in terms of ... it would be I imagine - and I have not investigated it - that when departing executives leave, they have some restrictive restraints on trade that they have in their contract and these are normal issues, and I do not believe there is anything not normal that has happened in relation to Jersey Post contracts.

3.14.2 Deputy M.R. Higgins:

I hope, Sir, you will allow this because it is slightly to the side of ... do similar provisions ... for example, what provisions do they have for civil servants who leave our employment? Is there a restriction on their activities; senior civil servants leaving and then going into private sector things related to what they do?

The Bailiff:

Yes, I fear that is too far off. You can ask a question about that at another stage, Deputy. This is about a wholly-owned company. Senator Breckon.

3.14.3 Senator A. Breckon:

Would the Minister agree that an executive leaving Jersey Post would have a commercial advantage setting up another company if he had the inside information within a given time?

Senator P.F.C. Ozouf:

Yes, I agree that that is the situation and that is why entities are put in place and restraints of trade on departing executives for a period of time and, indeed, in respect of this particular matter - and I am not going to mention any names in this Assembly - I imagine that the restraint of trade will have well expired in terms of its time between the original departure of the executive and the setting up of this issue. But the Senator is right and I agree with him.

3.14.4 Deputy T.M. Pitman:

Following on from Senator Breckon and Deputy Le Hérissier's question, is the Minister not concerned, as I am, that in effect we are allowing Jersey Post to be destroyed from within and we are really doing nothing to prevent that in what is a very important and a social service to the Island?

Senator P.F.C. Ozouf:

I have absolute confidence in the board. Members might already be aware - I am not sure whether it is in the public domain - there are announcements that are being made either yesterday or today in respect of management structure changes to Jersey Post. Jersey Post has a difficult marketplace to operate but they are a well-run organisation and have a good amount of staff who engage in the business, and I am confident that they are going to be able to realign their businesses. Some of their expansive businesses have not worked; others have done. But it is important that we, as the owners of Jersey Post, give them all the encouragement we can to look after their existing business and expand where possible and where appropriate for the benefit of users, the staff and taxpayers.

3.14.5 Deputy R.G. Le Hérissier:

Would the Minister, as the shareholder and therefore not a passive representative in this whole process, agree to publish the terms under which senior executives leave and the period that is required of them where they are not allowed to emulate activity as was part of their job? Would he be prepared to publish those terms and play a much more active role as a shareholder?

Senator P.F.C. Ozouf:

I have already become a more activist shareholder as the owned entities will confirm. That is why I commissioned the Deloitte review and that is why I have pushed them in terms of efficiency, but there is appropriate activism and there is inappropriate activism and what he asks me to do goes beyond what is acceptable. I appoint boards, hold them to account, engage with the chairmen but let them get on and run the company. I suspect what the Deputy wants to do is run a committee. He used to be on the Committee for Postal Administration and that is perhaps why he asks questions regularly. He hankers after a role back on a Postal Committee so we have moved on. We have a board and I have full confidence in them.

3.15 The Deputy of St. Martin of the Chief Minister regarding the recommendations of the ‘Review of the Roles of the Crown Officers’:

Following the in-committee discussion on the Review of the Roles of the Crown Officers (R.143/2010) on 30th March 2001, will the Chief Minister inform Members how it is intended to address the review’s recommendations?

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

The very clear message from the in committee debate was that the present arrangements were not under serious threat at this time and that, therefore, no action should be taken at this stage on the key recommendations about the role of the Bailiff. In due course, this aspect could be considered by the new Assembly. This option would not prevent work being done now to pursue the other recommendations, many of which are not controversial, as and when appropriate. Further discussion on this issue will shortly take place at forthcoming meetings of the Council of Ministers and the Privileges and Procedures Committee.

The Bailiff:

Deputy of St. Martin, do you wish to have a supplementary?

The Deputy of St. Martin:

I have got one, I just ...

The Bailiff:

I always turn to the Member who asked the question first.

3.15.1 The Deputy of St. Martin:

Can I have an assurance from the Minister that, as the States has a history of carrying out reviews and then ignoring the recommendations, this will not be an occasion again with this last review?

Senator T.A. Le Sueur:

I made it clear that those aspects of the review which are relevant and can be implemented swiftly will be addressed by the Council of Ministers and the Privileges and Procedures Committee. In respect of the role of the Bailiff and matters relating to that aspect, the outcome of the debate was very clear and that has given us a steer as to the way forward. Times may change and international views may change but, at this stage, that was the view coming out of that meeting.

3.15.2 Deputy R.G. Le Hérissier:

On a rating of one to 10 - 10 being the highest - what is the Chief Minister's personal enthusiasm for the recommendations of Carswell?

Senator T.A. Le Sueur:

Lord Carswell's review gave something like 15 recommendations and I have varying views on each of those 15. Many of them I think are very sensible recommendations and I rate them 9 and 10. Others I think are less acceptable and I rate them maybe rather lower, but that is my personal view. The purpose of this was to have a view of the Assembly and we have now had that.

3.15.3 Deputy R.G. Le Hérissier:

Given that the Chief Minister's views will be influential, what is his rating of the recommendation re. the Bailiff's role?

Senator T.A. Le Sueur:

The recommendation, on my personal rating, would not be very high. I would rate it at certainly below 5. I think it is not adequately thought through as to the consequences that might flow from it but that, as I say, is very much my personal view.

3.15.4 Deputy S. Pitman:

Given the importance of this issue, will the Chief Minister agree that the Council of Ministers meetings that have taken place shortly to discuss this matter will be available to all States Members and not put on the 'Part B' Agenda Minutes?

Senator T.A. Le Sueur:

The Deputy says "this matter". I refer to meetings which the Council of Ministers would be holding in respect of some of the non-controversial aspects. I am not sure if the Deputy understood my answer clearly because that was the matter and that, no doubt, will come on to an agenda in the fullness of time. The role of the Bailiff, which is a more controversial issue, was debated in the States Assembly in committee and is not scheduled to come on to the Council of Ministers agenda in the near future.

3.15.5 Deputy S. Pitman:

Sir, a supplementary. He has mentioned that the Council of Ministers will be discussing the non-controversial issues. Does that mean that they will not be discussing controversial issues?

Senator T.A. Le Sueur:

I think the short answer is yes. In the current limited time we have available to discuss matters, controversial issues such as that of the role of the Bailiff is not something which will be useful use of the Council of Ministers' time, whereas other less controversial matters which could be implemented and maybe should be implemented quickly, are more appropriately addressed.

3.15.6 The Deputy of St. Martin:

I think the Chief Minister and I may have a disagreement about the outcome of the debate, and that may also be shared by other Members who were here in the House. But will the Chief Minister maybe give consideration - and I think it was something that was mooted maybe by Senator Routier during the debate - that maybe there could be a subcommittee formed of a cross-section of Members of this House with a view to looking forward to or seeing how some of the recommendations could be addressed and then report back to the Council of Ministers and to P.P.C.? That may well be a sensible way forward.

Senator T.A. Le Sueur:

That may be a way forward and certainly I agree with the Deputy of St. Martin that we may have different views on this matter. I take the view that the expressions of Members of the States during that meeting on 30th March was quite clear in its general direction, and I base my answers and future proposals on the outcome of that meeting.

3.16 Deputy R.G. Le Hérisier of the Chief Minister regarding the workings of the Hay Evaluation system:

Is the Chief Minister satisfied with the workings of the Hay evaluation system and, if not, what changes, if any, does he propose?

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

On the whole, I am satisfied with the workings of the Hay job evaluation system, which is a worldwide renowned system of evaluating jobs for pay policy purposes and which has served us well for some 30 years. However, it is important to appreciate that the primary purpose of the Hay process is as a tool for evaluation comparisons between Civil Service posts of differing types. Nonetheless, everything needs updating and changing with time and the current system is currently being reviewed as part of the general review of terms and conditions of employment. What is perhaps more important is to simplify the variety of posts and grades currently in existence across the whole States organisation. The appropriate staff representatives are aware of this and will be involved when formal proposals are developed.

3.16.1 Deputy R.G. Le Hérisier:

I am encouraged to hear of the wider review. One of the recurring criticisms of Hay is that it inflates the number of people in supervisory positions because it has a bias in that direction. Could he indicate how that is dealt with and whether he feels that there is a proper lid kept on the creation of such positions?

Senator T.A. Le Sueur:

I am aware of that criticism of the Hay system. The number of employees or the responsibility for staff is one of 8 criteria which are used in the Hay assessment process. So taken in isolation, it would be a serious concern. As one of 8 matters, it I think puts a fair balance and perhaps a balance which is not always understood by people who criticise the Hay system and so, for that reason, I am satisfied that the review takes quite clear notice of that criticism.

3.16.2 Senator S.C. Ferguson:

Obviously, the Hay system is so well-known that, on occasion, it can be outwitted. Is the Chief Minister aware that the Hay company itself will come in and recalibrate the system as and when required?

Senator T.A. Le Sueur:

Yes, like all processes such as this, people do get to know the nuances of the system and the way in which it is best addressed and, equally, if the system is going to be robust, it will acknowledge and

deal with and react to those things and keep up-to-date itself. I am satisfied that the Hay process does keep up-to-date but I do appreciate and share some of the concerns of the Senator.

3.16.3 Deputy R.G. Le Hérissier:

I wonder if the Chief Minister could indicate whether, despite the conscientious application of Hay, he has come across departments which are clearly over-managed and over-supervised. Could he identify which, in his estimation, these are - as there are rumours around - and what steps he is taking to rectify the overenthusiastic application of the Hay principles?

Senator T.A. Le Sueur:

I think the idea of over-management can be exaggerated although I do accept that there are cases which do cause my eyebrows to raise as much as no doubt other people's do, and there is generally a good reason why the appearance is not necessarily the same as the reality. It is really up to us in the States Employment Board and States Members to ensure that we appoint proper managers to do the job properly and to weed-out cases where there just seems to be job creation for its own sake. I am satisfied that, if you appoint the right people to the job at the top, they do indeed achieve those changes.

[11:30]

Furthermore, the C.S.R. and the way in which that is vigorously reviewed by Ministers and other means of Scrutiny will ensure that blatant examples such as that do get identified. When you get down to other levels, we could be in danger of micro-managing, and I think it has to be kept at a reasonably sensible and succinct high level process but I do take note of the Deputy's concerns.

3.17 The Deputy of St. Mary of the Minister for Treasury and Resources regarding tax harmonisation:

Following the introduction of a zero rate for corporation tax in Jersey and the consequential reduction in tax revenues, can the Minister advise what work, if any, is being undertaken to explore tax harmonisation with other jurisdictions similarly placed to Jersey and if it is not being done, will he explain why?

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

I am not exactly clear what the Deputy means by "jurisdictions similarly placed to Jersey". I am assuming that he could mean our closest friends in Guernsey and in the Isle of Man but of course he also could be referring to other low tax jurisdictions; the United Arab Emirates, Hong Kong, overseas territories, Malta, Estonia and all ranges of jurisdictions. Jersey's tax system is very similar to the tax regimes of those 2 first jurisdictions that I mentioned, in Guernsey and the Isle of Man, although there are some important differences. The Treasury does monitor tax developments in other jurisdictions on an ongoing basis and we will continue to do so in the best interests of Jersey. Ultimately, tax is a matter for this elective Assembly in this jurisdiction.

3.17.1 The Deputy of St. Mary:

That was a fascinating answer. The Minister monitors what other jurisdictions are doing with regard to corporation tax. The question was would he explore with those other jurisdictions the possibility of working together so that we do not all end up with no tax from corporations, which benefits the corporations but not the residents of any of the jurisdictions?

Senator P.F.C. Ozouf:

First of all, I do do my best to monitor international developments on tax and, as far as building bilateral relations with other jurisdictions, that is of course the important reason why the Chief

Minister has appointed the Assistant Chief Minister, to build better relations with all sorts of different relations. The Chief Minister and I do what we can but we do need to do more in terms of building relationships. So, ultimately, while I am content to have discussions, I am sceptical about whether or not, ultimately, we will ever lead to a situation of a tax harmonisation among jurisdictions. I cannot see it happening. At the end of the day, there will continue to be competition across the Atlantic with the U.S. (United States) and Europe and so will continue to be the case in relation to small jurisdictions with well-run financial services industries.

3.17.2 Deputy M.R. Higgins:

Following on from this, will the Minister outline the current state of play with Guernsey and the Isle of Man? Obviously, on Zero/Ten, he was working in step with the Isle of Man, but Guernsey appeared to be out of step. Can he tell us what the current state of the relationship is between the 3 islands and their view on this matter?

Senator P.F.C. Ozouf:

I will be lodging later today amendments to the Income Tax Law to deal with the issue of the attribution and deemed distribution in order to remove the issue which the co-group has come forward and found harmful. That will be lodged later today. I continue to engage with discussions in relation to the common position that Jersey has with the Isle of Man, and I am hopeful that we are going to be able to reopen discussions on the tax issues with our friends and colleagues in Guernsey. But of course I cannot speak for the Guernsey line in respect of Zero/Ten and what their reaction will be to us finding a solution to Zero/Ten and our confidence that Zero/Ten will be found to be compliant after having made the changes on deemed distribution and attribution.

3.17.3 Senator S.C. Ferguson:

Will the Minister name the number of jurisdictions which he was monitoring? He neglected to include Singapore, which is perhaps the one most like ourselves, although on the other side of the world. Would he explain how much notice is taken of what is happening in Singapore?

Senator P.F.C. Ozouf:

I think the Senator makes an important point, which is that the world of competition in terms of financial services is fierce and I often refer to Hong Kong but she is right that Singapore is developing their own financial services sector. They have a trust law, which is probably vying for an equivalent status in our much respected trust law - and, indeed, the first law - and we must be ever-vigilant of competition of other jurisdictions seeking to compete with us in the quality area of financial services. Singapore is one of those jurisdictions that we must be watching with interest in terms of competing against Jersey but I am confident that we will compete even with Singapore.

3.17.4 Deputy G.P. Southern:

Competing on the downward spiral to the bottom. Is the Minister in any position to inform Members what progress he has made on mechanisms to replace the zero rate in Zero/Ten and, if not, when will he report to the House?

Senator P.F.C. Ozouf:

I am not going to be proposing a replacement to zero-rating because at the heart of the Zero/Ten debate, which has been rehearsed in this Assembly many times, the general rate of tax for Jersey is zero with the special rate for financial services at 10 per cent and 20 per cent for utilities. What this Assembly has charged me to do is to come up with alternative proposals to raise revenue for non-local entities. Work on that is being somewhat delayed because of the Zero/Ten discussions but I will be making the commitment in advance of the budget, and that is going to be a subject which will be discussed in the budget later on this year as is the normal rhythm of decisions on tax in Jersey.

3.17.5 The Deputy of St. Mary:

Does the Minister accept that the present situation where he goes on and on about competition and the result is that corporations are now paying nothing while the individual taxpayer pays, I think, nearly 90 per cent of the tax take for Jersey ... does he not accept that there is something wrong about this imbalance and will he undertake to make sure that he rebalances the tax take so the individual taxpayers in Jersey pay less and corporations pay more?

Senator P.F.C. Ozouf:

I realise that later on today we are going to have a debate about food exemptions and, no doubt, the accusations will be made again that somehow we can raise more money from corporates and we can therefore undo some of the decisions on spending and indeed on taxes. I am afraid that we needed to rebalance our income. The Island was too dependent on income tax and corporate tax in order to run its affairs. We have been through a difficult - and I understand just how difficult it has been - rebalancing, but we are here now and we have got a balanced, sustainable model for taxation. I am looking forward to a corporate taxes increase in Jersey at the 10 per cent when interest rates recover but it will take some time. But I am afraid that I cannot promise - and I will not promise - that there is some sort of Atlantis or some sort of easy solution to raise revenue to pay for public services. We need to pay for public services out of consumption and income tax on competitive taxes and that is what we have done and we are going to take as much of the upward turn of growth as we can on that model and long may it continue.

3.18 Deputy M. Tadier of the Minister for Economic Development regarding the introduction of a code of conduct for debt collection agencies:

Will the Minister confirm whether he would support the establishment of a voluntary working party including industry professionals to consider the introduction of a code of conduct for debt collection agencies in Jersey?

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

The short answer is that, in principle, yes, I would, although it is really a matter for that industry to progress. This question follows alleged poor practices by one debt collection agency recently publicised in the media. I would therefore strongly encourage all those businesses involved in debt collection to form a representative association. This will not only help to inform and protect the public but also the reputation of the majority of businesses who operate well-run and fair debt collection agencies. A representative association would expect organisations to draw up a code of conduct which is, in effect, self-regulation. A new debt collection association would develop appropriate rules for its members to follow and appropriate sanctions for breaches of those rules.

3.18.1 Deputy M. Tadier:

The Minister may be interested to know that industry representatives have already called for the setting up of a working group and perhaps a voluntary code of conduct for all debt collection agencies. Does the Minister acknowledge that, while in an ideal world, one would want all of these such agencies to come on board and support the initiative, if there are unscrupulous debt collection agencies in the Island, they are going to be less likely to come forward and it may be necessary for the States to help to set up the framework of such a group to look into the deeper issues?

Senator A.J.H. Maclean:

I understand the point. I would expect and hope that all companies involved in a particular industry would join such a group. It is in their interests to do so as well as the public interest. Having said that, public awareness plays an important part to businesses that do not operate in a fair and just manner. The Consumer Council does a lot of good work in that area but I can tell Members that following a recent Green Paper, I am intending to progress a new consumer protection law, in

particular relating to unfair trading practices. It may well be that this particular law has regulatory powers to deal with such matters if that were the outcome necessary.

3.18.2 Deputy P.V.F. Le Claire:

Is this not a role for the Jersey Financial Services Commission in some way?

Senator A.J.H. Maclean:

No, this is a matter for the Trading Standards part of the Economic Development Department to deal with. It is not a Jersey Financial Services Commission issue, although I should point out to Members - which I think I have done before - that these particular businesses are not licensed as they are in the U.K. The U.K. Office of Fair Trading operates a licence system and therefore there was a great deal more control than there is available currently in Jersey, hence my comment of progressing a consumer protection law.

3.18.3 Senator A. Breckon:

Just following on from that, I was going to ask the Minister about the system in the U.K.; obviously he is aware of that. But the question then is, does he think that by looking at that and perhaps referring it to the agencies that something can be done and something can be learnt from that?

Senator A.J.H. Maclean:

Yes, I do. I think that we need to bear in mind that any law of this nature needs to consider the nature of purchasing goods, which clearly the U.K. and the nature of the international market ensures that we should have a law that meets those standards. The U.K. Office of Fair Trading does operate a code of practice for debt collection agencies. It is basically a guidance document and I would imagine that if a code group is set up locally that that particular document would be of great assistance.

The Bailiff:

Do you wish a final question, Deputy Tadier?

Deputy M. Tadier:

Just to thank the Minister for his in-principle support and I will be in contact with the Minister with and including those industry professionals who are willing to progress this idea, and I hope for his continued support over the next weeks and months.

3.19 Deputy G.P. Southern of the Minister for Health and Social Services regarding Valerie Band House:

Will the Minister - Assistant Minister, I assume - inform Members what service is provided by the workshop at Valerie Band House within St. Saviour's Hospital and state whether it is intended to close this facility and, if so, why?

The Bailiff:

In accordance with Standing Order 64A the Assistant Minister is able to answer this in the absence of the Minister.

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Health and Social Services - rapporteur):

The current workshop at Valerie Band House remains open and is currently used by H.S.S.D. (Health and Social Services Department) staff to make or mend occupational therapy equipment, for example, wheelchair ramps. However, Deputy Southern is concerned with a C.S.R. action and I am able to provide Members with the following information: a furniture repair project providing

occupational therapy for approximately 6 to 8 clients used to operate from the workshop until the staff member running this project retired. The clients are being supported to becoming engaged in other alternative activities. These include activities run by the Jersey Employment Trust and working along H.S.S.D. staff to make and mend the occupational therapy equipment. There are currently no plans to close this workshop facility.

3.19.1 Deputy G.P. Southern:

I am amazed by that answer, since I have a document in front of me that says: "Original S10, close Valerie Band House 2011 C.S.R. work streams financial performance monitoring." Can the Assistant Minister justify his statement that there is no intention to close this facility, when the 8 clients who use this facility and who are finding it very supportive have been told that it will close on 14th June?

Deputy E.J. Noel:

I can repeat that the workshop itself will not be closing. The project for the 6 to 8 clients came to its natural end, because the person providing that service retired. Those clients have been supported to take up alternative activities provided by H.S.S.D. staff and also by the Jersey Employment Trust.

[11:45]

When our C.S.R. projects were initially scoped it was estimated that a £45,000 saving might be made in this area. On further investigation, this proved not to be the case and a smaller sum has been realised. So that is the ongoing process of C.S.R. We looked at this area, scoped it, realised that the initial savings were not going to be made, but some savings would, albeit more modest ones, have been able to be achieved by this opportunity when this individual retired.

3.19.2 Deputy M. Tadier:

Just to clarify then the Assistant Minister is saying that the workshop is not closing, but the staff member who will be retiring will no longer be there, so there will not be a staff member. All the current users of that facility will no longer be using that facility, but the workshop itself is going to stay open. Is that economically viable to have a workshop stay open when nobody is using it?

Deputy E.J. Noel:

I fear that Members are simply not listening. The workshop remains open. H.S.S.D. staff are there, maintaining occupational therapy equipment. They are creating new equipment in the form of, for example, wheelchair ramps. What has ceased is the client area, whereby 6 to 8 clients were in a furniture manufacturing project. That project has come to the end of its natural life and those individuals are being supported to take up alternative and similar activities elsewhere.

Deputy G.P. Southern:

That is straightforwardly misleading, Sir.

The Bailiff:

I will come back to you at the end, Deputy. Deputy Jeune?

3.19.3 Deputy A.E. Jeune:

Can I ask the Assistant Minister, am I correct in understanding, because I have been listening, that the Assistant Minister is saying that the workshop will continue to employ Health and Social Services staff, but will not provide the therapeutic environment for those persons who were benefiting probably at no financial cost to his department from this facility?

Deputy E.J. Noel:

No. What I am saying is that a particular part of the project, which is the furniture manufacturing, has ceased. Those clients that were using that part of the facility are still having occupational therapy on the repair side of that facility. But in addition to that they are being supported to take alternative occupational therapy provided by the likes of the Jersey Employment Trust.

3.19.4 Deputy A.E. Jeune:

As a supplementary, is the Assistant Minister assuring the Members of this Assembly that the persons who are currently getting a therapeutic working environment in this particular site now will continue to have this, but it will be elsewhere? Is he assuring us that these persons will still have a therapeutic environment to go to?

Deputy E.J. Noel:

Yes, that is exactly what I am saying.

3.19.5 Deputy G.P. Southern:

The Assistant Minister is probably not aware that last Wednesday when I met the 8 clients who are receiving therapeutic work through this scheme are very upset at the notice they have been given that their facility will close on 14th June and already we are seeing signs, because of anxiety, that their mental health is deteriorating. Is the Minister certain that suitable alternative activity is being provided? Because the clients concerned state that that is not the case and that is a new facility due to open in 18 months' time under Acorn Enterprises, which was to be, they thought, their destination. The Minister is closing down this facility with an 18-month gap when they will not be supported in therapeutic work.

Deputy E.J. Noel:

That is contrary to what I have been told. However, I would request that Deputy Southern comes into the department and discusses this with myself in our offices.

3.20 Deputy T.M. Pitman of the Minister for Housing regarding maintenance issues at La Collette Flats:

Given the longstanding problems with maintenance issues at La Collette Flats, will the Minister clarify what the current plans are for either refurbishment or redevelopment and, if the latter, will he advise what timescales are envisaged?

Deputy A.K.F. Green of St. Helier (Assistant Minister for Housing - rapporteur):

La Collette tower block is a priority due to its condition. Plans for its refurbishment are well advanced. Phase 1 of that project will be to carry out the wholesale replacement of lifts. The 2 existing lifts stop on alternate floors only and the part of the lift replacement will be to ensure that every floor is served by both lifts. This will significantly improve the situation for residents, but also enable the work to be carried out by contractors in the refurbishment. This will minimise the impact on residents at the time. The lift replacement contract is already out to tender and tenders are due to be returned on 3rd June and work will get underway this year. The remainder of the refurbishment of the tower can only be tendered once the lift work is underway and it is clear when that lift work will be completed. The earliest we will commence work on site for the refurbishment, over-cladding, new windows, *et cetera*, will be in 2012. It is our aim to achieve this and I am currently in discussions with the Minister for Treasury and Resources and his team in respect of alternative funding as to how we could speed things up. Not only do we need to ensure that our tenants live in good quality accommodation, but also I want to bring additional work to the construction industry in these difficult times. In respect of the low rise element of La Collette refurbishment, the refurbishment of the existing homes is not the preferred option. It is proposed that this part of the site be redeveloped and current proposals would be for a Phase 3 development

on the site, which would allow as many of the existing residents as possible to remain on site, but in new homes. This will be a very significant redevelopment and would likely add a number of additional homes. It will be subject to finance and the project is presently planned for 2015.

3.20.1 Deputy T.M. Pitman:

I thank the Minister for that; that is a very informative answer. Given the problems experienced by many residents in the area, what reassurance can he give in the meantime rather than wait until 2015 for ongoing problems with damp and condensation, which is a major blight on the area?

Deputy A.K.F. Green:

I have visited a number of the flats since I have been Minister for Housing, but I visited one in the low rise flats yesterday. There is definitely a problem with condensation, which is caused basically by poor construction; in terms of there is no insulation. Attempts have been made to improve the buildings in the past by putting double-glazing in and that has made the condensation problem more problematic. The only light I can offer tenants is to be absolutely honest; this is going to take time to put right. To improve the condensation situation we need to increase the insulation. That cannot be done in isolation; it needs to be done as a whole project. I am happy to work with residents to advise them on how we can reduce condensation, but it is a problem in old constructed buildings.

3.20.2 Deputy P.J. Rondel of St. John:

I have got some real concerns in the reply the Minister has given to Deputy Pitman, given that in my time in this Chamber, I am aware - and the Minister has in fact alluded to it - of replacement windows, i.e. by double-glazing or the likes, within that tower block. That being the case, the Minister also mentioned condensation. Given condensation is usually caused through lack of ventilation and people drying clothes within the house and the likes, through lack of the correct drying equipment within their washing machine, is the Minister telling this House that we are now going to be putting new windows for the second if not third time in the last 16, 17 years in a building that ... is that what he is telling us, please?

Deputy A.K.F. Green:

What I am telling the Assembly is that we need to put windows that have problem thermal insulation. We need to properly thermally-insulate the building, get the u-values of the wall to the correct standards, so that we can enable our tenants to live in comfortable warm homes that are free of condensation. That is what I am telling the Assembly.

3.20.3 The Deputy of St. John:

Supplementary on that, Sir? As I have already said, condensation is created through lack of ventilation, because people use washing machines and dryers which have not got the right equipment in them. Will his officers, before going to all the expense of replacing windows and the like and doing all the work on the outside of the building, check and see what type of washing machines and clothes dryers these particular units have got?

Deputy A.K.F. Green:

I have already done that and in fact I have plans to put some temporary drying arrangements for clothes for the tenants, but the fact is that unless we insulate these buildings, even if we do manage to get them free of condensation, they are going to be cold; they are expensive for tenants to heat. States tenants deserve warm, dry, comfortable accommodation. It is my job as Minister for Housing to see that they get it.

3.20.4 Deputy P.V.F. Le Claire:

While I would like to congratulate all of the good work the Minister and his Assistant Minister and the department do, would he not accept that 2014 or 2015 is so far into the future that it represents the basis why developing and redeveloping States-owned sites are highly unlikely to meet the needs

of the 900 people currently waiting on the States housing list and the 425 children of those 900 people, minimum, that are having to wait 14 months on average to get housed. Would he not agree that it is time that £26 million stopped going to the Treasury and retained itself within Housing, so that Housing can get on and house the people of this Island?

Deputy A.K.F. Green:

No, I would not agree with that. I do agree that we need to stop talking about the sites that we already own and start developing them. I do agree with that, because it is a fact that we have 400 and something families on the waiting list and that will equate to about 900 individuals, many of them children. We need to get on with the work. We need to get it done. My officers are working on that and we have already made huge inroads in the short time that I have been Minister.

3.20.5 Deputy T.M. Pitman:

I am sure the Minister will do this, but Deputy Power, his predecessor, had an excellent record of attending properties with me and seeing situations for himself. Does the Minister agree that ensuring the standard of ongoing maintenance to 2015 is very, very important? After all, I had one experience where the people's ceiling collapsed and the contractors put the new ceiling so low that they could not open the windows. Will he be ensuring that that sort of thing cannot happen again?

Deputy A.K.F. Green:

I intend to ensure that all our tenants have accommodation that they can be comfortable in, pleased to live in and indeed proud to live in. I will be making sure that maintenance is going on. I walked Clos Gosset yesterday and I was embarrassed.

The Bailiff:

I think you have given the answer, Deputy. I might just get in one more question if we can, which is Deputy Jeune who will ask a question of the Minister for Health and Social Services.

3.21 Deputy A.E. Jeune of the Minister for Health and Social Services regarding the Head of Nursing for Emergency and Unscheduled Care's contract:

Given that the Head of Nursing for Emergency and Unscheduled Care's fixed term contract ended in April, would the Minister advise why this was a (j) category post, whether additional expenses were incurred and if so what, what the current situation is in respect of this post and what action, if any, has been taken during the 6-month contract period to find a suitable permanent post holder.

Deputy J.A. Martin (Assistant Minister for Health and Social Services - rapporteur):

Thank you, Deputy. Yes, it is not unusual for many of our nurses to be (j) category, approximately about one-third are. To what this person has been doing, he has been overseeing A. and E. (Accident and Emergency) and our new E.A.U. (Emergency Assessment Unit). We needed these special skills to draw-up a proper job description of exactly who we need. We are going out to advertise for this job the week starting yesterday.

3.21.1 Deputy A.E. Jeune:

Could the Assistant Minister advise why it has taken them so long to prepare that job description and what is the current situation given that the contract for the previous post-holder has expired?

[12:00]

Deputy J.A. Martin:

As I say, it is a new unit, E.A.U., and it has gone from 9 beds to, I think, between 15 and 16 beds. As I said, 6 months for this new specialist unit and what skills we will need for a permanent post-

holder, I think is quite reasonable. Yes, it has taken a little bit longer than we obviously wanted and the person is still in post and I presume that he will be being paid exactly what he was under his fixed-term contract. But I am absolutely not sure of that one.

3.21.2 Deputy A.E. Jeune:

The answer has not been given to what the additional expenses are. We do not know what we are currently paying this person; by the sound of it, it is a grade 8. Apart from that, what additional expenses are being incurred? It appears we are never able to get answers.

Deputy J.A. Martin:

I am sorry. The Deputy does get very frustrated over not being able to get into the personal expenses of many of the people who work at the hospital and probably in other places. It is contractual. It is not in the public domain. As my Minister and many Ministers have said, they are not willing to release this information. I know that frustrates the Deputy, but until we change the rules and we identify all these people individually, that is the way it will be.

Deputy A.E. Jeune:

This is tax payers' money. Exactly what additional expenses get paid?

The Bailiff:

I fear, Deputy, that question time has now run out on us. So, Deputy Lewis, I am sorry, but your question falls away. Just before we come to questions without notice, 2 matters have been lodged. First of all, P.77 - Hand-held Devices in the States Chamber: trial - lodged by the Privileges and Procedures Committee. Secondly, P.78 - Composition of the States: further debates before the outcome of the Electoral Commission - lodged by Deputy Trevor Pitman.

4. Questions to Ministers without notice - The Minister for Education, Sport and Culture Development

4.1 Deputy T.M. Pitman:

Could the Minister clarify why, especially in an election year, the political websites of elected States Members cannot be accessed by young people in schools or youth provision? Why is it that organisations such as the *Jersey Evening Post*, who are quite happy to smear people, are accessible? Will he do something to create a level playing field?

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

I am currently reviewing the policy with regard to how we manage the election process and I am more than happy to enter into discussion with Deputy Pitman or indeed his panel about how we might provide that level playing field that he is seeking.

4.2 Deputy J.M. Maçon:

Touching on what I was going to ask the Minister, with the publication of the Scrutiny Report into Political Education, can the Minister explain what has been put in place to facilitate the Senatorial hustings for students and specifically comment on the promotion within schools of the event, arrangements of buses and the liaison between the Education Department, the Constables and other parties when setting the hustings dates?

The Deputy of St. Ouen:

I am not sure if I have got all of those different areas, but I am sure the Deputy will remind me if I miss any. In general terms we are extremely keen to encourage our young people to get involved in the election process. Much is being done throughout the year and every year to ensure that that is the case. We know that the States Greffe are co-ordinating a campaign to encourage registration to

vote and turnout on the day. We are also keen to engage with Privileges and Procedures Committee and the Greffier to provide the greatest opportunity for our young people to be actively engaged. What we are not prepared to do is to see individuals promoting a particular political agenda within our schools.

4.3 Deputy A.E. Jeune:

I really cannot resist raising again the good news story of the class of 2010, the vocational educational programme which a select few young people in this Island are on and which you and the Minister for Treasury and Resources were able to visit and assess for yourself last week. Can the Minister for Education, Sport and Culture inform us how he plans to expand on this project to take it forward? Will he look at providing a technical college on the Island, which will enable more Island students to benefit from this excellent educational programme? **[Approbation]**

The Deputy of St. Ouen:

I am grateful for the Deputy raising the fact that there are some very good good news stories with regards to the provision of education on this Island, in particular with efforts being made regarding vocational education for the more practically minded individuals that we are required to provide education for. Currently we have 100 youngsters on a pilot scheme and we are and will be assessing the benefits of the vocational training that we are currently providing and looking to further develop it in the future. I would say that any views on technical colleges and the like perhaps are slightly premature. In the first instance, we need to make sure that we utilise all available facilities both within our 11 to 16 secondary schools and at the premises at Highlands.

4.4 Senator F. du H. Le Gresley:

Is the Minister satisfied with the pupil teacher ratio at St. Martin's primary school? Are there any health and safety concerns about the current classroom sizes? If there are, would he consider constructing a further temporary classroom to assist with the overcrowding?

The Deputy of St. Ouen:

The Senator is asking detailed questions that perhaps I have not got sufficient information to respond to. However, I can speak in general terms. There are policies in place that determine the maximum class sizes within both primary and secondary schools. In relation to that there is a link to pupil/teacher ratios. However, solely focusing on pupil/teacher ratios does not necessarily give you the whole story, because it is likely that teaching assistants could also be used.

4.4.1 Senator F. du H. Le Gresley:

I appreciate it is quite a long question, but the Minister has not responded to the question I asked about health and safety. If classroom sizes are too large and given the state of the building, is he concerned about health and safety and would he consider the construction of a further temporary classroom?

The Deputy of St. Ouen:

I would suggest that the Education Department is extremely aware of all issues revolving around health and safety. If the Senator is suggesting that our current policy of maximum numbers in a class is inappropriate in a particular school then I hope that he would come and speak to me about it and I will investigate further. I am sure that the department or the school would choose to lay themselves open, if you like, to issues to do with health and safety, just because of our desire to accommodate young people within a school environment.

4.5 Deputy S. Power:

My question to the Minister is related to the secondary provision in the west of the Island. The Minister will be aware that there is a provision for £8 million-plus in the capital estimates. I think it is planned for 2015 for an extension and renovation of Les Quennevais School. Would the

Minister not agree with me that it might be better to look towards building a new state-of-the-art secondary school in the west of the Island, as to spend £8 million on a 1960s building in a largely congested residential area may be appropriate?

The Deputy of St. Ouen:

A property review is currently being undertaken by my department in conjunction with Property Holdings, to look at all the facilities that my department administers, including all the schools. Currently information that we have suggests that the capital expenditure that it has been identified is required at Les Quennevais School, and indeed should have been undertaken far earlier than the 2015 time limit that there is currently included within the Business Plan.

4.5.1 Deputy S. Power:

Can I just ask if there is any study going on within the Education Department at the moment in conjunction with Property Holdings, as to a possible alternate site in the west of the Island for a new state-of-the-art secondary school, given the numbers attending Les Quennevais School and its original design capacity?

The Deputy of St. Ouen:

I am not aware that any such exercise is being undertaken.

4.6 Deputy M. Tadier:

Perhaps it could be built at Noirmont to complement the buildings going on at Portelet. The question is: does the Minister agree that students who are 16 on Election Day but not on Nomination Day should be allowed to be included on the register to vote?

The Deputy of St. Ouen:

It is not my decision; it is a matter that the Deputy should bring up with the Privileges and Procedures Committee.

4.6.1 Deputy M. Tadier:

But it is a matter which affects students throughout the Islands. Most 16 year-olds will be in full-time education and it was one of the recommendations, I believe, of the Scrutiny Panel, to do with Political Education. But there is an issue with regard to students who are 16 at the time of the election or before, but not on nomination day, whereby Parish Halls would seem to be sending the applications back to them, whereas you can certainly pre-register for a driving licence. Does the Minister really not have any comments on this important issue for many 16 year-olds?

The Deputy of St. Ouen:

My comment remains the same. This is a matter absolutely for Privileges and Procedures Committee to consider. If there are any issues or difficulties then I would expect that those are ultimately brought back for this Assembly to decide upon.

4.7 Deputy J.A. Martin:

Staying with 16 year-olds and a commitment from the Minister for Education, Sport and Culture and not to get political, I totally understand. P.P.C. are looking at having registration forms in the library and just a box to pop them in. Would the Minister give urgent consideration - given that all 16 year-olds will be leaving at the end of May/mid June, after taking exams - that he could do this in all schools and also at Highlands. P.P.C. would undertake no extra work, but P.P.C. would arrange that these are sorted and delivered to the right Parish Halls.

The Deputy of St. Ouen:

The whole point of changing the voting age from 18 to 16 was to recognise that at 16 young people are adults and able to make their own decisions. As such they are and should be treated as adults,

as any other individual of the population. Yes, we should support them. Yes, we should encourage them to get involved in the election process. But I do believe that they have and they should be encouraged to make their own decisions about whether they should register or otherwise. We can make the information available and that is what we will do.

4.7.1 Deputy J.A. Martin:

Supplementary, Sir? For somebody who is absolutely the Minister for Education, Sport and Culture I cannot believe he will make information available, but is refusing to have registration forms in his school, for young adults who spend the majority of their time in the school and may not be able to get to their Parish Halls. **[Approbation]**

The Deputy of St. Ouen:

I am sorry but, as I said before, we will do all that we can. But it is important to recognise that our voters once they reach the voting age have a responsibility to themselves to involve themselves in the process. That requires them to undertake certain tasks, which includes filling in and accessing and collecting a registration form.

4.8 The Deputy of St. John:

Would the Minister consider reintroducing the Queen's Speech on Commonwealth Day given by States' Members as happened historically, on my time on the Education Committee, given that I understand it no longer is given by a States Member. Yes, I understand it is no longer given by a Member of the House and I believe it would be useful for Members to make contact with the various schools. Would he give that some consideration?

[12:15]

The Deputy of St. Ouen:

I think it would be more appropriate to speak to the Commonwealth Parliamentary Association Members and the committee that exist within this Assembly.

4.9 Senator T.J. Le Main:

I wonder if I could ask the Minister about the swimming pool at Fort Regent, which is now clad with scaffolding. I know that the Minister will agree that the swimming pool structure is only fit for knocking down. Can you give us an assurance or advise the Assembly, what is the cost of scaffolding? Is the scaffolding going to be another St. James' and is it going to cost virtually hundred of thousands of pounds in being scaffolded and not demolished. When are the plans to demolish this awful falling-down structure?

The Deputy of St. Ouen:

I, like the Senator, am extremely frustrated at the fact that nothing is currently being done to deal with the vacant swimming pool site at Fort Regent. I would assure the Senator that I am the chairman of a steering group that has been tasked by this Assembly to bring a report to the States about the future of the facility. Much work has been undertaken between my department and others, including Property Holdings, to identify the best way forwards. We are expecting to complete our work by July and I am hopeful that part of that work will include proposals of how we can deal with that site and others and provide a sustainable future for the pool.

4.10 Deputy J.A. Martin:

It is a bit of a follow-up from the answer given to Deputy Shona Pitman this morning by the Minister for Education, Sport and Culture. Can the Minister inform the House whether in actual fact there are delegated responsibilities, i.e. there would be a delegated Assistant Minister with responsibility for Sports and an Assistant Minister with a delegated responsibility to Culture? Is

that the way in which the Minister is performing his duties? In other words, are the Assistant Ministers given delegated responsibilities?

The Deputy of St. Ouen:

First of all, myself and the 2 Assistant Ministers work very much as a team. I would suggest we share responsibilities rather than particularly delegate official responsibilities to an Assistant Minister. Currently we have had Deputy Dupré, who is generally responsible for and oversees Culture. Deputy Vallois has been involved in Sport. But we all share the duties of the department equally.

The Bailiff:

Very well. I am afraid that brings questions without notice to the Minister to an end.

The Connétable of St. Ouen:

Could I point out for the element of any doubts that what Deputy Tadier said about being able to acquire driving licences before the age of 16 is incorrect?

Deputy M. Tadier:

Sir, can I clarify? I did not say that. What I said is that one can submit an application, let us say when you are 16 and it will be processed after your 17th birthday. I have heard anecdotal evidence that that has been the practice at certain Parish Halls. If that is incorrect, that remains to be proven.

Questions to Ministers without notice - The Minister for Health and Social Services

The Bailiff:

Very well, then we move on to the second period of questions without notice is to the Minister for Health and Social Services, which under the Standing Order 64A will now be to the Assistant Minister.

5.1 Deputy M.R. Higgins:

Recently the Health Protection Unit was quoted in the *Jersey Evening Post* stating that they were content or satisfied with the disposal of rubbish at the Bay Leaf Restaurant and found no evidence of vermin. Will the Assistant Minister advise Members whether first of all it is the usual practice for the Health Protection Unit to give positive publish endorsements of commercial premises and, secondly, can he confirm that the article was accurate and that the officers were quoted accurately?

Deputy E.J. Noel (Assistant Minister for Health and Social Services - rapporteur):

I believe that the quote of the officers were accurate, but out of context.

5.1.1 Deputy M.R. Higgins:

Would the Assistant Minister be surprised to know that the article was factually incorrect in that it stated that the complaint about the rubbish and its dispersal by seagulls was made by members of the public when it was in fact made by 2 of the District Deputies, Deputy Green and myself and that photographs were produced of this rubbish, which they said was not a problem? Can he also confirm the statement made by the Health Protection Officer to residents that they must see a rat themselves before they will accept reports from members of the public that the rubbish attracted rats?

The Bailiff:

Deputy, can I just remind you and others that Standing Order 10(7) says a questioner will not ask whether any statement in the media is accurate.

Deputy M.R. Higgins:

I will remember that in the future. Can the Minister please confirm though the statement about the rats? Do they have to see a rat before they know a rat? [Laughter]

Deputy E.J. Noel:

I believe under the law our officers can only act on evidence and the evidence has to be there before they can act.

5.2 Deputy A.E. Jeune:

Trying to get information out of the Health Department is like extracting teeth. [Laughter] It is extremely difficult. I have put in written questions and oral questions. The answers given are not the answers to the questions raised half the time. Then you are told send in an email. You send that and you still do not get the answer.

The Bailiff:

So your question today ...? [Laughter]

Deputy A.E. Jeune:

The question is why can Members not receive information requested? Why, when information requested is said to be personal when it is not? It is asking questions about what expenses are being paid in relation to a post. We have a right to know that. When, will the Health Department's Ministerial team please give us answers?

Deputy E.J. Noel:

We do our best to give answers to the good Deputy. In fact on many occasions I have personally invited her in to come and discuss such matters. There are some instances where it is outside our control in terms of our employees, because she is asking the wrong people. The Deputy should be asking S.E.B. (States Employment Board). [Laughter] Again, I invite the Deputy to come and speak to us and we will endeavour to satisfy your quest for knowledge.

5.2.1 Deputy A.E. Jeune:

I did ask S.E.B. if they could let us know these salaries paid and how they compared with the U.K. in a written question at the last sitting. The information is not correct. Thank you. How does the Assistant Minister justify asking S.E.B.?

Deputy E.J. Noel:

I am sure if the good Deputy would come into my department's offices we will be able to answer the questions that she has in full.

5.3 The Connétable of St. Mary:

Bearing in mind that the main public parking for the hospital is situated at the opposite end of the building from the main public entrance, is the Assistant Minister able to confirm to me whether the Patriotic Street entrance is open to the public at all times during visiting hours, including on a Sunday?

Deputy E.J. Noel:

No, I do not have that detail to hand. I am sure that for the majority of normal working hours that that entrance is open, but I am sure for security reasons in the latter part of the day and maybe very early in the morning there may be a reason for that entrance not to be available to the public.

5.3.1 The Connétable of St. Mary:

Supplementary, Sir? I would be grateful; would the Minister undertake to look into that? Because I maintain that for a large number of visitors to the hospital it is extremely difficult for them to walk

all the way around the hospital and then probably most of the way back inside the hospital to almost where they started. A lot of those visitors are old and infirm, not necessarily disabled. I would say that in a building as important as our General Hospital this must be addressed.

Deputy E.J. Noel:

Yes, I am quite happy to look at that. I would remind the Constable and indeed the public that there are a small number of parking spaces on the parade side and in that vicinity that out of hours may be available. But, yes, I will look at that and get back to the Constable.

The Connétable of St. Mary:

Second supplementary, Sir, if I might, very briefly?

The Bailiff:

No, no. I think fairness dictates only one really, Constable. You can have a go at the end if we run out of questions.

5.4 Deputy R.G. Le Hérisier:

Given wearing his other hat, the Assistant Minister's apparent reputation for fearsome cost cutting, would he outline to the House what steps he has taken to reform and reduce management by giving the House examples?

Deputy E.J. Noel:

I do not know if I do have a reputation for cost cutting. I have a reputation for trying to get value for money. That is exactly what we have done in changing the senior management within H.S.S. over the past 2 years. We now have a very different management team and they are performing well.

5.4.1 Deputy R.G. Le Hérisier:

Supplementary, Sir. Could the Assistant Minister give actual examples where there has been a reduction - a reform - which can be tabulated in monetary terms in the Health Service senior management?

Deputy E.J. Noel:

I can give you example where we are going to generate an extra £200,000 of income per annum and that is through insurance companies. That is something that has been a direct result of a change in management looking at legislation that falls outside of H.S.S. but was relevant to us.

5.5 The Deputy of St. John:

Is H.S.S. looking at building a new hospital? If so, can the Assistant Minister give details of what sites are being considered and has funding also been identified and at what cost?

Deputy E.J. Noel:

Some time in the next 40 years we will need a new general hospital, whether it is on its existing location or a different location. This gives me a great opportunity to remind Members and the public that we are about to issue a Green Paper on the future of Health and Social Services and I implore everybody - the public and Members alike - to take this opportunity to have a meaningful influence on our health services in the future.

5.5.1 The Deputy of St. John:

A supplementary: I am not happy with flippant answers like we have just received from the Assistant Minister. We are aware that the hospital is in great need of either being rebuilt or redesigned. Can the Minister not give us a flippant answer of some time in the next 40 years; give us an answer when things are going to happen at the hospital, please?

Deputy E.J. Noel:

Work is under way with Property Holdings looking at the future capital requirements of the health service. I cannot give the Deputy the answer that he wishes because we have to go through the Green Paper. We have to look at and ask the public what type of health service they want in the future because that will dictate the type of hospital we need. Whether that hospital is built on the existing site or a new site will have to be evaluated in scope. As to timetable, parts of the hospital will need replacement sooner rather than later, but we will definitely need reinvestment and an ongoing capital programme that delivers us a sustainable, safe hospital service into the future for future generations.

5.6 Deputy D.J. De Sousa:

The Minister in reply to a question that I tabled written on 1st March this year said in the reply that certain positions within mental health were going to be re-advertised. Where is the department in re-advertising these posts, as I believe interviews are going to start to be held at the end of this month and there does not appear to have been any advertisement or re-advertisement for these posts?

Deputy E.J. Noel:

I am afraid in this instance I do not know the details about when and where the advertisements were placed, but the Deputy is correct that we are actively recruiting in all areas of nursing staff and, in particular, in mental health services. If the good Deputy would allow, I will get that information for her at some time in the next few days.

5.7 Deputy M. Tadier:

Does the Assistant Minister's department have a policy on addressing foodstuffs which have inherently harmful ingredients including but not limited to hydrogenated fats?

[12:30]

Will it consider perhaps introducing stricter labelling for these food products to make the public aware that they contain these unusually harmful ingredients?

Deputy E.J. Noel:

I believe Jersey as elsewhere in the world is adequately served by our current legislation on labelling of food. We do not want to be in the situation where every food item coming into the Island has to be relabelled. That would not be productive or cost effective and I believe that modern standards of food labelling throughout Europe are more than adequate to meet the demands of the consumer.

5.7.1 Deputy M. Tadier:

A supplementary, if I may. It is interesting the Assistant Minister talks about different jurisdictions because many jurisdictions do ban hydrogenated fats outright; others require labelling in big letters to be put on in a similar way to cigarette packets. So could the Minister perhaps take these comments on board and just answer whether he thinks that more should be done to alert the public of the dangers of these kinds of ingredients being used?

Deputy E.J. Noel:

I think we do, through the Public Health Department, a good job in trying to educate the public in healthy forms of eating and it is not just these particular potentially harmful products. We need to encourage our population to take responsibility for themselves and to look after themselves.

5.8 Senator S.C. Ferguson:

For the information of the Assistant Minister, if you have a 7.45 a.m. appointment at the hospital, you can get through the main door at the outpatients but all the internal doors are shut until about 7.50 a.m. My question is I had occasion to be in hospital recently and there were an incredible number of forms. There were the forms that I had to fill in before I went in and then 2 or 3 sets of forms when I was in hospital. Now, I would have thought that one set of forms attached to the patient would have been a great deal more efficient [**Laughter**] than 3 or 4 sets of forms with the same information, all duplicating each other. What is being done about such a time-wasting thing? I did have occasion to ...

The Bailiff:

That is your question, I think, Senator.

Senator S.C. Ferguson:

I was just going to add one tiny bit that ...

The Bailiff:

That is a very long question.

Senator S.C. Ferguson:

... in certain U.K. hospitals they have one set of forms which follow the patient round. This really is quite ridiculous. What is being done about it?

Deputy E.J. Noel:

The answer to that is that I do not know and I would welcome the Senator to give me further details and we can investigate it to see if that is a potential way of making things more efficient, thus saving money. But overall, we must maintain patient safety and so there may be a very good, valid reason why, although it takes time, it means that people are safe.

5.9 Deputy J.B. Fox of St. Helier:

There was a question earlier on about crime and security and access to the hospital by visitors. Can I ask the Assistant Minister to ring 612345. A professional crime prevention officer will resolve his problem at the other end and it is a free service and very professional. [**Laughter**]

5.10 Deputy J.M. Maçon:

With the amount of (j) cats. for nurses that have been talked about today, can the Assistant Minister explain what has been done in conjunction with the Education Department to grow our own nurses?

Deputy E.J. Noel:

We have a very substantial programme to grow our own nurses and it has been extremely successful, but it is not enough. We need more. We will never grow enough of our own, but we do celebrate the ones that we do manage to nurture and bring through and, boy, do they make good nurses.

5.11 Deputy T.M. Pitman:

Many Jersey residents obviously have to travel to Southampton and receive excellent cancer treatment. However, can the Assistant Minister tell me is he happy with the provision available to support those very elderly and often very ill and infirm residents who have no relatives and need to travel to Southampton for such treatment?

Deputy E.J. Noel:

I believe that there are services available to such individuals to ensure that they do get to their appointments comfortably and safely, but if Deputy Pitman has examples where this is not the case,

then please come in, talk to us about it, and we will see if there can be further improvements made to the service. But as far as I am aware, we do provide adequate assistance.

The Bailiff:

All right, I think you have given that answer already. The Deputy of St. Peter.

5.12 Deputy C.H. Egré of St. Peter:

Further to Senator Ferguson's comments about record-keeping, a recent incident was brought to my attention where a consultant saw a patient and was unaware of records of a very important visit to the hospital some 4 weeks beforehand. Is the Assistant Minister happy with the record-keeping and the ability to access those records within the hospital environment and, if he is not, can he review it, please?

Deputy E.J. Noel:

We are implementing a new patient record computerised system. It is due to come online early next month. But again, if the Deputy has this particular instance, if he would like to come into the department in confidence and give us further details of that, we can see if it is a one-off issue or is more systematic.

The Bailiff:

Very well, that concludes Questions without notice to the Minister for Health and Social Services. Next on the Order Paper, there are no Personal Statements, so we come then to Statements on a Matter of Official Responsibility. The Chief Minister will make a statement about racial intolerance in Jersey.

STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY

6. The Chief Minister - statement about racial intolerance in Jersey

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

Just over a week ago, the Island celebrated the 66th anniversary of liberation from the occupying forces, a day when we should especially recognise and remember that the war against the Nazis was fought, among other things, to oppose racial intolerance and persecution. That was the theme addressed by Senator Le Main in his excellent speech in the States last Monday and reiterated in your address at the service in Liberation Square. It was also referred to in a speech at the ceremony that afternoon at the Slave Workers Memorial at West Mount, a poignant and telling reminder of the terrible hardships suffered by those whose identities or beliefs caused them to suffer and often die at the hands of a misguided enemy. The message from each and every Liberation Day is that we must never forget what happened in those dark days and we must never allow a repetition of those events. It is in that context that I speak today to condemn publicly the actions of a small number of Jersey residents who misuse their freedom of speech - even to the extent of a death threat - to criticise the actions of the Minister for Planning and Environment. Not on planning grounds, which they are perfectly entitled to do, but purely on the basis that he is of the Jewish faith, a heritage of which he is justly proud and which should be acknowledged and respected by all, including those like myself of a different persuasion. The need to make this statement saddens me but as Chief Minister I am not prepared to stand by and ignore manifestations of religious or racial prejudice. We have a moral duty to pursue the principles of freedom for which the Second World War was fought and to challenge immoral and abhorrent activities. **[Approbation]**

The Bailiff:

Does any Member wish to ask questions of the Chief Minister? Yes, Deputy Jeune.

6.1.1 Deputy A.E. Jeune:

Would the Chief Minister please reassure Members, or can he please reassure Members, that he maintains his confidence in the Minister for Planning and Environment?

Senator T.A. Le Sueur:

Both I and the entire Council of Ministers have full confidence in the Minister for Planning and Environment in his very difficult and challenging role. **[Approbation]**

6.1.2 Deputy M. Tadier:

We, of course, welcome the words of the Chief Minister, although we would prefer that they were not necessary. I would perhaps go one step further and say that personal abuse of any kind is also unacceptable on top of religious and racial, and I hope the Chief Minister agrees. The question relates to the Discrimination Law, perhaps inevitably. Seeing that £21 million of underspend has been found and that there seems to be some extra money perhaps available, will any of this money be going towards the implementation of the Discrimination Law to show that not only is such behaviour as this unacceptable but it will also become illegal?

Senator T.A. Le Sueur:

Yes, I do indeed share the views of Deputy Tadier - I hope we all do - that abuse of any form and discrimination of any form is wrong, whatever type of discrimination that may be. It does not need a law to make it wrong, it is wrong innately of itself and the law is simply there to impose, if needs be, punishment and ways of dealing with that wrong. My statement this morning is simply to emphasise the fact that we must not allow wrong matters to continue. The funding of the Discrimination Law is a separate matter and this sort of activity may simply indicate a greater need than ever to ensure that that law is considered in the fullness of time in the best way.

6.1.3 Connétable D.W. Mezbourian of St. Lawrence:

My question has almost been asked, so I will phrase it slightly differently. It is in respect of the Discrimination Law. I wonder if the Chief Minister can advise the House whether he thinks a fair society should, in fact, have a Discrimination Law in place?

Senator T.A. Le Sueur:

A fair society would not need a Discrimination Law. It is the fact that society is not always entirely fair that requires the need for laws such as this. To the extent that we fail to achieve the objective of changing people's attitudes then more is maybe necessary, but to me that is very much a second-best approach.

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

Is the Chief Minister aware that racial discrimination has been meted out sometimes by local people to visitors from abroad, particularly those students attending language schools; that that problem has been ongoing at least for as long as I have been in the States? Is he aware that this problem is continuing? What practical steps is he taking and is the Council of Ministers taking to combat this problem?

Senator T.A. Le Sueur:

Yes, I am aware that discrimination like this does occur from time to time; sadly it occurs at all. Perhaps more hopefully it is less prevalent or less obvious than it has been in the past. I would like to think that an enlightened and informed society, a society with a freedom of understanding and hearing things without any repression of that nature, will encourage a more open, more understanding situation and the absence of discrimination in whichever form it may be.

6.1.5 The Deputy of St. Martin:

It is very much a follow-on from Deputy Tadier, I think, about the Discrimination Law. Will the Chief Minister accept that the deplorable allegations made and insinuations made to the Minister

for Planning and Environment is really only the tip of the iceberg? There is far more discrimination in the Island than probably the Chief Minister would like to accept. Would he not agree that not only should he be advancing the Discrimination Law but also setting up an anti-discrimination programme in our schools and in communities just to make people aware that discrimination is a very hurtful and spiteful thing to happen?

Senator T.A. Le Sueur:

I welcome the comments of the Deputy of St. Martin and particularly the need to address this by a variety of means, not simply by legislation but also by encouragement, changing attitudes, as something which we all have to do as States Members and to show by example that we will not tolerate abuse or intolerance and discrimination of any form. The Minister for Education, Sport and Culture from an education perspective can do that, but we should not say that that is the responsibility for one person or another. It is the responsibility of all and every Member in this Assembly and every right-thinking person in the Island.

6.1.6 Senator S.C. Ferguson:

To return to the topic, have the perpetrators been identified and what sanctions do we have against them?

[12:45]

Senator T.A. Le Sueur:

Sadly, in the present climate it is very difficult to identify perpetrators who find it all too easy to maintain anonymity by a variety of means. So in that sort of situation one can only hope to change attitudes of mind.

6.1.7 Deputy G.P. Southern:

Will the Minister give us something significant to remember his time as Chief Minister by committing himself to reintroducing the Discrimination Law into the law drafting programme for 2012?

Senator T.A. Le Sueur:

That is a matter which is outside the context of this statement and clearly is a matter which would interest a number of Members. At the time of the Business Plan debate no doubt the issue will be raised.

6.1.8 The Deputy of Grouville:

This may be a question for the Attorney General that the Chief Minister may wish some assistance with, but I will put it to the Chief Minister anyway. We have Article 47 of the States of Jersey Law and I would like to know how this is being used to protect the likes of Senator Cohen or any States Member against appalling actions of this kind and how it is being used and if it is fully usable against these kind of actions when States Members are going about their duties?

Senator T.A. Le Sueur:

The Deputy has the better of me in that I do not know the wording of Article 47 of the States of Jersey Law offhand. That law applies primarily to us and the procedures within this Assembly and related matters and does not relate so much to the general public, so I am not sure whether it is particularly appropriate or useful in this particular situation. If the Attorney General ... he is not here so he cannot add anything anyway.

6.1.9 Deputy T.M. Pitman:

As we all know, the key to challenging racism is education. Having been involved in a major project in the past, as other Members have, would the Minister perhaps consider trying to find some

money somewhere so a project such as the young people's exchanges with Madeira could be provided on an annual basis? I am sure we could find what is actually a very small sum. Would he be prepared to investigate that?

Senator T.A. Le Sueur:

I would agree with Deputy Pitman that education is one of the tools we can use to combat discrimination. In terms of the level of funding or the way in which education might apply resources in that respect, that would be a matter best left to the Minister for Education, Sport and Culture, who I am sure is equally aware and understanding of the situation.

6.1.10 Deputy A.E. Jeune:

Does the Chief Minister consider that the media have a role in promoting anti-discrimination and sometimes, unfortunately, the way things are reported may lead towards discriminatory feelings?

Senator T.A. Le Sueur:

Certainly, the media does have a role to play and I would hope that in that respect they would act in a very responsible manner and continue to do so.

The Bailiff:

Very well, that brings questions to the Chief Minister to an end.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

The adjournment seems to be proposed with enthusiasm by a number of Members, so we will reconvene at 2.15 p.m.

[12:49]

LUNCHEON ADJOURNMENT

[14:15]

PUBLIC BUSINESS

7. Esplanade Quarter: deferment of works (P.24/2011)

The Bailiff:

Very well, now we are quorate. We come now to Public Business and the first matter on the Order Paper is Projet 24 - Esplanade Quarter: deferment of works - lodged by the Deputy of St. John. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion (a) to agree that, during the current period of ongoing economic recovery, the development of the Waterfront and Esplanade Quarter should be implemented in phases, in which each successive phase is managed in accordance with the requirements of the States of Jersey Development Company as set out in section 8 of the report accompanying the proposition entitled "Property and Infrastructure Regeneration: the States of Jersey Development Company Limited"(P.73/2010 adopted by the States on 13th October 2010 as amended); (b) to agree that the underground road agreed as part of the Esplanade Quarter Masterplan should not be constructed in any early phase of development and that any proposals for significant modification to La Route de la Libération should be brought to the States for approval before the commencement of such works, and to request the Chief Minister, in accordance with

Article 22a of the Articles of Association of the Waterfront Enterprise Board Limited, to give directions to this effect to the company (or to its successor company).

7.1 The Deputy of St. John:

I am given to understand that the Chief Minister and the Council of Ministers are accepting this, so I will give you the brief version of my speech, unless Members just want to go straight on and accept it as it is. **[Laughter]** On 7th May this year, I was taken aback when a leading member of industry and former head of telecoms claimed on a radio interview that Jersey had been in a 10-year recession with an average downturn in Island business of 1 per cent over that period. Well, of course, we all know since 2008 things have been up and down with the credit crunch. We have seen the problems with the E.U. (European Union), and Greece and Ireland being bailed out to the tune of billions, and only last month Portugal joined that group. Who will be next? Italy? Spain? There is talk of Greece maybe even pulling out of the E.U. totally. Since my original proposition P.77/2009, debated in July 2009, things have moved on. We have seen hardship in a great many areas and still see hard times ahead. Some will say green shoots have started to appear. I am more sceptical and would say: "Well, it may be a false dawn" given 10 months ago, 2nd August, when a *J.E.P. (Jersey Evening Post)* press report claimed that the Chief Minister, the Ministers for Treasury and Resources and T.T.S., and the Minister for Planning and Environment, signed and countersigned an agreement with W.E.B. (Waterfront Enterprise Board) re. the Waterfront to build a financial quarter and the plans have been given the go-ahead in principle. This concerned me because in P.111/2008 and in P.77/2009 it had been agreed that nothing would be built on the Waterfront until it came back to the House for ratification. Given within the same week of that media report of August 2010 it read: "£350 million Waterfront given the go-ahead" on the front page, on page 19 of that edition - the same edition - it stated there had been a drop over 2 years from 47 banks to 43 banks within the Island. This concerned me. But if this House had been given an opportunity to debate this, we could have put the questions and scrutinised what was happening. That said, we must move on and what I am proposing in the proposition is for any new offices that are to be built we must make sure that all the checks and balances are in place; all the checks and balances. We need to agree building phases in which each successive phase has received all necessary planning, financial and other approvals and should be subject to legally binding pre-let agreements that must be in place prior to the commencement of any building or civil engineering works. Furthermore, the underground road agreement as part of the Esplanade Quarter Masterplan should not be constructed in any early phase of the development and that any proposals for significant modification to La Route de la Libération should be brought to the States for approval before the commencement of such works. This would require the Chief Minister to instruct W.E.B. or its successor under Article 22a of their Articles of Association that no work on the sunken road can progress until they return to this House. In bringing this to the Chamber, I do not do it to obstruct but to protect the many Islanders who daily travel into town from the west of the Island, who over the winter of 2009 and 2010 put up with 6 or 7 months of delays on Victoria Avenue while that was re-engineered. Given in that article on 2nd August that I referred to I noted comments from the M.D. (Managing Director) of W.E.B., who stated that the building of the Waterfront and underpass would take up to 7 years. This being the case, I do not believe the Island has the stomach for this work at this time and a phased approach might be far more palatable. I could speak on this for considerably longer but given the Chief Minister has indicated that the Minister and his fellow Ministers are supportive, I will make the proposition.

The Bailiff:

Is the proposition seconded? **[Seconded]**

7.1.1 Senator T.A. Le Sueur:

For the avoidance of doubt, even though we have published comments on this proposition, the Council of Ministers does accept this primarily because what the Deputy is seeking to achieve is

already largely enshrined in the proposition that we approved last year, P.73, when in that section he refers to in his proposition it does specifically say that before committing to construction costs S.o.J.D.C. (States of Jersey Development Company) will have to secure a sufficient level of legally binding pre-sales or pre-lets to fund the cost of construction of the first phase of the scheme. While that proposition simply gave permission to S.o.J.D.C. for the development to be carried out in phases, the commercial reality is one well understood by S.o.J.D.C. and by the Council of Ministers themselves. The economic climate, as the Deputy of St. John has said, has changed significantly over recent years and will change again in the future. Markets and developers need to be adept to accommodating that change and reflecting it in the policies which they have put forward. So the objectives of the Deputy of St. John are, in fact, objectives shared by myself and the Minister for Treasury and Resources and the Council of Ministers. In view of the fact that that phased approach is going to be commercially the way forward, it is almost inevitable that arrangements for the underground road, if there is to be any underground road at all, will change from that previously passed by the States, and should there still be an appetite in the future for some sort of road realignment, then as owners of the land in question the States will need to be consulted and approve those plans and approve the sinking of the road before that can be even applied for by S.o.J.D.C. So the constraints and the requirements sought by the Deputy of St. John are fully in place and on that basis the Council of Ministers is more than happy to accept the proposition from the Deputy.

7.1.2 Senator F.E. Cohen:

I rise with a note of caution. This scheme has a consent. I approved the scheme some time ago and it is live and in principle ready to go. Whether we like it or not, the Island is currently dependent, virtually entirely, on the financial services industry. The future of the financial services industry is dependent to a large extent on creating the sort of space that the Esplanade Quarter is designed to deliver: new state-of-the-art office buildings with good floor-to-ceiling heights, with light on 4 sides, with proper secure underground car parking, with the latest in high technology and communications facilities. That is what the Island needs if it is to compete with our competitor jurisdictions such as the Cayman Islands and elsewhere. They are doing it and if we do not do it, I am afraid we will fall behind. There are moves afoot presently to work with the U.K. Government to show the real benefits that a high quality jurisdiction such as Jersey has to offer in terms of competition from places like Singapore and Hong Kong, who have declared their wish to usurp the status of the City of London as the world's leading financial services centre. In competing with that offering, Jersey has a very important part to play and that will become more and more significant in the years to come. I notice that some Members were not happy with the comment that we are entirely dependent on the financial services industry. I am afraid, like it or not, that is where we are. I do not particularly like it. I wish that we had a more balanced economy. I wish that our efforts to diversify the economy had been more successful, but there are exceptional efforts going on largely through the Minister for Treasury and Resources and the Minister for Economic Development to seek to diversify the economy and they are being successful. But it takes time and we are currently in a position where directly or indirectly we are, most of us, most of our children, most of our families, in one way or another dependent on the financial services industry. The Esplanade Quarter, which I have said delivers a significant quantum of the latest office space, let us not forget that it delivers also 400 homes. I sincerely hope that under the new policies that a significant quantum of those homes will be of the affordable category and provide high quality homes that our children can afford to purchase in an ideal location in a thriving town. But it also provides wonderful public squares, a multitude of public squares and mini-squares, and a wonderful winter garden for Islanders to enjoy. There has been a great focus on the lowering of the road. The lowering of the road is not in engineering terms a significant project. It is part of digging the basement and I think too many of us have got rather too excited, including me for a time, over the engineering complexity of lowering the road. It is not a significant engineering operation and it is merely part of digging out the basement, creating an underground car park, part of which effectively becomes the underground road. Most importantly, and I think it is no secret, there are

currently 3 significant tenants in the marketplace looking for space in the town. Each one of them is significant in terms of the Island's financial services industry. It would be natural that they should gravitate towards the Esplanade Quarter. But what we are doing as the States Assembly in our natural caution - and we are right in certain cases to be cautious - is we are driving those tenants away from us. This will create approximately £120 million of value, and that is just 3 tenants. That could be ours. It could be an asset that belongs to the people of Jersey. It could provide - and this is just from 3 tenants - an income for the Island of approximately £6 million a year. If we tinker too much, that £6 million will go elsewhere because at the moment those in the marketplace, those tenants, have little confidence in W.E.B., in S.o.J.D.C.'s ability to deliver anything and they are being driven away.

[14:30]

It is, in my view, a remarkable opportunity that stands before us to have as anchor tenants 3 prominent institutions in the Island to kick-off the Esplanade Quarter in grand style and to hopefully, over the coming years, extend with the delivery of more office buildings for more tenants and the delivery in time of 400 homes, a winter garden and a variety of public spaces. My concern is that we are going to throw all this away and that with constant tinkering and constant propositions ... and this is no criticism of the Deputy of St. John who I respect greatly and who is just doing the right thing. He is an experienced businessman and he is a naturally cautious person. But I am concerned that by sending out the wrong message we will drive these tenants away, that we will lose the opportunity to generate £6 million of income rising over the years and we will lose the opportunity of creating £120 million of value. Rightly, Members have concerns about S.o.J.D.C. and they have concerns about the Waterfront Enterprise Board and they have concerns and have had concerns for a considerable time about the leadership of the Waterfront Enterprise Board in many of its forms. However, that is an issue that can be resolved and in our efforts to try and resolve those key issues and in our concerns to protect the Island, I believe that we may very well lose this wonderful opportunity to increase our purse and create £120 million of value. So I caution Members in respect of sending out the wrong message and I urge Members to send out the right message, and that is that Jersey is open for business, that the Esplanade Quarter is available to high quality tenants, and that we as an Island and as a States Assembly want to benefit from the significant value that will create.

Deputy P.V.F. Le Claire:

May I ask for a point of clarification from the previous speaker, please, because I feel I am having trouble supporting this proposition? The Minister said that we were going to possibly lose 3 blue chip tenants that might earn the Island an income of £6 million a year. Is it the understanding that these developments will be constructed and then let out by the States of Jersey or is it that they will be constructed and let out by the people that construct them?

Senator F.E. Cohen:

I do not speak for W.E.B. but as far as I am aware one of the options that is on the table is that the Island through W.E.B., through S.o.J.D.C., through any venture that we want to deliver could be the developer itself now and that the Island could own the buildings and the Island could be the landlord for all time.

Connétable G.F. Butcher of St. John:

Could I ask a further point of clarification? The Minister mentioned that there was a live permit on the site. Could the Minister advise the Assembly as to how much longer there is to run before that permit finishes?

Senator F.E. Cohen:

As the Connétable well knows, my memory is not very good, but I think it probably has 3, 3½ or 4 years to run, would be my guess. Certainly not less than 3 years.

Deputy A.E. Jeune:

May I just ask another point of clarification?

The Bailiff:

A point of clarification, yes.

Deputy A.E. Jeune:

If I may, the Minister when he was speaking mentioned 3 institutions. Are these 3 institutions that are not currently here?

Senator F.E. Cohen:

That is a very good question and the answer is as far as I am aware they are 3 institutions currently here.

7.1.3 Connétable D.J. Murphy of Grouville:

Unfortunately, Senator Cohen has absolutely stolen every word I was going to say. However, **[Interruption] [Laughter]** to sum up ...

The Bailiff:

You could just say: "I agree with him."

The Connétable of Grouville:

He has succinctly very well put the points that are germane. We have a situation where we as W.E.B., or S.o.J.D.C. as it will be, are in competition with private developers. Private developers do not have a board of 53 people who can alter the rules any time they want to. They can get ahead with the scheme; they can agree a scheme and go with it. Here, the interference from the States Assembly has been absolutely ridiculous. I am just amazed that W.E.B. have got where they are at the moment and I would ask Members to really consider very deeply whether they want this to go ahead. It is an extremely important step for Jersey to have this Waterfront Enterprise Board down there, to have the whole of that Waterfront developed and to have tenants - happy tenants - in there in modern, up-to-date buildings. It is very, very important indeed for us. Please do not think this is just another little political game. This is not a political game. It is very serious, it is very serious money, and it is very serious for employment in Jersey as well. I ask Members not to vote for this proposition.

7.1.4 Deputy R.C. Duhamel of St. Saviour:

Members will be aware, no doubt, of my long-term interest in master planning and in planning issues. Indeed, if I can remind Members of a number of previous debates where we laboured over a very long period of time to determine what the shape of the Waterfront should be in order to deliver infrastructure that we could not afford to pay for and would unite the northern part of the town with the southern part of the Waterfront. My Minister, the Minister for Planning and Environment, spent a lot of time with a number of notable architects coming to this House with plans to deliver our cake in a way that we could have it and eat it. If I can remind Members, the whole plan was to offload the whole of the property into a 100-year-plus financial vehicle in order to find a way to deliver in an early instance all of the infrastructure which would otherwise not be paid for. So it strikes me as somewhat ironic that after a number of years of doing what we usually do very well, which is decide on something and then not to do it, that here we are having Members popping up, notably the Deputy of St. John, suggesting that we should find a way to put off what we have already discussed on many, many previous occasions. Now, that might well be all right as things come and go, but I have a number of concerns that I would just like to outline and perhaps other

Members in speaking will be able to answer my concerns. If indeed in putting together this Masterplan, which we all agreed was the best way forward to deliver the infrastructure that we could not afford to pay for otherwise, and to do it over the 100-year period, and to put all our eggs into one developer basket because, as other jurisdictions were doing, we determined that that was the better way to deliver this project at nil cost to the Island, then what happens now? If we are going to put off this road, and part (b) of the proposition says that it should not be constructed in any early phase of the development so that means ... I do not know what it means in terms of the phasing of proposals. An early phase presumably is less than halfway through the 100 years of development that we have been talking about. If we are going to put off this particular road and underground parking development, then presumably we have changed our mind in terms of the value of the infrastructure that we all deemed to be absolutely vital to the success of the improvements to St. Helier and in terms of providing higher class developments for the upgrading of our financial services and businesses. My major point is that if we have all changed our minds on that particular point, so much so as we can accede to a wish to put off what we previously considered to be absolutely vital to the success of the scheme, then when did the debate take place? Some of you might say it is taking place today, but if that is the case ... no, if we look at the work that was involved in bringing together the Masterplan in the first place, that was over a period of years. Here we are at the drop of a hat, so to speak in the timeframe of consideration, talking about just putting things off and perhaps writing them out of the plan altogether. There will be knock-on problems, I think, in terms of the Sustainable Transport Plan and I am looking forward to the comments from our Minister for Transport and Technical Services as to whether or not this does make a big hole in his provision for sensible parking on the outskirts of town in order to enable hopper services and bus services and the like to be done in a more co-ordinated fashion. We have not heard and we certainly do not know from the proposer whether or not he has considered any of these things. Perhaps he will tell us in his summing up. The second thing was that we labour the point, and if Members cast their minds back, the proposals that were brought to this House were brought to this House in 2 parts. The first part was on the planning grounds, the master planning grounds, as to what we should be doing with the Waterfront. The second half of the debate centred on the financial considerations as to what could be determined to be best value or how we should organise things through a beefed-up W.E.B. or a new States of Jersey Development Company in order to deliver these things at no expense to the public purse. One of the things that made up my mind not to vote for that second part of the debate when we had it was the fact that the costings did not really add up. There was a late flurry of activity when I asked certain questions from the directors of W.E.B. to try and bring some of the missing details to the argument, to prove in some categorical fashion that the plans that they were offering over the 100-year-plus period and with the one developer were, in fact, the best thing for the Island. But the decision was made to go ahead, so if indeed this House decides to support (a) and, moreover, (b) that we are going to put off the building of the road and the other service provisions within it to a later stage, then I would also ask that the States of Jersey Development Company or, indeed, whatever financial vehicle we are using to procure this development takes another look to see whether or not we have to write-off things in the way that we were doing over the 100-year period or whether or not we can find a different way to deliver the things that might have to be paid for into the long term. If indeed we can have ... and this part (b) does represent a chance to reconsider some of those financial aspects, then I think on those grounds perhaps it could be supported. That would only be with an admission that perhaps if the underground road as previously agreed does not go ahead that we have all changed our mind in terms of how much we value the infrastructure which, as I said earlier, was deemed to be a vital and necessary part of the Waterfront for it to go ahead. People can change their minds and often we do. A hundred years is a long time so maybe this hiatus in proceedings is exactly what we should be calling for. We are still waiting for the Millennium Park and I am told it is going to happen on 14th October, so perhaps a 100-year plan, when considered in terms of a millennium plan, it is a much shorter period so anything can happen. On that, I will wait to listen to any further comments to see if any further light can be shed on what I have said. If indeed it cannot, then I think perhaps the

first part is supportable providing, of course, that the new way of working with the States of Jersey Development Company that we have all again taken pains to ensure within the proposition and report that came to the House, that the master planning function is retained in terms of focus through the Environment Department. After those plans have been set, and only then, do we engage the services of a financial body to procure it. Then I think I could possibly support (a) on the grounds that we are keeping most of our planning eggs in the one basket. If, on the other hand, this is a method to take away the planning controls from the Environment Department or, indeed, to give further powers of financial direction to the States of Jersey Development Company when it is set up, then I think that should ring warning bells in Members' ears and perhaps they would be better advised to reject the whole thing out of hand.

7.1.5 Deputy P.V.F. Le Claire:

I do not know, that was probably the most fence-sitting speech I have ever heard in this Assembly. If they will, if they will not: one thing is clear, when we debated this the first time round when I was on Deputy Duhamel's panel, we recognised the excellent scheme that was put forward by the Minister for Planning and Environment and, indeed, the process in which it was put forward, with many people being able to participate in the consultation.

[14:45]

I am a bit disappointed in the speech of Deputy Duhamel because he has been wise enough to take us, or me rather - the uneducated Member to Malmo to witness developments where planning for homes came into context in regards to a waterfront development, a sustainable building development, that was done in the round with development being undertaken by many different building companies and many different architects at the same time. It was being constructed at the same time because of the economics and the scale of delivering these projects that the builders could deliver them working in harmony with one another. Different architects for different schemes, not necessarily new architects but certainly different architects with different builders. Builders utilising savings and schemes, and savings and purchasing power with other developers, and we witnessed something there that demonstrated that you could complete a fantastic waterfront development, a sustainable development in terms of environmental issues, in a very modern and holistic way, with a modern bus service, the same company that is running ours, only running on biofuels. So I think it is not something that we should be doing. I do not think we should be constructing this in phases. I think we should have been designing it perhaps in phases, as they did with Malmo, and agreeing a certain criteria in relation to that design and making sure the Minister for Planning and Environment approved the architects and with W.E.B. would approve the building and the builders, and then put that forwards. Normally I am on the other side of the court and I am arguing ... or not always, but I do tend to make the financial arguments from time to time. I just cannot believe the Council of Ministers has agreed to this. I really cannot, I cannot believe it. The wisdom, not to belittle the Deputy of St. John - a far wiser man than me, much more experienced - but my logic of this is from experience. I was working as a bodyguard to the Chairman of Merrill Lynch Canada when they wanted to get a banking licence and new offices. I took him from site to site to site. He would turn down a site because the doors would not open wide enough in the car parks. When he could not find a big enough premise and get the licence to expand that he wanted to, Merrill Lynch made the call and - voomph - off they went, 3 floors, 53 Mercedes down to 3. People's jobs and ballet lessons and football clubs and everything else, mums and dads splitting up, that is the way Toronto went. At a time of great economic uncertainty, when the building industry is at probably its weakest, surely this is the time that we should be utilising the spending power of the States Assembly to put it into construction now when nobody else in the world has the money. Nobody has any money. The whole world is dying for money: builders, engineers, construction companies, people who sell material, people who sell consultation expertise, builders, workers, *et cetera*. They are all dying on a vine because nobody has any money. We have money and we have

an approved scheme and we are listening today ... I am pleading with the Council of Ministers to change their mind. I really, really am. I am asking them for once, if they need to break ranks, now is the time to do it. Because now is the time, ahead of the next bump we are going to experience. London Stock Exchange is in serious negotiations about its survival at the moment, and if it does not get linked up with New York and join to make a bigger purchasing and listing opportunity for investors, it is going the way of the Alley and we will be looking to Hong Kong, China, places like this for our future. The U.S. dollar is going to take a bump. We have an opportunity to establish among our rivals a place of excellence for finance. Now, I will put my hand on my heart and I will be honest. I do not love the finance industry, but it looks after the ones I love. **[Members: Oh!]** It provides the money for the services that we all need. Until there is another boatbuilding industry that comes into town, it is the only game in town. Homes. Oh, we do not need homes. Oh, no, that is the last thing we need now. Nine hundred people - minimum - on a States housing waiting list. This is ahead of the 10 or more European countries that have recently begun to enter our Island who are going to qualify in the near future. This is the list we have of people that have been coming here in dribs and drabs: 900 people minimum. Minimum, an absolute minimum, 425 children - the most vulnerable people in our community. Somebody said to me today: "Where did you get your rubbish figures from?" From the States Housing Department and from the former Minister. Now, I know sometimes in making myself heard I can prove to be a little unpopular with some of the Ministers and certainly difficult with some of the States Departments, but the fact of the matter is there is a housing crisis. It is not my words that said that. That is in the Andrew Whitehead report. E.i.P. (Examination in Public) recognises it, the Island Plan recognises it, and what has the Island Plan's policy on houses done? I will save most of this fire for the Island Plan debate. It has projected its need based upon 150 heads of household because that is the new Strategic Plan. Well, it is fine to work for aspirational figures, but in reality we have been having 300 or more heads of households coming in. Instead of 350 people a year coming in, over the last 5 years we have had in excess of 700 people a year coming in. On top of that, we have 250 people being born, more alive now than are dying, 900 people a year more: 900 people a year more, not 300 people a year more. We have sites that are being taken off because there are arguments about the need and I hope to demonstrate in the near future the need is real. It certainly is going to be met if we ... I am sorry, if we scrap this idea that we are going to go along with this proposition today and get on with building some houses now, when the carpenters and the painters and the plumbers and the electricians are in desperate need and when we can purchase services from people who lay mains drains at a good price because they are not in demand from the other construction industries that would say: "Oh, our costs just went up. The economy is booming, everybody wants me. Pay my price, take it or leave it." Now is the time to be building houses. Come on. £6 million a year in income? No, do not want that, let us put G.S.T. up. That is a much better idea. We can have some civil servants; they can pay it back to the poor who cannot afford it and those that cannot afford it; we can have some more civil servants; they can pay it back to them; then we can pay them pensions; then we can have more civil servants and pay them pensions ... no, we do not want to do that. We do not want to decamp the finance industry from all the houses in town because we do not need houses. We need our houses for shops. We need our houses for the finance industry. We do not need our houses for all the 900-plus people in desperate need, no. All those mad places where they have finance industries and shopping centres and office buildings, what daft places they are, who wants to compete with those modern offices? If we want a future in finance, and that is the only game there is for us in Jersey I am sorry to say, because tidal power is going to take a heck of a lot to come online and when it does it may only just be offsetting our carbon ... I do not think it is going to be paying us money. I am certainly past my best time for diving. I cannot fit in my suit anymore. It is time, I am sorry to say ... some of the Council of Ministers I am sure are itching at the bit to say something. I am urging them to stand up now and say what they truly feel about this. I am looking at the Minister for Economic Development. **[Interruption]** That is enough from me.

7.1.6 Deputy M. Tadier:

I had that song going through my head by the Beatles *The Long and Winding Road* for some reason, I am not sure why. To put that in context, we have to remember, of course, that Deputy Le Claire is one of the Deputies for that district. I was slightly confused in his speech whether he is more concerned about safeguarding the future of the finance industry, which we have been told this time is absolutely dependent on this development going ahead because they will leave if this does not go ahead. This time it is not to do with taxation and the zero rate or the 10 per cent rate of taxation, it is to do with this particular building. If it does not happen, finance is going to go. It is pushing it a little bit far, I suggest, this time that “wolf” is being cried again. If the Deputy is really worried about housing issues, he can look at perhaps another site which is in his district, the St. James’ Centre, which has a nice exoskeleton on it and has had for many years. Simply ask for that to be ripped down, build some social housing in there or some cheap, affordable housing, I am sure...

Deputy P.V.F. Le Claire:

Would the Deputy give way for a second, please, Sir?

Deputy M. Tadier:

Indeed.

Deputy P.V.F. Le Claire:

I made my speech quite as clearly as I could with the intentions that I had behind it quite clearly understood by most Members. I would implore the Deputy, if he has concerns about interpreting my speech, just talk to me afterwards. I have already been to St. James’. I have been asking for years for it as a community centre. There are many, many places that we could put housing. I have tried and I continue to try, but it certainly does not make sense at the moment to question my speech in this manner and I would ask the Deputy if he did not understand my speech to wait and read it over Hansard or to speak to me afterwards, rather than trying to reinterpret it on his own.

Deputy M. Tadier:

Clearly, I am using a tactic there. I do not necessarily agree with Deputy Le Claire’s speech and I am doing as much as I can to undermine the credibility of it. That is how it works in politics, but at least he had a chance to clarify. I am a gentleman in that way, like the Deputy of St. Mary. But not simply undermine it for the sake of it because I believe that the arguments were confused and I believe that there is a flaw perhaps which he has not considered. Let us boil this down to the essential parts. The decision to go ahead with this scheme was not made in the current House. It was made back in 2005 when the economic outlook was completely different. This was before the collapse of Lehman and it was before the problems that we have now and this is why we are making cutbacks. I know that certain Ministers privately also have their concerns about the future of the finance industry. It may not be the same, for example, in 5 years’ time as it is today. What I am scared about is ... the first part relates to a road being built and the argument has been put that this is infrastructure that we cannot afford to pay for ourselves but it is being built for us for free, that we have £120 million of value being created, but this is obviously a big “if”. I think the concern of the Deputy of St. John, to bring the argument back to where I think it should be, is that what happens if a road is built and then subsequently the situation changes - we know the situation can be volatile - whereby these buildings are no longer needed? We are stuck with a road which we cannot afford at the moment and which we may end up not needing and that may be in the middle of a building site which is no longer needed. I think that is essentially the problem which the Deputy of St. John is highlighting. I think that is a very sensible approach to be taking in these economically uncertain times. I think that is also probably what is at the back of the mind of the Ministers in supporting, perhaps tentatively, the proposition of the Deputy of St. John. I think that is it. We know that, for example, there are office spaces. What has happened to the offices outside the tunnel on the Green Street side? There is an office block there which has been vacant for a long

time, possibly is going to find some other use but not necessarily the use for which it was intended. I am concerned that we are going to have buildings which are built and we are going to have projects which are not finished, and that we are going to be left with a building site in the middle of St. Helier which is going to cause massive disruption to traffic. That is only one consideration of the many people who use St. Helier on a daily basis and ...

The Connétable of Grouville:

Point of correction. The building I was referring to outside the tunnel at Green Street is at least 12 years old. The banks and finance companies are demanding brand new buildings these days, not old buildings, and it is also a very small building compared to the demand.

Deputy M. Tadier:

That is right, and when the buildings possibly are erected around the tourism area at the moment ... interesting, it used to be the tourist area, now it has become the business area. When they are left derelict for 12 years because they cannot be used because there has been perhaps a change in the economy, then we will be stuck with another building which 12 years later is not going to be wanted by anybody else. So presumably, the Constable of Grouville will say: "We need some more offices to be built because these 2 office blocks now which we have are not being occupied. Let us build another one. Why not in Grouville this time, though? Let us build some office blocks in Grouville which are not going to be used." I will finish my speech. I think this is quite a circumspect proposition from the Deputy of St. John and I am minded to support it at this instance.

Senator F.E. Cohen:

Sir, may I correct one of the inaccuracies in the Deputy's speech? The Esplanade Quarter was not approved by this House in 2005. It was, in fact, approved in June 2008.

[15:00]

Deputy K.C. Lewis:

I wonder if I can seek clarification from the Attorney General, who is just in the foyer outside, I believe, regarding something that was said earlier on by the Minister for Planning and Environment that there is, indeed, an approved application that is still live for at least 3½ years. Should we approve this proposition, P.24, do we leave ourselves open to possible legal action?

The Bailiff:

Mr. Attorney, did you hear that question?

Mr. T.J. Le Cocq Q.C., H.M. Attorney General:

Just to repeat it to ensure that I heard it, I understand it to be that there has been permission granted by the Minister for Planning and Environment and if this is approved does that leave anyone open? I can only believe the permission has been granted to W.E.B., among others, either themselves or in partnership with somebody else. Consequently, this is something that would be done in effect by W.E.B., as I understand the proposition. It would be W.E.B. that would be electing to deal with the matter in phases. It would be W.E.B. that would, I think, be acting possibly on directions given by the Chief Minister or the Minister for Treasury and Resources, depending upon whether this is approved or not. I think that it is unlikely that that would give rise to any particular claim.

7.1.7 Deputy J.M. Maçon:

When the Chief Minister stood up and said that he was going to support this, immediately in my head a red flag went up and it made me reread the proposition a little more carefully. What drew my eyes to this, I think we have to bear in mind ... and I will need an answer from somebody. I do not know who would have the knowledge on this, but if we compare what is being proposed now to what the Deputy of St. John proposed last time when there was a deferment, as I understood it, it

was for the whole of the development to say that it should not go forward until the Minister for Treasury and Resources had enough backers in order to support a certain percentage of it before the whole of it could continue. Now it is phrased differently, that it should now be in phases, changing the whole to smaller chunks. The difference there in my mind means that that would make it easier for it to be developed rather than as a total chunk, which might explain why the Chief Minister is backing this rather than what was before. So my question to whoever might know this is: does this proposition - I would use the word trump - supersede, take priority over what the States previously agreed in the Deputy of St. John's previous proposition? I believe by a new States decision it probably would do so. The implication is, therefore, we move from a stage where there has to be a certain amount of the total being supported to a phased development, which I am not entirely sure is wrapped-up in a certain amount must be supported by anyone. At the moment, in my mind I much more prefer to stick with what we already have under the previous proposition by the Deputy of St. John and not to support the proposed phased route, which is as it stands, which is what is before us this afternoon. As for part (b), I am tentative about that one; however, it does ask that it should come back to the States for approval. However, I am not entirely convinced that that is good enough at the moment. I will wait for the proposer to sum up, but at the moment I much prefer to go with what the House has already agreed and not to change it.

7.1.8 The Deputy of St. Mary:

The previous speaker has alerted me to something I must say I had not quite sussed. I think it would be helpful if someone would clarify from the Ministerial benches what the exact existing situation is that this would replace. Because if it is true, as Deputy Maçon suggested, that what we have now is it is all or nothing, that if you start building the Esplanade Quarter then the whole thing has to roll from then on, which itself of course is problematic but I will come to that in a minute, then that is one thing. Then what we are now saying is that phased is okay, so we might end up with phase 1 or phase 2 and then what happens? So I think that is a useful point and I hope that somebody will clarify that. I was going to comment on the comments of the Minister for Planning and Environment because I think that what he said should set alarm bells ringing in anyone's mind. When he says that the Island, for better or for worse, is entirely dependent on the finance industry, I think that should really set alarm bells ringing because ... and I hope that when the Minister for Economic Development brings forward his growth plan for the next few years that there will be a risk analysis of different sectors in our economy. Is it more likely that tourism will grow or is it more likely that finance will grow in the next 10 years? It may have escaped some people's notice but the fact is, as Deputy Tadier and others have pointed out, the world has changed completely in terms of financial services. To ignore that is to put your head in the sand. So I think that to say that we have a policy that is implicit in this development of increasing the relative size of the finance industry, relative to the rest of the economy, seems quite a dangerous way to go. So I am concerned on the one hand that we have in this proposition a suggestion that we could go ahead on the basis of we will do phase 1 or phase 2 and then we end up with a ghastly mess, frankly, with phase 2 there and half an underpass and then things go pear-shaped, as they did a couple of years ago - do Members remember it went pear-shaped - and we are left with an awful mess. I would rather see a situation where the whole lot gets built or none of it gets built, but I am concerned about this phasing in this proposition. Yes, the Minister for Planning and Environment said he wanted to see a more balanced economy and he wished that our efforts to diversify would be more successful or successful more quickly. There is the difficulty, of course, that finance has a slight cuckoo effect. It is a wealthy enclave in our economy, very wealthy, and that has an inflationary effect across the board inevitably and that puts pressure on other export industries, notably tourism. Tourism has suffered from cost inflation which has been brought about by the fact that finance is almost over-sized in relation to the size of the rest of the economy. So there are real problems with saying: "Let us go ahead, let us just keep going down this single track." I have real problems with that. In addition, it is worth pointing out that the finance industry is now below 50 per cent of our G.V.A. (gross value added) as was just pointed out to me by a neighbour. It used to be over 50 per

cent; it is now under 50 per cent. I am not sure that putting all the eggs in this particular basket is a very wise way to go. I notice that the Minister for Planning and Environment talked about 400 affordable ... well, 400 homes in this project if it goes ahead. He said: "I hope these will be affordable." Well, so do I. It is interesting that he only has hope to go on.

Senator F.E. Cohen:

If I may make a point, the principle there was it depends on the approval of the Island Plan, which is up to States Members.

The Deputy of St. Mary:

Well, that is interesting because we are sometimes told that previous consents are binding and that we cannot go back on it, so if there is a consent that happens to be in the area proposed for the national park, tough, we just have to live with that because that is a previous condition, a previous consent. Now we are told that the consent will be subject to the Island Plan. If the Island Plan goes ahead and says: "Such and such percentage affordable" then that will apply to a consent already given. I would welcome the clarification of the Minister on that.

Senator F.E. Cohen:

It is very simple. This is in States ownership and I would certainly hope that the States would set a good example, and if the States approves the Island Plan in its present form and the affordable housing proposals contained within it that it would follow suit in relation to all States-owned sites in the future.

The Deputy of St. Mary:

That seems to suggest that the consent has been granted to the States. It has, okay, fair enough. So, I just wanted to make those observations because I did find the speech of the Minister for Planning and Environment pretty worrying and I do fear for Jersey's future on this one track. I hope that we develop more tracks and I am very wary of this proposition. I am wary of what it replaces and I would like clarification from the proposer or from somebody possibly better - closer if you like to the inside negotiations on this - as to what the position is now. Because clearly we know what the position would be under the proposition, but what is the position now in terms of completion, non-completion, and holding people to complete what they say they are going to complete?

7.1.9 The Connétable of St. Helier:

This proposition from the Deputy of St. John is a very strange beast and it is no wonder it had the Council of Ministers scratching their heads. I am not surprised they accepted it because, read literally, they probably did not have a problem with it and thought it would shorten the debate, which is not a bad thing sometimes. If this proposition is, indeed, an attempt to have a rescindment debate, or even if it is not, it is an incredibly short report. It is one of the shortest reports we have had on a proposition surrounding the Waterfront. Again, maybe that is to make it less contentious. I think Deputy Maçon made a very important point when he asked really what is this proposition trying to do? Because surely what upsets us, and upsets many Islanders, most about what is currently being built on the Waterfront, is the fact that it is so piecemeal. Even if there are parts of it you like and, indeed, coming off the ferry from a trip to Normandy yesterday, I was struck by even the parts I thought I liked looked terribly disappointing after leaving the royal city of St. Malo built by, perhaps, better brains in the last century. I was really struck by the fact that is not going very well and if we now say to the Council of Ministers: "Yes, you can, indeed, build it in pieces", we are just going to have more of the same. I thought the whole point of the Masterplan was that we would have a vision, a single vision by an architecturally renowned international architect, you know. **[Approbation]** I am trying to avoid saying the word, the H word. I thought that was the point to let this practice, after a suitable period of tendering, produce a fine holistic vision for the Esplanade Quarter but now what we seem to be saying is: "Well, no, we are going to build it in pieces just like we did the Waterfront." I think that is a real mistake. Now, this is not a

rescindment debate and, perhaps, some Members wish it was. I must say that every time I use the Esplanade car park - and I may be seen as an unlikely champion for the private motorist now - I am struck by what a wonderful facility it is. It really does provide, it answers the need for many people coming to town whether it is to shop or people with part-time jobs, to park in an environment that is not threatening. It is a surface car park with fantastic landscaping and every year, of course, and this is the worry, I think, W.E.B. has, every year that landscaping gets better and better. We even have rabbits there now. One of these days there will be rare newt and then W.E.B. really will have problems. So I think W.E.B. is very anxious to get on with it and to start moving those cars and to start putting in the buildings. Yet, as I say, particularly at night with the existing fine offices of the finance industry and the financial services industries that support them with those existing offices, the Esplanade Quarter is not doing a bad job at the moment. As I say, it is not a rescindment debate so I am not going to go there any further. All I would say is that there are other sites where you can build large offices. We are not like St. Peter Port, we are not built on the hill. There are plenty of other large sites and some have already been referred to. Certainly, up the north end of town, near the town park, where that is being built, we are seeing regeneration happening. There are some huge sites up there which would take some very large players in the financial industry and why should they not want to be up there, particularly when the Odeon has gone. The other thing I want to say, in closing, is that the Minister for Planning and Environment in giving us another sort of reprise of the Esplanade Masterplan, he omitted a very important factor which got me to support it last time round and that was that there would be, I think, £70 million funding for the so-called old town arising out of these new developments. There has been no talk about that recently and that worries me. I put the Council of Ministers on notice that if they are going to start digging up bits of the Esplanade Quarter to create bits of the Masterplan then bits of money must flow back into the old town because that was the deal that we were given before.

7.1.10 Deputy S. Power:

I think the Constable of Grouville said that Senator Cohen had said a lot of what he wanted he say. Part of what I wanted to say has been said by the Constable of St. Helier and that is, in my view, one of the best parts of the St. Helier Waterfront is the Esplanade car park.

[15:15]

If one looks at it, if we have come down to this, that we say that a tarmaced car park, landscaped, is a feature of our Waterfront, we are really struggling in terms of piecemeal development. The other bit of it I like is the Les Jardins de la Mer, which I think would be a shame to dig up, but there is a plan to do that if this Masterplan comes. Thank you for indulging me on that. Going back to the Deputy of St. John's proposition, it is largely irrelevant whether this proposition is supported or rejected because, in my view, market forces will always prevail and market forces will prevail on the development of any commercial office buildings in St. Helier. There is the perceived need to have encouragement by J.E.D.C.O., W.E.B., whatever it will be called to push large commercial office development on to some of the sites that are still left down there that have not been pillaged, with buildings none of us like, but market forces will determine. It is in that regard that I want to devote a fairly short tour of the St. Helier Waterfront. If one looks, leaving out the mass of what is already out there that the Constable St. Helier referred to. I am having a senior moment, I am sorry. If we refer back to what any visitor to this Island sees coming in on a ferry from the southern route, from France, it is not a vista of anything that gets you excited, it is tanks and square buildings and commercial harbour and all that kind of thing. Where Members need to take a tour of St. Helier and potential commercial office development is already sitting in St. Helier. If you look at the trend of office development now in St. Helier it is along the Esplanade, nothing has changed. If you look at the potential for office development on the St. Helier Waterfront it is on the Esplanade. Without identifying specific buildings there is the potential, in the next 5 to 10 years, to develop at least another 800,000 to 900,000 square feet on the existing Esplanade, some of it has already

started. There is already another building, which I will not name, which runs between Broad Street and Commercial Street- a very large building - which is considered perfectly suitable for a very large office building. There are 2 other buildings on the Esplanade that back on to commercial buildings, there are further sites on the Esplanade running up towards the Grand Hotel, there is a very, very large site beside the Grand Hotel. I calculate and I am not ... I am doing this, really, on the back of a wire notepad here; I estimate that there is between 800,000 and 900,000 square feet of potential development there. So if that is there already through redevelopment of existing old office and old buildings that are not listed then I cannot see how our wealth management industry, or our financial services industry, or trust industry, all the other industries, are going to fill the empty voids that are ... excluding the Esplanade car park, how the rest is going to happen. I simply do not think it is going to happen. I still have not made up my mind whether I am going to support the Deputy of St. John, I honestly do not know. I do not think it was necessary, this report and proposition, but market forces will always prevail and there is sufficient provision, in my view, for potential office development on the Esplanade in St. Helier right now without having to go out and butcher what is left.

7.1.11 Deputy R.G. Le Hérissier:

I think I was one of those people who did vote against the plan at the time because I thought the assumptions on which it was based were wrong. That said, I do not think it is good government, to use a phrase that we do not perhaps use enough. I do not think it is good government to disassemble a whole debate, a whole direction on the basis of a few lines saying that things are a bit dodgy in Ireland and Portugal and so forth. It is not the sort of rigorous economic analysis I would have expected to undermine this. Yes, we are an Island and it is manifested all the time in this Assembly. We are, many of us, in an uncomfortable relationship with the finance industry but we well know it produces the wealth and we also know, as is very briefly mentioned in the proposer's report, that its future is much more precarious than it has been. But all that said, if we make an agreement, and it was one to which I was not privy, we make an agreement, we, in my view, stick by it, ultimately as Deputy Power said it will be market forces. We have heard - and I was just discussing this - very little of what was the major issue at the time, the financial viability of the major developer, the Irish developer, who was going to handle a lot of this. Members will recall this was the major, major issue. We have heard very little of late so we do not know what the situation is there. But to cut across this in such a way without a proper analysis; and I do not think we can do what the Deputy of St. Mary said, although I think it is something that has to be done. In other words carry out an analysis of alternative economic routes when looking at this. I mean that is just not on at this stage. I think we have to acknowledge the agreement unless we get very, very strong rigorous counter-evidence put in the public domain. It is not good government, on the basis of a few lines, to overturn a whole process that has been going on for a long time. There are other ways of doing it and I am quite prepared to listen to that evidence but this is not the way to do it and it will, quite frankly, land us, as Deputy Le Claire said several times, into massive disrepute. This is the not the way to handle this, it has to be looked at, not this way.

Senator F.E. Cohen:

Can I make a point in relation to the Deputy's speech? He, in fact, voted pour in relation to the Masterplan. His memory is clearly failing him.

Deputy R.G. Le Hérissier:

I am glad to have been a supporter of the Minister at a crucial time.

7.1.12 The Connétable of St. Ouen:

I am going to address the Assembly as an old Jersey farmer which, as Deputy Fox would say, was a previous life. It just appears to me that this proposition is totally the wrong way round. The proposition, first of all, proposes that the States should undertake any development in a phased

manner, which I do not have any problem with, providing that is the second part of the proposition. When I was a farmer I spent many, many weeks, many months, stacking potato boxes and I can assure the Assembly that unless you start with the bottom box you cannot stack a load of boxes. Trying to start with the one in the middle just does not work. Maybe the Deputy of St. John is trying to get another part of the Island in the same way as his own part of the Island is and for those who do not know, he lives at a house called Hors d'Etchère which translated, is out of square. Now, I am going to suggest **[Laughter]** ... I am going to suggest to the Deputy, that if his proposition is adopted and we start by building on the top and then build underneath afterwards, although in this day and age that is not impossible, it is a very much more expensive way of doing it. I suggest that many of the houses on the top will become towers of Pisa.

7.1.13 Senator P.F.C. Ozouf:

Sometimes politics is an uncertain business and I have to say that I am confused and surprised but quite heartened by the progress, in some cases, of the way that this debate has gone. The Deputy of St. John put forward and then withdrew, following discussions with the Chief Minister - and, indeed, I was involved in some of those of discussions - propositions which were worrying and completely unacceptable in that they did, as I recall, completely stop any progress in relation to Esplanade Square. This version was judged as the acceptable, but nevertheless interventionist, in certainly the part (b) area and it was judged and its support was judged. Sometimes the Council of Ministers is criticised in relation to trying to find propositions which will receive a majority view or we bring forward propositions that will likely command a majority view but sometimes it feels as though we are sometimes, if I may say, damned if we do and damned if we do not. There has been a great deal of water under the bridge of time since the original Masterplan was conceived and then brought forward to the States. At the time it was envisaged that a single developer would undertake the whole of the Masterplan; that was a concern of many Members, not something which I could speak about at the time because it would have been inappropriate for me to say so, but that single developer has fallen away. I remain of the view that we would have put in all the necessary checks and balances to ensure that if that developer had continued we would have made sure that the States financial position was maintained and secured. Since the original Masterplan, of course, optimism levels in the world financial economy have gone down and now they have risen and, indeed, confidence in Jersey is rising. Senator Cohen is absolutely right to say that there are some key institutions in Jersey which the Minister for Economic Development and I and other Ministers meet regularly who are confident about Jersey and who have got confident plans to bring increased quality business to the Island from the growing parts of the world, as Senator Cohen also said, which will benefit the City of London. Jersey is in partnership with the City of London and we can show how, together, both the Channel Islands and the City can work together and we can beat off some of the competition that is, effectively, now coming from the alliances between other emerging centres such as Hong Kong and Singapore. I have been accused, I think, of being somewhat Polyannaish. I think that means that you only see good and certainly somebody did say after the doom and gloom of the headlines in, what has been described to me as the *Jersey Misery Post* on occasion, now there is optimism. There are optimistic signs of people wanting to invest. It is a matter for the States to decide. This was a compromise, if I may say, of a proposition designed to give the States some ability; yes it would, in, certainly, part (b) - it is almost a fettering of the planning powers to some extent. It would require bringing back propositions in respect of the road. Certainly, my own view of the build-out of the Esplanade Square and, clearly, there are some competitive forces at work, there are other developers who are also wanting to secure those exciting expansion plans of some financial institutions that want to build on other sites. For my part I think that I would like to see, as a potential shareholder of S.o.J.D.C., on behalf of Members, I would like to see some of those tenants kick starting the Esplanade Square because that is going to be the prestigious part of our financial services future. There are opportunities to regenerate town and the Constable of St. Helier is right to remind us of the obligations that we talked about in the Masterplan debate that we will be using some of the revenue, some of the assets, that we will create

on behalf of the public in the development of the Esplanade Square to regenerate further town. Just as my view is that there is a world big enough for both Jersey and Guernsey to prosper, there can be a world in which other privately-owned sites in town that need to be generated can benefit from our future economic growth, building not only offices but responding to the concerns that Deputy Le Claire has about housing, *et cetera*. There can be an exciting world and a good place to live, work and for recreation on the Waterfront. The Constable of St. Helier was confusing, if I may say, he almost, I think, wanted to keep the tarmac car park on the Waterfront, I think he was saying. I was not quite too sure. I was rather confused about what he was doing... if I may say, a Deputy Le Hérisser, not quite remembering which side of the fence that he was sitting. He did support the Masterplan, of course. It is a matter for Members to decide. Part (a) is not a problem; it is entirely envisaging what has already been set out, as the report says, of section 8 of the S.o.J.D.C. I have amended this afternoon the proposition for S.o.J.D.C. directors to put in an interim chairman after the unfortunate events in anticipation of the Scrutiny Panel's report but we want put up S.o.J.D.C., put it in place, get it working, get it working for the people of Jersey and delivering value in terms of owned assets on the Waterfront and delivering exciting regeneration projects for the benefit of Islanders.

[15:30]

I hope Members are going to support that. Part (b) of the proposition was a compromise and it is ultimately a matter for Members to decide. The Deputy of St. John is going to have to convince Members as to why we definitely need part (b). Maybe we do not need part (b) of the proposition, maybe we need to affirm our support for part (a), maybe we need to affirm our support for a phased... which is inevitably going to happen. The Constable of St. Ouen was correct about stacking potatoes and the way in which you build things. If I may tell him that you can start phase 1 of Esplanade Square without causing a problem in the loft in terms of the falling over of the stacks of potatoes. You can start phase 1 at the edge of the site, secure some of those institutions in early course, ensure that the revenue is obtained for the benefit of S.o.J.D.C. and taxpayers and then the infrastructure will happen. Inevitably, these things are perhaps better done on a phased development and that is exactly what is planned and is the right and proper and prudent way to proceed. That revenue, that capital, which will be generated from that first phase will be there to secure that infrastructure development and the regeneration of town, so it is a matter for Members. Part (a) is not a problem as far as I am concerned; it is affirmation of what has already happened. Part (b), if Members want to send a clear signal of getting on with the Esplanade Square then they will want to reject part (b). I hope that that is not going to be regarded as a confusing position of the Council of Ministers. The Chief Minister and I were trying to find a compromise which would be acceptable; certainly the previous incarnations of this proposition were not. It is up to Members and I will listen, with interest, to the Deputy of St. John's forceful remarks of why we need (b) as where we are today.

7.1.14 Senator P.F. Routier:

I am really struggling with this proposition; I have to say, because I have read it over and over again, the part (a). Part (a) says: "To agree that during the current period of ongoing economic recovery." I have got no idea what that means. I do not know when it starts, when it finishes, who is going to make that judgment. I have got ... I really just cannot get my head around how anybody is going to make that clear to us so that the progress of the Waterfront can go ahead. So I really want to know, from the proposer, how that judgment is going to be made. As it stands there, in that wording, I cannot support it at all.

7.1.15 The Connétable of St. Peter:

I am not quite sure how to follow that comment to my right. I think just to try and gather myself together again. Just looking at the proposition, I spoke with the Deputy of St. John earlier this

morning and he asked me if I was going to support his proposition. I immediately said no because that is the relationship I have with him. **[Laughter]** He then tried to influence me by saying the Council of Ministers was supporting him, therefore, why was I not going with them. I think, in some regards, part (a) is something I could accept and go with. However, one thing that does really concern me is the messages that go out in the media from this Chamber about the way we are dealing and the amount of focus and commitment that we are displaying to the wider world about how we want to engage with new people coming in to Jersey to help support the local economy. I think, as my colleague to the left was saying, the confidence, we are not demonstrating clear confidence and commitment towards the future of Jersey at all and that really does worry me. Debates like this do get reported in the wider world, not just in Jersey and the Channel Islands, they go out because of the international media. I think if we look at the pre-lets... sorry if we look at the phasing of the development, W.E.B. has already committed that it will not start any developments at all until it has committed pre-lets that cover the cost of the development. In effect, that will be a phasing unless we get one or 2 or 3 companies all coming along wanting their own building and they would all sign-up to pre-lets. Whether the House would accept the interpretation of that meaning of “phasing” is something I would like him to explain to us in his summing up. Just some other comments, I think it was Deputy Power to my left was talking about the amount of vacant properties or potentially vacant properties along the Esplanade. I think that was something about 900,000 square feet of property available. The one thing that the large businesses are looking to do, much the same as the large bank at the bottom of Gloucester Street, they want what is known as a large floor plate. They want big open space floors where they can consolidate a lot of people in with the minimal support staff on each floor, the Esplanade does not provide that. While it has the quantum of foot space, the footprint of the building is too small to attract a lot of the buildings. This was described about the office block at the far end of east end of the tunnel. For most large businesses that is not suitable because the floor plates are too small, it is as simple as that. The businesses look for large floor plates to make savings on how they manage their staff and facilities. That is why the Esplanade Quarter is not the Waterfront. The Esplanade Quarter is the bit between the underpass and the Esplanade, the Waterfront is the other piece to the south. The Esplanade Quarter and the large footprint offices that we want to build there are vital to the industries that want to come and put their European bases, effectively, here in Jersey and bring with them the staff and all the profits that we will get from all of that. I am still unsure myself if I am going to support the Deputy’s proposition. I would like him to explain the phasing and the pre-lets and how those 2 interrelate and I will make my mind up at the end of that.

7.1.16 Deputy J.B. Fox:

Jersey is one of those lovely quaint little cottage-type islands and that was historically what... if you talk to the residents in St. Helier, that is what they all dream of still. I still live in a road that is quiet; that is 2 storeys high with the odd third storey opposite me, *et cetera*, and it is quaint and it is beautiful. But, realistically, we have got to stop changing our minds and trying to alter things all the time half way through. We either start off with Senator Dick Shenton, as he was in those days, saying: “Let us leave it for 25 years and leave it in grass and the holidaymakers and the children can play on it, *et cetera*, and when we really need it, it will be there”, which everybody virtually agrees, but then we are trying to save our greenfield sites, which is very popular at the moment in making the demands. We have had all sorts of reviews in St. Helier and us, town Deputies especially, and others have been looking at what the future might hold and there are large areas that are now falling apart or too small or are not useful and have got a mix of residential and commercial and are noisy and not the best of places to work in, let alone not the best of places to live in. But the Esplanade Quarter is there for our future. It has been designed for our future and, yes, we need the safeguards and the reassurances, *et cetera*, but I quite like the idea that we own the territory that it is going on and that we receive rent from it, and that we control it and not through property developers, *et cetera, et cetera*. I was reminded many years ago when I saw foundations being dug, I think it was in Church House, on the corner there, where they found the old wall with

the old ties for the shipping, *et cetera*, which meant, at one stage, everything in front of it, from all the Esplanade area and certainly hotels and by the Weighbridge, *et cetera*, must have been in the high water and low water tide. Now we were looking at doing the same deals that we have been doing for the Waterfront enterprise. We would still all own that property and we would be receiving rents and we would be able to manage it far easier and better, possibly, than what has happened since. I am not going to vote for these 2 amendments. I do not abstain, I am an independent Member. On this occasion I will not be following the Council of Ministers or the proposition as laid out here because I think it only goes under the woolly factor, and what will happen is that nothing will happen and when nothing happens that usually means it is a compromise somewhere else along the line and all these small units in St. Helier will have to remain the *status quo*. Some of the companies will say: "Right, you are not going to fulfil what we require so we will move somewhere else." In the meantime if they did have the proper facilities they would be able to release these properties where other businesses and especially modern residential new replacement for our future populations and, indeed, our existing populations would provide what we demand of our accommodation and, hopefully, would take away all these waiting lists, *et cetera*, whether they be for rental or whether they be for purchase. Decisions have to be made; this is one of those days when we need to start making some decisions for now that will look after our future.

7.1.17 Deputy T.M. Pitman:

I really just want to focus on some concerns. I mean I must admit I am always suspicious when the Council of Ministers back a Back-Bencher, it does not happen very often, does it? I do have to ask the question because I have heard whisperings, was this discussed at the Council of Ministers - the full Council of Ministers - and was it agreed, hence the split. That is the only way I can look at it with the Minister for Planning and Environment... maybe someone can enlighten us to that. I must say I am also a little worried, with due respect, when I hear the Minister for Planning and Environment describe part (b): "The sunken road is just a large hole." It surely cannot be that simple. Yes, it could be a large hole but it could be a large hole into which a lot of our money, our taxpayers' money, goes. I think Deputy Tadier is quite right when he says we have to ignore the usual one-size-fits-all Armageddon, the finance industry will leave if we support this. It happens every time. I mean on this I have to say that caution does seem the way to go, especially given the current economic climate. If Senator Ozouf, who I always trust, says accepting the proposition is not a problem then I am minded, at this stage, to support the Deputy of St. John. The key for me is knowing that if we do support the Deputy of St. John and that the 400 homes will still be achievable and on the table; and I think that is the only thing he has got to reassure me about. Proceeding in phases does seem completely logical; I do not see that is a problem at all. So, at the moment, I am swaying towards the Deputy of St. John and I would ask him just to clarify that at the end when he sums up.

7.1.18 Deputy M.R. Higgins:

First of all I would like to thank Deputy Mashon for his comments, initially, because he got me thinking about it.

Deputy J.M. Maçon:

If the Member would give way, I would like to know who this phantom Member of the Assembly is. My name is Maçon. [Laughter]

Deputy M.R. Higgins:

I stand corrected, thank you. Praise where it is due, anyway. Anyway, following the Deputy's comments I went to have a look at P.111 of 2010 to see the wording of what we agreed at the time. To be quite honest, I have looked at it, I have got it in front of me here, and I believe that Deputy Rondel got it right the first time. I do not believe that we should adopt this new proposition as it

will weaken what we have at the present time. In fact, it will let the development genie for the Waterfront out and we will not ever recover. What we agreed in that proposition was: “To agree that the development of the proposed Esplanade Quarter and other areas of the St. Helier Waterfront, including the sinking of the La Route de la Libération, should be deferred until there is a significant improvement in the economic situation in Jersey with clear indicators of economic growth.” Then it goes on to say: “...to request the Chief Minister, in accordance with [the various articles], to give directions to this effect to the company...” Part (b): “...to request the Minister for Planning and Environment to bring forward the Planning Obligation Agreement [or whatever agreements he has to bring] in respect of the Esplanade Quarter for endorsement by the States prior to the commencement of any works on site.” My concern is you allow one small development to take place, it will be done piecemeal and we will get a real dog’s breakfast. The truth of the matter is, as I say, I cannot understand why the Deputy of St. John has brought the proposition because, to be honest, his first one was right and I will be opposing this particular proposition.

7.1.19 Deputy G.P. Southern:

I think reasonably briefly, because we have had a wide-ranging debate on this... and I started off very confused over this. When I heard our Minister for Planning and Environment saying that we are entirely dependent upon the financial services industry, like the Deputy of St. Mary, I was somewhat shocked by that.

[15:45]

It appears to be part of what we all believe that it is okay to be held to ransom by the financial sector. We have bent over backwards and halved their taxation level in order to keep them and now we are being told that unless we develop particular plans or particular parts of the Island they will go and leave anyway. It seems to me that that sort of a route is no way to go down. Then Deputy Le Hérisier said: “Without rigorous economic analysis of this particular proposition we cannot possibly support it.” I would like to see any rigorous economic analysis of almost anything that we proposed in the past 10 years. Oh, if only it were possible, if only we ever saw rigorous economic analysis then we might have some faith. Then the proposition itself, as Senator Routier pointed out, says not to begin in this time of recovery. That is news to me, currently in the recovery? I have yet to see any evidence that we are in the recovery, so when is this going to start, in general terms? But, for me, the problem comes with what is most likely to get that proposition, that Esplanade Quarter developed the way it was proposed when we initially had our grand masterplan, which the Minister for Planning and Environment was very, very keen on using. He likes masterplans for this and masterplans for that. Well, I go back to my objections to the original scheme and I opposed, I believe, that development, that grand masterplan for a number of reasons that I think were valid and are valid still. It comes down to a really cynical view of why the Council of Ministers have supported this particular amendment to the original intention to stop this development. The answer is probably because doing it piecemeal is more likely to happen. We are more likely to see the development take place, bit by bit. If I have got to get together £300 million, or whatever it is - £400 million nowadays perhaps - in order to do the lot then, quite frankly, I do not think we are going to see that in the current economic climate, and in the foreseeable economic climate I do not think we are going to see that. We could, however, see this piecemeal approach, we will do a bit here and a bit there and before we know it we will have the lot, bit by bit, by stealth. So I will not be voting for this amendment. I accept that the Deputy of St. John’s intention was to stop this development. I do not think this proposition does that. In fact, I think it makes it more likely so I am voting against it.

7.1.20 Senator J.L. Perchard:

Just briefly. This proposition, in my opinion, is really, as Deputy Southern has just described, meaningless. It is a watered-down version of the Deputy of St. John’s original document that he

withdrew and, obviously, spent some time with a few of the Ministers and he came back with this inept version. It does not deserve anybody's support. I think it is driven by the Deputy's concern over W.E.B, over the S.o.J.D.C., over the drive by some Ministers to have this Esplanade Quarter and a Cohen auditorium built. I am very sympathetic to those concerns. I believe that we do ... what a wonderful message it would be if Jersey were embarking on developing a new financial services sector but it has to be driven from the bottom up. It has to come from the industry. It has to come from the marketplace. I am afraid, we have got W.E.B., we have got S.o.J.D.C. who are entities that do not take risks, got free land, lots of money, no risk and million pound salaries a year already and we have got this momentum and we have, as I say, a drive to develop without risk and it is being driven from the top down. Whether you vote for this or do not, I think it does not matter at all, but it is a watered-down version of what he really meant and I think it is not worth voting for really, but that is not to say that I am against the development of the Esplanade Quarter. I believe that we need a financial services sector but it must be driven by the industry itself and not by States Members and quangos.

7.1.21 Connétable M.K. Jackson of St. Brelade:

I think that my view is that this proposition can be supported quite easily principally, because the world has moved on since the original Masterplan was put in place and the original road was put in place. I think it is pretty well agreed that it would be a development that is better done in phases and, if that is to be the case, by the time we move on you might find that the road infrastructure, as designed in the original Masterplan, will not fit in with the new designs. I think that it is important to retain flexibility. If I have any part in the road construction - which with my present role I would do - I would be keen, if there were to be any changes, that it did come back to this Chamber for the approval of Members and comments thereon because I think it is inevitable that it will change, so I am quite content to support the Deputy's proposition.

The Bailiff:

Does any other Member wish to speak? Very well, I call upon the Deputy of St. John to reply.

7.1.22 The Deputy of St. John:

Let me remind Members of what my proposition says: "To agree that during the current period of ongoing economic recovery..." I believe we have got little green shoots, not very big ones, but we are going in the right direction, we have hit the bottom, we are now on the way up. That is my reading of what is going on talking to people in industry, not only here but reading issues in other parts of the world. "The development of the Waterfront and Esplanade Quarter should be implemented in phases." Implemented in phases slowly, build in the name of Jersey, whether it is our company, through W.E.B. or its successor, we have total control. But in doing so I want to make sure that any regeneration that we do through our development company, all our tenants, our anchor tenants, are signed-up not on a 5 or 9-year lease, but our anchor tenants need to be there in their entirety. They need to put their money where their mouth is, for want of a non parliamentary expression. It is important that we do that because, yes, we can get people who will want the States of Jersey to spend millions or tens of millions of pounds on building these super offices, super offices and then after 10, 15 years walk away. We need people there on 25, 50-year leases, *et cetera*, people who are, or companies that are going to come up with the goods and that, to me, is extremely important. By doing it in phases, for those of you who do not understand, the Esplanade Quarter has been explained to you by a Member earlier, by one of the Ministers, is the area, yes, where the car park is and where Phases 1 and 2 can be built, and I believe 3 also, can be built without impeding on the area which the underground road would take in. Hence it would not prevent us moving forward at some time in the future with the road. Hence the part (b) of the proposition, the underground road, can be built at some time in the future if this House has the stomach to do that. The stomach being ... and the backstop is this Chamber will decide whether or not we can build this underground road or if we want this underground road built. Whenever that

happens, whether it is in 2 years' time, 10 years' time or 50 years' time, things will have moved on and, in fact, you may not need an underground road, as we know it, because it might be a capped existing road which is hilled over. There are ways, in engineering, to do these works. Unlike the Constable of St. Ouen, when I took notes of his comments about the La Maison Hors d'Etchère. Yes, it is out of true, absolutely right and consequently these things happen but it is not built on dodgy foundations, as he is proposing building from the top down, it does not work like that. I have been in the building trade all my life and I do understand certain engineering ...

Senator T.J. Le Main:

Is that why you have got a cockeyed house? [Laughter]

The Deputy of St. John:

Well, I was not the builder. [Laughter] You have to ask the builder that. But getting back to the proposition, I will be asking for the vote in 2 parts, but there are one or 2 comments that were passed. I am not going to go through them all. Yes, I did look at P.111, one of my original propositions on this, and I did say at the time I would bring it back at times when I thought things were moving in the right direction, and as I say, things have moved on and I believe we are seeing green shoots. It does say that, in fact, in the report of the proposition, if I remember correctly, that that is what would happen. As for obviously our fence-sitter, who does not know whether he voted for it last time or not, Deputy Le Hérissier, I am pleased that the Minister for Planning and Environment told him how he voted. I am not going to go into all of the comments that have been raised by various Members, but I believe the underground road, to me it is important that this does not go ahead at this time. If we have anchor tenants who meet all the needs of the S.o.J.D.C. or W.E.B. (Waterfront Enterprise Board), whoever is pulling this together in due course, that is fine, but what Members must remember, Planning and Environment passed the plans in principle approximately 10 months ago. That being the case, the Minister for Planning and Environment can make things happen now. What I am trying to do, since the plans have been passed, is have some kind of structured way forward and whether the current directors of W.E.B. - who are sitting in the back of the Chamber - vote in favour or otherwise, it is their choice, but I have not heard them declare an interest in this, which I would have thought they would have done. That said ...

The Connétable of Grouville:

A point of order, Sir.

The Deputy of St. John:

I am not giving way.

The Connétable of Grouville:

It is a point of order, Sir.

The Bailiff:

Yes, if it is a point of order.

The Connétable of Grouville:

I am a director of W.E.B. but I have no interest, financial or otherwise.

The Deputy of St. John:

But given that plans have already been passed - or in principle - by the Planning Department, we need to have a structured way forward, and by adopting my proposition here today, it is a structured way forward, that we make sure that we have our anchor tenants signed-up in every quarter, not take on tenants short-term that could cost this Island serious money in the future; by them signing up to all that is required that I believe it is important. As I said earlier, as it says here, the underground road could be done at some time in the future if this House decided to go down that

road. That will not impede on the building. I will ask for the vote – in 2 parts - and waste no more time.

The Bailiff:

The appel is called for then in relation to the proposition of the Deputy of St. John. The Deputy has asked that the Assembly vote in 2 parts, so the first vote will be on paragraph (a). I invite Members to return to their seats and the Greffier will open the voting.

POUR: 23

Senator T.A. Le Sueur
Senator P.F.C. Ozouf
Senator F.E. Cohen
Senator A. Breckon
Senator B.I. Le Marquand
Connétable of St. Helier
Connétable of St. Brelade
Connétable of St. John
Connétable of St. Peter
Connétable of St. Lawrence
Deputy R.C. Duhamel (S)
Deputy of St. Martin
Deputy J.B. Fox (H)
Deputy J.A. Martin (H)
Deputy of St. Ouen
Deputy of Grouville
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy of St. John
Deputy M. Tadier (B)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)
Deputy A.K.F. Green (H)

CONTRE: 27

Senator P.F. Routier
Senator T.J. Le Main
Senator J.L. Perchard
Senator S.C. Ferguson
Senator A.J.H. Maclean
Senator F. du H. Le Gresley
Connétable of St. Ouen
Connétable of Trinity
Connétable of Grouville
Connétable of St. Martin
Connétable of St. Saviour
Connétable of St. Clement
Connétable of St. Mary
Deputy R.G. Le Hérissier (S)
Deputy G.P. Southern (H)
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy S.S.P.A. Power (B)
Deputy S. Pitman (H)
Deputy A.E. Jeune (B)
Deputy of St. Mary
Deputy T.M. Pitman (H)
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)
Deputy D.J. De Sousa (H)
Deputy J.M. Maçon (S)

ABSTAIN: 0

[16:00]

The Bailiff:

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

POUR: 20

Senator T.A. Le Sueur
Senator P.F.C. Ozouf
Senator A. Breckon
Senator B.I. Le Marquand
Senator F. du H. Le Gresley
Connétable of St. Brelade
Connétable of St. John
Deputy of St. Martin
Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy of St. Ouen
Deputy S. Pitman (H)
Deputy of St. John

CONTRE: 30

Senator P.F. Routier
Senator T.J. Le Main
Senator F.E. Cohen
Senator J.L. Perchard
Senator S.C. Ferguson
Senator A.J.H. Maclean
Connétable of St. Ouen
Connétable of St. Helier
Connétable of Trinity
Connétable of Grouville
Connétable of St. Martin
Connétable of St. Saviour
Connétable of St. Clement

ABSTAIN: 0

Deputy of St. Mary
Deputy T.M. Pitman (H)
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)
Deputy A.K.F. Green (H)
Deputy D.J. De Sousa (H)
Deputy J.M. Maçon (S)

Connétable of St. Peter
Connétable of St. Lawrence
Connétable of St. Mary
Deputy R.C. Duhamel (S)
Deputy R.G. Le Hérissier (S)
Deputy J.B. Fox (H)
Deputy of Grouville
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy S.S.P.A. Power (B)
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy M. Tadier (B)
Deputy A.E. Jeune (B)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)

The Bailiff:

Very well. I can inform Members of another document which has been lodged, that is Projet 32, an amendment to the States of Jersey Development Company: appointment of Chairman and Non-Executive Directors, lodged by the Minister for Treasury and Resources; and also the Draft Income Tax (Amendment No. 38) (Jersey) Law ... sorry, could we have a bit of quiet, please? Projet 79, lodged by the same Minister.

8. Goods and Services Tax: exemption or zero-rating for foodstuffs, domestic energy and fuel (P.36/2011)

The Bailiff:

We move next on the Order Paper then to Projet 36 - G.S.T.: exemption or zero-rating for foodstuffs, domestic energy and fuel - lodged by Senator Breckon. I will ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion (a) to agree that the following items should be exempt or zero-rated for the purposes of G.S.T. from 1st January 2012: (i) foodstuffs, in line with the United Kingdom V.A.T. (Value Added Tax) arrangements; and (ii) domestic energy and fuel; (b) to request the Minister for Treasury and Resources to bring forward for approval the necessary legislation to give effect to the decision as part of the budget for 2012 proposals together with appropriate taxation measures for approval to restore the revenue foregone under paragraph (a).

8.1 Senator A. Breckon:

For Members' information, I am minded - for the vote - to split the vote on (a)(i) and (a)(ii) and (b) separately. I am minded to do that at this stage, unless something emerges that convinces me there is a better way. I would like to begin by first of all thanking those members of the public who attended the number of meetings held. It has been, I would say, on the road and also there was many people who could not attend who sent apologies, who contacted me, and it did generate a great deal of interest and many people who also got in touch with views and opinions. Also, I would like to add thanks to the Connétables of St. Helier, St. Clement and St. Saviour for the use of their Parish facilities and also to Communicare. What it did do, regardless of whatever people's views and opinions were, it did stimulate some discussion and debate, and that is what that is about. The reason I say that is none of us have all the answers; although some might think they have, in fact we do not. It is important that we listen to people, but it also important that we act when necessary. I believe this is one of those occasions, and yes, we have to make decisions, and yes,

sometimes we have to reconsider those decisions, and I believe I can put facts before the House that say why it is important to reconsider these decisions and why it is important to retract something that we have already approved. Yes, we have debated it umpteen times, but in my view it is well worth this time and effort. The other thing of course is Ministers are important but in 7 months' time some of them will not be Ministers any more, but people are also important but they are here to stay. The people will still be there, some of the Ministers will not. The people have views and opinions and it is worth listening to them, because sometimes they have a lot to offer. I have had an issue with G.S.T. for a long time, and Senator Le Sueur may well remember when he did his roadshows, when I think he was President of Finance and Economics at the time, I attended every one, at different places, and also I was involved in a petition which gathered over 19,000 signatures. I think it is important to revisit what that petition said. The prayer of the petition was as follows: "The imposition of a G.S.T. tax in Jersey will lead to higher inflation, increased red tape and considerable extra cost to consumers and local businesses alike." I would like to remind Members that because of G.S.T. some businesses have closed. There are 2 pressures, one is internet sales and the other one is G.S.T., and businesses - there is proof of that - have closed. There was a fairly high profile one just the last week, and there have been others. There are some difficult trading conditions out there. The other thing that the petitioner said was: "The Minister for Treasury and Resources is requested to take no further steps to introduce a G.S.T. tax in Jersey until public finances have been examined independently to identify potential savings, until alternative methods of raising funds have been investigated." Well, unfortunately that still has not been done, and this is 4 years ago the wording of that was drawn up, or around that time. It is important to remember that, because it says: "Examined independently to identify potential savings and until alternative methods of funding have been investigated." This morning we heard the Minister for Treasury and Resources talking about something else and it was in reference to tax - I think the Zero/Ten - and he said regarding some of the business stuff: "It has been somewhat delayed." "Somewhat delayed" is what he said. Now, we are talking in the main here about some companies and some tax leakage, who are not paying any tax at all, and some of them are charging U.K. equivalent prices in the High Street, and they are not plus G.S.T. or whatever. But nothing has been done about this, and this was the case with the previous Minister for Treasury and Resources, and it is the case with this one. Now, that has been hinted at in the report that was produced by the Corporate Services Scrutiny Panel on 2nd March, and the comments I would say and the report itself is not very complimentary of the Minister for Treasury and Resources, and his comment generally is: "Well, I welcome this report." Well, he does welcome it. The question is what is he going to do about it? Part of what it says in here, in the executive summary at paragraph at 2.3, it says this: "The Island's fiscal strategy should be long-term and wide-ranging. It should incorporate both personal and business taxation and aim towards a tax structure that is simple and fair and seen to be fair." I would ask Members, is it fair that some are not paying anything at all and we are going to hammer people who cannot afford it across society with an increase in tax and a further increase to come in years to come? Make no mistake about that, as night follows day. Is that fair, and is it, as they have said there: "and seen to be fair"? Well, I would say it is not. It goes on to say: "The work undertaken by the Minister in 2010 was merely a review of personal taxation, although confusingly elements of business taxation were involved. Furthermore, it appears to us to be narrow in scope and short-term in its focus, notwithstanding that the proposals would have long-lasting effects." Well, what that means is if this goes on, then unless this is adopted today, it will never come off unless somebody is likeminded to try to do that again. It goes on to say: "The Minister's business tax review was undertaken separately, and indeed, has yet to be completed. The fiscal strategy as a whole will therefore need to be revisited in due course." Well, that for me really raises some serious questions about does the Minister for Treasury and Resources really know what he is doing, or has he looked at an easy target for raising money? I think it is the latter, accompanied by the former. If Members look at my report on page 4, the table there shows a shift from company taxation to individuals. Now that, I would say it is dramatic, it is significant and the question then is raised, where is that money coming from? It is coming from you and I and others.

It is coming from I.T.I.S. (Income Tax Instalment Scheme), it is coming from 20 means 20, this is coming from Impôts and it is coming from G.S.T., and every 1 per cent of G.S.T. raises about £15 million, and it is a very, very easy button to press now. Once we test this, we will test it again, and we have not seen the other side, we have not seen the business taxation and there are other things that are coming. The other thing that is important, I think, is where is the economy? If we are hammering ordinary people, individuals, for tax, what are their current circumstances? There have been a number of reports produced recently in the U.K. and I will refer to those in a moment or 2, but I want to give an example of how raising G.S.T. will take money out of the economy. Now, this is not something that is on my agenda at the moment, but this is going to happen, it is a windfall tax, if you like, for the States from the beginning of June. At the moment, I looked at some petrol prices in May, early in May, just a week or so ago, and the translation of that, pounds and pence per gallon, the highest price that I found was £5.74 for a gallon of petrol: £5.74. Now then, when it comes to June, we are going to put another 2 per cent G.S.T. on that, so that is 12 pence a gallon we are going to add to the price of petrol. Now, if that was an oil company, we would be criticising for profiteering and whatever else. The price of petrol has gone through the roof. Now, that is an example of a blunt instrument that has been used. Interestingly, if you look at clause 19 in the U.K. budget, under some pressure, the Chancellor removed the extra tax he was going to put on, because they realised what was going on with fuel prices, and interestingly - we have not had it here - but there has been some go-slow protests throughout the U.K. where lorries and transport and others have made a protest about that and that is because of a government tax. We are going to do it, and it is virtually going to come in under the radar. Now, I have a mind to stand outside a few garages with a placard and just say: "If you moan about petrol prices, some of it is down to this House, because of what we have done." That is a fact. But it demonstrates to me a significant own goal, because that filters through, the next thing is the Minister for Transport and Technical Services, the taxi drivers will be pleading poverty and the other transport costs, delivery costs, so it is something that feeds through. The other thing it does, it takes money out of the economy, because - I will touch on that in a moment or so - if people go to the garage to fill up, because they need their car for business or whatever else it is, then that money cannot go anywhere else.

[16:15]

It is something that they can cut back a bit, but they need to do it. But the question then will be what happens - the 3 per cent promises were made out, we are now becoming 5 per cent very soon - when it becomes 10 per cent? So then we will be talking about 20 pence tax on bread, 20 pence tax on a few spuds, 30 pence on a packet of cereal, breakfast cereal. That is where we are going to be, unless we break the link. If Members look on pages 8, 9, 10 and 11, you will see there are some real price differences there. It is not opinion, it is fact, and basically, foodstuffs are about 30 per cent more expensive. So we do not need to add any tax on them, in general terms they are. There was a comment, it is the first report attached to a proposition anybody had seen, that included the price of fish. The question then is should we be adding to that? If we acknowledge - and there is evidence to support that - that local prices are more expensive, then should we be adding to it? We have heard Ministers, the thing now is it is called T.I.N.A. (there is no alternative) and what that means is there is no alternative. How many times have we heard a Minister say: "T.I.N.A. There is no alternative." Well, there are alternatives, it is just that for some people, they have not been either favourable or palatable. If we look just for a minute at tax that we have lost, when we removed the vehicle registration duty, we lost about £4 million a year. We never replaced it with anything. G.S.T. came in at 3 per cent. We lost from 2007 about £4 million a year, and the Deputy of St. Martin will remember, for years he has been trying to introduce stamp duty on share transfer property. It has taken about 10 or 12 years to get this in, 10 or 12 years. We have lost many, many millions of pounds. We have got the leakages I mentioned before, non-resident companies, and we have some not paying any tax at all, and interestingly, question 13 of the written questions this

morning from Deputy Trevor Pitman, it was about tax paid by 1(1)(k)s, and apparently 17 of them pay less than £5,000, which is interesting, 17 of them. The Minister, in the end of his answer, said: "I will be lodging something within a fortnight." So when we heard Deputy Noel waffling on about some report a couple of weeks ago, and he could not even tell us who had produced it, so things have been taken off the agenda. Where do we get the money from? There are plenty of places. It is just that we need to start looking at this together, as opposed to somebody setting the agenda. The other thing, and it is on page 13 of my report, there was an exemption from the original G.S.T. Law, and this could be where the Institute of Directors come in, you know, this sort of thing, because there are some things in there on page 13. The amendments were as follows: "Following subsequent representations from Jersey Finance Limited, the Minister has decided to lodge the attached amendments for the purpose of removing any uncertainty regarding the treatment of finance vehicles under Part 12 (they are not within the definition of taxable person)." Also it says at 4: "Reason for the amendment: as the result of a recent detailed analysis of the law, it has become apparent that the current approach will result in significant complexity for the finance industry, requiring the need for additional administrative non-value adding resource for industry, as well as the additional government resources necessary to administer the complexity." Well, I can tell Members what goes on there. Where they are exempt, they would not pay it on tea bags, on office stationery, on utility bills, and if they are organising a social event, they will contact the establishment and say: "Can we have the G.S.T. off our Christmas party?" That is how it works. Now, that happens, and I know that happens, because I have spoken to people who have been approached from these companies to do that. Now, some of the facts and figures from that were in the presentation that we attended - or some of us did - at St. Paul's, and not all Members will be aware of it, along beside myself, it was Deputy Southern who attended, the Deputy of St. Mary, Deputy Maçon, Deputy Vallois and Deputy Le Claire and Deputy Hilton, those were the Members who attended, and this was a presentation by Treasury officers. Contained within that was a presentation by the officer responsible for G.S.T. and he gave figures there about the Financial Services Company, who have exemptions in this, 439 of them, and under that sits a multitude of trust companies. They pay a fixed sum of £200 a year. Well, I can share this with Members: at the meeting in St. Saviour, there was a pensioner couple who had kept a track of how much G.S.T. they had paid in a year from May to May when it came in, 2008 to 2009, and they paid just under £330. These are a pensioner couple who own their own house and do not get any support from anywhere, and they are paying more than some finance or trust companies. So the question is who is getting the deal here? So that is something I believe should be looked at, because we need to know how much again is leaking there, and if indeed it is justified. So while we have what I would call these dodgers, the rest of us have to foot the bill, and that is why I believe now we must break the link with life's basic essentials. Interestingly, I had an email from somebody the other day, and what they said was: "Do I support this now to break the link or do I wait until it goes to 10 per cent?" When are we going to do it? Because as sure as night follows day, we are going to have to do it. The other thing to come, it is interesting, the Minister for Treasury and Resources has made no comments whatsoever about domestic energy and fuel in his comments, but it has increased central heating oil, for example, by over 30 per cent in the last 12 months. The other thing with that is of course the current increase in G.S.T. is going to add about 2 pence a litre on to that as well. So that is a cost that people could well do without. It is subject to market forces, but it will do that. The other thing is that gas has increased by well over 20 per cent in the same time, and again, it will add to people's bills. With the J.E.C. (Jersey Electricity Company), they made £14.6 million of profit last year, and the question is do they need to collect G.S.T. for us? We do pretty well out of the J.E.C., some good dividends and bonuses and other things. The other thing with the fuel element is fuel can go up fairly rapidly, so we might have complicated bonuses and allowances, but in no way will they be able to compensate quickly and adequately for that, and that is a concern, especially to elderly people. Also, there are a good many people who are not eligible for income support and they are just above the threshold, and these people are often pensioners who own their own home and sometimes they are struggling and they are not going to be in La Motte Street looking for

bonuses, because I found that out from my travels, people will say: "Well, no, I will not be applying for that. What do I have to do? I do not think so." The facts of that are if we look at the low take-up rate, it is not as estimated, and part of the reason for that is people are not coming cap-in-hand and saying: "What is this bonus?" There was only somebody approached me the other day about that and said: "Well, I will not be there." The other thing is it is fairly easy to calculate, because there are not many companies supply domestic fuel, so it is easy to find out the domestic consumers, because they are on a rate, and the other thing is that we can at the moment flag-up trust companies to it for exemption, so I am sure we can do something about flagging-up a customer database that is already there with the utility companies. The other thing, the same would apply with coal and whatever. I mean, that is easily doable. So it is not complex. The companies themselves will do it, so this would not be complex at all. As I mentioned, many of those people on low or fixed incomes do worry about their bills and sometimes it is a choice between doctors, dentists, light, heat, food, and they have fears about calling out their doctor, because we are talking about £70 to £100 or something like that. Many do not get any income support, and as I said, they will not be queuing up in La Motte Street. But if we look at the general economy, and this was said in earlier debates: "We can get away with a Goods and Services Tax, because we have a buoyant - in fact, we had an over-heating - economy. People will not notice, they can afford it, we can take it out." But that is not the case now. Tax is being taken from individuals and that has an economic effect on businesses: disposable income. Also, we have got facts that show we have had low or no wage increases. Average earnings up to June last year were 1.1 per cent, and that translated into the basic pension increase of well under £2 for many pensioners. These are facts, and that I am afraid will be the same in 2011, that is a fact. But again, what does this say for people out there in the community? There was some research done in the U.K. by the C.B.R. (Centre for Business Research), and it was saying there that families were 2 per cent worse off in 2011, and the estimate was United Kingdom households are said to have £27.3 billion less spending power in 2011 than 2 years ago. The C.B.R. was saying the average family is facing the biggest peace-time squeeze on their finances since 1921, according to a forecast by the Centre for Economic Business Research. The new figures estimate that households will have less spending power in 2011 than in 2009, a fall of £910 per household. They suggested that the U.K. is now seeing a bigger decrease in household disposal income than in the 1930s, and aside from World War 2 and the general strike, it is the biggest drop since 1921. The report estimates that the fall in disposable income equates to an overall drop of 2 per cent in 2011, following a decrease of .08 per cent household budget in 2010. Household budgets are being hit by high energy costs, an increase in oil prices and the cost of filling up the car with fuel, and I have touched on that earlier. The increase in the fall in real disposable income is said to be the result of high inflation and weak earnings growth, and we have got that here, and higher inflation will feed through in July, estimated towards 5 per cent. They expected the annual rate of inflation to be 3.9 per cent, and that was the highest since 1992, and the earnings will edge towards just 1.9 per cent. Well, our figures will be slightly different to that.

[16:30]

The other thing they are saying is unemployment remains high, and that is important, because in the original proposals some of the reasoning was: "Well, the economy can afford it." If we had high unemployment, low earnings, low growth and things like that, we would not be doing this, but in fact we are doing this now, and in my mind, it is an own goal. It is going to have adverse effects on the economy and it is not about gingerbread men or about jaffa cakes, it is not about that at all, it is about real things to real people every day. They also said in their report that lower spending power means that the economy will only grow by 1 per cent in 2011 and will be subdued for the next 2 or 3 years. Its forecast is below the 1.7 per cent predicted by the U.K. Government's office for budget responsibility. It finishes by saying: "With shoppers remaining cautious, many retailers have recently reported harsh conditions on the high street this year, and many have issued profit warnings since January." With that, I can see the same conditions in Jersey. There are businesses

that have closed. The internet has had an effect; we are talking about fulfilment, sending things out. There has been some pressure on local traders and I believe there is more to come. The Institute of Fiscal Studies recently - well, last week, in fact - issued a report, and it was a similar track to the one I have just quoted. The other thing, I have included some comments in my report, and I think it is important that we revisit. I love comments, I love the comments because it does get something on record and if it is written down then you can read it out and you cannot misunderstand it, but these are some of the comments that came from 2008, and they are on page 5 of my report, and it says this, and this is from the Minister for Treasury and Resources in 2008: "The aim of the States shall be to keep the rate of G.S.T. fixed at 3 per cent indefinitely, and avoiding the increasing or decreasing the rate in response to short-term fluctuations in the economy." So what have we got here: 3 per cent. It is 5 per cent at the earliest opportunity, and other promises were made: "This will not happen, that will not happen." For example - I will touch on that in a minute - it also said in the same comments: "Accordingly, it is strongly recommended that the States rejects this proposal and confirms its commitment to maintain the rate of G.S.T. at 3 per cent for the foreseeable future." Foreseeable future. So we had, if I can find it: "indefinitely" and then: "for the foreseeable future." Interestingly, and it is a shame Deputy Le Fondré is not here, because he muddied the waters with some of this debate, but there was also comment around the same time that said this: "However, the economic climate has changed. In common with people throughout the world, Islanders have been hit by unprecedented global increases in food prices. Ministers now believe that a response is required and that removing G.S.T. on food is the appropriate response in the current circumstances." Well, I would like that Council of Ministers - that one - to stand up and be counted, because those circumstances were better than what we have today. We have difficult economic circumstances, and the figures, the statistics prove that. That is not opinion, that is fact. Now, where are those Ministers that said that in 2008, because we were talking about indefinitely, foreseeable future, and it should come off food. So we said it then and I believe it is more relevant today as it was then. Again, the thing is that is why I believe we must break the link, because the Minister for Treasury and Resources has said the same things again, 3 per cent, he was part of those decisions: "5 per cent as long as we can" but then when it goes up, and it will, then I think we are going to have some real problems unless we break the link. While this thing was going on, and I was on my travels, the other day I finished up in the back of an ambulance, and it was nothing sinister, I might add, and it was out there outside British Home Stores and it was the Jersey Stroke Association. It was somebody well-known to all of us, lovely guy - I know we do not usually do names, Sir - Mr. Anthony Lewis, who we had a laugh and a conversation and he said: "Get in the back of there, you know, you need to have this done." So I had a blood pressure taken and they gave me a booklet, and this is important, because in the booklet, what it is telling me in here is how I should eat healthily as part of the plan. It says: "Here are the 6 main things you can do, we can all do to reduce our chances of high blood pressure and thus the risk of a stroke. Eat healthily. It is important to have a nutritious and balanced diet. A healthy diet includes the right balance of..." and it lists a load of things, including fruit and vegetables, meat, fish, eggs and beans, food and drink, including some with fat and sugar, milk and dairy bread, *et cetera*. Now, with that, I thought: "What am I doing? Am I doing these things?" So then I thought I have obviously got receipts in my pocket, and I had a receipt for a farm shop. As I say, it is not Tesco's in Grouville, this is another one - and I will not say where it is - anyway, the actual things I bought, I bought some bread, celery, bean sprouts, tomatoes, Jersey Royals, cucumber, red peppers, yellow peppers, salad and red onions. All good healthy stuff, some of it locally grown, and on that I paid 32 pence tax. Now, there are a number of issues here. It is a shame the Minister for Health and Social Services is not here, because in the Jersey Annual Survey, what it is saying is that some of us are getting a bit bulky. If you look at what it is saying in there, it is saying the body mass, almost 2/5ths, 30 per cent of adults in Jersey in 2010 would be classified as overweight, and this is from their self-reported height and weight measurements, 30 per cent would be classified as obese and around one in 20 would be classified as very obese. Now, on one hand - and they say this is the new threat - we have got the Minister for Economic Affairs

promoting genuine Jersey, grown locally; the Minister for Health and Social Services saying ... I have got our business plans and strategies. There is probably about 99 references to the health of the community, what we should be doing, and then what do we do? We decide we are going to tax it. So do we have some tension here? So when the Council of Ministers are saying they support it, is that the Minister for Health and Social Services, is that the Minister for Economic Development? Where do they stand if they have strategies for these things, about promoting local stuff, growers? We give them grants, we give millions of pounds. We have helped one farmer to create a farm shop, so are we going to get it back in G.S.T.? I am not sure if that is the plan. The Minister for Health and Social Services is not here, maybe one of the Assistant Ministers could say what the strategy is, what are we going to do; tax cabbages? What is the plan on this? The other thing is because this thing is overtaking the smoking and the drinking. We were nearly the top of the league with the drinking - and we probably still are - but the smoking, the actual incidence of smoking is going down, so if we have health measures with any merit, why are we taxing some of the basic stuff we would use in the budget? How many times have we heard a Minister for Treasury and Resources or a Minister for Finance say: "Yes, we must tax the cigarettes, because it is the right thing to do" but should we be taxing food because it is the right thing to do? The answer of course is no, we should not. So why are we doing it? That is one of the reasons - not the only one - why we must break the link. If we do not break that link between foodstuffs and domestic energy and fuel, I think we are on a dangerous slope and we are going to punish some people in the community who are not going to be there for allowances and handouts and the rest, and as I say, it will go - and I really believe that, because the proof is what we have done in the past - onwards and upwards. That is the reason why I believe - or some of the reasons why I believe - that this is worth this debate. Circumstances have changed. The economic circumstances have changed, and people's circumstances have changed. Many people out there are struggling, some in silence, and the last thing we need to do is tax them more, especially in these specific areas. The evidence is there. Wages and salaries have not gone up or have had a small increase. There is less buying power. People do have some difficult choices and that is why I believe this matter is well worth considering. I know there are some complexities, but having said that, these are able to be overcome and are do-able, and I think what we need to do is we need to send a message out from this House that we appreciate the circumstances that many ordinary people find themselves in; they are struggling, whether they are young or old, bringing up families. The other thing that this does do, if we look at the U.K., things like crisps and fizzy pop and chocolate do attract a level of tax, and that is why it is pitched somewhere. But I mean, I am not proposing this so we can have a debate, as I said, about jaffa cakes or gingerbread men or women; I do not think that is really what this is about. It is about real life and people's concerns. I will close that with, and I make the proposition.

The Bailiff:

Is the proposition seconded. [**Seconded**]

8.1.1 Senator P.F.C. Ozouf:

The last debate had some classic speeches. I was reading Hansard and Deputy Noel referred to a recurring nightmare, and some would say that Groundhog Day is here again, and having read the 32,000 - not all of them - previous comments that Treasury has made in respect of this, having read some of the 300,000 words that have been spoken in this Assembly on food exemptions, I hate to say to Senator Breckon, but nothing really in his remarks, both in his proposition or in his speech, have really identified - if I may say - anything new. Much of the debate has been said and heard and ventilated before and I am not sure whether or not we are going to be able to deal with this before we close tonight - somehow I doubt it - but I suspect that a majority of Members will have got fixed decisions already in their minds. This has been debated 7 times, and the first debate was back in 2005. We have always argued that the G.S.T. system in Jersey should be simple, and that is how I am going to ask Members to maintain it today. Well, I say "today" because of course this

proposition will not change the G.S.T. uplift of 5 per cent at the beginning of June, it would only change in the December budget. Introducing food exemptions and fuel exemptions in Jersey now or in December, after 3 years of efficient, cost-effective tax collection, would not be sensible.

[16:45]

No jurisdictions would start where the U.K. now is or Malta now is. They would have a flat rate, and all of the evidence internationally and the advice is around that. The G.S.T. collection system in Jersey is estimated to have a compliance rate of about 92 per cent. That is significantly higher than the U.K., which is estimated to be between 65 per cent and 70 per cent. The U.K. V.A.T. system which we are being asked to adopt here is regarded as being outdated and complex. It is moreover not compliant with E.U. rules and it is expected that at some point, it may well have to change. I believe that we should keep it simple, I believe that we should maintain a broad-based straightforward tax which is easy to manage, easy to collect, is also going to encourage businesses to pay their G.S.T. promptly and accurately in the simplest way possible, easily. Many people are concerned about G.S.T. and the effect that it has on low income and pensioner households, and some will - past and present in this debate - portray those of us who support maintaining the resistance to food exemptions indicate or suggest that we do not have a heart. I recognise that G.S.T. has always had an effect on low-income families, and I recognise that the increase in G.S.T. of 2 per cent will have an effect on low-income families, and I believe that we should protect those most vulnerable in our society. These debates have always been about not whether we should protect, but how it is best to do it, and the Treasury has always argued that the best way and the most certain way is to collect G.S.T. and to redistribute it through the income support system, and that is why in the debates that we had in the fiscal strategy we increased income support payments, and in previous debates we have made arrangements to lifting tax allowances and all of the other issues that this Assembly has debated on so many times. Some people would call it redistribution, some people would call it sensible. That is my view. I am sure Members will recall the scale of G.S.T. rebates effectively we have given back in previous debates. Income tax thresholds were increased in 2008 and 2009, income support in 2008 and 2009, and of course the G.S.T. bonus. All of the measures we have insulated people from G.S.T. account for £12 million of the tax collected, money that has gone directly to those on low incomes in a targeted, in an efficient manner, also in a manner which is guaranteed. We will, of course, have to revisit these benefits if food exemptions are one. I would have thought - in fact, hoped - that a majority of Members would agree that it is far more sensible to target money to those who really need it, and all the expert advice points that that is the right thing to do. Higher earners contribute more to G.S.T. and therefore benefit more from the proposal for exemptions. In fact, of the £8 million, if both of the exemptions were to be accepted, only £3 million of the £8 million would go to the less well-off, while £5 million would go to the pockets of the better off, and I ask Members to reflect on those numbers. Is that really what Members want to do? Exemptions benefit those who can afford to pay. The Council of Ministers wants people on income support and those who earn less than the tax threshold to be compensated for the increase in G.S.T. of 3 per cent to 5 per cent, just as when G.S.T. was originally introduced, and if Members are concerned - as I know that they will be - that a rate increase will cause hardship for the most vulnerable, then they should take care, if I may say, in this debate, to be ruled with their heads and not just the emotional debates that are well-intentioned, but are understandably from the heart. We can do the sensible thing. We can keep our existing G.S.T. structure with a low tax with a broad base, and I know that there are many Members who will forward arguments in this debate, and I have read in the local media and heard in the local media the scare stories about G.S.T. going to 10 per cent. That is not in the mind of the Treasury advisers, and that is not an argument which can be, I think, fairly put in this debate. In fact, many Members who favour food exemptions perhaps do want ultimately to increase indirect taxes and secure more money in a redistributive sense. I am concerned about that. I do not believe it is necessary to scare people by suggesting that G.S.T. needs to go to 10 per cent. We can do the right thing. We can uprate our

carefully organised benefits and we can target them to ensure that there is not any need for other changes, and also the whole fiscal strategy that was approved by this Assembly is a carefully constructed one which will ensure that we have balanced budgets so there is no need - even with the pressures that exist on healthcare, who have constructed in that budget some growth - for us to scare people with an increase to 10 per cent. We have growth built in budgets and we can also balance our books. Our G.S.T. model is sound, it is efficient and we can keep it simple, and the simplicity arguments were almost brushed over by Senator Breckon. The U.K. system which we are being encouraged to support is far from simple and it is far from being able to be read across into the Jersey courts. We have in previous debate heard some classic speeches. I am looking forward - if you can look forward to a G.S.T. exemptions debate - to a new rum baba speech from the Constable of St. Clement, because he has been right to point out the crazy nature of exemptions that exist within the U.K., and even after 40 years of the practice of U.K. V.A.T. there are still discussions and court cases around it. They cannot be dismissed, the constant stream of legal challenges, and we have heard about the jaffa cakes, we have heard about the gingerbread men with the buttons on top so that it is a biscuit, not a cake. We have heard about tea cakes and we have heard about rabbit food, and we have learnt - I hope Members have learnt - new things about German sausage and in relation to the heat at which German sausage is sold. Subway are now challenging the courts in the U.K. because of the way that sandwiches or hot food are sold in the course of preparation as opposed to providing a service. So it is a complete nonsense for us to go down this complex path. There are all sorts of examples that will be fertile ground for clever people to be arguing for G.S.T. exemptions. We may well have another Pringles discussion, because we cannot simply lift the court cases that have existed in the U.K. We may well have Court of Appeal discussions on whether Pringles are in the scope of our Jersey G.S.T. exemptions or not. We may well have Marks & Spencer arguing and going all up to our Court of Appeal on tea cakes in relation to whether or not they should be zero-rated or otherwise, and indeed, in the tea cake example, the U.K. H.M.R.C. (Her Majesty's Revenue and Customs) had to give back £3.5 million worth of U.K. V.A.T. Is that a sensible state of affairs? There have been some humorous classics in relation to the U.K. food exemptions. I have to say the one that I have found most amusing recently has been the U.K. census on ferrets, where ferrets are now apparently, in the majority, pets of companion instead of being work animals, and therefore the U.K. H.M.R.C. has had to redesignate ferret food as zero-rated as opposed to in the scope of the V.A.T. So I do not know how many Members have ferrets themselves, maybe even Deputy Le Fondré will bring, as he has been known to do in previous debates, props in this debate. I look forward to the ferret at some point in this Assembly. But it is a real live case study. It is ridiculous that one has these silly examples, but they are real, and if I may say that Senator Breckon cannot likely brush over the issue that it will be easy money. I do not think, Sir, lawyers are sometimes very popular in this Assembly - with your good self as an exception, and of course Senator Le Marquand - but lawyers get a hard time. My goodness me, we are going to develop a fertile ground for litigators if we put in place complex food exemptions which cannot be, as we have received advice previously... we simply read across from judgments in the U.K. Businesses will have to pay more for exemptions and that is why, despite understandably the strongly held views by some of the retailers and the honest declaration by the Co-op that they will pass on their G.S.T. savings, of course they will, and indeed, the Chamber of Commerce. Many Members will do so, but the businesses are in the majority against complex G.S.T. exemptions. They want to keep it simple. They do not want to incur an excessive administration burden. Ultimately it is people who pay taxes and not businesses. Whether we pay directly through Income Tax or indirectly through the Goods and Services Tax, we have to raise revenue. When the Tax Office assesses individual liability for Income Tax they take into account the ability to pay and that is what we do with G.S.T. We compensate those who do not have the means to do so easily and we pass on that cost. Introducing exemption would remove the targeted money. Those on income support would be assisting those who are buying also super-yachts, *et cetera*. They are extreme examples of the rich and the not so rich but they illustrate the fact that we have the right approach in Jersey and, in my view, even in the seventh, eighth debate

we should not abandon our principles. This Assembly agreed to put G.S.T. up to 5 per cent as part of a balanced package of measures just 5 months ago. We are still emerging from the global recession. We need to work to close the deficit and we need to stick to our principles. Yes, our public finances are improving, but that is because this Assembly have agreed a 3-point plan to deal with the deficit. The plan struck a balance between making savings and efficiency while maintaining our services and I hope Members learned something from the C.S.R. update that they had at lunchtime. I am confident that we will balance our books by 2013. The difficult measures which we, as elected Members of the Island, have had to take will ensure that Jersey remains stable and successful and that we can meet all of the challenges that the global competitive marketplace, as we have also heard in the debate today, presents us. I am confident about our ability to deliver C.S.R., I am confident that the economy will recover and I am confident that the fiscal strategy, the carefully judged, the carefully balanced fiscal strategy, was the right way to proceed. I could speak at length on all of these issues on G.S.T. but Members have heard all of these arguments before and I do not think that I may say anything that is going to change Members' minds. But I do think that we need to send out a message that we do debate things in this Assembly at least properly and there is a time to move on. I think the time to move on has come in terms of the G.S.T. exemptions debate. The Senator said that he will take the proposition in 2 parts, and certainly the part that is particularly of concern is the food exemptions part and that is the material part in terms of the value. The Members will also know that there is concern about the rising cost of fuel. I understand that and I welcome the Minister for Economic Development's review that he has put in place in respect of the fuel market in Jersey. There are some hard questions that need to be asked about the efficiency of the fuel market and whether or not the fuel market is operating efficiently and effectively. While understanding the fuel price increases that households have had to suffer, we do need to wait for the J.C.R.A. (Jersey Competition Regulatory Authority) to adjudicate on the issue of whether or not the fuel market is operating successfully. If Members do want to take action in relation to the fuel market then there are options that we can consider in the budget later on this year in respect of fuel duty and I am alert to listening to some of those arguments.

[17:00]

I urge Members to maintain in the majority the principles, keeping G.S.T. simple, keeping it effective, and not going down the litigation route where there will be complex court cases, lack of efficiency in terms of administration and all of the issues which we have rehearsed so many times before. I urge Members to reject the proposition, to maintain simplicity in relation to G.S.T. and, perhaps most importantly - which is the caring side of this Assembly, which is the caring, responsible, concerned heart that Members may have for low income and pensioner households - to maintain the targeted benefits to ensure that the help that is needed for low income and pension families is maintained and directed in a way that is guaranteed, unlike a proposal to remove food exemptions for Islanders. I urge Members to hopefully get on with the debate and reject the proposition.

The Deputy of St. Martin:

I did not want to interrupt the Minister for Treasury and Resources when he was speaking but could I ask a question I think would help a lot of Members, because I think he is wrong to assume that people have already made up their minds because not all of us have. I think it is very important if I could just ask the question, because I may want to speak later on. The Minister never mentioned anything about at the moment allowances are given under the income support and also what we will call the Le Fondré benefit. If indeed this proposition is approved, will they be removed?

Senator P.F.C. Ozouf:

I never take this Assembly for granted and that is why we have submitted another set of detailed comments to Members and we have held briefings to Members. I know that a lot of Members have

made up their minds on each side and there are some people in the middle. The Deputy of St. Martin is right to say that we are a debating Assembly. In respect of the G.S.T. uplift for those people who do not receive income support who are below the tax threshold, the States Assembly has already decided that if food exemptions were to come in place that benefit will be withdrawn. In respect of the G.S.T. uplift in income support, then we would have to hold discussions with the Minister for Social Security and it would only be right for us to withdraw those benefits. I recognise the severe difficulty in doing that and also the difficult message that we will have to people that there is no guarantee that people get back that food exemption or fuel exemption removal by taking away those benefits, and that is the dilemma for Members.

Deputy S. Pitman:

The Minister said that recipients of income support are compensated through the uplift, it is a component of the income support. Could he tell us what that covers, please? Is it just food, fuel, or what is it?

Senator P.F.C. Ozouf:

I will send a note of exactly what that is. The Minister for Social Security is here and he can address that exactly, but I would just remind the Deputy that the uplift for income support was not only done once but it was done twice in respect of it. So, all of the components that were meaning that people were affected, people were put into the same position and the reality is, the difficult message is that people were better off as a result of the income support uplifts compared to the total amount of G.S.T. that they paid. They were better off overall to a greater extent. The Deputy is shaking her head but that is the reality. This Assembly gave away the money twice.

8.1.2 Deputy J.A. Martin:

You never know when to go in these sorts of debates but after the Minister for Treasury and Resources sent the ferrets running this time instead of the rabbits I thought I would start now. I am not even going to get into the jaffa cakes or anything. I loved reading the reports from the Minister for Treasury and Resources' comments. Let me go back to the first part of his speech. He said: what has changed? There are so many thousands of words been debated on this subject alone; what changed? As soon as they could they put G.S.T. up by 2 per cent [**Approbation**] as soon as it was legally allowed. So that is what has changed. Secondly, on the comments on pages 2 to 3, and he mentioned it in his own speech, the Minister for Treasury says £8 million will be lost to the Treasury if food and fuel, domestic energy is exempt. £1 million will go to 20 per cent of the population on the lowest income and 20 per cent, £2.5 million, will go to those earning £73,000 and over. What about the other £4.5 million? I have just done a very rough calculation: for myself to live, to pay my rent, my tax, social security, everything like that, and if I had a child and I did have childcare, is about £3,500 a month. So I would have to be in the middle of zero to hero - there is income support or your super-yacht brigade - right in the middle, and this House has been squeezing that same lot of people for 20 Means 20; every time it is hitting these people. Why do you think when these same people - there was a mention of a small percentage who send their children to private schools - were absolutely fuming because again you were hitting them.

The Bailiff:

The Minister was hitting them.

Deputy J.A. Martin:

The Minister, yes, along with another 23 votes was hitting them, if I remember the last debate. There is £4.5 million in the middle, average. As I say, you need around £39,000 to £40,000 without getting in your car and getting to work, without clothing for work, without every collection you have at work, and you still have not spent one penny on food. Middle-Jersey. Most people in here know who middle-Jersey are and that is who you are hitting. So if they are over £73,000 to £100,000 and they can afford a yacht they do not care what they pay; under tax or over income

support, they get the rebate. That is not the people you should be targeting. In fact, they do not get the rebate, even in social security. It was found that there were 2,200 pensionable households who were entitled: 2,200. You know why they did not claim it, because the taxman knows they are entitled to it, Social Security must know by their pensions that they are entitled to it, but the only way to get it is to claim it, the only way to get it is to go down there and fill in a form, and a lot of them do not know about it. In the U.K. anything you are entitled to... one thing they are good about is telling you what you are entitled to and what you are not entitled to and it is given out. The harder you make anything of course, people will not claim it. It is not surprising, as Senator Breckon said, that it is the pensioners. They really just get on with it. As I say, we are absolutely missing the point here and it will get into the debate of what is simple. We are simply going for the same people all the time. Childcare in Jersey is the highest in Europe; food is the highest in Europe; rent and housing is the highest in Europe. Rent and housing is the highest in Europe; we compare very badly. In fact, we even do not have enough. As Senator Breckon said, tax, it is very good for companies. We are shifting and it is now 5 per cent. I can see where the Minister for Treasury and Resources thinks this is an old "had" debate and people cannot change their minds. I implore people to think that if you really only want to protect those on income support - low incomes - then do not support Senator Breckon. If you want to support all the people that you keep hitting in their wage packets who are bringing in the income tax but you want to hit them on food as well. I am very sorry, it is immoral but it is also not economical. You get to the point, and we had a discussion along with the Childcare Trust and some of the Ministers the other day, that people are saying: "It is not worth my while to do my 40 hours a week, drag my children to nursery, pay thousands of pounds in nursery fees and have all that stress." Five per cent, we will get: "Oh well, it is only another 5p", and as somebody said when Senator Breckon said he spent 39 pence in a farm shop, that is one little shop in the week, one small shop. Gas last year, my gas bill alone doubled over 3 months. I complained, I even got them in, as I said before: "Have I got a leak?" "No, it has gone up 3 times and your consumption was about the same over the 3 months the year before", but it went from £400 to over £700. So the people out there, and I would say I am a - people know what we earn - middle average earner: where is that £4.5 million going in the middle? We always get the ferrets running from the Treasury to say all you have got to consider in this debate is the low income and your super-yacht owners. That is not true. I will have to emphasise, you really want to think do you want to make these people stop working, give them a few pence more off their food or they give up their jobs. You cannot keep squeezing them. You have squeezed them through 20Means20. You are gradually taking away M.I.R.A.S. (mortgage interest relief at source), which is the mortgage relief. The school fees will gradually go up. There comes a point when you have to look at, yes, those over £70,000 may be getting a bit but those under ... and again, as I say, between £40,000 and £50,000 in Jersey, is not a great deal of money when your first-time buyer home is quoted at £450,000, and all those figures I quoted is a States house at £1,200 a month. So imagine your young couple with a couple of children, must return to work and they have got a mortgage for a £450,000 house or they are paying that in rent; they have no hope. The Minister for Treasury and Resources seems to be sinking lower and lower into his chair. Either I am talking some sense or I am boring him. He is praying for the ferret to run up his trouser leg, I think. If I had one I would certainly direct it in that area. **[Laughter]**

Deputy R.G. Le Hérissier:

Can the speaker clarify the quoted rent for a States house of £1,200 a month? What house in particular are we talking of?

Deputy J.A. Martin:

Well, my house, if you want to know. An average 3-bedroom house is £1,200, and that is not the top rent. My house is not classed as top because it is an older house. Thank you, I am glad the Deputy agrees. This is the point, you try and I get queried by Deputy Le Hérissier. I know I do not mind but he has heard these figures quoted, you have heard these figures quoted. Again, I cannot

emphasise enough I have never supported when we went along the G.S.T. route without food exemptions. It has kept it low but we have now started to creep up and we know we are not protecting the people who really need it. That is really all that is to be said. You can argue about your gingerbread men and everything else; it has basically been settled. We, I would hope and I think, have perhaps more sophisticated and intelligent law officers in our department that could probably sort this out. I think the Deputy of St. Mary said it this morning, basically what you eat and what you consume ... and I do not know where the Minister for Treasury and Resources is coming from but I very rarely dine on rabbit or ferret food. I will leave it there but as far as the Minister for Treasury and Resources it must be the year of the ferret.

[17:15]

8.1.3 Deputy D.J. De Sousa:

Can I just first say that I have always been against G.S.T. I stood up on the election platform and said that I was disgusted that the Minister for Treasury and Resources of the time when it was implemented ignored ...

The Bailiff:

Sorry, Deputy. Could I ask those over there to be a little quieter because it is quite difficult to hear other Members.

Deputy D.J. De Sousa:

Thank you, Sir. That has been a problem all day. I have had problems hearing. Right, where was I? The Minister at the time when it was introduced ignored 19,000 Islanders that signed the petition that was quoted by the proposer of this proposition. The Minister for Treasury and Resources in his speech, when he began, and I wrote it down immediately - I like to catch him out if I can - said that it was easy to collect and easy to administer. I would say it is also very easy to put up the rate of G.S.T. and that is the reason why the Council of Ministers like G.S.T. It has also been said that those that are protected are those that are less well-off, those on income support and those that do not pay tax. It is a well known fact that the elderly people among our population do not like to ask for help. The Deputy that has just spoken has stated the number of pensioner households we have on the Island. It is a well known fact that those that are entitled are not claiming the G.S.T. bonus. As a new Member it was I that asked the Minister for Treasury and Resources to guarantee that he would not, in an economic downturn, immediately put up G.S.T. Immediately it was put up in an economic downturn and the Minister said that he had to reconsider the position because of what had happened. I tried to put a similar question in the last States sitting that will the same Minister guarantee that he will not immediately put up G.S.T. if the downturn continues. He did not fully answer my question and I feel this is because he will use it again as an easy option to put up the tax. As the last speaker said, what we term as middle-Jersey is constantly being hammered with 20Means20, the possibility of private school fees going up. We have had a Senator that recently has said to the newspapers that we are creating a benefit culture. If we keep hitting people time and time again and do not make it worth their while to go out and work they will do part-time work and they will end up signing-on. It will cost the economy. G.S.T. is inflationary. If we put up G.S.T. on food, on fuel, on services, the cost of living will go up and it will become inflationary. Apart from anything else, it is immoral to be taxed on an essential like food and fuel. We have heard in previous debates about fuel poverty and it will only increase with an increase in G.S.T. It is about time that we said: "No, stop, enough is enough." I will be voting for this proposition.

8.1.4 The Deputy of St. John:

I have a dilemma. In my manifesto in 2008 I said no to G.S.T. on food. Do I let my heart rule my brain, as logically flat rate G.S.T. is probably the correct way to go? That would be fine if the Government had looked at other ways of collecting the millions of pounds owed to this Island.

Yes, millions of pounds. By this I refer to people in full-time care in our hospitals and homes who have never paid tax, never paid social security in Jersey. They arrived here late in life, having lived for a number of years, say 5 years from the age of 60 to 65 or 65 to 70, with next of kin. Once they have been here for 5 years these people, many of them get infirm and need full-time care, and it is the taxpayers of Jersey who have to pick up the bill. How many of these people have we got? Is it 50, is it 100, is it 200? I do not know. I put questions to the Minister for Social Security, written questions this morning, who could only give us information on part of our burden, which accounted for 41 people that he knew of which accounted for £1.7 million. I am not having a go at any specific area here but it does concern me that within Health there are probably another group of people that could be identified if I put a similar question to Health. So we could be talking about £3 million or £5 million in lost revenue because these people will have paid social security in another place and paid probably into some other pension scheme somewhere. We do not know. The British-Irish Council that we sit on as a full member, why have we not raised it with them to put in place agreements, similar to our health agreement, with our fellow members of the Council that they pick up the bill for their senior citizens who have paid all their life in their own country? That is one way things could be moved forward. Jersey is always claiming that it punches above its weight and I have heard it said in this House many times, right back to the days of the former Senator Reg Jeune and Senator Horsfall and Senator Shenton and the like. If that is the case and we are punching above our weight outside of this Island why are our Foreign Minister and the Chief Minister's Department not leading the way and putting in place agreements with these foreign countries that they fund the non-natives that come to Jersey? Whether they come from Portugal, Poland, wherever they may come from, the E.U., we should be putting agreements that we are leading the way in making sure that these elderly people are paid for by their country of origin not by the Jersey taxpayer. We have agreements where foreign companies do not pay tax in the Island. This would be one way of getting money back into our economy that is going out, which is no fault of the Jersey taxpayer or the Social Security Department. This area needs to be picked up and run with, and I sincerely hope that the Minister for Treasury and Resources, along with the Chief Minister, start working in this area and look at ways of collecting this money. I move on. We saw 3 years ago the Minister for Social Security of the day, along with his Assistant Minister, abolish the charges on prescriptions, some £3.5 million a year. As soon as that happened it became an abuse within the area, an abuse because you could go to your doctor and you could ask for over the counter prescriptions of aspirins, *et cetera*, to be added to whatever prescription you were getting; I have heard it said that even sun lotion but that is only hearsay. That being the case, the bill annually in the last 3 years is probably closer to £4.5 million or £5 million for prescriptions that the Government is losing. All right, albeit Social Security is losing, but that is of concern. Why did they drop it? Just to get votes in an election? In fact, it did them no good because one of them lost his seat. So we go on, where this House a few months ago in fact voted to take money, £5.3 million this year and again next year, out of the social security ring-fenced funds. That is robbery as far as I am concerned. I believe this House acted illegally because that money does not belong to the taxpayers, it belongs to the people who have paid social security, so much so that I have written, back in October last year, to the Privy Council asking for the Law Lords to look at this, so I presume that £5.3 million has not been transferred yet. It is of real concern. This week we are told that a £21 million underspend has occurred. Well, what a surprise? Was it prudence? Maybe it was, or did the Minister get his abacus wrong? I do not know. I will move on again. Yes, G.S.T., tax on money in our pockets. Another area of the Treasury he should look at is money sent annually abroad through Social Security to look after people who were taken ill here and they have gone back to their own country. That money that we send over, which runs into millions of pounds, via Social Security to another place or other places, how well is that policed? Do these people, when they have gone back to their place of origin, claim social security? Well, I know they do, they continue claiming, but how many are working? Have we got people in these other places checking that these people are staying at home because they are ill or have they got jobs? That is of concern, great concern, and we need to know that if we are paying social security we should only

pay it on-Island. If people are going off-Island long-term ill that payment should stop. There are areas that the money can be found from within either Social Security or within other areas of Government. We should not be asking the taxpayer here for additional cash to bail out other areas. I would expect the Minister for Treasury and Resources to work with his fellow colleagues on the Council of Ministers to put in place all the necessary checks and balances in the areas that I have just mentioned. I was told this last week, because I have been lobbied quite extensively in my Parish, that an elderly couple in their 80s were finding it very difficult to live on the small income they have got and they said: "Hopefully we will die soon" because this is worrying them. Now, what kind of society are we living in for people to get so low that they wish to pass away because the pressures of living on this Island are so great? That is of real concern. We have middle-Jersey, which has been spoken about here over the early part of this debate, and middle-Jersey, yes, there are people, shall we say, up to the £70,000 end which are reasonably okay but those people who just fall outside of the help zone, and there are a lot of them, are suffering, they are really suffering. The bank rate has been at an all time low. The little savings they have had they have had to dig into and there is little left. Since 2008 we have seen everything implode and we are asking them to dig even deeper by keeping this tax on food. We need to look after those people at the bottom of that pile, because those are the people. The people who have got help because they are in the lower quintile are covered, but it is the people at the lower end of middle-Jersey that have got all the pain and a lot of pain. We need to look after everybody in this Island, whether it is the elderly couple I have just mentioned who are so stressed that they would wish to pass away. To me this is an area we must not go into. We have got to go with Senator Breckon's proposition. The cost of fuel: I have to ask the Minister for Treasury and Resources is it a professional negotiator that does the negotiation for buying fuel for the Island of Jersey?

[17:30]

That is, for the States of Jersey have we got a professional negotiator or is it one of our civil servants? If it is anything to do with negotiating in the big wide world out there and we are leaving it to a civil servant, the bottom line is that our civil servants do not know how to sharpen their pencils. I am not knocking a civil servant. All right, it might sound like knocking but the people in the big wide world who are professional negotiators will say: "Right, what can I buy fuel for?" The States of Jersey is the biggest customer. They benchmark everything else for this Island; they benchmark everything for this Island. Therefore, the people who go and purchase the fuel on our behalf, on behalf of the States of Jersey, are they giving us the best deal? I know they do a good job but when times are hard you can negotiate things down even further. I personally think that if we are not employing professional negotiators to go out there and bring that bottom line down, which in turn will bring down the bottom line for fuel for everybody else in the Island, from the bigger trading companies who are the big operators right down to the person with a motor cycle that only takes a few litres of fuel a week and the household fuel alike, these numbers can be challenged and should be challenged by the Minister for Treasury and Resources. Yes, we all accept that our civil servants are doing a good job, and I cannot knock them for that, but they are not out there in the real world. People in the real world will go out there and negotiate. I can see the Minister for Treasury and Resources lifting his eyes but let me tell the Minister for Treasury and Resources I was on the Harbours and Airport Committee when we sent the A.G. (Attorney General) and others to America to negotiate with 3M, and I think maybe Senator Norman might have been along, I am not sure, on our clean-up at the airport and they came back with peanuts in my book, £2 million-odd, peanuts, when what we should have done was sent professional negotiators out there. When you are dealing with a company who have got a turnover probably 5 or 10 times bigger than the Island's economy you deal with people like that with professional negotiators. We should have taken somebody probably like - I shall not mention the name - a well known developer that used to run a brewery that I had shares in at one time, and so did this Island have shares in. We should have sent somebody who knew how to negotiate, and we did not. We

came back with £2 million-odd and I could not believe the derisory figure. We should have been coming back with a minimum of £25 million to £30 million to clean up the water courses from the fire training ground and the likes from 3M for the pollution, but we did not.

The Bailiff:

Deputy, I appreciate you are trying to show that money is wasted in other fields but perhaps you can try and keep it to the debate.

The Deputy of St. John:

Yes, I will come back to the debate but I am just saying that these are the areas, by employing the right people to negotiate on our behalf, that the Minister for Treasury and Resources can save money from and can get money out of others for services we are given. Until those areas are all plugged then I say no to the Minister for Treasury and Resources. Sorry, Minister for Treasury and Resources, but until you have done your work I am going to support Senator Breckon in this particular proposition. I know it is 5.35 p.m. and I will ask for the adjournment as I sit down.

[Approbation]

The Bailiff:

Before we adjourn, can I inform Members that the Privileges and Procedures Committee has presented a report, the *States of Jersey Complaints Panel Report for 2010, R.56/2011*. It will be in Members' cubby holes. The adjournment is proposed. The Assembly will rise and reconvene at 9.30 a.m. tomorrow morning.

ADJOURNMENT

[17:34]