

# STATES OF JERSEY

## OFFICIAL REPORT

TUESDAY, 27th SEPTEMBER 2016

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

## **COMMUNICATIONS BY THE PRESIDING OFFICER**

### **1. The Deputy Bailiff:**

On behalf of Members I would like to welcome His Excellency the Lieutenant Governor to the Chamber this morning. **[Approbation]** I have been asked to mention that the comments from the Education and Home Affairs Scrutiny Panel on the M.T.F.P. (Medium Term Financial Plan) were circulated yesterday by email and hard copies will be made available during the course of the morning.

## **PUBLIC BUSINESS**

### **2. Draft Medium Term Financial Plan Addition for 2017 - 2019 (P.68/2016)**

#### **The Deputy Bailiff:**

We now come on to Public Business and the first item of Public Business is the debate on the Draft Medium Term Financial Plan Addition for 2017 - 2019. I ask the Greffier to read the proposition.

#### **The Greffier of the States:**

The States are asked to decide whether they are of opinion: following the States approval of the Draft Strategic Plan 2015 – 2018, P.27/2015, as amended, adopted on 30th April 2015, and of the total income targets and total States net expenditure limits for 2016 – 2019 in the Medium Term Financial Plan 2016 – 2019, P.72/2015, as amended, adopted on 8th October 2015, to receive the Draft Medium Term Financial Plan Addition 2017 – 2019 and, in accordance with the provisions of Articles 8 and 8A of the Public Finances (Jersey) Law 2005 – (a) to approve the following amounts (not exceeding in aggregate the total amount of States net expenditure for financial years 2017 to 2019 which were approved in P.72/2015 as amended) – (i) the appropriation of an amount to a revenue head of expenditure for each States funded body (other than the States trading operations) being the body's total revenue expenditure less its estimated income, including the in principle approval of the new user pays proposals, commercial liquid and solid waste charges, as set out in Appendix 1, for the financial years 2017 to 2019 set out in Summary Table B, with in relation to the head of expenditure of the Health and Social Services Department, the approval of £5 million in each of the financial years 2017 to 2019 dependent in accordance with Article 16(4) of the Public Finances (Jersey) Law 2005, on the approval by the States of the transfer of these sums from the Health Insurance Fund to the Health and Social Services Department; (ii) the amount to be allocated for contingency for the financial years 2017 to 2019 as set out in Summary Table C; (iii) the amount to be appropriated to growth expenditure for the financial years 2018 and 2019, as set out in Summary Table D; (b) to approve the following, as set out in Summary Table E, in respect of the Jersey Car Parking and Jersey Fleet Management States trading operations for the financial years 2017 to 2019 – (i) the estimated income; (ii) the estimated expenditure; (iii) the estimated minimum contribution to be made to the Consolidated Fund, if any; (c) to approve, in principle and in accordance with P.82/2012, the introduction of an income-based health charge to raise £7.5 million in 2018 and £15 million in 2019, with details of the charging mechanism and legislation to be proposed and debated as part of the Budget 2017; (d) to endorse the total estimated non-cash net revenue expenditure for depreciation for States-funded bodies (other than the States trading operations) for the financial years 2017 to 2019 as set out in Summary Table B.

#### **2.1 Senator I.J. Gorst (The Chief Minister):**

This plan is an important one for Jersey. It sets the direction of the Island's public finances for the next 3 years. It makes the right decisions for the longer term. It manages the challenges and seizes the opportunities that are emerging as the world around us changes at an ever faster pace.

Uncertainty is affecting developed economies and emerging power houses alike. Technology is having an impact on every business and every government, and we want to get maximum benefit for Jersey from these changes. Global trends are increasing competition for the investment, business and talent that every jurisdiction needs to remain successful. We are working to keep Jersey a great place to live, work and raise a family. Our population is ageing and working people are having to shoulder an increased burden. This financial plan proposes how Jersey should respond to these challenges. It supports investment in our priority areas of health, education and infrastructure. It sets out how we are reorganising departments to cut costs and increase efficiency, saving in some areas to invest in our priorities and maintaining the services Islanders need while working towards balanced books. The Brexit vote has added additional uncertainty to the economic climate. We have a small team that is determined to make Brexit a success for our economy. So while we are surrounded by uncertainty there are opportunities as well. We must maintain certainty and stability to make the most of these opportunities. I welcome the conclusion of our independent panel of economic experts. The latest economic assumptions from the Fiscal Policy Panel showed a slight downturn in our economy in the short term. Despite this post-Brexit drop in our forecasts they say the broad approach and package of measures proposed in this plan is appropriate. Their advice is clear. We have a plan and we should stick to it. We must avoid any kneejerk reactions and ill-advised decisions which would add to the uncertainty surrounding us. As we maintain the discipline of a 4-year plan we must remember that while we no longer have to lurch from year to year the plans for the third and fourth years will not be as detailed as for the earlier years. Economic security provides a firm foundation that benefits every individual and every business in our Island. Sound public finances and a robust financial system do not happen by accident. They require tough decisions, action and persistence. We are keeping government costs under control, investing in health, education, infrastructure and economic growth, and regenerating our capital, St. Helier. This plan provides an extra £168 million for capital projects over the next 4 years. It sets aside more for health, education and for projects that demonstrate they can boost economic and productivity growth. This is all vital investment reflecting our strategic priorities. One of our main priorities is health and social care. We are living longer and we all want to remain healthy throughout our lives. But, as the working population is not growing as fast as our older population, that comes with costs. While we have substantial reserves compared to elsewhere our States pension is still largely pay as you go with the cost of today's pensions met by the current generation of workers with a small contribution going into the Social Security reserve funds, helping us deal with the ageing demographic in the future. This means, of course, that as the proportion of older people is rising the proportion of workers funding their pensions and health care is falling. The Fiscal Policy Panel recommends a whole of government approach to preparing for an ageing population. We are thinking ahead, allocating additional annual growth funding of £40 million by 2019 to transform health and social care.

[9:45]

This money will be used to provide more services in the community, keeping people in their own homes for as long as possible, to meet the rising costs of drugs, improve standards and manage the ageing demographic. We are boosting early intervention services for children, improving the life chances of our youngest and the most vulnerable Islanders. We are improving mental health services and investing in healthy lifestyle programmes to reduce spending further down the line. This spending of course is in addition to more than an additional £22 million invested as we agreed in our first Medium Term Financial Plan. This level of funding requires a new funding mechanism. That is why we have proposed a new income-based health charge. Removing this funding from the plan would put our finances under considerable strain. The proposed health charge is a significant step towards a fully integrated funding mechanism for all health costs across the Island. The

proposed health charge is income based so that 30 per cent of Islanders whose earnings are below the income tax threshold will not pay anything towards it. Only taxpayers on the standard rate will pay the full 1 per cent by 2019. Most taxpayers of course are on the marginal rate and as they generally have an effective tax rate of less than 20 per cent they would pay less than 1 per cent for the health charge. The charge would use the same criteria as the long-term care charge, which is capped at £162,000. Using the same system means there are no new administrative costs. The economic adviser's impact analysis shows that this charge is a progressive step as the income it generates would be spent on health services. While spending on health and social services is generally considered to benefit all, the Institute for Fiscal Studies concludes that it most benefits lower income groups as that is where ill health is concentrated. Statistics show that spending on health care is especially beneficial for the elderly and vulnerable who generally have more need for such services. Investing in education has been one of the main priorities since the Government's Strategic Plan was launched in 2015. We want to maximise the potential of every child, support families and raise standards. Our proposals will see an additional annual growth funding for education of £11 million; to improve standards, to cater for the predicted increase in school age children and to help more students into higher education. Some of this increase in funding will keep class sizes down and drive up standards. There is also an additional £55 million for capital investment. £40 million for Les Quennevais and £50 million for Grainville and St. Mary. As well as investing in health, education and economic growth, as I have said, £168 million has been set aside for capital projects over the next 4 years. That includes, as I have just mentioned, £55 million for new graded school buildings. £43 million for the sewerage works. £21 million for new and improved I.T. (information technology) systems. £8 million for the prison from the Criminal Offences Confiscation Fund. Through Andium Homes, more than £200 million of government investment is transforming existing housing into decent homes standards. Building more affordable homes for Islanders, both to rent and to buy through assisted ownership schemes. Keeping to our programme of investment in infrastructure will not only provide better, more efficient services but also fiscal stimulus for our economy and employment for Islanders. Government departments are collaborating to improve living and environmental standards in St. Helier so the capital is an even more attractive place to live, work and visit. This regeneration work is being spearheaded by the Environment and Infrastructure Departments, together with the Parish of St. Helier. It will focus investment in public space, travel and transport, improve standards for new and affordable homes, and high quality office space. It will identify opportunities to traffic calm streets and reclaim space for pedestrians, cyclists and shoppers while creating opportunities for new tree planting. Andium's £200 million over 4 years will deliver affordable quality housing that is also environmentally friendly and in line with the Island's long-term goals of reducing emissions and energy consumption. There will be 40 affordable shared-equity apartments and 40 social rented homes provided as part of the single development at College Gardens. All this investment is good but it needs to be paid for so we can maintain in the longer term sustainable finances. The solution we are proposing is an efficiency programme reforming the public sector, growing the economy and limiting additional revenue. We are redesigning services, driving efficiency, and reprioritising spending. It is right that every area of public spending makes a contribution to our long-term plan for Jersey and reforming the way we do things has been at the forefront of our thinking. How we deliver more for less. How we deliver quality in our public services. How we deliver genuine value for money. We recognise the central importance of both protecting the interests of taxpayers and seeking to deliver world class public services. We have spent time this year assessing the impact on services of some of the proposed savings and after a distributional analysis and ministerial review we have decided to focus on efficiencies which do not impact on Islanders experience of services. We therefore reduced the 2019 savings and efficiencies target from £90 million to £77 million and we have extended the period to deliver the remaining £13 million. This is so departments can find more efficient ways to deliver services rather than simply cutting

services to the public. Every department is doing its bit for Jersey. Making sure our organisation is working as well as it can for our long-term future. The money should go on frontline services for Islanders, not on out-of-date, inefficient processes and backroom duplication. We do not want to undermine our strong public finances by employing any more people than we need or by spending unnecessarily. Someone pays for the services we provide and that burden should not fall on our children or on their children. We can deliver more for less and we can provide good value for taxpayers. We are starting to embrace the spirit of constant innovation. It is what drives our best businesses forward and it is what should drive government forward too. There are of course always ways we can improve. Ways we can be more efficient and ways we can provide better value for money. That is something that should never change. Whatever the Government, whatever the state of the economy. It is what the public will and should expect. Another part of the solution is to boost the economy so it becomes increasingly competitive, innovative and technology driven. Economic growth touches all areas of our economy. Skills development provides qualified employees for our main industries and helps our young people into high quality jobs. An extra £18 million has been set aside for specific projects that boost economic growth and productivity. The fund will support initiatives that will generate extra tax revenues in the future and contribute to sustainable finances. Government is working to attract new business and to encourage innovation in our existing firms. Our tax regime must not only compete with other international finance centres but also remain stable and certain. In their most recent report, the Fiscal Policy Panel stated: “The uncertainty created in the aftermath of the referendum result has the potential to put pressure on the finance sector as investment into the U.K. (United Kingdom) may slow, but also could create opportunities if Jersey is seen as a safe haven in uncertain times.” Both these comments highlight that stability and certainty are key to the Island’s success as an international finance centre. They are particularly important in the context of the Island’s tax regime. Any indication that the tax regime, particularly the business tax regime, is under fundamental review, will create uncertainty that may see business redirected to other finance centres not suffering from the same uncertainty. No tax system is perfect. The Council of Ministers is committed to improving the Island’s tax system in a measured way that brings in those affected by any potential changes. I turn now to vacancy management and its impact on our reform programme. During a period of service redesign we need flexibility and posts that show up as vacant may not be. Some will be in the process of recruitment. Others may be filled with temporary workers, especially in areas like health and education, which use bank nurses and supply teachers. In areas where we are redesigning services some work is being done by temporary workers as it reduces the need for redundancies if work is contracted out. In some areas staff funding is used to pay external suppliers. For example, in the Department for Infrastructure, some of the staff budget will fund contracts for parks and cleaning services, with the remainder given up as savings together with the F.T.E. (full-time equivalent) saving. Improving vacancy management is a positive aim. But we must take care not to put services at risk or to remove much needed new investment. We have brought this plan to the Assembly because we want to maintain, even exceed, these positive results. We want our continuing spending reductions to focus on efficiencies so Islanders are not affected by service reduction. We want a healthcare system that is a model of efficiency. A new hospital under construction on an agreed site with an affordable budget. A St. Helier at the centre of a growing economy where people want to work, live and visit. A resurgent tourism industry that makes the most of our beautiful coast and countryside. An education system that prepares our young people for a variety of exciting employment opportunities. A housing market that provides decent homes for our community.

[10:00]

A lean 21st century public service that is respected and valued. An Island with strong public finances that Islanders are proud to call home. So we are on the right track and we are keen to keep it that way. Recent statistics show economic improvement. Staying visitors went up 3 per cent from 2014 to 2015. Retail sales were up slightly, 1 per cent in the year to December 2015. Earnings increased by 2.1 per cent in June this year. Total private sector employment is at an all-time high. While we want to see unemployment reduced further, Jersey's 4 per cent on the I.L.O. (International Labour Organization) calculation is one of the lowest unemployment rates in the world. So in conclusion, this is the right plan. It recognises the strategic challenges we face; income rising at a slower rate than in the past, an ageing population, the after-effects of the global recession and it proposes sustainable long-term solutions. It proposes a balanced package of measures enabling us to invest in our priority areas: in health, in education. To deliver a modern, efficient public sector. To support economic growth and broadly-balanced budgets. To invest in a flexible community-focused health and social care system while our society ages. It funds improvement in education so all our children can reach their potential and develop the skills they need to live fulfilling lives and follow rewarding careers. It keeps Jersey special by improving our town, preserving our outstanding natural environment and investing in our critical infrastructure. It maintains stability and certainty, which Jersey needs in the wake of the U.K.'s Brexit vote. It follows expert advice to stick to plan. Providing flexibility by using reserves in the short term and planning for sustainable measures in the future. What we need now is certainty to deal with uncertainties ahead. Certainty, sustainability and stability breed confidence. Both here in the Island and beyond. We should not put off difficult decisions today that will become even harder in the future. This is a plan which proposes vital investment. It reflects this Assembly's strategic priorities. It reforms, it restructures, it delivers achievable savings and efficiencies. As I said to you when we debated 2016 spending a year ago, making these decisions is not easy but it is the right thing to do. Thank you. **[Approbation]**

**The Deputy Bailiff:**

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

**Senator S.C. Ferguson:**

May I raise the défaut on Senator Farnham?

**The Deputy Bailiff:**

Yes, the défaut is raised on Senator Farnham.

**Male Speaker:**

May raise the défaut on Deputy Norton please?

**The Deputy Bailiff:**

Yes, the défaut is raised on Deputy Norton.

## **2.2 Draft Medium Term Financial Plan Addition for 2017 – 2019 (P.68/2016) - second amendment (P.68/2016 Amd.(2))**

**The Deputy Bailiff:**

We now come to the amendments to the proposition. There are 12 in total. They will be taken in the order set out in the revised running order document, which has been circulated by the Greffe to all Members. The first amendment to be taken is amendment number 2 and I ask the Greffier to read the amendment.

**The Greffier of the States:**

Draft Medium Term Financial Plan Addition for 2017 - 2019 (P.68/2016) - second amendment. Paragraph (a)(i) – after the words “in Summary Table B,” insert the words “except that the net revenue expenditure of the Chief Minister’s Department shall be increased in 2019 by £84,000 to fund the continued provision of 2 posts within the Statistics Unit.” Paragraph (a)(ii) – after the words “as set out in Summary Table C”, insert the words “except that the total proposed central contingency allocation for 2019 be decreased by £84,000”.

**The Deputy Bailiff:**

Members should note that the second part of this amendment will fall away if the first part is rejected. Obviously it will stand if it is passed. Deputy Southern.

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

It is not my intention to keep Members any longer than I can help on this particular amendment because I have been talking to the Chief Minister and he has given me certain assurances about these 2 posts in the Statistics Department, which I believe meet the need required. But I will just briefly use the Chief Minister’s words, not quite against him, but quote him extensively. He says in his comments: “At the same time official independent and high quality statistics are essential to the policy formulation and decision making, and demands on the Statistics Unit are sizeable. As such, the Council of Ministers recognises that the level of savings in the Stats Unit should be moderated, specifically the savings should be reduced from £84,000 to £40,000. This will enable the Business Tendency Survey to recommence.” Not just the Business Tendency Survey, although that is an important survey done on a regular basis so we know where we are. But the retail survey also under the £84,000 cuts, not possible. The Jersey/U.K. cost of living comparison. Absolutely essential. We have just seen the level of the minimum wage brought up to below that in the U.K. and one wonders where that cost of living comparison has gone in the meantime, since it was last done. But when it was done we were 20 per cent more expensive than the U.K. on average and yet we have got a minimum wage which is below their level. It seems to me there is something wrong there and statistics that need analysis. Indeed, even the Jersey Annual Social Survey, which has been quoted at me 3 times in the past fortnight by the Minister for Social Security, I think the Chief Minister and others. People rely on those surveys to get the information about what is happening in our society, particularly the economy. Absolutely essential. They must be official, independent and of high quality. The risk in this case is that those surveys, those pieces of work, would not occur under the cut. What I seek from the Chief Minister, I sought it yesterday, it should not take too long, is that this concerns 2 posts in the Stats Unit. One has already gone. In 2016 somebody got promoted to another department and has not been replaced. The assurance I seek is that that post will be replaced straightaway. I was speaking to the head of the Stats Unit last night and he said clearly: “That will enable me to get on with the backlog, which is already there, that I need to in order to produce the right level of stats.” I sought assurance from the Chief Minister, but I do not think he can give it, that the cut proposed to another post in 2019 will be mitigated. I wait to hear some words from him on that. But nonetheless, given that the head of the Stats Unit has said: “If I get my post back now I can continue the good work I am doing and people will be getting their correct information” then I will probably withdraw following the words from the Chief Minister.

**The Deputy Bailiff:**

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

**2.2.2 Senator I.J. Gorst:**

I know it may not seem like it but the Council of Ministers has tried to consider, where they could meet proposers of amendments, plans to reach common ground, and this is one of those amendments where we have done just that. I can give Deputy Southern the assurance that I gave him yesterday. I have personally seen the paper which has been signed off to start the recruitment



which we will see this week for the vacant post from last year. The Chief Statistician hopes to have that person in post before the end of this year to undertake the Business Tendency Survey and start work on the e-census as well. I said I cannot quite give the categorical assurance about the retirement that takes place from the health statisticians that are moving into the Statistics Department but what I can do is acknowledge that I understand entirely what the Deputy is trying to achieve and I will work with him and together with the Chief Statistician to try and mitigate any effects that that might have in 2019, because we are talking about something that will happen in 2019. If we cannot mitigate those effects then we will find the money in 2019. I hope that that gives the Deputy the assurance that he requires in order to withdraw his amendment.

**The Deputy Bailiff:**

Deputy Southern, if there is a question that you might wish to withdraw your amendment it is appropriate that you seek to do so, obviously you will need the leave of the Assembly, the debate having been opened.

**2.2.3 Deputy G.P. Southern:**

In that case, Sir, yes. With those assurances ringing in my ears, and I believe the Chief Minister will do exactly what he says, and I will be making sure he does, between now and 2019, I seek permission of the House to withdraw my amendment knowing that the Stats Department will be doing its usual high level of commitment and standards.

**The Deputy Bailiff:**

Do Members agree that this amendment can be withdrawn? Very well, the amendment is withdrawn.

**2.3 Draft Medium Term Financial Plan Addition for 2017 – 2019 (P.68/2016) - ninth amendment (P.68/2016 Amd.(9)) - as amended (P.68/2016 Amd.(9)Amd.)**

**The Deputy Bailiff:**

We now come on to amendment number 9 and I ask the Greffier to read the amendment. Senator, I have been informed that you might wish to take your amendment as amended in some manner or have I misunderstood? I have been informed that you may ... perhaps you could stand.

**Senator S.C. Ferguson:**

Sorry, Sir. It is a bit early in the morning. You mean am I willing to take Deputy Southern's amendment?

**The Deputy Bailiff:**

I had been informed that you wished to move your amendment as amended by Deputy Southern's amendment and the reason I ask you in advance is because you will need the permission of the Assembly to do that because Deputy Southern's amendment has not been lodged in sufficient time to be debated today.

**Senator S.C. Ferguson:**

Right, Sir. Yes, on the grounds that Deputy Southern is merely requesting to find information then I will agree his amendment.

**The Deputy Bailiff:**

So you would wish your amendment as amended?

**Senator S.C. Ferguson:**

Yes.

**The Deputy Bailiff:**

Deputy, do you wish to ask the leave of the Assembly to bring your amendment ahead of time?

**Deputy G.P. Southern:**

Yes, Sir. I did get the proposition to the Greffe in time on the Monday, however it took some time to process, and not my own fault I have to suggest, and therefore was technically late. However in the light that there is no objection to that from the proposer of amendment 9 I seek permission to have the amendment accepted, although it is one day short of lodging time.

**The Deputy Bailiff:**

Do Members agree that we can take Deputy Southern's amendment today even though it was not lodged strictly in accordance with the timeframes? Very well. I ask the Greffier then to read the proposition as amended.

**The Greffier of the States:**

Page 2, paragraph (a)(i) – after the words “Summary Table B”, insert the words – “ except that the net revenue expenditure of the Chief Minister’s Department shall be increased by £30,000 in 2017 in order for that department to commission an independent review of the tax system, including a quantification and explanation of changes in the profile of the taxpaying public since 2008 – (i) reconciling and explaining the changes in the number of taxpayers in the main bands defined as non-taxpayers, marginal band taxpayers and 20 per cent taxpayers; (ii) assessing the income generated from companies trading in Jersey or owned by residents of Jersey; (iii) assessing the potential additional tax revenue which could be generated from the introduction of progressive rates of tax for those households which fall into the top decile (10 per cent) of equivalised household income;

[10:15]

(iv) assessing the overall effects on the economy resulting from high levels of immigration; (v) including an economic impact assessment of how each income quintile would be affected by proposed ‘user pays’ charges, and from the changes already imposed since the implementation of Zero/Ten, which will be financed from the Contingency Fund and from other funds and reserves including the Strategic Reserve, and to consider the appropriateness of routing income from the proposed health charge directly to the Consolidated Fund; and (vi) reviewing the change in accounting treatment of income tax to assess the robustness of the tax estimate process and reviewing the model used for estimating tax, precise terms of reference for the review to be agreed with the Corporate Services Scrutiny Panel, and the revenue head of expenditure of the Department for Infrastructure shall be increased by £3,000,000 in 2018”. Page 2, paragraph (a)(ii) – after the words “Summary Table C”, insert the words – “ except that there shall be a reduction of £30,000 in 2017 in respect of the independent review of the tax system and a reduction of £10.5 million in 2018 in respect of a delay to the implementation of the health charge and commercial waste charges during such time as the review of the tax system is completed, considered and implemented”. Page 3, paragraph (c) – the words “£7,500,000 in 2018 and” are deleted.

**2.3.1 Senator S.C. Ferguson:**

Before I speak I would comment on the efficiency that the Chief Minister is so keen on. As it happens, I am very interested in efficiencies because my Corporate Services Panel was responsible for introducing one of the first efficiency consultants to Scrutiny. The Corporate Services Scrutiny Panel adviser comments that some of the aims in the Medium Term Financial Plan are aspirational and I have under Freedom of Information asked how the savings and efficiencies under Lean have improved throughput and outcomes, and nobody has got any record of these. So off we go.

Returning to the matter in hand, the Fiscal Policy Panel originally said no new taxes and so we have had a variety of stealth taxes proposed, such as the health, the hospital, the liquid waste, the solid waste and another one called the community infrastructure charge. The F.P.P.'s (Fiscal Policy Panel) full report lowers their revenue forecast and increases their risk assessment and their feeling is that the deficit will not be cleared by 2019 and a further £10 million in adjustment may be required. In 2014 the Corporate Services Scrutiny Panel called for a full debate on tax and the structural deficit and our advisers commented that if the States was a private company a profits warning would have been issued. We cannot impose these proposed charges until after this tax review and analysis of the system. The tax statistics are strange, bizarre even. We need that review desperately. In 2007 we had 14,989 people paying tax at 20 per cent. By 31st December 2014 that figure had dropped to 5,300. Where are they? I suspect, but we need the proof, that they have moved their assets into companies, our own in-Island tax avoidance scheme. I have been collating the figures issued by the Tax Department since 2007 relating to domestic taxpayers within the Island. These present some curious anomalies. The total number of people subject to tax, if their income is sufficient that is, was 69,000 in 2007 and by the end of 2014 this had fallen to 59,000. But the number of people in the Island has increased. So I do wonder about the theory that increasing the population will provide more tax to support the ageing population sounds a bit thin to me. It is also not clear where the 10,000 people have disappeared to. The population has gone up and we have lost 10,000 people. We are pushing taxpayers into the marginal rate relief band. By doing that we are giving them extra allowances and in order to meet expenditure we are going to have to put up taxes and stealth taxes and charges. We need to return to a simple straightforward tax system, which is fair. Currently it is not fair. We also need to remember that profits, to follow the general mantra at the moment, profits earned in the Island should be taxed in the Island. The proposed legislation on base erosion and profit sharing does do some of the ground work for us. But why is that not causing the uncertainty that the Chief Minister is worried about? He tells me it is an international standard. In that case it is general uncertainty all over the place. So the concern has been raised that my request for ... I am sorry, Sir, may I have a glass of water please? Thank you, Sir. The concern has been raised that this quest for information will cause uncertainty if the report is published in due course. At the hustings for the 2014 elections the same arguments were put forward: to talk of a structural deficit and financial problems would get the international world worried. So it was owned up to about 3 weeks after the election. Did the sky fall in? I do not think so. This is a review, not a massacre. A quest for information, not immolation. To do such a review and keep it secret from the population would cause a great deal more uncertainty than being honest and straightforward. After all, it is the domestic taxpayers who elect and pay us who are concerned. The grand plan of the Council of Ministers was that more people in the Island equals more tax and more support for the ageing population. The current system which, as I say, is putting everybody into the marginal tax band, will require more increases in domestic tax to support government expenditure and the ageing population. The ageing population is suffering; middle Jersey. I am hearing tales of people in tears trying to get bank loans to pay their tax bills. What is more, people whose opinion I value, who are well placed financially, have contacted me to say that they are concerned with the growing inequality in the Island. I should remind Members that I and my friends are proponents of the middle of the road, small government politics. We are not left wing, we are not right wing fanatics. We are just people concerned about fairness in the Island. Let me emphasise again the purpose of this amendment. It is to obtain information only. It proposes no course of action. It is a follow on to the proposals made in the Scrutiny Report in 2014 on the previous Medium Term Financial Plan. I have already mentioned that before the 2014 election there was a considerable amount of rubbishing regarding the panel's warnings about our financial position. I expect that the Council of Ministers will pontificate at length on uncertainty and what a dangerous proposition this is. In fact, I can hear the shrouds being unwrapped as I speak. Frankly, anyone who has been following the F.P.P. (Fiscal Policy Panel) reports, the

Corporate Services Scrutiny Panel reports, will have come to the same conclusion. It is time to get some solid data on the state of the domestic tax system, particularly when there have been 32 changes in the personal tax system since 2007 with no impact assessment of the effects on the taxpaying public. The Chief Minister has waved a shroud over the negative effect of changes in taxation. Well, as I say, we have had 32 changes. The other Crown Dependencies are equally suffering financial pressures. So are major centres like Singapore. This is not purely Jersey. This is not purely the Crown Dependencies. It is a worldwide thing. It is a time, yes, when large governments are concerned about uncertainty generally, and particularly about the Brexit vote, which is a much greater source of uncertainty. That is an uncertainty involving international bodies. So it is a good time to say: yes, we need to consider our local domestic matters because middle Jersey, which as I have said, elects and pays the salaries of everybody in this Assembly, is hurting and hurting badly. I emphasise again this proposition is to seek information, no more, no less. What happens after that will be a matter for the Assembly. But we do need to have the independent evidence on the state of our domestic tax scene, which is grossly unfair. This is a very quick review. I have been quoted 5 to 6 weeks for it, so that the delay in implementing the charges will not be something over which shrouds should be waved. It is a very reasonable cost. It will not take long but it is information. It is evidence we desperately need. I propose the amendment.

**The Deputy Bailiff:**

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

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

I have said this before, I like Senator Ferguson. I am delighted that she was re-elected. If I stand here and I am honest, I would say that perhaps it would have been better if it was in October. But I do share, and she knows this, many of her ideologies. So I agree with the principle of what she is proposing in this amendment because, as I commented yesterday only, no tax system is perfect. But I do not agree with the method or the timing of this proposal. Mainly because much of what she wants is already being done or has been committed to be done. I will explain more about that in a moment. This is undoubtedly a seductive amendment at face value. Why not have a review? It seems perfectly reasonable, after all what harm can be done? It is a good idea, surely, to collect and have available as much data as possible for greater understanding about our tax system, how it works and how it is performing. Best of all, as the Senator has only just said to us, it is apparently only going to take 5 or 6 weeks to undertake this review of data gathering and at a cost of £30,000 only, or less perhaps. But I would remind Members of an old saying. If it looks too good to be true then it probably is. What do I mean by that? We have consulted ourselves with some experts who would undertake reviews of this nature, even on a data collection basis and the chances of it being completed, a meaningful review, within 5 or 6 weeks is remote. It would take months to do the job properly and it would cost considerably more. That does not mean the work should not be done, but Members should nevertheless be perfectly clear about the timescales potentially involved and the cost that would be involved in undertaking a meaningful review. I should also point out to Members that some of the data that is being requested as part of this review is simply not available at the moment and will take time to collect from taxpayers as the returns are changed. I will come on to that point again in due course. I would like to take this opportunity though to thank Senator Ferguson for agreeing to meet with the Chief Minister and I to discuss her amendment.

[10:30]

We had 2 constructive meetings last week. We understand the good intentions behind the amendment that she has tabled and have taken on board many of the concerns that she has raised, but in essence, she is proposing in this amendment that the plan for sustainable public finances, the M.T.F.P. Addition, is put at risk by deferring important decisions on future revenue-raising

measures until some unclear point in the future. The Council of Ministers understand her desire for more information and clarity about the tax system, but do not feel that the potentially open-ended and far-reaching amendment recognises the fact that in light of changing international and domestic circumstances, our tax system is kept under regular review anyway to identify areas for improvement. Indeed, as I mentioned yesterday, reviews were undertaken in 2010, 2012 and 2014, following a carefully managed and appropriate process. Despite that, it still led to a front-page story in the *Financial Times* and that is something that we have to avoid at all costs. That is the risk associated if a review is not properly and carefully managed. It is critically important that any formal review process must be undertaken with the following very much in mind, that our economic success relies on fiscal stability. There is no doubt that business decisions could be deferred or abandoned if there is no certainty that the tax arrangements on which decisions rest will be maintained for the foreseeable future. Secondly, Jersey is currently faced, as the Chief Minister alluded to earlier, with the uncertainty arising from Brexit, which resulted, as Members will know, in the Fiscal Policy Panel downgrading the economic assumptions for the Medium Term Financial Plan period just a few weeks ago. It could be further damaging to the economy if that uncertainty was added to by a negative reaction to an announcement of a formal open and wide review of the tax system that gave rise to a fear of significant and far-reaching changes. Thirdly, any process of review should be undertaken by the Government, and in the first instance, without the glare of potentially international interest so as not to damage our long-term economic and competitive position. Fourthly, this should be based upon a proper process of internal review, as is presently the case, and when appropriate, this should lead to measured findings that are then subject to informed consideration by those likely to be affected by any proposed changes, and of course by Scrutiny. If, as this amendment suggests, Scrutiny are to approve the terms of reference of the review, how can they then be involved in the scrutinising of the outcome? It surely, to an extent at least, blurs the lines of responsibility between policy formation and the Scrutiny function. This amendment also removes £10.5 million from contingencies in 2018 or the associated delay of the health and commercial waste charges. Such significant reductions would remove all general contingencies in 2018 and represent an unacceptable risk. Perhaps we need to consider to what extent there is a problem and what we are going to do about it. We accept that no tax system is perfect and although our Zero/Ten corporate tax system is criticised by some, it is not unique to Jersey and has ensured that our competitiveness has been maintained. Indeed, without its introduction, we would have lost much of our finance industry, and with it thousands of jobs and the ability to fund our high-quality public services. That said, the Council of Ministers supports the principle that no system or policy should be beyond review and recognises the advantages of continuously improving systems, practices and policies. As such, the Treasury and the Taxes Office have an ongoing programme of review to identify opportunities within the broad principles of each system to improve equity, increase yield and minimise tax avoidance. This can be demonstrated by the transformation of the assessment and collection systems currently being undertaken by the Taxes Office. The proposal to introduce independent taxation will require a review of the personal income tax system. This will involve carefully examining every aspect of the system over the next few years to ensure an equitable system that minimises unintended tax planning opportunities and maintains yield without creating hardship. Consideration of the interaction between tax and benefit will be included within this work, which I hope, among others, will please the Deputy of St. John, who has been pushing for this to be done for some time. Policy review work currently underway includes a fundamental rewriting of the tax compliance framework, the incentives, sanctions and penalties that affect taxpayer behaviour and encourage full compliance. This work will start to lead to changes over the next few budgets. A post-implementation review of the high-net worth taxation system is nearing completion. The results will be announced during the budget. Work is underway to reconcile the population figures with the population of taxpayers. This will address the apparent changes in the taxpayer population that

Senator Ferguson was alluding to earlier and address the concerns that 10,000 taxpayers have been somehow lost. This is not the case. We do already know, for example, there are fewer taxpayers because of the way that we count them. The Taxes Office is being far more efficient, cutting out bureaucracy, and I hope Senator Ferguson would welcome that. To give an example to Members, previously tax returns were sent out to everyone, but in recent years the Taxes Office has taken a sensible risk-assessed approach, for example, by not sending returns to those who do not pay tax and who are never likely to do so. An example would be a pensioner on a very low fixed income. What is the point of continuously sending out a tax return, expecting it to be returned back in? It is just costly and bureaucratic and unnecessary. That has had one of the impacts of reducing the population of taxpayers that was referred to earlier. But the review will put the detail into the exact changes in number so that we can understand it and it will be reported. The Taxes Offices has also started to collect data on all local companies, including zero per cent companies, to better understand what shareholders are doing. Work has already been agreed to analyse the economic and fiscal impact of different levels and types of immigration. This work is being expanded to include an estimate of the impact on public finances. I hope that Members will appreciate that there is a lot going on, and to oversee the added work, some of it relating to points and concerns raised by Senator Ferguson, the Council of Ministers is establishing a ministerial subgroup, which I will lead. It will oversee a review of the personal tax system, as described in the Council of Ministers' comments that Members have before them, and will be supported, as necessary, by external expert advisers. Separate to the aforementioned, the Taxes Office is proposing to undertake a tax gap analysis in 2017, looking at the difference between what ought to be taxed and what is collected. In addition, a review of the model looking at the forecasting of personal income tax is also planned. I should just remind Members that it was only 2 years ago that we changed the Income Forecasting Group: we introduced 2 external members on to that particular group and I believe the quality and the breadth of the forecasting that we now get is improving all the time. That should be welcomed, although I continually repeat the fact that forecasts are exactly that, they work on the best available data at the time and they need to be updated on a regular basis. But I would point out that this review into that particular model will be an additional benefit. Ministers recognise the aims, as I have said, of Senator Ferguson's amendment. If those who say that all her amendment proposes is data collection and analysis, then the proposal I and the Council of Ministers are making goes well beyond this: our work, with conclusions and recommendations, informed where necessary by external advisers, but led by those best able to pull that information together, our own excellent Taxes Office, ably assisted by statisticians and experts in our Financial Services Department. Why do we need to hire more external consultants to provide us with information that they will have to ask our own people to provide them in any case? If, on the other hand, we are right to be concerned at the open-ended and potentially far-reaching wording of the amendment and the associated threat to our economic stability, surely it is better to provide certainty as to the work to be undertaken and not to outsource such critical work to a single independent consultant. We hope the data collection already underway and the further work we have proposed in a careful and measured way will provide Senator Ferguson and Members with the information she requires, without risking the future prosperity of our Island in these uncertain economic times. Reports arising from all this work will, as I have already said, be made available to the Corporate Service Scrutiny Panel. To maintain a competitive financial services industry, an industry that employs, as we know, 13,000 Islanders, Jersey needs to remain a responsible, stable and world-class jurisdiction. This open-ended and far-reaching amendment would undermine our reputation for stability and certainty and could jeopardise future investment. I would also add that by adopting Deputy Southern's amendment, it just makes the outcome even more uncertain, because for Members who had taken the detail of what Deputy Southern was proposing, among other things, he is asking for Senator Ferguson's review to cover the introduction of progressive rates of tax for the top 10 per cent households by reference to income and some other points. That

just layers on top of the work that Senator Ferguson is seeking the Assembly's approval to get undertaken. That just creates an additional level of uncertainty. I would ask Members to reject this proposition.

**The Deputy Bailiff:**

Does any other Member wish to speak on this amendment? If no other Member wishes to speak, I call on Senator Ferguson. I am sorry, your light has only just come on. Connétable of St. Mary.

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

This is certainly an amendment that I do not want to support, but I would like to make something clear at this stage. The last speaker said he understood why the Senator had brought it and what she was intending, hoping to see. When I listened to him speak, I heard 2 words in my head and they were "jam tomorrow." We have been told we will have this review: it is underway, it will happen in the next couple of years and the information will be made available. I completely understand the need for stability - I built my professional career on the need for stability - but having been told that the open-ended working of the proposition is a threat to our prosperity, I would just like to put one thing out into the ether. Introducing one new charge after another is not the way to give confidence to our population, because confidence cuts both ways. The Minister was focused on our looking out to the world and that is vital, but confidence cuts both ways. When our population are losing confidence because they are prepared ... I am talking here mostly about the taxpayers, who are working in the engine room of the economy that the Minister is saying that we need to protect and he is right about that. But these people who are working in the engine room of our economy are paying tax, and yet they are often not able to benefit from the services that we provide without an additional charge.

[10:45]

In my experience, having talked recently to a great many people across various levels of strata of the economy, shall we say, they are prepared to pay in when they know they are paying in fairly and when they know that if they need support, whether it is for education or for health or whatever else, they will be able to receive that support on the same basis as everybody else, no questions asked. Now, that is really the fundamental thing. When you are not giving confidence to our population about that ... I am not talking about confidence in the economy, I am talking personally, I think, about confidence in our Government. The Council of Ministers needs to consider that that is probably the primary concern in maintaining stability, maintaining the kind of structure of Government and the stability of Government that we have maintained, because if we do not do that, we are in big trouble, even if the economy is - as I believe it is - fully supportable and fully sustainable. I really am concerned that in the plan that we have before us, we are not giving that confidence. Does this proposition put the remaining revenue-raising measures at risk? I would just like to throw in that many members of our community are hoping that that is just the point. They are really uneasy about the way that we started off introducing just one additional charge for long-term care. We had never had that before, then we introduced one and all of a sudden it is the *mode du jour*: "Let us have a charge for this and a charge for that." The people that I am speaking to are saying: "We want to know what we are going to pay, we want to know that there is a rate of tax that we can pay that will guarantee the services that we want. We just want to know what the Government is doing to find out what that rate is and to help us plan for our futures. We do not want to have a charge for this and a charge for that. We want a simple system that costs less to collect and when are the Government going to do the research and let us know what the outcome is going to be?" All I have heard from the Minister today is: "It is going to be done. We will tell Corporate Services what it is." I just think the Council of Ministers needs to take note - and this is the place for me to say this - that the public are not happy without a simple system. They really are

not happy, and if they are not happy, they will voice their unhappiness. That is the single threat that I am most concerned about.

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

I will be quite brief. I will be supporting Senator Ferguson on this proposition. The point I just want to make is that Senator Maclean said the review should be undertaken by Government. This proposition is calling for an independent review. How many times has the Government promised us reports on tax? I have been in the States almost 9 years and not seen them. Where are they? They commissioned many reports, which they keep to themselves. They say, for example, their reports are going to be given to the Corporate Services Scrutiny Panel. Look how often that panel has been gagged by confidentiality clauses, so the information cannot be given out any further. This proposition is calling for the information to be out there so that we can all see it. I also heard Senator Maclean say: "Oh, it is going to damage our reputation. There was a story in the *Financial Times*." An independent survey should not damage confidence. When that report is published, we all know what the situation is. The only time that they can claim it might affect confidence is if we come to different conclusions than they do on the basis of the information. Even then, they would be over-egging it, as they always do. They mentioned Zero/Ten and the defects that are felt by others. The defects have been felt in this Island; because of Zero/Ten, no companies are paying tax, other than the finance industry at 10 per cent, other than utilities at 20 per cent. All the others are not. We have lost all that revenue. Who is picking up the burden? It is the ordinary taxpayer in this Island, the personal taxpayer, and they are feeling the pain. Therefore we need to just dismiss what the Council of Ministers are saying about an independent inquiry and so on. We need that information, it is vital, and this House should show courage and stand up to the Council of Ministers and say: "We want the facts. When we have got them, then we will decide what the policy is, not bringing in these stealth charges beforehand." I think that is most of the points I was going to make. No doubt I will think of others later, but I will join in later on in the debate. However, I do urge Members to support this. It is about time we took a stand, had independent information, to get all the reports that they have been promising us for 9 years and do not receive, and all the other reports that are confidential and nobody gets a chance to see anyway. Therefore we should support Senator Ferguson.

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

I will be brief. The Constable of St. Mary did say a lot. I was thinking, just listening, as I was drifting off there about the jam tomorrow and toast and butter and everything. Yes, when are we going to see this? But the frightening thing that woke me up, it was the end of the Minister's speech ... and they never made a complaint about it. We were told to accept the amendment as amended by Deputy Southern, but then told by the Minister, and just for the icing on the cake, Deputy Southern has really put a nail in the coffin, because he wants to look at something else. That was not a decision to look at policy; that was a decision of the Council's political views. They say: "No, we will not look at the 10 per cent who have got the highest wealth, we will not look at changing our tax." So where does this review start and finish? This is what I heard, but if the amendment to the amendment was such an issue, why did we not have a debate on the amendment, which should have come from the Council of Ministers? But to then hang Senator Ferguson's amendment, because we accepted the amendment to it from Deputy Southern ... I am sorry, I am getting a bit confused here, but this is the path we were led down, and the Minister told us we definitely cannot accept it, because we amended the amendment and we agreed to it. I am very confused. I know there are a good few Ministers left to speak: if they can tell me where we are, why they are not considering this or this is the nail in the coffin, because we did accept it. A day earlier we accepted this amendment, we are told we cannot do it. I say it is because it is their politics. They do not want to look at this, they never want to look at progressive tax. They want to



spread it out across everyone else, but they do not know where 9,000 people have gone in the tax, having all different brackets. Again, if you were marking this even as homework done, presentation would be 9 out of 10, content 3. I am of the mind Senator Ferguson is asking for something that should be here now. We all need to know this before we start giving a bit more here and taking a bit more there and taking a bit more there; absolutely have not done it. The Minister's speech was well-written, well-presented, but no content.

### **2.3.6 Deputy S.Y. Mézec of St. Helier:**

Can I start by commending Senator Ferguson for bringing forward this amendment in the first place? I of course had the privilege of hearing her make the case for this amendment 12 times over the summer and to hear it a 13th time in this Assembly is certainly not something that I resent. I think that she must be commended because, very simply, she stood up in front of the public of Jersey and said: "Vote for me and I will do this" and look, she has done it. That is more than a lot of candidates in elections can say and I think she has to be given credit for that. I will be supporting her amendment, not just because of the democratic mandate she has for this amendment, but because it is a good amendment, it makes sense and there is a very clear and I think obvious case behind it. Partially it is because the arguments against it that have been advanced by the Minister for Treasury and Resources just then are, I think, just absurd. It is this stability, we cannot possibly change anything because it will undermine our stability. The people who have undermined our stability are this Council of Ministers, who are advancing a series of proposals which they do not have the information to inform themselves properly about the consequences of, and worst of all, that they did not tell the public about at the last election. Elections are a good mechanism for achieving stability, because you stand up in front of the public, you make clear what the options are, depending on how they vote, and then business and then other communities, other sectors, can look at what those candidates are saying and say: "We know that one of these is likely to win and therefore be implemented" so they can come up with contingency plans for those eventualities. So this is an amendment which business, other sectors have had advance notice, because Senator Ferguson spent the whole summer going around and making the argument for it. The case that has been made by the Council of Ministers is not one that was ever put to the public, held under any sort of public scrutiny and now that is brought before the States Assembly, we still do not have the information we need to know what the real impact of their proposal is going to be. They have, I think, opened the floodgates with their proposals for these stealth taxes. First, as the Constable of St. Mary I think very well said, it was the long-term care charge, now it is the health charge. The Minister for Treasury and Resources has also spoken about a hospital charge to pay for the hospital, again another concept that we have no idea what the detail behind it is. If you want to talk about undermining stability, surely that is it. What Senator Ferguson is proposing now is that we conduct this review, we get all the information we need and we can look at having a tax system which raises the revenue that we need to fund our public services properly and that does not have to resort to these stealth taxes, that can be a simple system, because simple systems are good because they are harder to undermine. When you have these stealth charges, there are all sorts of things you can do to manipulate how they get used or manipulate how people contribute to them and not do so in a way that is fair. The Senator is asking for information so that we can make these decisions in a more informed way. I cannot possibly understand how that can be a bad thing. I 100 per cent support this amendment. I support it even more that she has accepted Deputy Southern's amendment to it to look at progressive tax, because that really I think is the issue behind it: our tax and spend model is broken. To be able to keep the tax system as it is and still fund the necessary improvements we need in our education and health system, to bear in mind the fact we have got a growing population, again, that is something else that this Council of Ministers has no grip on whatsoever and undermines our stability as well. This review that is being proposed makes sense and we must support a concrete vote in this Assembly to make it happen, because the Council of

Ministers saying: “Oh, do not worry, you do not need to vote for it, because we promise we will do something equivalent anyway. Trust us. You can always trust us, because we always get things right, do we not?” Frankly, it is not good enough. The only thing that does it is a vote in this Assembly to make it binding and that is why I will very happily be supporting this and I congratulate Senator Ferguson for bringing it forward.

### **2.3.7 Deputy J.A.N. Le Fondré of St. Lawrence:**

Yes, very briefly. I kind of was mulling over which way to go on this. I agree entirely with the comments from the Constable of St. Mary. Just for the avoidance of doubt, I will be supporting the amendment, but for very similar reasons, I am 10 per cent in the other direction from the Constable of St. Mary. It is a marginal decision, because one does take the point about how much of this do you do in the public domain, et cetera. I am looking at it from the point of view of gathering information from impact analysis and that sort of stuff. There were 3 things I wanted to pick up. One was - although I must admit, in my mind I have just been trying to find it and I could not - was the table that the Senator has included on the back of her amendment in the appendix on page 5. It is this point, that in 2008 the total number of taxpayers was just under 70,000 and in 2014, on her figures, they are just under 60,000. We have lost 10,000 taxpayers. Pay no taxes has obviously dropped quite considerably in that area, the marginal rate has gone up and paying 20 per cent has gone down. The reason the marginal rate will have gone up is because we dropped the marginal rate whenever it was, 2 or 3 years ago, which was not supported by the F.P.P. (Fiscal Policy Panel) at the time, and that would have made it less people in the 20 per cent bracket and more people in the marginal rate. That is just the way the calculations go. I am stopping there on the technicalities, but I think what really annoyed me, and I just wanted to make this point, in the comments from the Council of Ministers on page 6 and on page 7 they say: “Work already announced and committed to is the impact analysis of immigration. As set out in the recent written answers to States Questions” it gives a couple of numbers: “research analysis is being planned by the Economics Unit ... on the economic and fiscal implications of different levels and types of inward migration.” Those were 2 questions I asked in August, because I have been wondering for a year at least what is the impact on increase in population, bearing in mind these changes in the taxpayers and bearing in mind, what was it, 1,500 people who came in and the breakdown on the licences and things like that? What is happening within the population - I do not like this word - and the mix of population in terms of people coming in and their contribution to our overall services that we provide? To an extent, that is why I feel we are in that position now, having the various charges coming through.

[11:00]

This possibly reinforces the argument, I do not know, about the Living Wage and things like that. There have been all sorts of discussions around that argument. But we have not done this work. It has been an elephant in the room for how long? Sorry, I should not say that. I was talking about flowers. It has been an argument around population and what is the actual cost to us of that population for I do not know how long. In fact, to be honest, I was very sad: I was clearing out some old newspaper clippings from I think it must have been the 1970s, and I have got a feeling there was a youthful Mr. Jimmy Perchard on there going on about immigration at the time; it was somebody like that. We know population has been around a long time, but surely by now we should have a handle on what those costs are. The other point I will make is there on page 7. It is some other review they are talking about, these are their words: “The scope of the review is as follows: to demonstrate the distributional impact of the proposed health charge and the proposed waste charges by reference to a representative sample of household types and the result of the most recent Income Distribution Survey, drawing on the work already undertaken for the purposes of

M.T.F.P. Addition 2017 to 2019.” Sorry about the mouthful, I am just reading out what was in there. Contrast this to 5 questions I asked in June on this, which oddly enough were about from 2005 to date on a certain representative population, which was based on the ones when I was in the Treasury that we used in 2006 for assessing the impact of Zero/Ten and 20 per cent means 20 per cent and all that sort of stuff: “Update: what has happened with the impact on people of G.S.T. (Goods and Services Tax)? What is going to happen with the healthcare charge? What has happened in terms of the change to the income tax rates? Obviously people on the marginal rate may have benefited. Give us a picture.” Their response to that point, okay, because it is obviously going to be a long piece of work, and I think I asked it in mid-June: “As such, this is a significant and intensive piece of work” absolutely, that is why I was not expecting a response within the 2 weeks: “towards which resources will be directed over the summer period with the aim of providing a practical, informative and representative response to Members at the beginning of September 2016 and prior to the M.T.F.P. Addition debate.” Guess what, folks, what are we in at the moment and guess what we have not seen? Just to be really clear, because I was really optimistic, okay, I was asked in by the Income Tax Department or people running the tax before the summer recess, so I will say mid-July, and I was really impressed, no question about it. I think somebody had obviously got the bit into their teeth, they had done a massive piece of spreadsheet work and they were looking at my queries around the income tax and I think there were then bits around the taxation. As far as I could see, they were pretty well there for that element, but on record, I was really impressed by the officers who did that. It was what you would expect the civil service to be doing, they give you objective advice and it is up to you as politicians to decide on it. I will just say, from memory, and you can never do it on graphs, I had asked for a comparison from 2005 and if that is the line - this does not work in the audience, by the way - significantly above that was what tax had done over the period of time to the particular type of household we were looking at. So they were looking pretty good, as far as I could see, and obviously what they wanted to do with me is just check certain assumptions, because I am interested in what the tax impact is and how that works. My understanding is it was then going to go off to income support and they were going to come around and do their piece and carry on. But they had done that, they looked like they were pretty well there; there may have been a few more tweaks to do, 3 weeks-ish after me asking the question. Here we are in the end of September. I was quite surprised there was not a modelling set up in place already, because I can recall - in fact, I think I have still got them somewhere - the amount of work that was done when Zero/Ten, et cetera, was brought in. I have forgotten their name now, but the consultants at the time had done lots of graphing, they had done a lot of work with income tax, around how you could tweak allowances and all that sort of stuff and what the impact would be. Those kind of generate some of the graphs that you get on the distributional analysis. So I was very impressed at the time. I have been waiting. In fact, I asked the Greffier at some point to send a little reminder 2 weeks ago, which I understood was done. Not a dicky bird. Where is it? The reason I go back ... I am not too worried about me, if that makes sense, and hopefully it will come through and hopefully I will be really impressed and it will be informative, says he, optimistically. What I was disappointed about is in this state of change and in what we are being asked to vote on, we do not know the impact of the health charge, of the waste charge, of let us call it what just happened on the nursery education funding, because it will affect certain people and certain income levels. We do not know what is going to be the impact further on of the hospital funding charge. That is not in the M.T.F.P., but we know something is coming down the line and it will probably look like the health charge again. So this goes straight back to the point that the Connétable of St. Mary was saying: the data, we need it. We need to understand what is going on, because bear in mind as well, bluntly, the population is not stupid, and even more bluntly, there is an awful lot of them that work in an industry that deals with numbers. It is called the finance industry. They will know from their personal experience what is happening in some shape or form. So I accept the point from the Connétable of St. Mary and other people, who say:

“Yes, you do not want to do certain things and it has to be handled very carefully” but equally, it is about an impact assessment of what is going on. All I am saying is particularly when this M.T.F.P. was delayed for a year to give better information about what they were doing and it is not here. I am sorry, hopefully that is not an unfair criticism. I have cited the comments I received. It was clearly offered. The questions I had asked, I knew they were detailed and I knew they were going to be long, that is why I asked them in June, but I would have an expectation that that type of information first would be available to us, and secondly, would be available to the Council of Ministers in informing of their decisions, particularly when they have taken and asked us for an extra year to bring this plan to us. On that note, I am not too far apart from the Constable of St. Mary, but slightly on the other side. I take the point that some people are going to say: “No, we must not do this publicly, et cetera. It has got to be handled very carefully.” Absolutely understood, but there is this issue around the population as well that we represent. So at this stage I am supporting the amendment.

### **2.3.8 Deputy S.M. Brée of St. Clement:**

At first, I was minded not to support this amendment based on the arguments put forward by the Council of Ministers that any uncertainty in our tax regime may upset future development of the finance industry in light of Brexit and the uncertainty that that has brought. I have now changed my mind. I do not believe that a review in itself means risk. A review is exactly that. The truth is nothing to be scared of, I would suggest to the Council of Ministers. The review will give us the real picture, real information on which we can base our decisions. It does not mean within itself change, it is what we do with the information that we receive from such a review that will determine whether change takes place or not. That becomes an informed debate that we, as Members representing the public, can then have. At the moment, the M.T.F.P. Addition is asking us to make some very fundamental decisions that are affecting every single person living on this Island, both now and in the future, and yet one of the fundamental sources of income for this Government is tax, yet we do not have a truly independent review on where does this tax come from, who pays what. While the Council of Ministers will assure us that they have the information and work is being done, one would like to see this done independently, obviously working very closely with the departments that are involved in this. Brexit is certainly a very strong argument. Brexit will bring uncertainty, but perhaps this can be turned into a positive, that if we review our tax system and if we look at it very closely, perhaps there are ways in which we can become even more competitive, by having a much more sophisticated finance industry tax system. I support progressive tax, but any decisions to move in that direction need to be based on accurate information. We cannot make decisions blindly and that is what I would suggest the M.T.F.P. Addition is asking us to do. Therefore, as I say, I am going to support this amendment, because I think fundamentally we do not have the information we need to make the informed decisions that we are being asked to make.

### **2.3.9 Senator P.M. Bailhache:**

I want to focus on 2 aspects of Senator Ferguson’s arguments. Of course an objective and far-reaching review is a good thing and that is what we are going to have. It all began some time ago with 2 reports, and I am sorry that Deputy Higgins appears to have forgotten about them, because he was in the Assembly at the time: R.133 Long-Term Tax Policy was presented to the Assembly on 16th September 2014. There was another long report that was presented, again by the previous Minister for Treasury and Resources, on the possibilities of a property tax. The work that was started by those 2 reports is continuing steadily and carefully, by conscientious and competent officials in the Taxes Office and in the Treasury. If they are allowed to complete it without interruptions, it will result in a policy paper which will be discussed and argued over within Government before it goes forward to Scrutiny. There the Scrutiny Panel will pick at it, challenge

it and test it. That is how good policy emerges, because dozens of intelligent people will have had the opportunity to consider the issues, to discuss them and to reach conclusions. That is not what Senator Ferguson is proposing. She wants an unholy alliance between Government and the Scrutiny Panel, setting jointly terms of reference for one individual, one individual favoured by the Corporate Services Scrutiny Panel, to come up with public proposals on our taxation system. The Government of Jersey is to abdicate its responsibility for setting tax policy to an individual about whom we know nothing. The Scrutiny Panel is to abdicate its responsibility for testing and challenging Government policy. The whole approach is fundamentally flawed, but in my view, it is worse than that. Senator Ferguson writes in her report that: “The general uncertainty and inequity of the tax system is such that it must be adjusted.” It is true that Brexit has caused uncertainty in the economy, but we are not talking about the economy, we are talking about our tax system. What is uncertain about our tax system? Senator Ferguson certainly has not told us and nobody else has so far. Our tax system seems to me to be very clear, and by the standards of most Western democracies, remarkably simple. What you see is what you get, unlike many other countries, where the tax system is so opaque that if you put it in a glass, you would not be able to see through it.

[11:15]

Senator Ferguson speaks of inequity and there I must say that I am closer to her. The operation of the Zero/Ten corporate tax system allows many wealthy people to defer and sometimes to avoid paying tax on their income or some of it. You put your investments into a company and you are liable to zero per cent tax on the income of that company, unless you draw the money out. But what Senator Ferguson has not explained to the Assembly and to the public is why this situation exists. We used to have what was called a look-through provision in our tax law so that the income of a company owned by a Jersey resident was deemed to be his own income. That provision was abolished, not because we wanted to abolish it, but because the European Union Code of Business Conduct Group, that is the finance or tax ministers of the European Union member states, decided that the provision was unfair. It differentiated between the owners of companies resident in Jersey and those who were not. As a matter of policy, the Government of Jersey at that time decided that it was in our interests to comply with the European Union code of conduct. I think that was the right decision. Even if my personal view is that the designation of the look-through provision is unfair was an entirely cynical ploy by tax officials in large countries, including the United Kingdom, to drive Jersey into abandoning its zero tax rate, they failed in that respect, but they did succeed in causing harm to Jersey nonetheless, because our system became unfair. I do not like that, Ministers do not like that, Senator Ferguson does not like that either, but none of us at present has the answer to the problem. We could of course say to the European Union: “We are not going to comply with your code of conduct. Go away.” But our policy in the past has been to be perceived as a co-operative jurisdiction, abiding by international standards and policies and to depart from that policy would be a very serious matter. What are the possible solutions? I know that the Deputy of Grouville has been concerned about this for a very long time. What are the solutions? As I have said, I do not think anybody knows what the solutions are at the moment, but it does not seem to me that possible answers to this question should sensibly be debated in the full glare of publicity. I do not think that that is in Jersey’s interests. What we say in this Chamber goes on the internet and can be read in London, Paris and Berlin. It may be that Brexit will have a bearing upon the work of the European Union Code of Business Conduct Group, but balancing all the conflicting pressures facing us calls for careful analysis as to what is in the interests of our economy and of Jersey. There is of course time for public debate on these issues, but we need to be clear about what our objectives are before we let loose different hares to rush around, undermining confidence in the Island’s essential stability. Senator Ferguson’s amendment, in my view, serves

no useful purpose. The review which is currently being undertaken in the Taxes Office and in the Treasury will come forward for consideration by the Scrutiny Panel in due course and that is the proper way in which we form serious and intelligent policy for tax in this Island.

**The Deputy Bailiff:**

Does any other Member wish to speak on the amendment? Very well. I call on ... from the moment I finish and I call on Senator Ferguson to respond, it is then too late to put on a light. You just got in there, Deputy Noel.

**2.3.10 Deputy E.J. Noel of St. Lawrence:**

I would like to clarify a few points regarding the proposed delay in waste charges for part 2 of this amendment. This M.T.F.P. addition is only proposing the introduction of commercial solid and liquid waste charges and Members are only being asked for an in principle approval. We fully realise that we have a lot of work to do between now and when we bring back the details in the spring of next year. We also realise that these proposals will have to be sufficiently robust to secure Members' agreement to go ahead with the polluter pays charging. I would also like to point out that this just as important as generating ring-fenced funds. The Waste Charges Act has an environmental incentive. Waste charges provide an incentive to reduce, reuse and recycle. There is much resource being needlessly wasted because throwing something away is too easy and is seen to be free. We see so much of this happening on a day-to-day basis. Not only is it environmentally wrong, it can also cost us a great deal of money in terms of the damage it can do to our E.f.W. (Energy from Waste). It is not surprising our E.f.W. does not like heavy lumps of metal being fed into it, simply because they should not be there. I am sure that metal would not be sneaked into skips if the E.f.W. were charging for waste by the tonne. I am confident that such items that should be recycled would then be dealt with appropriately. We see a lot of u.P.V.C. (unplasticized poly vinyl chloride) windows and doors from buildings and developers. This could and should be recycled, both from the point of view of not wasting a resource, but also because it costs us money to treat it because of the gases it gives off in order to protect the environment. For every tonne of u.P.V.C., a tonne of lime is needed for treatment, and this generates a tonne of A.P.C. (Air Pollution Control) residue, which has to be shipped off-Island, and all at a cost to the general taxpayer of some £500 per tonne. Another example I learnt of over the weekend is the carpet discarded after a function such as a wedding in a marquee. This often gets thrown away because it costs nothing to do so. Surely it should be recycled, if not reused. This is all happening on a daily basis. Why should the taxpayer be paying for this? It should be the polluter who pays, or better still, stop the pollution altogether by motivating them to recycle. This motivation will only come through waste disposal charges. Those organisations who do care already and already recycle, they deserve a level playing field. We need to reach the others. Experience shows us from other jurisdictions this can only be done through charges. You only have to look elsewhere in the U.K. and the rest of the world, those places that have waste charges have higher rates of recycling. Our recycling rate in Jersey has plateaued for a number of years now at a meagre 32 per cent. If Members today vote to delay the introduction of commercial waste charging, they will also be delaying us stepping up to our environmental moral obligations. That cannot be right.

**2.3.11 Deputy A.D. Lewis of St. Helier:**

I have accepted some assurances from the Minister for Treasury and Resources in recent times that the tax system is being looked at. I think in the comments from the Council of Ministers and the comments that the Minister has made today, it seems fairly clear that that is the case. Members have increasingly - and today as well - mentioned the issue about the gap between the rich and the poor. That is not being caused by our tax system necessarily, although in some cases it may not be helping, it is because of low wages and the fantastic success the inward investment team has had in

encouraging many more wealthy people to come to Jersey, of which everybody benefits, including those on low incomes as an indirect result. That is the cause of one of the growing measures of inequality, not necessarily the tax system. The tax system does need to be reviewed, it should be reviewed consistently all of the time and the Treasury have assured me that that work is going on, it has been going on for many years. I was in the States in 2006 when a major review occurred then and many changes have been made. The Senator has referred to some of those changes. Most of them were to benefit those on lower earnings. The middle earners, I have asked the Minister this on a number of occasions, what is a middle earner, because people seem to have a very different view as to what that really is. If one is earning a household income of £50,000, in many countries that would be regarded as quite a high household income, particularly in the U.K. Here it simply is not, but those people do struggle when new taxes and charges come in, but a household income of perhaps £100,000, whereby they are still not paying 20 per cent tax - and you have heard me mention this on a number of occasions, including yesterday - so the marginal rate is assisting people that I do not think it should be. That review I think is urgently required, because we have a large number of middle earners, which is great, but they should be paying 20 per cent in tax. We have a very simple tax system in many respects, but I do not regard the marginal rate calculation as a simple tax calculation. I do not think anybody does. Many people do not understand, and again, I mentioned that yesterday. What we have got is a stable rate of tax at 20 per cent. That tax rate has been in - correct me if I am wrong, Minister - place since 1940. I think the Germans put it up from 10 per cent to 20 per cent to pay for the fortifications and it has stayed like that ever since. That is a remarkable achievement, I think, for a country or a state of our size, to have a tax level at the same rate for so long. I think it would be absolute folly to interfere with that in any way, really, unless there was a real, huge justification for doing so. Some will say of course that we have with the health charge, and now it has gone up to 21 per cent. If that is the only change that we have made since 1940, I still think it is a remarkable achievement. That shows tax stability, which encourages investment, it encourages people to stay in Jersey, live in Jersey, to benefit our economy by working hard, because they are not having their hard earnings all taken away in tax, as they are doing in so many other countries around us, creating that disincentive to work. We do not do that here and I am very pleased that we do not. The reviews that are going on in the Treasury I think are exactly the right thing to be doing. That should be business as usual for Treasury. They are doing it and I do not see the need to commit further funds to something that is already going on, but if it does not happen, Minister, and we do not see those results from the work that Treasury is doing quite soon, Senator Ferguson, not only will she be shouting very loudly, but many other Members will be as well, particularly myself and other members of my committee, the Public Accounts Committee, because we will be looking back - we do not look forward, we look back - and if this work has not been done satisfactorily, then we need to know and understand why. But to talk about too much in public engenders further instability. We have instability all around us at the moment and Jersey is quite stable, with a stable, solid tax system, so if we start talking about making significant changes to the tax system publicly, then I do not think it is a very good idea. That does not stop us consulting privately, as Senator Ferguson clearly has done with the Treasury very recently. That is very constructive, very useful and should be going on and Government should be challenged on their tax policies by the likes of Senator Ferguson, but initially in a relatively confidential manner, and when a report is ready to go public, it goes public and it has some findings and it has some recommendations that we have all agreed upon and not discussed in public until that point. That is not saying the public cannot have input on that process, they absolutely should, but discussing it very publicly is not good for stability. I cannot support this proposition simply because I believe the work is being done already. If it is not, I shall be holding the Government to account and I would like some kind of timescale from the Government during this period of this debate that gives us the assurance that this work is happening and when it is going to be completed. **[Approbation]**

[11:30]

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

I am glad the footstamperers are out in full force today and hopefully we will have some footstamping for speeches on the other side of this debate, because this is in some ways reminiscent of one of the old debates that used to happen in the Chamber 15, 20 years ago. Times change, faces move on and sometimes politics change in the small things. We have certainly seen a lot of the social agenda in Jersey change and we often hear candidates at the elections standing up and saying: "Yes, I am a Conservative. Essentially I am fiscally conservative, but I am socially liberal" as if that is supposed to be some kind of great concession, because of course nowadays all the Conservatives in the mainstream are socially liberal, but the neoliberal politics becomes more and more right wing and that is what we are seeing replicated in Jersey as well. We hear much made about the idea of stability, we must have stability, and that is the kind of traditional argument we used to get in Jersey and we are still getting now, a different person, but the same-looking pinstriped suit and blue tie that you might have in the past. This idea about stability can only go so far. What about the stability for locals? What about tax stability for local people in Jersey who pay their taxes and who expect to get decent public services in return? There is certainly no stability when it comes to those individuals. We have just come off the back of a by-election and, okay, it was a low turnout, but I think it is right to look at that and talk about mandate, as has been already said. That is not just Senator Ferguson's mandate, because she topped the poll and won back her seat there, and I think she did it in a very good way, recognising the fact in the past mistakes had been made. What I particularly appreciated about Senator Ferguson was the fact that she could look back in the past and say: "Okay, I might have been somebody in the past who had supported G.S.T. and maybe I still have a particular view on that. I might have been one of the vast majority of individuals in 2004 who did give approval to Zero/Ten, because I was taken in by the arguments which were put forward there, but in the long term, the way that our fiscal policy and the reality of the tax and spend scenario has evolved, that was the wrong decision." It might have been the right decision at the time, it may not have been the right decision at the time, but certainly now that definitely needs a review. I am glad to say that the colleague on my right was one of the individuals here, one of the 4 people at the time who said: "No, Zero/Ten is not going to work." Deputy Southern clearly the foresight to see that and he sticks by that. That is something which of course the Reform Jersey party shares, that we must at some point accept the fact, as an Assembly and as an Island, that we need progressive taxation to fund the vital public services that we have. So I would like this Assembly to consider what tax stability means for locals, because that has certainly not been put on the agenda. This Council of Ministers can pull different fiscal measures out of the hat and say: "The 20 per cent tax rate, it might be sacred, but it is not sacred for locals, because we have already put in a 21 per cent tax rate, which will increase to 22 per cent with the long-term health charge, but guess what, that does not apply to people at the top, because even though we have not even asked them whether they would like to pay more or whether they would be willing to pay more, we think that they should be necessarily insulated from any increase in taxation" because that is what it is. Then they have the cheek to do the same and replicate it for the new proposals that they have for this so-called waste charge, which is of course a tax, and they say: "But we do not do it for Social Security, we do not do it for the long-term health charge, so why should we do it for this tax?" That is a fundamental question which we will come around to shortly, but this shows the complete mess that we have. It is all right to have stability for our outside clients, but when it comes to the people who should matter in our society, the people who live in Jersey, there is a different set of rules, which I suggest is completely hypocritical. It also talks about the stability as an Island, but this is where we get into the difference between a jurisdiction and a community. They say they want a stable jurisdiction and that is clearly where the Chief Minister started off when he started his debate. He was very much talking about the



economics and Jersey as a jurisdiction, rather than what it means to live in Jersey, what it means to have a cohesive society with good social infrastructure, rather than chipping away at that. We will have a debate shortly, again a very divisive debate which has been sparked by this Council of Ministers, to do with fees being paid for the nursery funding. Again, this is something which I believe individually and I think as a party we have put forward cohesive arguments to suggest that education should be funded through tax, and that includes nursery funding, but we will have a debate shortly about people being asked to pay if they are higher earners. This is because the Council of Ministers have not got to grips with the fact that we need to pay for our public services and that there is no longer enough money coming in to pay for those services. So we almost seem to have the paranoia, what one might expect from a former Communist state, or indeed from a current Eastern Bloc large country, when it comes to this idea that everything must be done secretly, because any suggestion that we might change something, that we might have political debate could lead to some idea that there will be a lack of investment. Somebody in Berlin or somewhere else in London might be listening to this debate, they might see a publication which suggests that maybe we should look at changing Zero/Ten; maybe we should look at a higher rate of corporation tax or a rate of corporation tax for the zero per cent; maybe we should look at a 25 per cent tax rate for those high earners and the work would have been done independently. The idea that somehow this document being out there would undermine Jersey's reputation is, quite frankly, laughable. I think what it would do is show that we are a mature Island and that we take the needs of our individuals and the consumers and the customers, but also the electors of our Island, seriously and we care for their wellbeing. Now, no doubt Ministers will stand up, we will hear from the Minister for Health in a moment saying we must have this new health charge, it is important that we have this health charge, even though it raises some £15 million and that is not going to raise anywhere near enough for a sustainable model for the future when it comes to health care in the Island. It just goes to show the piecemeal way in which this Council of Ministers are doing it. I had this strange image of a feral animal scrabbling around on the ground looking for sustenance, when there is a whole pantry full of food to which they have the key to get into. This animal has already gone into every little patch finding these bits of food, but all they need to do is find a sustainable way for their survival. Perhaps not the best anecdote you will necessarily hear, but perhaps one which might raise some mirth. I think the reality though fiscally is that we have seen previously that the Council of Ministers and previous Ministers for Treasury and Resources have raided every little pocket that they could find, they have moved money around magically, it seems, sometimes, money that we never knew existed that certainly we would not be able to do as Back-Benchers if we were to propose different measures of finding/raising revenue and paying for services. But they can do that at the flick of a finger, and they do do that and they will be doing that when it comes to Jèrriais later on. So it is something that we cannot do. If it is something that we wish to do: "Sorry, we cannot do that, the money has to be found, but we can move money between areas" and it does not make any sense. So I think that this review is long overdue. Of course it is one of those areas where we are caught between a rock and a hard place, because if we want to propose something, if we want to propose progressive taxation - and I suggest that we may well be doing that anyway at some point in this term of office - the argument will come back: "We cannot have a progressive rate of tax because we do not know what it is going to do. We need to have a review and who does that review?" That brings us back to the point that there was a comment made by Senator Bailhache, who said that we need intelligent people to sit around, so essentially civil servants will come up with an idea and then they will run that past politicians and they will say: "What do you think of it?" then it will go to Scrutiny and that will be all right, because you will have a whole set of intelligent people and a whole set of different eyes looking at that. Who are we kidding? Who do we think that policy is made by at the moment? It is certainly not made by politicians, because the Council of Ministers do not have any cohesive idea. They like to wield collective responsibility when it suits them and when in fact they can get agreement among

the Council of Ministers. Of course we are going to see lots of carve-outs for that, but the fact is they were not elected on a particular policy mandate or a particular policy platform, because they did not have the wherewithal or the honesty to put a cohesive package to the public before that. They did not have the decency or the wherewithal or perhaps the honesty, as some have said in the past outside of this Chamber - certainly that was something was going around on the senatorial campaigns - that we were not necessarily, as a public, given the full information about the state of our finances. Only after the election took place, after the Chief Minister was elected and after the Council of Ministers had put together their motley crew of members did the full realisation of how desperately potentially in the black we are in the future with this black hole. Of course the public are angry, and it is quite right that the Constable of St. Mary stands up and says that the Council and this Assembly must realise that there is a political disconnect between the public and primarily the Council of Ministers, although it reflects more widely on this Assembly. But there is also a financial disconnect with the policies that the public want to see, not a radical public necessarily, it has to be said, but the public now realise that they are constantly being sold a pup, they are having more and more of a tax burden put on to their shoulders. We cannot tax the poor: the poor are already suffering, as we know from the low income review that we have had. Their money is being cut, so the money that we would be giving them is being cut, but certainly they do not have any money that they can contribute additionally to the coffers. This Council of Ministers have decided to insulate their wealthy friends at the top or the ones that they choose to be friends with politically - it is not just unique to Jersey, of course - so that means that we have to tax those in the middle. They are coming up with really remarkable and strange ways to do that, when fundamentally, when you get agreement between those of us on the moderate centre left in Reform Jersey and those who take a more independent stance, as Senator Ferguson, and that is replicated throughout the whole Island, I think it is important that we stand up and listen and say: "Council of Ministers, you have got it wrong." It is not simply sufficient, as elected Members in this Assembly, to stand up and give words, we have to give actions. The public look to us I think for leadership, not just to the Council of Ministers, but to all elected representatives. It is not simply okay to stand up and say: "Council of Ministers, you are getting it wrong. I do not agree with what you are doing here. It is hurting middle Jersey, it is hurting people, it is being divisive, it is socially corrosive, but I am not going to support this amendment." I think what we can do, the only thing we can do here is to give Senator Ferguson our vote. That is what we have, and even if it is not a majority, it is important that we send a loud and clear message to the Council of Ministers that their current policy, their current direction of travel in terms of the taxation and spending is wrong. More fundamentally, it is not sustainable and they need to do an urgent review and it needs to be done by people who are not simply going to regurgitate the same old policies that have dominated in the past, but by engaging somebody who is independent and at arm's length from the States Assembly. The suggestion that the Scrutiny Panel are going to appoint somebody who is biased or who they think has already got a prejudged outcome I think is discourteous to the Scrutiny Panel, quite frankly. If that were the case, if the Council of Ministers had evidence that the individual they appointed was somehow going to present a *fait accompli*, I think then that is of course a matter which they could take action with a bring a vote of no confidence, but I do not think that there is any suggestion that the Scrutiny Panel would be doing that. So I think rather than criticising the fact that we might have an independent individual who would do things in a public way that we should be welcoming that. We have had too many inside jobs which do not produce and deliver the goods and we have had too much secrecy in this Island and I think we know where that tends to get us, so a fully open transparent review which does look at all the options, is not ideologically driven, but does not rule out any options on ideological grounds either has to be the right way forward. I think we should all be supporting Senator Ferguson for this, because she clearly has a mandate, not just her, but I think all the top 4 candidates in the previous election, even the candidate who was most closely aligned to the Council of Ministers' ideology did not have confidence in the Council of Ministers, in the

direction they were taking us. I think that is replicated vastly throughout public opinion in this Island.

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

Just briefly, Senator Maclean seemed to be advising us of long-established inefficiencies with the Tax Department, such that I thought he was speaking in favour of Senator Ferguson's report. I am afraid I do not buy into both Senator Maclean and Senator Bailhache doing an Osborne and Cameron and upping the ante of Project Fear.

[11:45]

I simply cannot understand how the Government commissioning an independent Scrutiny review undermines that Government unless it has something to hide. My question to the Chief Minister, if he is going to speak in this debate is this, if the health tax does not get through within the next few days, what is the plan B? What is the plan B? Because I understand there is a plan B. The way that other funding models are performing is giving confidence such that the health tax might not be needed, it could be funded in another way. If that is the case, it is not the tax as a last resort about which Senator Maclean spoke at the last election, and that was about as far as he went on the subject of tax. Thank you.

### **2.3.14 Connétable A.S. Crowcroft of St. Helier:**

I want to pick up on a couple of remarks made by speakers in favour of the amendment, first of all, this issue of mandate. We have, it is true, just had an election. I will remind Members that Senator Ferguson is filling the seat of a former States Member whose mandate, if you like, they stood on a mandate for running the health service. This Assembly decided not to give that Senator the job of running the Health Department, for which the former Member criticised the Assembly, but the Assembly, I believe, had good reasons for not doing that. It is true that Senator Ferguson has just been elected and it is good that she has used the campaign to raise the need for greater scrutiny of our fiscal policy but I do not believe the fact that she has been elected means that we have to in fact think back to the last general election, the Senators who came in ahead of her, and required her to stand for a by-election. Many of them are in the Council of Ministers and they are quite happy with the direction of travel, to use a phrase that Deputy Tadier just did, and they believe that it is not appropriate at this time to have an independent review of the system as the assenter is requesting. I also note that my fellow Connétable out in St. Mary appears to note an unprecedented level of disquiet in the community about the way the Island is being run. I have been in the States nearly 20 years and every year I am told that things have never been as bad as they are at the moment and that people have completely lost confidence in the States. Come election time we do not have the level of interest and standing to put things right. Indeed, at the last election we re-elected Senator Gorst as a Senator, who topped the poll, and then this Assembly elected him Chief Minister for the second time and said: "Continue your work." Now if things are so bad, I would ask Members, why are there not more people coming forward to take over the reins and, secondly, why is the States not taking over the reins from Senator Gorst and his Council of Ministers? Now they may of course not have communicated with the public as well as they might, and indeed there has been very little debate for this M.T.F.P. about the whole role of communications, which I think we do not do well, but I am not going to go there today. The issue is whether it is harmful for our Island post-Brexit, as we come out of recession still in many respects, to commission an independent review in our fiscal policy. I must say, I was very impressed by Senator Bailhache's speech and Senator Bailhache knows what he is talking about. I think he directed us to the fact that a lot of good work is being done, not only by our own civil servants, but by the Fiscal Policy Panel that we have commissioned to do this work for us and who report to us very ably and expertly on a regular basis. If we are not happy with that arrangement, we should either ask the Council of Ministers to

replace the Fiscal Policy Panel with somebody else or indeed we should turn to Scrutiny and say: "Well what is Scrutiny doing about our fiscal structure?" We set up a Scrutiny system to work closely and to scrutinise what the Council of Ministers is doing. Are they failing in some way? Is it a sign of a failure of Corporate Services Scrutiny Panel that we are having this call for this independent review? Perhaps it is. So I would simply urge Members, do not play politics, if you like, with the lives of many working people, perhaps the silent majority of people who are probably too busy earning a living in our major industries to lobby them, to say: "Yes, we really want this independent report carried out." I believe we need to let the Council of Ministers get on with the job as they are doing it. If we are so unhappy, then either use the Scrutiny process or indeed use the vote of no confidence either in the Council or individual Minister to say that you are not happy and you believe it can be done better. I think commissioning this independent report sends out all the wrong signals, not only to London, but to the people who are hard at work today in our essential services maintaining the Island and indeed in the private sector bringing in the income for the Island. So I would urge Members not to be seduced by this perhaps harmless proposition from the newly-elected Senator but to stick with the Council of Ministers until the time has come for perhaps one of the Members to offer themselves as either a Minister or a Chief Minister. Thank you.

**[Approbation]**

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

I could not quite hear that; it was thunderous applause. I am going to start with linking the previous amendment to this amendment to show how joined-up thinking really works in the Council of Ministers because Members will recall we are talking about getting rid of Statistics staff and doing without them and possibly damaging the quality of our statistics. Yet, in this amendment and the comments on the amendment, we have got numerous references to the Statistics Unit, so: "Review in preparation for independent taxation. A model of the personal income tax system is being developed with the Statistics Unit to inform options for independent taxation." Then later in the page: "Reconciliation of population figures with population of taxpayers. Work is already being undertaken by the Statistics Unit/Taxes Office to produce a reconciliation between the population figure and the number of 'taxpayers' per the Taxes Office's records." Then turn the page: "Impact analysis of immigration. This work will be expanded to include advice on the process for estimating the impact upon public finances of the net inward migration identified by the Statistics Unit since 2007." So here we have a Council of Ministers quite happy to get rid of Statistics posts when at the same time they are saying: "We are heavily reliant on them." How clear thinking is that? The answer is: it is not and nor indeed I think are the comments on this particular amendment. I want to start with the question, and it is a very simple one, when is a tax not a tax? Now according to C.I.P.F.A. (Chartered Institute of Public Finance and Accountancy) and the accountants engaged by the Corporate Services Scrutiny Panel, if there is no connection between a charge and your receipt of the service that you paid for, and there is not because a lot of people are exempt at the bottom end, then it is not a charge, it is a tax, so a very clear definition of what a tax is. But the Council of Ministers say: "But it is not a tax if we want to hide the fact it is a tax. If we want to quote the headline rate, we have still got a 20 per cent tax. These are charges." These charges, long-term care, a health charge, potentially a hospital charge coming up, we have heard of a community charge; I do not know what that is, but it is likely, and we know we are due to get a waste charge. Apart from the last one, who is going to be paying these taxes; these tax increases? Who is going to be paying them? Why, it is the middle earners of Jersey, that is who is going to pay them. So in terms of uncertainty, what we have got is an uncertain future for those middle earners. How much more tax are we going to be paying? The answer is: we do not know. What were we told 2 years ago when we voted for the current set of Senators and now Ministers? What were we told? "There will be no new taxes, no increase in taxes, taxes only at the last resort, what we are going to do is grow the economy." Newsflash: economic growth is predicted by our

advisers, well-respected advisers, to be zero for 2017 to 2019. Job growth: zero. Economic growth: zero. Grow the economy? It never happened. Again. Let us just do a bit of history now, what happened back in the last decade, 2009 and previously from 2004? What did we do? We transferred our tax burden from companies who were paying at the time of the order of £400 million a year and personal tax we were very comfortable with. We were only paying £18 million of tax and we transferred that burden on to personal taxation so that now those numbers, more or less, are reversed. Companies pay around £18 million, personal taxation comes in at £40 million. What is the result of that? The result of that is why we have got a chronic shortage of tax revenue to pay for essential public services. It is a structural deficit and that is why we have got what we have today and why we are trying desperately to deal with that structural deficit. So, I do not have a problem with defending middle Jersey from these tax increases but what we need to do is somehow to find a way of having our companies contribute a little more because the reality is, as a result of Zero/Ten, you can trade for free in Jersey. That is the reality. That is the buzz, the murmur, the moan that has been going on for the last decade: "Why can we not get a little bit more? Why can they not contribute properly, fairly?" Now, my particular amendment on this subject is yet to come. There is a way through social security contributions to get employers to pay a little more, to pay fairly, so I will not go into that now, but, nonetheless, what do we need? We need a review of what our tax position is, how we got here, and what we might possibly look to to try and get out of it. I just want briefly to talk about my amendment, since the Minister for Treasury and Resources did attack it wholeheartedly and with his usual vim and vigour; nonetheless, I must attempt to defend it. The amendment says: "Assessing the potential additional tax revenue which could be generated from the introduction of progressive rates of tax for those households which fall into the top decile (10 per cent) of equivalised household income." I have used that and not personal taxation because we know we are looking at individual taxation, personal taxation differently. It is going to report, I hear, in 2 years' time, so we know something more about that changeover. Because what we have got, what we know from the Income Distribution Survey, is the top 10 per cent of equivalised household income. Members probably were thinking: "Well, who is in the top 10 per cent?" I just want to illustrate what we have got in the top 10 per cent. If we look at, for example, net income after housing costs, we have got the top 10 per cent on average have £112,000. £112,000 annual income on average after housing costs have been met. How does that compare with the bottom 10 per cent? The bottom 10 per cent have an annual equivalised household income of £5,900. When we talk about inequality and inequity in our system, we are talking about that ratio of practically 20 to one.

[12:00]

Twenty to one between the top average income and the bottom 10 per cent average income. How has that changed over the time in which these Ministers have been in charge of the system? How has it changed? Why, that ratio, 20 to one, has vastly increased, because if we look at what the figures were in 2009 we see that average earnings, average equivalised household income in 2009, in the top 10 per cent was £113,000, virtually unchanged. It has come down slightly. In the bottom 10 per cent, 5, 6 years ago, the average equivalised household income £9,100, so the income at the bottom end has gone through the floor. The ratio back in 2009, around 12 to one, between the richest and the poorest, has become 20 to one, between the richest and the poorest, today. So that gives an idea of when I say: "Please let us have a look at the possibility of introducing progressive rates of tax at the top end" that is what we are talking about. We are talking about gross cash income of around £160,000, not middle earners, but quite wealthy top earners. That is what I am talking about and that is why I have picked this particular way of categorising the top 10 per cent equivalised incomes because we know about that. We already know about that. The other thing that worries me is that traditionally we have been told time and time again by Ministers for

Treasury and Resources that we have very compliant taxpayers. We do not have to worry about them. All of a sudden it seems that we are investigating extra compliance mechanisms, fines to impose on people: “How can we get people to pay their proper tax?” Investigation of business tax, we are told. Are we getting a fair share? Yet for a decade we have got the most tax-compliant regime in the world. What has changed in the last decade? Zero/Ten, our company taxation regime, that is what has changed. Is that where we should be looking? Well we should be looking and we should be obtaining some indicators about what is going wrong or what could be better improved in our system. That need not take the next 2 years. Yes, dotting the i’s and crossing the t’s will take us 2 years but the principles of what is going on and the net effect of what is going on can be examined, I would suggest, relatively straightforwardly, including the possibility of one of the solutions which is progressive taxation rates. Because sooner or later I think we are going to have to bite that bullet because, as I say, the structural deficit, insufficient tax revenues, is the thing we have to deal with. I want to, while I am on my feet, just talk about the arguments around: “You must not touch our plan, you must not spend contingencies. You must not do that because contingencies are only for unforeseen and unexpected outcomes” and yet the document that we have got, the comments, says: “We have already committed most of that contingency to this, that and the other”, so you cannot have it both ways, Council of Ministers. You cannot have: “We have committed our contingencies and there is no real flexibility in there to certain things” when they are there for unknowns and unpredictable things, and yet we have already done that, but: “You cannot.” So do not pay attention to Senator Ferguson that you cannot do this because it is absolutely impossible because it is for unforeseen and unpredictable events and that is what we should have. Finally, to those who bang on about uncertainty, I remind Members that life is uncertain. It is a part of life, that is why we enjoy it so much. But to have a fetish around: “Do not talk about anything because you might produce uncertainty in the business community” I am afraid does not wash anymore. They live with uncertainty day in, day out. If you want an illustration of that just look at the build-up to the Brexit vote: expected to be rejected wholeheartedly, turns out, unexpectedly, to be passed. That is where we are.

### **2.3.16 Deputy T.A. Vallois of St. John:**

I have been toying with the idea as to whether I should speak following the speech of the Minister for Treasury and Resources. It was nice of him to have finally decided to look at the personal tax system and how it interacts with the benefit system. Finally, that work I was asking to be done last year, and which I got told by himself and the Minister for Social Security that it was not a priority to do in July last year, so I am grateful that he has made that commitment in both the comments and today in his speech. But it feels to a certain extent there is a slight bit of hypocrisy that happens within these debates. We talk about the uncertainty and the instability that happens around talking about a tax system but yet we, on the other hand, are turning around and saying to the States: “Let us agree a waste charge” without any information. We are going to take £11 million out of a department’s budget and hope, fingers crossed, that the Government comes back next year with the right details, with the right impact analysis, with the right information to ensure that we are going to charge the same businesses, bearing in mind, all the businesses that pay tax, the financial services, the utilities and those who do not pay tax, we are going to make sure that those details come back right and we will support it. Of course, we will probably be told next year: “Oh, well you agreed it in the M.T.F.P. addition so you have to agree it now.” It is not an in-principle decision that we are being asked. This is not £500,000 here and there for a particular small service, this is a vital service. It is important to our health; it is important to the way that we move forward. Over the last 2 terms of the States Assembly, we have taken over £35 million out of the personal tax system. £35 million we have taken out. Thirty-two times we have changed the personal tax system, 7 times we have changed the stamp duty, and a lot of those have not been aligned to what was originally planned through the Zero/Ten, the 20 Means 20, the G.S.T.(Goods and Services Tax) system that

was agreed back in 2004. The Budget last year went some way to assisting towards that and will hopefully recuperate some of those funds that were supposed to happen when Zero/Ten was being implemented but of course we had a financial crisis in 2008. I try to be extremely reasonable with the Council of Ministers, and I say “extremely reasonable”, because sometimes it takes it a bit far when I am promised time and time again that something will happen, that something will get decided. Now this review of personal tax should have started last year. The reason why when I was Assistant Minister at Treasury and I brought forward the changes to the Public Finance Law in order for us to have this second debate was so that we would have the information to make the decisions on how we were going to financially secure a long-term sustainable public finance for the Island of Jersey and it is not there. So we have got an amendment from a newly-elected Senator who is asking us to review the tax system. But the issue here is it is not because it is going to cost £30,000, because the Minister for Treasury and Resources has already said he is looking at these things, some of them are in progress. He is going to set up a ministerial subgroup to look at this information and have external expert advisers on this ministerial subgroup to look at the specific information that he and the Council of Ministers want to look at. So it is not about whether it is costing too much money, it is about how it is being done and what is being done and whether we agree with Senator Ferguson’s amendment in the way that it is being proposed or whether we can believe the words of the Minister for Treasury and Resources again as to whether something is going to be done about just reviewing, just looking at the tax system, producing the data, the analysis that all of us as policy-makers, all of us as decision-makers should have; should have in order to make informed decisions. We will have a budget coming up in December, we will not have the information then, but we will be expected to make changes to the tax system like we do every single year. So I am in a little bit of a difficult position because usually I turn around and say: “I will trust the Minister for Treasury and Resources, I will trust the Council of Ministers.” I am not quite sure I can do this this time because I was put in a position last year where I was told something was going to happen and then I was told it was not a priority, it did not need to be done. But it is such a fundamental part of the way that we provide public services, it is such an important part of the way that this Island functions in supporting so many different services, particularly health included. The Minister for Treasury and Resources and the Chief Minister are fully aware of my views on that health charge. I absolutely believe that if we are going to pay for health services it is through taxation, it is not through separate charges, separate administrations that just cost more money. So, on that basis, at the moment, unless they can pull some magic rabbit out of a hat or produce something that can make me believe that this work is going to get done ... because I spoke to them in July, I asked them about doing this review, I asked them about putting this together. They asked me to put a terms of reference together. I sent that to them on 27th July. I chased them back on 4th September and I still do not know what is happening with that particular email and we are now the end of September. That is how I feel and unfortunately that is the position I have been put in, not because of me, but because of the Council of Ministers. So that really does leave me with no choice but to support an amendment that at least I know I can hold them to account to in the States Assembly at question time and with additional propositions if I need to. So on that basis I will be supporting Senator Ferguson.

### **2.3.17 Senator I.J. Gorst:**

We have heard referred to “Project Fear”. I do not believe in Project Fear. It was the famous American president who said: “The only thing we have to fear is fear itself.” I am not fearful about our future. In fact, I believe that before us we have a plan which will deliver on the social provision that our community require and will need into the future. Nor do I believe that the truth is something to be scared of. That is what we have heard from those who are supporting Senator Ferguson this morning, that what Ministers are saying is Project Fear and that the truth is nothing to be scared of. Of course, the truth is nothing to be scared of, but having advice and acting upon it is

the appropriate way. Having an understanding of the risks and challenges that our community faces and therefore making balanced and sometimes difficult decisions is what we are elected to do. This debate has weaved and ducked and dived and I am not sure that I want to answer every particular way that it has gone.

[12:15]

But let us take the big issue that a number of Members on the other side continually challenge the Council of Ministers for, unfairly and incorrectly, and that is about inequality in our community. They quote the Income Distribution Survey but they themselves recognise that that survey said that the difficulty Islanders were facing and the change in that survey from 2010 ... which 2010 had seen a slight positive improvement. I think, if I recall correctly, in 2010 I was the Minister for Social Security but we have a revisionist view of history, beating up the Council of Ministers. We acknowledge that there is an issue with the cost of housing and that has led to the Income Distribution Survey results. They acknowledge there was an issue with the cost of housing but let us be absolutely clear, economists of both right and left tell us any community that is serious about dealing with inequality for the future does not just spend short-term money on those issues, they invest in health, they invest in education because that is how you deal with inequality and that is how you reduce inequality in this community. We are not slavishly following a neo-liberal view of the world, we are trying to face the challenges that our community in common with many communities across Europe face and putting money into health and into education because we know that that will ultimately deal with the difficult inequality and the difficulties that some members of our community face. That is the right approach and it is the right approach for us to take. The other side of that is of course that we will not have those resources, we will not have that money from the tax take if we do not do everything that we can to ensure that our economy remains strong and competitive. This plan puts money into enabling our economy to remain strong and competitive. It puts money from reserves into infrastructure development, it uses a bond to improve housing, it delivers the economic growth and productivity pot to improve productivity and go after new products and ideas to deliver growth in our economy because they are tied together. We need that in order to invest, to deal with the issues of inequality and those most vulnerable in our community. But we are a small Island community. I am going to upset my colleagues for saying that but we are and we do not want to demur from that fact. That means some of the issues that we face around competitiveness are different from those large sovereign states. We have to accept that and act accordingly. We heard other speakers who are going to support Senator Ferguson say that of course Brexit has brought uncertainty. It absolutely has. We, as an Island, are surrounded now by uncertainty in a way that we have never been before. I stood in this Assembly and said we have had to make some difficult and big decisions about complying with international standards, having a good neighbour policy to the United Kingdom, working with them to deliver transparency, to fight crime, to fight tax evasion, working with them on the Anti-Corruption Summit and working with them to fight aggressive tax avoidance. We have done all those things, we have worked with the European Union to help them understand what our financial services does, the benefit that it is to them, and why we need the zero rate of tax. Because we do not want to tax money a third time and yet that seems to be the hidden suggestion of what some are suggesting. The Senator may shake her head around that. The Minister for Treasury and Resources was absolutely right when he quoted front-page headlines from the *F.T. (Financial Times)*. It was not Project Fear; he can show you it in pink and black. It was absolutely right and there was a large article. We are, as an Island and our international finance centre, under scrutiny like never before. We had the MONEYVAL people over the last 18 months and we had an excellent report. That was through great team effort. We had an excellent report that said we could meet these international standards, that showed that we have a financial services centre that we can



be proud of, but let us be absolutely clear, it needs Zero/Ten. If we send out the message today that we as a legislature, we as a government, do not think we need that, think there is some other easy way to deliver that non-tax here or not adding an additional layer of tax, then I ask us to question whether that is correct. The Fiscal Policy Panel said to us, and it was a broad statement, I accept that, they said: "Stick to your plan, do not do anything that is going to add to the uncertainty. In effect, do not bring the uncertainty out there in the United Kingdom, across Europe, to our shores. Stick with your plan. Build on the bedrock, in this case, of the tax system which has served us well." Now that has got to be our basis for moving forward. That is not Project Fear, that is an understanding of how our economy works and what it requires to function and grow. That growth is not automatic, that growth has got to be worked at day in, day out by members of our community, something like over 13,000 of them currently working in financial services, several thousand more working in business services, in I.T. services, all working together to deliver jobs and a strong economy, thereby giving us a strong future, thereby allowing us to make decisions around the right social provision for our people. We cannot take it for granted, we have not taken it for granted. Ministers get criticised for going on jollies, I think the word is, but, believe you me, if Ministers had not been out to the Middle East, if Ministers had not been out to the Far East, if Ministers had not been to the United States and around Europe, helping people understand what we offer, working with industry to deliver new products, new services and new markets, we would not see the level of jobs in financial services that we see today. Our detractors said that we would lose thousands of jobs in financial services. Our competitors, both in Europe and further afield, would like the business that we write here to be written in their communities for the same reasons that we want it here. We are in a strong position but let us not for one minute take that position for granted. Let us not do something hastily today which would undermine that position. The Minister for Treasury and Resources is a reasonable person. I will not describe the faces of some Members mindful that we are now being recorded. **[Laughter]** He and I have sat down with Senator Ferguson to try to understand what it is that she would like to see delivered. I apologise to Members that the comments were later than we would have liked them to have been. But if Members have had time to review those comments, I think they will see that we have really tried - in fact, beyond - to meet Senator Ferguson halfway in gathering the information and bringing forward the information about personal tax that she would like us to do. I think perhaps the difference lies in this, that Senator Ferguson fundamentally believes that this work and information-gathering must be undertaken by an independent person. I fundamentally believe that the people that we have got in the Taxes Department and in the Statistics Unit - Statistics Unit is independent; Taxes Department is statutorily independent - are the right people. They will pull no punches. They will tell Ministers and Scrutiny Panels the facts as they are. We have got recently a new Comptroller, he may be called Controller now, at the Taxes Department, an experienced compliance expert from H.M.R.C. (Her Majesty's Revenue and Customs), so all the comments that Deputy Southern said about compliance and what on earth we were doing about compliance were unfounded and unfair because that is what the new Comptroller's remit is all about. **[Approbation]** Those people are the right people to collate the information and to provide the information to the ministerial subgroup. I have not checked this with the Minister for Treasury and Resources, but if other Members of the Assembly wish to form part of that group then I for one would welcome their interest and their involvement because these are important but technical issues that we need to consider in the round. I am not sure that I need to add much more to that. Senator Ferguson will, in her summing-up, tell us that it is a simple proposition with little consequence, what have we got to be fearful of? We have got nothing to be fearful of. What have we got to be fearful of? It will cost £30,000 and it will take 5 weeks. I think every Member, even those who are thinking of supporting Senator Ferguson, knows that the piece of work that is being undertaken, the collation of the data, will cost more than £30,000 and will take longer than 5 weeks. We really, really have tried to meet Senator Ferguson, as we have with many of the amendments, halfway,

delivering what she wants, with the experts who are statutorily and independent of government providing the data so that we do not fall into the risk. Some may say that those risks are being over-exaggerated. I do not believe that they are because I see on my travels, and I have it reported back to me, the things that our competitors say about us to try and get our business. I do not want to add to that risk, I do not want to bring the uncertainty which we are surrounded by here to our economy.

[12:30]

We have enough challenges already, let us not add to them by accepting this seemingly appealing and simple amendment. Thank you.

**The Deputy Bailiff:**

Does any other Member wish to speak on the amendment? Then I call upon Senator Ferguson to respond.

**2.3.18 Senator S.C. Ferguson:**

That was very interesting. I have heard it all before. You know the Chief Minister talks about the politics of fear. I think that was probably because I mentioned to him yesterday, or was it over the weekend, I cannot remember when, electors are no longer cowed by the politics of fear. Electors know what is happening, electors understand the sort of double speak of politics. I leave it at that. The Chief Minister wants to put money into health, et cetera. Is it not perhaps a good idea to know where it comes from and how it comes in? You know, we are talking about uncertainty and so on, well this base erosion ... now let me get it correct. The base erosion and profit sharing, that will please the Deputy of Grouville because that is the first step to getting local companies or companies owned from overseas who are operating in the Island paying taxes. But that seems to have been overlooked when we are talking. The Chief Minister and the Minister for Treasury and Resources have gone at length on the extensive work the Treasury and Tax Departments are doing on producing tax information. I am not asking for policies, I am not asking for a direction, I am asking for information, quite simple. You cannot do anything if you do not have the evidence and the information. But sadly these Ministers seem to have forgotten the precedents. In fact, the Chief Minister and Minister for Treasury and Resources seem to have forgotten that those who ignore history are doomed to repeat it. In 2007 the Public Accounts Committee of the day brought an amendment to the Budget 2008 to save £12 million, that will be about £17 million in today's money. Not a lot you would think. Talk about Chicken Little. The world was going to end, the sky was going to fall in. We were assured that 3 bright new young Assistant Ministers were to look into it, they would have all the resources they need, et cetera, et cetera, and what resulted? Absolutely nothing. Nothing was found, nothing changed, no efficiencies. Now, I have had it on good authority that there was nothing. I am sure the Chief Minister and the Minister for Treasury and Resources will no doubt say that they achieved a great deal but those of us sitting in the States Assembly or on the Public Accounts Committee did not see anything. But the sort of comments we got, and I have heard very similar comments today: "That is the way forward, not this unworkable and frankly ill-thought through amendment. It simply cannot be delivered without the very, very serious service cuts that I referred to earlier." £12 million? Come on. Another one: "This amendment is damaging, it is flawed and simply undeliverable." I have heard a similar one from Senator Bailhache this morning. You know, history repeats itself. That was just over a £12 million reduction in expenditure, 3 bright, new, young Assistant Ministers tasked with finding savings and efficiencies. I have it on good authority, as I have said, that they achieved nothing. Absolutely zilch. But what I can tell you is that the so-called £35 million savings quoted in that speech were not, as can be seen in the report of the Auditor General of the day. So much for the extensive work that is done in-house. Now, we have some very good civil servants and I have great admiration for

them, but I have not seen the results that are being talked about and the projects that are being done. In fact it all goes to support Psalm 146 verse 3. A sermon as well. “Put not your trust in princes.” Promises made in a rush of enthusiasm during or just before a debate, despite the sincerity with which they are made - and I have no doubt of the sincerity of the Council of Ministers but they do tend to be diluted, changed or even kicked into the long grass. Some Members have said that they consider that such a collection of information should not be done in public. But these are simple straightforward questions which have been asked and answers are required. Why do we need the secrecy? This is akin to the Ministers who have refused to acknowledge the structural deficit until after the 2014 election. I am drawing attention to information we need to deal with domestic problems and fairness for Islanders. We have had so many public consultations, part of the fiscal strategy review, analyses of Zero/Ten. We have had numerous Freedom of Information requests which reveal the percentage of people who pay tax and in what bands. We have had the Minister for Treasury and Resources express concern that 30 per cent of the population does not pay tax. Given the above, why would we want to have a review which is cloak and dagger stuff? It seems to me that there is a strong possibility that the Council of Ministers are terrified of change while at the same time they are introducing a swathe of new taxes on Islanders and vainly hoping for the levels of economic growth of the 1970s and the 1980s. The sticking plaster approach, the ostrich approach, the world has not changed approach no longer work. All this amendment does is to ask for information to explain the bizarre figures on local population and domestic tax paid given the apparent inequity of the domestic tax scene and the current squeeze on middle Jersey. It is to collect information. I merely support what is being said in intelligent households throughout the Island and not just left wing or low income households either. I am hearing the comments from 1(1)(k)s - or whatever you call 1(1)(k)s now - wealthy residents, the latest equivalent of 1(1)(k)s, traders, people in the finance industry and even an ex-Treasurer of the States. These arguments were central to the recent by-election and the general population is aware of these arguments. The Government does not seem to understand that you evaluate your income before you decide what you can afford to spend. That is the basis of budgeting and we are not getting it. It is taxpayers’ money we are discussing and taxpayers should be involved. We owe it to the people of Jersey who we represent and who elected us, to restore fairness to the domestic tax scene. This cannot be effected without the information for which I ask. So I feel that a vote against my amendment is effectively a vote against fairness and I would ask people to support my amendment and I commend it to the States and ask for the appel.

**The Deputy Bailiff:**

The appel has been called for. I invite Members to return to their seats. The vote is on amendment 9 as amended by Deputy Southern’s amendment. If Members have returned to their seats, I ask the Greffier to open the voting. If every Member has had the opportunity of voting, I ask the Greffier to close the voting.

<b>POUR: 18</b>		<b>CONTRE: 30</b>		<b>ABSTAIN: 0</b>
Senator S.C. Ferguson		Senator P.F. Routier		
Connétable of St. Saviour		Senator A.J.H. Maclean		
Connétable of St. John		Senator I.J. Gorst		
Deputy J.A. Martin (H)		Senator L.J. Farnham		
Deputy G.P. Southern (H)		Senator P.M. Bailhache		
Deputy of Grouville		Senator A.K.F. Green		
Deputy J.A. Hilton (H)		Connétable of St. Helier		
Deputy J.A.N. Le Fondré (L)		Connétable of St. Clement		
Deputy K.C. Lewis (S)		Connétable of St. Peter		
Deputy M. Tadier (B)		Connétable of St. Lawrence		
Deputy of St. John		Connétable of St. Mary		

Deputy M.R. Higgins (H)		Connétable of St. Ouen		
Deputy J.M. Maçon (S)		Connétable of St. Brelade		
Deputy S.Y. Mézec (H)		Connétable of St. Martin		
Deputy L.M.C. Doublet (S)		Connétable of Grouville		
Deputy R. Labey (H)		Connétable of Trinity		
Deputy S.M. Bree (C)		Deputy of Trinity		
Deputy T.A. McDonald (S)		Deputy E.J. Noel (L)		
		Deputy S.J. Pinel (C)		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy of St. Peter		
		Deputy R.J. Rondel (H)		
		Deputy A.D. Lewis (H)		
		Deputy of St. Ouen		
		Deputy S.M. Wickenden (H)		
		Deputy M.J. Norton (B)		
		Deputy of St. Mary		
		Deputy G.J. Truscott (B)		
		Deputy P.D. McLinton (S)		

## **LUNCHEON ADJOURNMENT PROPOSED**

### **The Deputy Bailiff:**

Very well, the States stand adjourned until 2.15 p.m.

[12:41]

## **LUNCHEON ADJOURNMENT**

[14:15]

### **2.4 Draft Medium Term Financial Plan Addition for 2017 – 2019 (P.68/2016) – seventh amendment (P.68/2016 Amd.(7))**

#### **The Deputy Bailiff:**

Very well, we now continue with amendment number 7 and I would ask the Greffier to read the amendment.

#### **The Greffier of the States:**

Page 2, paragraph (a)(i), after the words “Summary Table B,” insert the words “except that the revenue head of expenditure of the Department of Economic Development, Tourism, Sport and Culture shall be increased by £30,000 in 2017, 2018 and 2019 to support Jèrriais and the revenue head of expenditure of the Department of Education shall be reduced in each of those years by the same amount”.

#### **2.4.1 Deputy M. Tadier:**

Members will be pleased to know that I am not going to open my speech in Jèrriais; there are 2 main reasons for that. The first one is that I do not speak much Jèrriais, despite the fact that I do sing in a local band which does sing in Jèrriais, which even writes its own songs but, again, it is not me who writes those songs. But I do have a passion for our native language. I call it our native language even though many of us may not necessarily speak it. We may know a few words of it, we may know a little bit more, or indeed we may have learnt it coming to the Island from somewhere else and adopted it as part of the culture that we inculcated ourselves with over a long period of time having lived in the Island. Before I cut to the chase about this actual amendment and

the funding - where it is coming from, why it is coming from there and why I would like Members' support for this proposition amendment today - I want to talk in more general terms about the crisis that is facing Jèrriais and also the importance of it. I will not labour the point, because I think that there are others who can and have spoken more eloquently and perhaps more authoritatively than myself. Indeed, in an email that I circulated earlier, I know that we have at least one strong supporter and, indeed, native speaker in this Assembly in the Constable of St. Saviour, who I know has said to me privately, but has also indicated by her public support from the proposition which was on the table, which I understand she has withdrawn for her own reasons, and I respect that. The fact that there are people better placed, but I think many of us, if not most or all of us, share that idea, even if it is a newfound idea that Jèrriais is important, that it is something we should support but moreover that is something which is in danger of being lost. Now, at lunchtime I popped home and I dusted off this old book from my bookshelf, which is called *Dictionnaire Jersiais-Français* and it was written by Frank Le Maistre. I think we have one of his sons sitting with us today in the public gallery. What is quite apparent, and I will refer to his book again in moment, just looking at the *avant-propos* or the foreword that is in front of that, interestingly written in French by the Bailiff of the day, R.H. Le Masurier. It talks quite extensively about similar problems that we are facing today. I will quote perhaps very quickly: "*La mesure dans laquelle l'Île a pu concilier ces désirs est une matière à controverse. Cependant, nombreux sont ceux qui partageront mon impression de perte en observant la disparition progressive du parler jersiais qui, comme toutes les langues, a exercé au cours des siècles son influence subtile sur le caractère et la pensée du peuple.*" Essentially it says there and goes on to say that Jèrriais is in a delicate, indeed critical, position. That was all the way back, I think, in the 1960s that that was written. I guess the expression is *plus ça change* except the difference is ... I think there are 2 critical differences, one we can be optimistic for, the other one is perhaps still a cause for concern. How much more concerned should we be today when we look around the Island ... when perhaps we could have said there are thousands of fluent native Jèrriais speakers or non-native speakers of Jèrriais, I doubt that that number is anywhere near that. We know that those who do still speak Jèrriais, perhaps on a daily basis, or more likely who have the knowledge of it are quickly approaching their 90s, they may already be, by and large, octogenarians, although not exclusively. While they are still using that language, keeping it alive and in some cases passing that on to their children and grandchildren, the numbers are dwindling. Now, it would be nice to think that we could have an ageing population in the future, which is growing, and that that ageing population is a population, at least to some extent, of Jèrriais speakers. But I think there is positive news and cause for celebration. First of all, by and large, in the past we have been reliant on individuals and interest groups to create such books like this or learning material and largely it is down to the - I am not going to say the whims - fact that there are these individuals who exist, who spend their own time, energy and often money promoting the culture that they love. It has to be said that historically, both recently and in the past, there has been a dereliction of duty from this Assembly and from Government to support the native language both financially, politically, emotionally in the way that they, and perhaps we, all should have. I think that has generally been recognised now. I hope that we are at a point where we turned the corner. We had some very good speeches that were organised not so long ago which took place at the Musée and elsewhere, where we had a variety of speakers, a local individual who we all know, we had Dr. Mari Jones, who is an academic, who came to speak to us from Cambridge who, herself, teaches modules on Norman French, including Jèrriais. We also had a young native speaker, or somebody who learnt the native language, of Manx, from scratch no less, in the Isle of Man. We all know the example of the Isle of Man really does give hope to Jersey. We often make comparisons with the Isle of Man in this Assembly, do we not? But far too often you could argue that is to do with taxation. We say: "Isle of Man is a zero tax rate jurisdiction, let us try and do what they do" Guernsey, Cayman Islands, B.V.I. (British Virgin Islands). But in this case it is nice to be talking about our cousins, Celtic

cousins across the water, who have managed to salvage and do more than that for their own native language of Manx. We do have similar people nowadays. We know that great work has been done and is continuing to be done by L'Office du Jèrriais. You can tweet them and they pretty much will reply back to you in Jèrriais. I will come on to that in a moment. Again, I think we are relying on a very small group who are putting out a great deal of work. I do not think it is one of those departments that can do more with less. I think they are already doing a remarkable amount of work and output from them with already very little. That is an area which I think we all know we need to invest in. The other thing, of course I am not here to plug any particular Jèrriais folk pop band in particular, but if it was not for individuals like Kit Ashton, who was commissioned by the Education Department, or by L'Office du Jèrriais, who worked in schools to come up with, initially, what were 5 songs to be able to teach Jèrriais in those schools. Again, this was all done largely voluntarily and by people who wanted to learn the language and wanted their children to learn the language. There is no idea of compulsion being talked about here. There was a natural organic uptake and, of course, what were originally going to be 5 songs for educational purposes very quickly turned into 10 songs, which became an album, not simply for being made available in schools, but more widely to be enjoyed at concerts, at the Island Games, at the Farmers' Inn, right across the Island in many different contexts. The Parish Halls right throughout the Island where Jèrriais is often at the heart of the community. It has to be said also, this band is on the point of being able to very quickly and very soon launch their second album, which I would say is much better than their initial one. I would say other albums are available, but that underlies an important truth that, of course, they are not available. But I would like to be here in the future and say that there is not just one band in the world or one band in Jersey which does speak, sing, write songs and adapt existing songs and poems in this ancient and very rich language, but that there are a whole plethora of them. It would be nice to think that maybe the Education Department in 5 years' time would have a prize that would be available to the school, the individual or the band that comes up with the best, latest Jèrriais rap song or hip-hop or whatever the particular genre might be, that may feature at the Eisteddfod as well. Having travelled around the world ... and Eisteddfod is perhaps quite pertinent, it is a Welsh word and we know what Wales has done with their own language. Of course we come from a completely different starting point. Wales is a completely different area, different demographics, probably a lot more native speakers to start with. They essentially have a partly hostile enemy sitting on their doorstep historically that they have enjoyed having their own language and promoting their culture and vast amounts, of course, have gone into that protection and encouragement of the promotion of Welsh, albeit or including in their own National Assembly, which no doubt spends huge amounts on their Welsh speakers, translations, *et cetera*. But it is something which has happened organically and which is valued by the population to the point where, I think, it is accepted widely. That is why I think it is not just about money. I think that is also accepted by the different proponents in the Assembly and across the political spectrum. We need to get to a point in Jersey where Jèrriais is widely spoken, where it is ubiquitous. Now, a lot of us will know some Jèrriais and people visiting the Island and staying in the Island, even a few months, will get to know some Jèrriais. I suspect even those of us who do not think we know any of the language will know what expressions like *séyiz les beinv'nus en Jèrri* means - excuse the pronunciation - it is what we like to call a Quennevian pronunciation - I think on the back row those of us who come from Les Quennevais. But we all know what that means. We know what *mèrcie bein des fais, à la prèchaine*, those kind of things mean. Largely because we have probably seen them when we are coming into the airport, or when we are leaving the harbour, or coming into the harbour. A lot of people know those things. I would like to think we get to a point where this dual language, the signage, could be statutory. That is one thing to look at. We could, as an Assembly, legislate for this but I would like to think that whether or not we do do that, certainly as far as the States and Parishes are concerned, that there would be an uptake from the public and businesses. We were told that Waitrose, for example - other supermarkets are

available - do automatically, as a common area of practice, put bilingual signs in countries which consider themselves to be bilingual. So if you do go to Cardiff and to the Waitrose stores and other stores, you will see bilingual signage there, English, Welsh. I had the pleasure, when I was a student, and shortly after, of living in some Francophone countries or departments which were part of France, but which were not part of the mainland, in the Indian Ocean and later on in Martinique, and I have a little book there which I dug out as well. It is called *Ann Pale Kreyol* and it means "Let's speak Creole". What I found, even though I only lived in Martinique for about 6 years - 6 months, sorry - it would have been nice to live there for 6 years - even after 6 months you end up picking up the language, and not only that, you want to pick up the language. It seems that it creeps into you, it is on the radio, it is on the music stations, they have their own versions of Zouk, or whatever, Zouk love, depending where you are. The music, which is written and sung in their own language, alongside French and, of course, the international pervasive language of English. It does seep into your consciousness. Of course, I came from a linguistic basis, but I think many others had this desire. It would be nice to think that we could get to the point in Jersey where it becomes so central to our cultural identity that, irrespective of where one comes from, one realises that one is not simply in a High Street where you could be increasingly anywhere in the U.K. We are not simply just another part of France but there is a difference between Jersey ... and that, of course, has economic benefits.

[14:30]

It will bring people in from Normandy, from France, from England and they will say: "I went to Jersey, I worked there for a few months, I did a placement there in one of the High Street banks. I worked in whatever industry and it was really interesting and I can recommend it, not just because it is a stable jurisdiction, but because it is a vibrant cultural base where there is a lot going on in the community and, guess what, they have their own language and they have all of this", which I think can only be good. Not simply on a cultural basis, but it has all the additional benefits which we know about. So, I do not want to labour that point too much. I think, hopefully, I am preaching to the converted. This is not about blame but, as I said before, I think there has not been enough done to support those who would promote and want to encourage the speaking of a native language. If you wanted to perhaps find an expression about the political attitude that we have and perhaps various administrations over the years have had to Jèrriais one might say: "*I n'peuvent pon même trouver lus tchu auve les deux mains.*"

**The Deputy Bailiff:**

Deputy, I am going to ask you to translate that into English, because that is not something that I am entirely familiar with.

**Deputy M. Tadier:**

That is right, Sir. Just before I do that, in English we might have an expression which quite concisely says: "They cannot organise a party in a brewery", but the beautiful thing about Jèrriais, that I have come to understand and appreciate, is that Jèrriais is a much more earthy language, and I think that has partly come about ... and I am getting to the point. **[Laughter]**

**The Deputy Bailiff:**

I am not wholly familiar with Jèrriais, but I thought I recognised one word in what you were saying, but I think it would be entirely unparliamentary. So are you proposing to translate it for the benefit of the Assembly?

**Deputy M. Tadier:**

Yes, Sir. As I said, the way I understand it to be translated and so to be within the realms of parliamentary acceptability is that they cannot find their backside even with both of their hands. That is what I am reliably informed it means, but I may be wrong, Sir.

**The Deputy Bailiff:**

Could I ask you to withdraw that; that is not a parliamentary expression?

**Deputy M. Tadier:**

I withdraw that, Sir, and particularly the word “*tchu*”.

**The Deputy Bailiff:**

Yes, perhaps you could withdraw that as well.

**Deputy M. Tadier:**

Yes, Sir.

**The Deputy Bailiff:**

Thank you.

**Deputy M. Tadier:**

I will stop there, otherwise we will get into a downward loop. But, as I have said, the beauty of Jèrriais is that it is tied in very much with the earth, it is tied in with the sea and we know that often the fact that these industries have arisen in the past and it has attracted people from all over the world to work here, and they did used to use Jèrriais as a type of *lingua franca* to speak among each other. So let us get on to the serious business of what we are here about today. I think there are 2 issues here: the first issue to say is that we have been in a bit of a mess, not simply in our attempts, and often in our lip service, to try and protect Jèrriais but even more recently when I was trying to find out what had happened ... how do we get to a scenario where within the last year at a point when we know, or perhaps did not know, that Jèrriais was in such critical danger of extinction as a language that the Education Department think it is okay to cut £30,000 of funding from an area which is already unfunded, under-resourced and does not have enough attention being brought to it. How can that possibly be acceptable that that is even considered? Especially, and I refer Members to the written question that I circulated in the proposition, which said that other areas of culture have been protected, and I think quite rightly - I am one of those Members who will stand up and fight for cultural funding in this Assembly every time it is needed. They have already had various cuts across the cultural portfolios. But how can it be acceptable that somebody thinks - whether that is a civil servant, a Minister, an Assistant Minister - “That is okay, we will take £30,000 away from the funding of Jèrriais”, especially at such a critical point when they know that there are retirements coming up, which the office have been telling the department about for over 2 years, and they cannot manage to get a plan together. I was told that even to put an advert in the paper to recruit teachers it took the best part of 2 years just to come up with the suitable wording to recruit a Jèrriais teacher. That has to be a shocking indictment of where we have got to as an Assembly and, indeed, perhaps as an Island when it comes to looking out for our own native language. So all I could do, and I made the promise to those at the office before that I would seek, if nothing else came forward ... and certainly, at the time of lodging, mine was the only proposition on the table and I had not heard anything from the Council of Ministers, or anybody else, suggesting that they were going put a different salvage package into place for the language. So I did say to them: “I will make sure, at the very least, that you get your funding back” which is £29,000 plus uprated slightly going forward for the next 3 years to £30,000. That is the very minimum. I was told, I think in good faith, but it turns out to be incorrect and I checked as late as yesterday with an individual from the Economic Development Department: “Is it the case that the money was removed from that fund



before it was transferred over to Economic Development, because I have been told differently?” Even yesterday there was still a lot of confusion and that person told me, as I said, labouring under a misapprehension, that that was still the case. Of course, I have asked for the money to come from Education and to be transferred to Economic Development. In one sense I think it is academic where the money comes from, but my key concern is that Jèrriais is at least put back to the position where it was and then after that we come up with a proper cross-bench working party, if you like, both in and outside of the States to make sure that we do enough to promote the language, to keep it and revitalise it. I must say that I am quite ambitious when I look at the language. From my past experience and the experience that they have in other jurisdictions I think we can get to the point where we do not just have Jèrriais preserved, where it is not some kind of museum piece where we have a few recordings digitally there for the next generation, where we have a couple of token people, a couple of token students and a couple of G.C.S.E.s (General Certificate of Secondary Education) and perhaps one PhD student who has done their work in Jèrriais. I want to see it much more expanded than that. I know it is ambitious and bold - it will need financing - but I think, moreover, it needs the support and the energy of all of us here and those working in civil society to do that. The other reason I do not think it is too important where the money comes from, and again the Council of Ministers or others will stand up and say: “You cannot possibly reduce the Education budget by another £30,000 because that is going to have an impact on other areas of education” which is, of course, the comments that have been put out there in the comments paper by the Council of Ministers. We know that the Council of Ministers can, and do, shift money around all the time. The Chief Minister has said - and I am looking forward to his words - that he will find money. He will, or has, identified funds that can be used to fund at least one position for the teaching of the language in the meantime while others retire and restore that money. That money is coming from somewhere, we do not know. So the way I would like Members to see this amendment today is really not to get bound up in the technical nature of where the money is coming from, or where it is going to. I would like Members’ support as a vote of confidence in our own native language. I do not think this Assembly has necessarily had the opportunity to do that ever, or, if it has, not in recent times. I think it is important that we all put on record our support for the language, not simply in some kind of detached, abstract way, that we do it here with our vote today and we say to the Council of Ministers that we would like that money to be restored to the appropriate fund where it was. If you have an idea already on the table for extra funding, great, I will certainly listen to that and take that commitment on board for it to be put on Hansard and to be worked on and for other, I think, statutory funding in future to be put in place for Jèrriais. The Don Balleine already does a great job, I would probably trust the money to stay with them more so, but we can talk about the various options that will be on the table, because I think it is important that we have individuals who are passionate and know about the language, but I also accept the fact that there is a need both to train new teachers and to get existing speakers of the language, who might make great teachers, to do the language. So it is obviously twofold: you need to teach current speakers, where possible, to become teachers and you need to teach teachers to speak and to be able to teach Jèrriais. That work, I think, is already starting. I do make the proposition and I thank Members and yourself for your indulgence over the course of the debate.

#### **The Deputy Bailiff:**

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

#### **2.4.2 Deputy R.G. Bryans of St. Helier:**

As I start here, I know that in terms of intention I am not too far away from what Deputy Tadier is looking for and I hope, to some extent, from what I say in the next few minutes, I can reassure him where we are going to in the future. This amendment springs from a fundamental misunderstanding, which I think has been explained to Members in the comments, so I will not

speaking long on it. I would just like to clarify the position for those outside the Assembly. The amendment suggests that £29,000 was removed by Education before the budget was passed over to Economic Development. That is completely incorrect and the comments provided to everyone point out that the funding was delivered intact. The background is that over a year ago we were asked to provide ideas for possible savings, more commonly known to Members as Red Book 1. We had to accept that no one area within Education could be exempt from the process. We looked at everything. One option was to reduce the Jèrriais budget by £29,000, but not until 2017. At the actual time of the transfer, January of this year, the cut had not come into effect, so when the budget was passed over from us, it was delivered in full. £147,000 was transferred to Economic Development, no cut had been made, this is confirmed in the States' financial accounts. A lot of the responsibility for Jèrriais now sits clearly within Economic Development's cultural portfolio. Education has continued to be involved in many discussions about the future of Jèrriais. One conclusion is that teaching of any kind is best delivered by experts, and in the case of Jèrriais, by professional teachers, who are qualified to the same level as their colleagues in our schools. Using the funds from Economic Development's budget and with the support of the Don Balleine Trust, Education has recruited a new Jèrriais teacher who is an experienced classroom teacher. A united Council of Ministers has also agreed that another £102,000 will be made available for the recruitment of 2 more teachers. So it appears that the reports of the death of Jèrriais might be premature, as the saying goes. There is undeniably a desire to keep our language alive and efforts are taking place in 3 areas: first, to educate the Island's children about where this unique language fits into our cultural history. As planned at the start of my term of office, we have changed the curriculum so that it is more Jersey centric. A curriculum that celebrates both our rich history and our Island's heritage. The aim is for all primary schools to provide an introduction to Jèrriais for all children, giving its cultural context and then the opportunity for any child to have extracurricular Jèrriais lessons if they want to. This is no different from a similar practice observed in the Isle of Man, which was mentioned earlier. All teaching on the Island is provided by qualified teachers on an optional basis. Second, the Economic Development have, through their cultural agenda, under the stewardship of Deputy Norton, agreed to new initiatives to revitalise public engagement. I am sure he will mention these later. With the help of the digital sector, and Senator Ozouf, there is a plan to preserve the spoken word for future generations by recording those mature members of our community who still speak Jèrriais. Not to record the voices of our Islanders, who remember it so fondly, would be a dreadful mistake. In fact, a quote I just saw yesterday I would like to paraphrase: "If a person who speaks Jèrriais dies, that is like a library burning." Third, we want to provide the best teaching practice available to help secure the language's survival. This was echoed by the Director of Education in the Isle of Man when I spoke to him just a few weeks ago regarding the teaching of Manx on the Island. It is time to review and refresh what takes place in our schools. Our current Jèrriais team have arguably kept the flame lit, but the retirement of the 3 stalwarts is an ideal moment for us to take stock and, as with any area of government, see if there are other ways of doing of what we do and tailoring more closely to what will inspire our children and their families. I have stated several times publicly that I totally support the teaching of Jèrriais. I fully appreciate and understand its value to that of the Island. I described it at the Culture Conference as an umbilical cord to the past. It is not our intention to sever this unique link with history.

[14:45]

I have been filmed, along with the Chief Minister, supporting Kit Ashton from the Badlabecques in his submission for a bursary related to the importance of keeping Jèrriais alive. Most of us were present when Dr. Mari Jones made an impassioned plea for Jèrriais. The key element of her speech was to devise a strategy that would include succession planning and allow the language to be nurtured and flourish. The Island needs a new and co-ordinated plan for Jèrriais, one that inspires

all generations and makes the language a part of modern Jersey life. Education will play its part. So, in summary, we have recruited a new passionate teacher, who starts after the October half term and has already embarked on learning Jèrriais. She will then provide focused tuition of the highest quality to our primary children. The extra funding to recruit a second and third teacher provides stronger succession planning. We have collaborated with Economic Development and will support their ambitious initiatives to engage the adult population, particular our older Jèrriais speaking Islanders and to digitally record their language for posterity. Finally, we handed over in full all the funds that were available for Jèrriais when the transfer took place in January. I understand the Deputy's intention in his amendment, but it is misconstrued and he was misinformed. I think he is still misinformed when he suggests the Council of Ministers are divided over this issue. I cannot support his amendment because it would, as he says, result in the filleting of funds erroneously from our already stretched budget. We have crafted a plan to take the education on this Island to another level. To do that I need to remain focused and I need every penny of my budget to target the areas it is needed most. So, while remaining a supporter of Jèrriais, I urge Members not to support this particular amendment.

#### **2.4.3 Connétable S.A. Le Sueur-Rennard of St. Saviour:**

I am a little bit disappointed with the Minister for Education, but he has his reasons, like I had mine, for withdrawing. I have to say I withdrew because the Deputy already had everything in place and I thought it would be stupid for me to bring another one forward and everybody talk all over again about exactly the same thing. My mum and dad, God rest them, they were both 5 or 6 before they knew English, because they had learnt Jersey French at home and it was the only language that was ever spoken. It was still spoken a lot right until they passed away quite recently, bless them. If somebody came in and they did not want them to know about it, they would go and talk in Jèrriais, which was wonderful, and during the Occupation they spoke Jèrriais and the Germans could not pick it up. I am a little bit disappointed with what has just been said - and I may have misunderstood - that we have money for a teacher who is at this present time learning the language? I find that frightening, to be honest with you, because we have a lot of local people - and there are still a lot - who talk Jèrriais and if you were to employ, or talk to, one of them you would find that they can teach it, because they have been brought up with it. To bring somebody in now who is learning the language ... as I say, I may have misunderstood, maybe we have somebody who does know Jèrriais, but if we are having to teach somebody now and they are hoping to know it by the end of October to start a school term in November, I think that is going to be fantastic, miracles still happen. I am, as everybody will know, very, very proud of my Island and I would like us to embrace our culture like other cultures we embrace on this Island. We have a Portuguese week, we have a Polish week. Guernsey have their Dgèrnésiais Day in Saumarez Park and it is a wonderful evening. We have absolutely nothing, except the Tapestry Museum, that says we are Jersey. Now, this Island has a lot of history and if we want to go back far enough - and no disrespect to you, Sir, as a representative of the Queen - we did conquer England first.

#### **[Approbation]**

#### **The Deputy Bailiff:**

Indeed the Crown did.

#### **The Connétable of St. Saviour:**

Yes, because we were very loyal to the King. We always seem to have been loyal to the Crown, and nothing has changed. We supported King Charles, hence the mace that we have here. So, we do have an awful lot of history in this Island, which should not be lost and should be taught alongside the language to the children, not only children, grown-ups as well. I know I keep harping on about it, but I am disappointed that we have somebody who is learning the language within a few weeks to be able to teach children. Somebody will pull me up and say: "No, that was wrong",

but we have a gentleman in the gallery here whose father spoke nothing but Jersey French and when outsiders came into the family, he would not talk to them unless it was in Jersey French. So they had to learn Jersey French. So it is a beautiful language, we should have it and as we are now promoting C.D.s (compact disc) I would like to say that I have one. **[Laughter]** No, seriously, it was made with the children from La Moye School and the Band of the Island of Jersey and it is still available. Only the one Jersey French song on it, but it is worth getting to help function with everybody. I would like everybody to seriously think when they are asked to do the appel and they push their buttons, that if they go against this proposition that the Deputy has brought today, they are going against their Jersey heritage. There are enough of you here who are Jersey and, if you are not, you are still reaping the benefits of a beautiful Island. Please, please do not let the culture, that you have embraced, disappear. It is very important that the language and the rest of the culture is not a museum piece like we have at the moment. We were occupied by the Germans for 5 years, we conquered Britain in 1066, we are still doing our bit for the world, please embrace the Jersey culture, which you have embraced the Island, the Island has given you a living, please do not let the language die. **(Jèrriais spoken)** I am not going to ... that was not parliamentary language and you do not wish to have the interpretation. I apologise now. **[Laughter]**

**The Deputy Bailiff:**

Could I ask you if it was parliamentary language to withdraw it?

**The Connétable of St. Saviour:**

I withdraw it and I apologise.

**Deputy R.G. Bryans:**

If I could just clarify one point, because the Constable did ask if she had misheard it. She did not mishear, except the teachers are already in place: there will be a transient period while the new teachers get to know Jèrriais, but there is quite a long time while the people who are already there carry on.

**The Deputy Bailiff:**

That is a point of clarification from your previous speech, Deputy.

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

It is a pleasure to follow the Connétable with her fine words of wisdom in various languages. Also a pleasure to follow Deputy Tadier and his amendment, much of which I agree with. I share his passion. I share his passion for advertising C.D.s when we are on television, I share his passion for signage, although I would say encouragement, not compulsory, would be the way forward. With regard to the confusion over budget, £147,400, I find was transferred from Education to Economic Development, Tourism and Sport and Culture, but our hands were tied over £29,000 of it that had already been identified for a saving, which we were obliged to make. So, that is where some confusion has come. When I am asked how I am and how I am feeling in Jèrriais my favourite reply - and you are going to get more Jèrriais here and I will translate it - is: "*Comme lé temps*", which means like the weather. Excellent to use on sunny days, but I would advise against it when it is windy and there is a bit of thunder around. *Comme lé temps* is the phrase and it means like the weather, and I learnt it quite a long time ago. I am not from Jersey, but I embrace this language, I embrace this culture. It means a great deal to me and it means a great deal to this Island. I will not pretend that I speak much Jèrriais, but I do support more funding at what I believe to be a crucial time if we are going to save this unique language from dying out completely. I must thank Deputy Tadier for his enthusiasm for the language over many years; musically with the Badlabecques and otherwise. I support the same cause. It would appear that we are in danger of agreeing with each other, but just not the method chosen in this amendment. The amendment is quite clear on taking

£30,000 from Education. Were this the only funding available to Jèrriais, I have a feeling I would probably support it, but it is not. Perhaps I should accept some of the responsibility for that confusion in discussions that both Deputy Tadier and I have had in the past over the original £29,000 saving. Probably also for not being as inclusive of the ongoing work that has been happening with the Deputy. For both, if that has happened, I sincerely apologise. I can understand that given the confusion that Education originally identified those savings it would appear logical to go back to that place and get the money back from them. But taking the money from Education is not the way forward. A Jèrriais funding discussion has moved on. The proposed £30,000 transfer of this amendment would not be enough alone to fund a teacher anyway, which is why steps have already been agreed to fund a second and third teacher, which this amendment would not do. So, in terms of the amendment, we are already going 2 steps further than this amendment is. I would wish, in that case, that Deputy Tadier would accept the work that is being done, which is putting more funding into Jèrriais than this amendment is asking. It is quite simple maths, £102,000 compared to £30,000.

**Deputy M. Tadier:**

Would the Assistant Minister give way for clarification? Is the Minister saying that if this amendment is passed today that offer from the Council of Ministers is off the table and that Jèrriais will only get £30,000 or is it something that we can both?

**The Deputy Bailiff:**

Is that a point of clarification that you are able to clarify?

**Deputy M.J. Norton:**

I am not able to clarify that, but I am hoping that the Chief Minister will be able to clarify that very shortly. So I will put it at the Chief Minister's door. I am assured from discussions that I have had with Education, that I have had with the Chief Minister's Department, that funds will be made available for more teachers and you will hear that very shortly, which means that we have moved on from where this amendment is and would be in a better position than accepting this amendment. Wait to see. While some are concerned where the cuts have been made, from which department budget it came from, mine is and will remain to give Jèrriais the best support it can, which is why there is a better option available other than supporting this amendment. The only point on which I will disagree with the Connétable of St. Saviour is that if you do not support this amendment that does not mean that you are not supporting your culture and your Island. Economic Development, Tourism, Sport and Culture has been working behind the scenes with both the Education Department, as I say, and the Chief Minister's Department, to better support Jèrriais. Recently agreed funds from Economic Development, Tourism, Sport and Culture have funded the first Jèrriais teacher, as already outlined by the Minister for Education, with the balance of our funding currently at the moment at the loss to Jèrriais. I am delighted that the Chief Minister's Department have agreed, as I hope you will hear very shortly, to fund further recruitment for a second and possibly a third teacher in Jèrriais. These are major steps forward that are long overdue. There is still more to be done including raising the awareness of Jèrriais, having a digitally recorded audio reference of the language, leveraging private sector support for the language. Perhaps a Jèrriais week and perhaps, as we have been trying to do in a very, very busy event schedule this year, and hopefully next year, have a Jersey Festival. We have been looking at it long and hard, we think it is long overdue and it is certainly something we need. Also, of course, planning for the future of the Jèrriais language. That means sitting down and having some serious discussions. Deputy Tadier and I have discussed this and I hope he will become involved in the ongoing work that we are doing, along with many others both inside and outside of this Assembly. My commitment is to

engage with Deputy Tadier on Jèrriais related products ongoing from here. It would be folly to have someone so clearly passionate about Jèrriais not helping in its future.

[15:00]

That phrase I mentioned at the beginning: “*Comme le temps*” - I see a sunnier outlook going forward, a better deal for Jèrriais is currently underway which is already offering more than this amendment sets out to achieve. So, for that reason, and for that reason alone, I would ask Members to understand that this amendment is almost superfluous and not to support this well-intentioned amendment. Thank you.

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

I must have been around for too long in this institution, because I think I am going through the silliest debate I have ever heard in 14 years. It seems to me that the last speaker said that there was money transferred and it was missing £29,000 and their hands were tied, and that accepting this proposition is somehow doing something wrong, or that the proposition says put £30,000 in the pot and take out all the rest of it. Do not do any more than that. The amendment does not say: “And stop there”, which is the way the Assistant Minister appeared to be interpreting it. There is nothing to stop the department doing what it likes extra to build up Jèrriais, absolutely not. This does not say: “Stop at £30,000”. It says: “Carry on, but let us replace this money, which went out of the pot.” That is the way to show support for Jèrriais. So please ... I urge Members to get on with it and go ahead with this proposition.

#### **2.4.6 Deputy A.D. Lewis:**

When I first saw this proposition and the Constable of St. Saviour’s proposition as well, I did not really think that too many people were interested in this particular subject until a petition arrived on my desk - other Members got this as well - it only has 24 signatures on it, but it is 24 signatures. It does appear that a lot of them are related, but that is Jersey. So I was a bit more intrigued and decided to look a bit more into it. So there clearly is support that perhaps some of us were not aware of. My father is Welsh, I was born here, my children were born here and we have embraced the culture and the way of living in Jersey rather well as a family for many decades. So my father was born in Wales, and he spoke Welsh at school, but as he got older he was persuaded that you should not speak Welsh, because it was not going to get him very far. He really should stop speaking Welsh and the school children were told: “If you want to get on in life, you need to speak English.” Now, I believe a similar thing happened in Jersey, so that is why we are where we are. Can we turn the clock back? I do not really think we can. Can we do more? Yes, we can. So what I was intrigued with further - and Deputy Southern has just clarified it for me, because I was not fully aware of exactly what transfer had occurred - was when we had this transfer of powers and duties across departments I was of the understanding that the budget was going to follow with the Minister. That has not happened, it would appear. £30,000 of it has not happened. The Education Department, who were under a lot of pressure to meet budgets as well, clearly saw this as an opportunity not to transfer some of it. That is fine, I do not have a problem with that if that is what happened. Perhaps it can be clarified in a later speech by one of the Ministers, but that is what it looks like to me. If the £30,000 can make a significant difference in saving the Jersey language, I would be minded to support it, but at the moment I am not hearing anything that says to me that £30,000 is going to make a huge difference. If you really wanted to do this properly, we would have to spend hundreds of thousands of pounds to restore the language back to where it was 60, 70, 80 years ago. Is that what we want? The outside of the box thinking that the Economic Development Department, or Sport and Culture under the direction of Deputy Norton, have come up with, the Festival of Jèrriais, Jersey Week and so on, is great. That will help restore some of that cultural deficit that the Constable of St. Saviour referred to. I would like to see more of that outside the box thinking, I would like to see a campaign that all of us - I mean taxi drivers, hairdressers,

bankers, students, Assembly Members - learn 100 words in Jèrriais. Print cards, get them out to every school, every Parish Hall and the challenge would be to all residents to learn 100 words in Jèrriais. That sort of small initiative would help a language like this survive. It is that type of the outside the box thinking I would like the E.D.D. (Economic Development Department), or their extended name now, to do something about. But if I can be convinced by Deputy Tadier that £30,000 is going to make the significant difference that he was suggesting in his opening words, I would be minded to support the proposition. At the moment I am not hearing that, but perhaps, in his summing up, he can assure me. We cannot turn the clock back. Taking my father's example, he, if he was still alive today, would be saying: "I wish I had kept up my Welsh." All he could say, in the end, was the Lord's Prayer in Welsh, which is all we do here at the moment and that is not even Jersey French, it is in French. So perhaps we should be doing it in Jèrriais. One small thing, again, to keep the language alive, perhaps in this Parliament that is what we should be doing. So, if Deputy Tadier can convince me that that £30,000 will make a difference, I am minded to support it. If not - and the Minister for Education can tell me what dent that is going to make in his budget - what can he not do unless he has the £30,000 ... that has not been explained either. In the context of this whole budget it is a very small amount of money, but in some schools that will be a lot of money well spent. I would like to know a bit more about that from perhaps one of the other Ministers and if Deputy Tadier can persuade me otherwise I may be minded to support it. Thank you.

**Deputy R.G. Bryans:**

Sir, can I just clarify once again the situation regarding the amount that was transferred?

**The Deputy Bailiff:**

If it is clarifying something that you said in your speech generally the way to do that would be ask the Member to give way and then to seek to clarify a point that you made in speech. If someone mentions it again that might be the appropriate time.

**Senator P.M. Bailhache:**

May I defer to the Chief Minister who, I think, would also like to speak?

**The Deputy Bailiff:**

Yes, there are a number of people who wish to speak.

**Senator P.M. Bailhache:**

I prefer the Chief Minister to speak before me.

**The Deputy Bailiff:**

I will then add the Chief Minister to the end of the list and you may follow on from that.

**2.4.7 Senator L.J. Farnham:**

I simply wanted to provide some help to Deputy Norton, who was not able to clarify the position in relation to the funding. I will just do it very quickly. The bottom line is that E.D.T.S.C (Economic Development, Tourism, Sport and Culture) and the Chief Minister's Department have found the money for 2 teachers, we are working on various scenarios that could increase that to 3 teachers and really the £30,000 is there, we are putting more than that in. So I think technically the result of voting for the amendment means that **[Interruption]** ...

**The Deputy Bailiff:**

Thank you, Senator, I am afraid it is a fine. I do not know if that was the live webstream.

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

No, Sir, for some reason Siri, who apparently knows everything, decided to give me some advice.  
**[Laughter]**

**The Deputy Bailiff:**

Let us hope that does not become a habit in the Assembly, Senator. Senator Farnham, do please continue.

**Senator L.J. Farnham:**

I think, technically, the result of voting for the amendment would mean that £30,000 of the additional money, already allocated, would come from Education. A vote against the amendment would mean the money would come from E.D.T.S.C. and the Chief Minister's Department. That is really the only impact of what you vote for. The money is there, more money, and hopefully more money in the future. It is beyond doubt that this Assembly and all the Members, and my department and the Chief Minister's Department are going to do more, an awful lot more, for Jèrriais, but just to be clear, I do not think it makes a lot of difference. It just means if you vote for the amendment the Education Department will have £30,000 less and my department will have £30,000. I am saying - probably against my better judgment - keep the £30,000 with Education, they need it for other things, let E.D.T.S.C., the Chief Minister's and other departments find the money. We will. We will find more than that. We will deliver more than 2 teachers in the long run and a lot more projects that will help retain Jèrriais.

**2.4.8 Deputy S.Y. Mézec:**

I have to say I think it is quite sad that we are standing in this Assembly and there are Members who are prepared to argue against providing even more support than what the Council of Ministers voluntarily wants to contribute to help secure for the future something that is special about this Island. We have something here, which is exploitable in every sense of the word, whether it is financially, whether it is culturally, whether it is educationally, something that is completely unique to this Island that helps make this a special place and that has the capacity to make us an even more special place if we have it as something that features more in our day-to-day life. I think we really should be biting Deputy Tadier's hands off when he wants to try and find a solution that will provide more money to make sure that we do not end up in a situation that other small communities have seen where their local language has died out. Cornwall, for example, have a local language, which had to be brought back from the dead, and that is not financially a very good way of preserving a language: to let it die and then bring it back from the dead. You have to do things up front to make sure that it is secured, because that is not only the cheaper way of doing it, but you also make sure the product you get at the end of it is more authentic. I said it was exploitable in all senses of the words. We have something that would be good for young people's education, because all the evidence shows that people, who are bilingual, tend to get higher grades at school, because it does something to your brain that helps it get used to working in different ways, helps you learn a third language after that and then a fourth language, something that will expand the opportunities you would have in life and in your career to be able to speak multiple languages. I think that what it could stand to do to get our community more cohesive, and the Constable of St. Saviour referred to our Portuguese communities, our Polish communities. Well, they are, of course, very valued parts of Jersey society and Jèrriais has the capacity to be a unifying force for all of our communities together. People who live in the Island, who can speak English and Portuguese, or English and Polish, will find it easier to then pick up Jèrriais as a third language than some people, like myself, who was brought up here only speaking English. I think that must surely be something that is good, because stronger communities are, ultimately, more successful, because they are prepared to work with each other in a more cohesive way, find solutions to the problems they collectively face, rather than laying the blame on other parts of the community who are not working together. I think the work that has been done by those in the Island, who have been trying



to preserve Jèrriais, has been incredibly admirable and I look at it as somebody who, a few years ago, did not particularly have any strong feelings on Jèrriais at all. Having seen some of my Welsh friends, who had a little bit of resentment for the way that Welsh was pushed upon them when they were at school, simply because they felt that there was a degree of anti-English tone behind the way it was pushed upon them. That is not something that exists in Jèrriais and the way it has been done here at all. It has been done in a very inclusive way. There is no contradiction between being a true Jersey born and bred person, or somebody who chose to make Jersey their home. It is not an exclusive club and your loyalty to your community and to your Island is not under question just because you were not born here, or you do not speak Jèrriais. I think that the way they have chosen to go about trying to preserve it is incredibly commendable and the point has to be made that we know that they are ... not all of them, of course, because it is not a homogenous group, but there are people within that group who have been working to support Jèrriais, who are supporting what Deputy Tadier is trying to do here. So I think when they come in behind Deputy Tadier to support him, it must surely be worth listening to them. I recently was very lucky to be able to go with Badlabecque to Avranches, where they were playing at the Normandy Festival, and I obviously do not have to plug the C.D. because I only played with them once and do not get any royalties, or anything like that. But when I was there I saw they had this fantastic Normandy Festival, they had a Norman band that was playing on the main stage there that had the place absolutely packed out. People who were there were singing along to all of their songs. I did not have the faintest clue what the songs were about, but knew that they had a big crowd there, people who were ultimately spending money in the pubs and bars after the festival was over. The great boost to the local economy that that festival was and that people had come, not just from other parts of Normandy, but from Guernsey, we were coming from Jersey, so I think to look to a situation where we could be having that in Jersey, we could boost tourism that way, we could have our own Jersey festival like that.

[15:15]

I know the Assistant Minister for Economic Development said that is something that is on the cards, and that has absolutely got to be something worth supporting, but I cannot possibly see how accepting Deputy Tadier's amendment here would somehow get in the way of that. It must surely be supporting it. In terms of improving the teaching of Jèrriais in schools, it is so important that those who go into the schools to teach Jèrriais have got a way of speaking the language that is as authentic as possible. It is much better to get people who can speak Jèrriais and train them to be teachers, rather than get people, who are qualified teachers, and then teaching them to speak Jèrriais, so then they go on and teach it. Surely, to have any extra funds to allow that to happen, cannot possibly be a bad thing. I am really disappointed that the Council of Ministers cannot just accept what is a very simple amendment to give a little bit of extra money to something that must surely be a resource for our Island culturally, financially, in terms of tourism and everything, to make this an even more special community. I wish they would just change their minds and support it and we can get on with the rest of the debate.

#### **2.4.9 Deputy J.A.N. Le Fondré:**

I suppose, to start on a positive note, having children who are either in primary school or in a secondary and have just come out of primary, I am quite impressed with what I have seen in terms of the improvement of understanding cultural Jersey knowledge, if that makes sense. It is difficult to remember from my day as to what exactly we were told, but certainly both my children were brought into town to look at the Battle of Jersey, to go and visit the church. I was very lucky; I managed to arrange for one lot to come and look at the painting in the Royal Court. We obviously have the debates in this Assembly. In fact, I know one class very recently were doing stuff on the Occupation, and they were encouraged to go out to the bunkers, which are open through the year, with the Channel Island Occupation Society. From that perspective, there are good things

happening but, as is the usual point, we can always do more. I am minded just to start, I suppose, with the fact that on our presentation yesterday, the Corporate Services Scrutiny Panel presented, one of the very first lines on one of the very first slides is that the total income we will be asked to approve over the next 3 years is £2.3 billion; what we are arguing about is £30,000. It is to support Jèrriais, it does not specifically say an extra teacher, or whatever, it is to support it. To an extent I agree with Deputy Andrew Lewis: my grandmother was French, my mother said she never spoke English until she was about 4 or 5 and then the French was basically, not quite beaten out of them, but they only spoke English in school; she does not speak French these days, I would suggest. That is kind of similar with his father. I do like the idea of getting everybody to learn 100 words, I do like the idea of the fête de Jèrriais, and all that sort of stuff. However, those are words that have to translate into actions and, to translate into actions, they need some form of resource. To me it is symbolic, no question about it, it is £30,000; it is insignificant in terms of what we are dealing with. I am not going to worry about particularly whose budget it comes out of; at that sort of level you almost lose it in the roundings. The reason I speak like that is there are 2 or 3 things that influence me on this. Hopefully, my fellow Parish representatives will have received the same petition I received in the last 2 days, I think it was, which certainly seemed to be, as far as I was aware, signed by our parishioners, which was in support of the original proposal from the Connétable of St. Saviour. I assume, on that basis that this is the only debate on that, and therefore they would be expecting me to be supporting the one from Deputy Tadier. Secondly, I was very privileged, Sir, to attend the meal you hosted very recently for our Normandy ... *nos voisins Normands*, I suppose. I put my French to very good practice that evening. Obviously Normandy has now been reunited into one area, if you like, rather than being split into 2. The 2 gentlemen I was seated next to were saying how much they have lost of Norman heritage and they were saying here we have still got it alive. They were almost implying we need to look to here and to Guernsey to rediscover certain of their Norman roots, which was quite an interesting conversation. I think the most telling point that struck me, and reference has been made to it previously, was the presentation that was done before the summer recess ... my mind has gone blank, I have forgotten the name of the lady who gave us the very telling presentation ... Dr. Mari Jones, who I have always assumed was Welsh. It was interesting for a Welsh lady to come to Jersey and say that here we have a living example of a language that has been around for 1,000 years that has, if you like, in certain areas, set the foundations for modern English words and language, which she put up on the screen. It would be on our watch if it dies. I hold my hand up; I do not speak any Jèrriais, or I have picked up one or 2 words. I do speak reasonable French. My daughter has done the 6-week session, or whatever it was, at the primary school, and that was of great interest, but it always needs more. The example of the Isle of Man was very telling, but it was the fact that, after 1,000 years, it will die on our watch. On that point, I take the words very clearly from the Council of Ministers that more needs to be done and that is why I have absolutely no problem in supporting this. It is, in terms of our monetary budget, insignificant, but if it is, again, a slight contribution to the Jèrriais cause, if you like, then I think it should be supported.

#### **2.4.10 Senator I.J. Gorst:**

I was just going to send an email to my colleagues, but Senator Routier could do that for me. I am no linguist, but I am surrounded by linguists at home and at work and I inherently know that some of the things that both Deputies Tadier and Mézec have said about the value of language is true. I see it playing out now in the same way that Deputy Le Fondré spoke of in his own family. One of the privileges of my job is that when problems seem insolvable and most doors across the Island have been knocked upon and the answer received has not been the one that the knocker has wished to hear, they somehow think that they will come and see me or, in some cases, kindly invite me for tea and cakes. I do not always have the time to commit to problem-solving and I, therefore, in my turn, ask those, who have an understanding of the subject, to work to try to find a solution. In the instance of Jèrriais, that is exactly what I did by asking that well-known linguist in our midst,

Senator Ozouf, to see if he could help. I must apologise to the Assembly that I was confused about Senator Ozouf's transport arrangements today and he is, Members will have seen, extremely ably representing us, importantly, at the Labour Party conference, correcting some of the misconceptions about Jersey that we have seen in the media. Senator Ozouf has undertaken a lot of work with Deputy Norton, with Deputy Wickenden, with the Education Department and Deputy Bryans, to find solutions to the issue which Dr. Mari Jones so eloquently spoke to us about at the Société, and that is: did any one of us want to be accused of allowing Jèrriais to die on our watch, because of the change of personnel of those who are currently teaching it to our children. I think, if Senator Ozouf were here today, he would explain to us, as I think has been understood by Deputies Tadier and Mézec, that it is not straightforward, it is not simply going to be a matter of teaching our young people, although I will come back to that in a moment. There is a need to undertake community engagement and the Economic Development, Tourism, Sport and Culture Department is working on that trying to deliver that community engagement around the language. There is a need, as Deputy Lewis of St. Helier said, to get language out into the community as well, perhaps on various signages, perhaps even across some States departments. There is also an important piece of work around technology and making a record of those existing speakers so that we can continue to learn from that into the future. This problem that Deputy Tadier has based his amendment about of £30,000 being offered as a saving in the department ... and to some extent the debate today has become a technical one, when it really did not need to be, about where a saving was proposed and which department was ultimately going to do it. It has become technical because the Deputy is proposing the money comes from Education, but Education did hand over the full amount of the funding. Therefore, when I was asked to consider this problem, I recognised, and Ministers recognise, that the current funding for one teacher is not enough, but it is not right to penalise Education, to take money from their budget, when they were not the ones who delivered the cut in the first instance. Therefore, we looked to see if I could use the central budgets to deliver a second teacher, so not the £30,000 that Deputy Tadier is suggesting but, rather, enough to cover a second teacher, which I understand is around £52,000. As difficult as that was, because of the importance of the subject, as many Members have mentioned this afternoon ... and no doubt I will be criticised for being able to find some money; re-profiling a budget to be able to provide this money. Well, when you are problem-solving you get criticised if you do not and you get criticised if you do; that is part of the job. I believe finding the money to teach our young people into the future is important, for all the reasons that other Members have said. The question is: do Members want to take that money from Education and offset the money we have found from the central budget? I am very grateful to Senator Farnham for saying that he would help meet that cost this afternoon as well.

**Senator L.J. Farnham:**

Perhaps the Chief Minister misheard me, but ...

**Senator I.J. Gorst:**

I was not sure if it was that, or he was offering to fund a third teacher.

**Senator L.J. Farnham:**

I offered to help with the Chief Minister's budget.

**Senator I.J. Gorst:**

Yes. I know also that Senator Ozouf is doing further work to leverage private sector funding to enable further teaching in due course.

[15:30]

The reason I think that is a good approach is because it mirrors the approach that the Connétable of St. Saviour was suggesting in her original amendment, and it was the Connétable of St. Saviour's amendment that I was trying to meet, as near as I possibly could, because I think that educationalists and those involved acknowledge that that is the best way of ensuring that Jèrriais is taught into the future. It is very difficult for me to make this speech: I know that some Members think that this is not enough money, be it the 30 or the 52. I know that some Members think that, perhaps, we should not act in this way to support Jèrriais, and I know that it has not been easy to get into the position that we are in today. If Members think that Deputy Tadier is right, I am quite happy to offset the £30,000, to work with the Education Department to ensure that we do deliver a second teacher, on the premise that we are talking about the funding for a second teacher, not the £30,000; we would find money above that to make it £52,000. Deputy Tadier said it did not matter to him where the money came from for this provision and that he thinks that employing a second teacher is the right thing to do, and so I see no reason why we could not then accept with those conditions. **[Approbation]**

#### **2.4.11 Senator P.M. Bailhache:**

I am very pleased to follow the Chief Minister and to say that, like most Members of the Assembly, I feel very passionately about our national identity, as Jersey people and Jèrriais is part of that national identity. I think our problem, as an Assembly, is that for far too long we have been paying lip service to the desirability of preserving our Jersey language, without being very clear about how we are going to achieve that end; we have been floating in indecision, if that is not putting it too strongly, and not really having any clear idea as to what the way ahead is. The key, it seems to me, is the development of a strategy for the Jersey French language. Do we really support it and, if we do support it, where do we want to be in 5 years' time? What would be evidence of success in 5 years' time if we look back at the position that we are at today? I think that is our problem. So many people agree in principle that Jèrriais is important to preserve, not as a museum piece, but as a manifestation of our distinct identity. I think, as a legislature we have, frankly, failed in that respect. The Education Department has done, if I may say so, sterling work over the past decade to help the Don Balleine and has facilitated the teaching of the language, so far as it could. But Jèrriais is not part of the Jersey curriculum and there is no responsibility on the Department of Education for the encouragement of knowledge of the Jersey French language. Now the budget has been transferred from the Department of Education to the Department for Economic Development, Tourism, Sport and Culture, whatever else my good friend in front of me is responsible for, lots of things, but if one asks oneself the question: "Is the Economic Development Department responsible for the promotion and the development of the Jersey French language?" If it is, all well and good, but I think that it needs to act upon those good intentions in a way that has not been evident in the past. The ball has really fallen between a number of stools, not deliberately or wilfully, but for want of strategic thinking. I think about £1 million, if I am correct, has gone into the teaching of Jèrriais in the Department of Education, and can we really say that we have received £1 million worth of benefit today in 2016? I doubt that we can honestly say that the answer to that question is yes. My own view, and I would like to emphasise this is not a Government view; I speak entirely as an individual, but as an individual who attended the presentation that was given by the Don Balleine, I think at the Jersey Museum, not very long ago, where 2 quite inspirational talks were given by specifically an academic and someone from the Isle of Man. My own view is that we need a body to take responsibility for the Jersey French language, an institute of Jèrriais, perhaps; an institution, in any event, founded partly on public funds and partly from private funds, which would have the function of promoting and encouraging knowledge of the Jersey French language. There are a number of issues which such an institution would need to consider, specifically the issues raised by the Constable of St. Saviour: is fluency in the Jersey French language sufficient to enable individuals to teach it? Some people would say yes, immersion is the only way to learn, but others would say that a knowledge of how to teach and how to deliver instruction is equally

important. These are issues which really need to be resolved. I do not think that Jèrriais can be divorced from our second official language, French. Knowledge of French in the Island is absolutely deplorable and it is high time that we did something about that. It seems to me that Jèrriais could very well be a spin-off from a greater involvement in, and a passion for, teaching the French language. The Minister for Education and I are shortly to take a paper to the Council of Ministers on this subject, and I hope that this will, in due course, lay the foundation for greater attention to the teaching of French, and a spin-off from that could very well be Jèrriais. But, I return to my main point: some body, some institution, has to take responsibility for the Jersey French language. I hope that the Deputy, who is an Assistant Minister in the Department of Economic Development, will take it upon himself to consider in what way one could develop a strategy so that in 5 years' time we will be able to look back and say: "Have we succeeded or have we failed?"

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

I will not speak for very long; in fact, I will not give my speech that I prepared over the weekend, because everything has been said and I think we do need to move on. Welcome to the world of Parish Assemblies, where people can argue for hours and hours on £1,000 and then vote away £500,000. There have been interesting points this afternoon, and I count myself as a Jerseyman. One point that I was going to make during my speech was the £30,000 that the Minister had said focused resources on improving standards, particularly for children at the most risk of underperforming, 35 students, and that was going to be withdrawn, I think, if this money was needed. It must be surely important that the money saved by the Education Department is going to be used there. I was going to finish off my speech by asking why this had not been resolved earlier around a table, rather than at a debate this afternoon. That is all I really want to say.

#### **2.4.13 Deputy S.M. Wickenden of St. Helier:**

I just want to applaud the Deputy for bringing forward the proposition. I think we have not done enough to support Jèrriais. I applaud Deputy Norton, Senator Ozouf and the teams that have been working on this. It is very hard to come to an area where we can start moving forward. I would like to thank the Chief Minister for making the offer to work with Deputy Tadier to come up with maybe the funding for a second teacher as well. I think it is probably worth taking, in that light. Obviously, I am an old Jerseyman; I know my surname does not make it seem like I come from here, but I do come from what I like to call the Tostevin clan, and I grew up in a house next door to a pub, at the far reaches of St. Helier, where they used to speak Jersey French all the time when I was a lad, and I used to be around that place. It was a common language in those days, especially in the pubs, because if you had somebody walk in that you did not know in your local pub instantly everyone would start switching to Jèrriais until you could work out who they were and why there were in your pub. I think that would be nice to see again. Something that struck a chord with me during this debate is: have we done enough to support Jèrriais? Have we let it just dwindle off, as with previous States Assemblies which have not done enough? We have got to say yes. Okay, we have put in £1 million recently; I think we need to target it better. I would like to see it somewhere in the Strategic Plan ... I would like to see some strategic plans, but that is a different argument. This is about £30,000 from different budgets, and we are having to tighten our belts. I must say that money is not as stuck as it should be; you can transfer money between departments with Ministerial Decisions, so we could hand money to one department one day and they can hand it back. This is here to support Jèrriais, but I would not like to take the money away from the Education Department, which is having to tighten its belt like everyone else, and it is money from a certain area. I fully support, and I think we should all fully support, better understanding of how we can make Jèrriais better. Maybe at the Battle of the Bands next year we could do different Jèrriais bands; maybe not next year but in the future. Just simple signs, toilet signs or exit signs that have got the wording in Jèrriais; simple things that we could do. The Royal Yacht Hotel could

have them everywhere. I fully support this. I cannot take the money out of the Education Department, but I would like to give my support for Jèrriais: we need to do more, I would like to see more, and I think we should all be saying the same. I do support the idea of supporting Jèrriais and I would implore the Deputy to take up the Chief Minister's offer to look at a second teacher.

#### **2.4.14 Deputy S.M. Brée:**

I would question why we are even debating this amendment. Our role in this Assembly includes being custodians of Jersey's culture and heritage and this includes our language, and it should be a living language, not just a recording. I was dismayed to hear from the Minister for Education that he wanted to teach children how language fits into our cultural history, not teach our language. I do not want to hear just digital records of people speaking Jèrriais; I want to hear it spoken and I want to know that it is a living language. I have to say that I am somewhat ashamed that I do not speak Jèrriais.

[15:45]

As a Brée, whose mother's maiden name was Baudains, it is unforgiveable, and I offer my apologies, but when I was at school the language was almost dead, other than in the country parishes. It was not a recognised language in schools, it was not taught in schools, and there was where the problem started. I am proud to be a Jerseyman, I am proud to be a Member of this Assembly, but I am not proud of this Government's attitude towards Jersey's culture and history. We do not want hollow words and goodwill commitments; we need financial commitment to support the language. Rather than saying: "We are looking at it, we are sure we can do something about it" why is it not there in black and white in a budget, so we know that the money will be spent where it is meant to be spent? We have heard too often promises, we have heard too often: "Yes, we will look into it" and yet we all know that, perhaps, will never take place or will take many years, because we have got to set up a working group to look into it and then we have got to go out for consultation. No, the language needs to be supported now. Jersey's culture and history needs to be supported now, and the way we can do it is by making a solid black and white financial commitment that we, the States of Jersey Assembly, support our Island's culture and history. I would suggest to vote against this amendment is to show a lack of real support, and I would urge all Members to support this amendment, because it sends a very clear message: no, we have not forgotten who we are, where we come from and what our language is.

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

I will be brief because I really think this debate should have started at 2.15 p.m. and finished at 2.20 p.m., because the Chief Minister has it in his power ... talk to him about a technical issue: it is his technical problem. The one language I have not heard all afternoon in this Assembly is called common sense. We are discussing, on a £1 billion budget, as Deputy Le Fondré said, £30,000. Where is it coming from? In the addendum to the comments, that were produced today, when they found out the other amendment was going to go: "The funding will likely be identified by further profiling the Chief Minister's Department budget", which means, as Deputy Wickenden has just said: "Oh, dear, they have passed this one. It was a Back-Bencher's idea. How dare he? We cannot support that, but somehow we have got to make sure we convince the Assembly: □Do not support that. We are going to give them more, we are going to give them over £100,000, and we are going to do it this way'." I thought we were getting there when the Chief Minister offered, I thought he offered, the amendment, and then Senator Bailhache said: "We need a strategy. We need to write one." No. I am waiting for the immigration strategy, the disability strategy. I cannot wait for, nor can Jèrriais wait for, another strategy. Sorry. I really am flabbergasted. This, by the hour, is costing more by the minute **[Laughter]** than even the paper it is written on. We are on camera but, to be fair, this really is a debate where they should have dragged in Deputy Tadier, and he probably would not have needed dragging, to say: "You maybe have not understood this but, if

you have understood it wrong ...”, because, if you listen, the Minister for Education said: “All the money was passed”; as soon as Deputy Norton stood up, he said: “Well, all the money was passed across but we had already agreed to take £29,000 away”, so who do you believe? I mean, it is smoke, mirrors, and it is not common sense. I have got no more to say. Honestly, I sat here, I am not feeling that great again, and I have listened and I have listened and I have thought: the Chief Minister had this in his power when this was lodged, a few days later, to sort it out and show the support, and Deputy Tadier could have carried on with other amendments. It is quite easy.

**Senator L.J. Farnham:**

Sir, a point of clarification ...

**The Deputy Bailiff:**

The position is that you can only seek a point of clarification if the speaker agrees to give way.

**Deputy J.A. Martin:**

If he wants me to clarify something, Sir, I give way.

**The Deputy Bailiff:**

Well, then, you can ask for a point of clarification.

**Senator L.J. Farnham:**

I was just wondering if the Deputy was suggesting that my department, or the Chief Minister’s department, did not attempt to say to Deputy Tadier, before the debate, that we are not only offering what he was asking but more, then she is wrong.

**The Deputy Bailiff:**

Well, you are asking for that point of clarification.

**Deputy J.A. Martin:**

The Senator is asking me to clarify something that has gone on behind closed doors between the Council and the Deputy, and obviously very unsuccessfully, because, as I say, somebody should have resolved this, it should have been done, it could quite easily have been done. As I say, we are over an hour and a half discussing this, which everybody wants to support because everybody wants the Island language, which is Jèrriais. Currently, I do not speak that great English **[Laughter]** but I try, but this is part of Jersey’s culture, it is a great part of Jersey’s culture. I am getting off the subject. This should really have been resolved, and hopefully it will be resolved. Everybody has got to vote for this, then let the Ministers decide where the money is coming from, because they move their money across ... well, I will sit down; the Chief Minister said he is going to find the money, so everyone can vote for it.

**2.4.16 Deputy P.D. McLinton of St. Saviour:**

If you support Jèrriais, stamp your feet. **[Approbation]** If you want to see the language die, stamp your feet. Okay, we have established that. Next up. It drives me mad, this; I have got a headache out of this. I want to get some nodding heads. If we vote for this proposition, Education is expected to hand over £30,000 and Jèrriais is supported. Is that correct? It is correct, thank you. Apparently Deputy Martin is disagreeing. If we vote against this proposition, Education does not have to hand over £30,000, it does not go in the pot, but the pot is still there and Jèrriais is safe. Is that correct? **[Approbation]** What I have just said there would have saved hours: Jèrriais is safe, so we can vote against this proposition and it is safe. Is that correct? Is that a no? I will be hearing Deputy Tadier’s version of that back. I just want to get clear on that. If we were paid by the word we would be multimillionaires.

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

I have nothing more to add, Sir. Thank you.

**2.4.17 Connétable D.W. Mezbourian of St. Lawrence:**

Very briefly, because much of what I had to say has already been said. I wanted to tell you that I do not have a busy social life - that may come as a surprise to some Members - but I do not. However, in October I am attending 2 events at my Parish Hall. One is a tea party for 100-plus native Jèrriais speakers; every Connétable has been invited to invite 10 of their parishioners to attend the tea party, and I am looking forward to that, not least because it is at my Parish Hall. The other social event to which I have been invited in October is the Harvest Supper of the l'Assemblée d'Jèrriais. Again, that is for native speakers of our language. But this is for the older generation; both of those events are for the older generation, those who were born into the language and who have continued to speak it. It will be a pleasure for me to attend those events and to hear my native language, but it will be a sadness for me that I will not be able to respond to it, or even to understand what is being said, because I was not brought up to speak Jèrriais. What we are discussing today is not about the older generation of native speakers, it is about the younger generation, those who are learning Jèrriais at the moment. I can say that the 2 primary schools in St. Lawrence, being Bel Royal School and St. Lawrence School, have a very high number of pupils who are studying the language and they are known to be doing very well with the awards that they win at the Eisteddfod. My question to the Minister for Economic Development yesterday about Jèrriais and how his department is planning to promote it in the future was to establish what their strategy for our native language is. That point was eloquently made earlier by Senator Bailhache, because he referred to the fact that we do not have a strategy. I know Deputy Martin has said that she does not want to hear about another strategy, but it makes sense to have one. We have a Strategic Plan; that is our strategy for the way we are taking the Island into the future. So Deputy Martin should not dismiss another strategy, because I think it is something that we need. I want the Minister for Economic Development, Tourism, Sport and Culture to bring it forward, as part of his cultural responsibility, and I look forward to him bringing it forward. I want him to remember that there is a group of people who must be consulted upon the strategy. I go back to the members of the l'Assemblée d'Jèrriais that I referred to earlier, the older generation of native speakers who work quietly and tirelessly in the background promoting our language. I know they hold coffee mornings just to encourage people to come along and hear the language, because we do not hear it very much, do we? The Connétaibles are fortunate to be going to the tea party in October; we will hear it spoken, some of us will understand it, but we do not hear it spoken on the streets and we need to promote it. Anybody who was fortunate enough to receive a letter from me in my capacity as Connétable will see at the bottom of the paper, I have a little quote in Jèrriais. I cannot tell you what the quote is but I can translate it for you, and it says: "St. Lawrence, a beautiful Parish in which to live, work and play." That is my way of promoting Jèrriais a little bit to those people who receive a letter from me, be it a good one or a bad one. I was going to ask for clarification of what the Chief Minister told us earlier, because I was not exactly sure what he had told us with regard to the amendment that Deputy Tadier is proposing here, the £30,000. I was not sure if he was asking the Deputy to withdraw the amendment, because he was going to be able to find money to provide that second Jèrriais teacher, which we have heard spoken about today.

**The Deputy Bailiff:**

The Chief Minister could ask you to give way to offer a point of clarification on his speech.

**The Connétable of St. Lawrence:**

I think that would be a good idea; good advice, Sir. Thank you.

**Senator I.J. Gorst:**



Sir, I wonder if the Connétable would give way for a point of clarification. **[Laughter]**

**The Connétable of St. Lawrence:**

Certainly, Sir.

**Senator I.J. Gorst:**

Thank you to the Connétable. What I said was that providing, and I think Deputy Tadier would accept this, because I think he said in email correspondence and in his opening comments that he was not concerned about where the money came from; it did not matter to him whether it came from Education or any other department. If that is the case and he is happy for the money to be spent on a second teacher then, of course, I am happy to accept his amendment. Because we will find a way of making a transfer so that the Education budget is not diminished, because that would not be fair, and then, because we said we would find the money for a second teacher, we could work with the private sector to see if we can go even beyond that. On that basis, I would accept his amendment. **[Approbation]**

**The Deputy Bailiff:**

Do you wish to continue?

[16:00]

**The Connétable of St. Lawrence:**

Thank you, Sir. I am grateful for that clarification, because I was not sure whether I could support the amendment, or not, because my concern was that although we are told it is only a very small amount in a much larger sum, it would still, as we have read in the comments from the Council of Ministers, impact upon the spending power of the Minister for Education, the spending power of how he could deliver education within the Island. I do not have the comments here but they go into detail. From what I have heard from the Chief Minister ... I think he wants to clarify again.

**Senator I.J. Gorst:**

Sorry, could I perhaps just clarify even further? I forgot to say rather than it being just the £30,000 that the Deputy is asking for, it would be the £52,000 required for the teacher. **[Approbation]**

**The Connétable of St. Lawrence:**

Sorry, Sir, I wonder ... **[Interruption] [Laughter]** Are there any other bids? I think I need to wait now to hear from Deputy Tadier, when he sums up, as to what his views are on what we have heard this afternoon from the Chief Minister. Clearly, when I have heard from Deputy Tadier, I can make my decision as to whether or not I am going to support the amendment. The point I wanted to make, as other Members have done, is that we clearly all support the promotion and retention of Jèrriais as a living language and as the very basic building blocks of our cultural history and heritage. I do not think there is much else that I have to add to that, other than just to repeat and to emphasise that I look forward to the strategy that will be forthcoming from the Minister for Economic Development, Tourism, Sport and Culture.

**2.4.18 Senator P.F. Routier:**

I am going to be fairly brief. I do sense Deputy Martin's frustration with the couple of hours we have spent this afternoon on this topic. She did try and point the finger at the Council of Ministers, that they should have sorted this out before. There were many attempts to try and resolve this before getting here today. Even at lunchtime today, a discussion was held with the proposer of this amendment to try and resolve it. I understand, and I fully appreciate, that Deputy Tadier wanted to have the full endorsement of this Assembly for the language of Jèrriais. We have taken a long, long time to get to where we are, but we need not have taken as long as we have taken to get to this

position where, hopefully, we are all going to be able to support the language and vote for the amendment. That is certainly what I am going to do. I will just make one other remark. There are 2 people in this Assembly today, one in the public gallery and myself, who were in the Assembly at the time when Jèrriais was very commonly spoken within the coffee room. For a town boy like me, it was a very frustrating experience because whenever I would turn up in the Assembly they would start talking Jèrriais so I did not know what the ... they were taking about. So I hope we will be able to have more of a shared language.

**The Deputy Bailiff:**

I wonder if you could withdraw that pause. **[Laughter]** I believe you were saying you did not know what they were talking about.

**Senator P.F. Routier:**

That is right, I did not know what they were talking about, but I certainly hope that our community going forward will have a better shared understanding of the language in the future. I hope everybody will be able to get behind this amendment and support our language for the future.

**The Deputy Bailiff:**

Does another Member wish to speak upon this amendment? I call on Deputy Tadier to respond.

**2.4.19 Deputy M. Tadier:**

I know Members have been frustrated and, to a certain extent, I share the frustration not so much at the time it has taken but the fact that we have come to an agreement in a somewhat circuitous route, it could be said. I think it is probably an exaggeration to say that there was a discussion at lunchtime. There was perhaps about a 5, 10-second conversation: “Are you still maintaining this amendment?” “Yes.” “Okay.” Pretty much sums it up, but then we were in a rush to get to lunch, I guess. I am grateful that the Chief Minister has offered I think what is a reasonable compromise. I think, perhaps, to answer first of all my colleague Deputy McLinton’s point, the way I see it is if we vote for this amendment we get £30,000 extra that we would not have been getting on top of what the Council of Ministers had been proposing as a resolution to this proposition. If we do not support this proposition, there is £30,000 less on the table that gets allocated to Jèrriais and its promotion. That is the way I look at it. Whether or not that is the reality I am not sure. Certainly, what the Chief Minister said in his offering, I think, is wholly acceptable. The only thing I would question is that he seems to think that the money should automatically be earmarked for a second teacher and I have absolutely no problem with that, so long as the experts, those who are driving Jèrriais, think that is the best way to allocate the new resources. As far as I see it, ultimately, we will need to train up 3 teachers anyway simply to stand still. We currently have 3 individuals who teach at L’Office du Jèrriais. They are retiring, or will be retiring, shortly. I think one of them is partly retired already. So, we need to replace those as a matter of urgency just to stand still and on top of that, of course, we need to have a long-term strategy for the promotion of the language. I think there are points to catch up on. I do not think it is a waste of time to have spent 2 hours this afternoon talking about our native language, given the decades of neglect that it has suffered and the decades of lost time that we have seen in Jèrriais. I think 2 hours of time, having a good debate, even though there has been some technical confusion, is not wasted time in my book and I do not think it will be wasted time to those who have put in much time and energy over the years, some of whom we have acknowledged already. The question of professional teachers was raised. Clearly, we know that in an ideal world you would have professional teachers, who already speak the language, and can teach the language, but that is not the starting point we find ourselves in. Given the timescale, I do not know why there has been a requirement put on by the Education Department that all teachers of Jèrriais must be professionally qualified teachers in the first instance. That might be a laudable model to work to in the future, but given the urgency that we face, and this is

something which Dr. Mari Jones said, it is more likely in the short term that you need to find somebody, who already speaks Jèrriais, preferably fluently, and has some capacity for passing on that language, or at least somebody who has an inkling of the language, for whom it will not take too long to bring up to speed and then teach them how to teach. You can do that much quicker than you can teach somebody a brand new language. Just because they are a teacher does not necessarily mean they will be able to teach a language. For example, you would not expect a maths teacher to necessarily be able to teach French or German, just because they are a maths teacher, or vice versa. So, I think we need to be cautious and we should not be overly prescriptive when it comes to that particular requirement. It may be viable in the future. Have we got time for a little bit of levity before we finish this? Because people have talked about us losing our cultural heritage in Jersey, and I know Deputy Le Fondré said that Jersey probably fares much better when it comes to our Norman culture and that if we look around the Island, other places, Guernsey, whatever, might not have so much of it. But Jersey does have a lot of its Norman culture preserved in it. Indeed, if you just go down to Commercial Buildings, you will see a sign which says: "Parking for Normans only" **[Laughter]** which shows that Norman heritage still has a great place of affection in our heart. Now, that is not my joke, that is the joke that Deputy Mézec forgot to use during his speech; he spoke too quickly. That is why he is the chairman of Reform Jersey and not myself, because he is much more witty when it comes to those turns of phrase. I think a lot of these points have been made already. I liked the point about inclusivity as a language. I have often found it paradoxical when you think of a language which is only spoken in a certain place and often by a minority, whether it be Welsh, Creole, although those languages, of course, are much more mainstream, but spoken only specifically in a certain area, Jèrriais or Guernésiais. Our instinct is to think that they are exclusive languages; how possibly can a language like that be inclusive. It is paradoxical, but I think it is true that when you go to a different community from the outside it is something that can help with integration. There was a great moment where somebody, he knows who he is - and I think he said this in Jèrriais during one of the speeches at one of these events like that which will take place at St. Lawrence - said: "If I had have told my father 50 years ago that there was a Jèrriais band, which was singing in Jèrriais, playing music in front of a crowd of Portuguese Islanders, singing to them, and that the Portuguese Islanders were joining in in a chorus in Jèrriais at a Portuguese food festival in Jersey, he would never have believed me." I think that was quite poignant and that underlies the idea of inclusivity. It is a tool. Language can be exclusive, but it can be inclusive and, if used correctly, it is something that can be used for a positive benefit in our Island to bring people in, people who already live here, to make them feel included, that they can partake. But, of course, the whole other tool is about bringing in tourists, *et cetera*. I think I do need to perhaps address one point that was raised by Deputy Lewis of St. Helier about whether this £30,000 is going to make any difference. I am hoping that the course of the debate has changed his opinion and he is minded to support this anyway, but £30,000 could be used ... absolutely agree with what he is saying about thinking outside the box. It is not simply just about recruiting new teachers and teaching young people. We do need to look at digital technology. Maybe some of that £30,000, or the new funding, or whatever the strategy is in the long term, could be given to the budget of our newly acquired Assistant Minister for Technology and for Digital Jersey. Something like a Duolingo app where, as some of us might be aware, you can learn languages interactively on your iPad, on your phone, very good programmes. Perhaps that could be developed in our own native language. The last thing I would say is, of course, many people have stood up and, I am sure, we have all been mispronouncing Jèrriais words all day long, much to the chagrin of those native speakers who are listening, or even watching now on the internet, if not listening on the radio. We can take steps, of course. What I would say is simply learn some Jèrriais and if you do not want to learn or read a book, just learn a song. It is much easier to learn a song and that is how people all over the world learn English. They listen to pop songs. They watch films. They listen to the radio, and that is why they learn it through that means,

even if they do end up speaking with a slightly annoying American accent, rather than the preferred British one that we all know and love. So I would say learn a language and learn a song. I will just finish with a few lines from a song that was translated from an older song which was in English originally by George Ware, 1829, which was translated into our native language of Jèrriais. It says: “*Not' pétite île, Fait envie à tout étrangi, Qué ché sait la campagne ou not' mangnifique Ville, Janmais jé n'cêssons dé les louangi. Nos maïsons sont bâties avec du bieau grannit, Et ch'est ichîn qu'à longs jours lé solé lit. Quant à des belles èrcoltes, I' faut aller dans nos clios, Si ch'est qu'ou voulez vaie des chours dgiêx pids d'haut.*” That is one of my favourite songs and, again, I apologise, I hope I got it right. We sing that quite a lot. It talks about how Jersey is appreciated by all who come here, whether it is our lovely countryside, or our marvellous town, obviously seen through rose-tinted glasses perhaps. It says: “I will never cease to sing the praises of our beautiful Island. We have our beautiful houses made in lovely granite, which the sun shines on all day long. We have the lovely fields which you can go into and you will see cabbages which grow 10-foot tall.” It is only in Jersey that we have cabbages that grow 10-foot tall. It is only in Jersey that we have a language in which we can express these kind of sentiments and this kind of *patrimoine* that we would say in French. Now, I fully agree that some have concerns about a strategy. Absolutely. We have seen too many times in the past where we say: “Let us just have a strategy. Let us have a Fort Regent working group, shall we?” because every election and in past decades we know that Fort Regent is an issue.

[16:15]

We know that there was a glory day of Fort Regent. We know that something happened, people found it difficult to get there, *et cetera*. They built a swimming pool. Those kinds of analogies can all be applied, if you like, to Jèrriais. We know what the problems are and it is very difficult to find the solutions. I think there is a difference here, of course, because I think that we have a new-found optimism and we know that we have people external to this Assembly, external to the Council of Ministers, who want to see the language succeed, not simply the traditional native speakers, not simply the people who already do great work at L'Office du Jèrriais, at L'Assemblée le parler Normand, and everyone around that, that there is a new joint appreciation of the language. I do say we should not be complacent. I think we should not be tempted to underinvest in the language, to make short-term investment in the language and the culture that goes with it, because I think it is critical that we give it the right level of funding and support, even non-financial support, very early on so that you can develop a critical mass. It is only by developing a critical mass for that language that it can have a chance of succeeding. If we think of applying the same analogy of 1,001 Days to a child, that is exactly the same with a language, which you are trying to fertilise and give the best chances of success in the future. So, I thank Members for their time. I thank Members for their support and I hope we can fully get behind this today by voting for this, but also in the long term by supporting Jèrriais in the various different ways that we all think we may be able to do. Finally, to just answer the Council of Ministers, I think I have touched on this already but, of course, ultimately I do not mind where the money comes from in the sense, as long as I know that frontline services are not being affected, I think that is the key thing. The Council of Ministers quite clearly have an ability, as I have said previously, that we do not necessarily have as Back-Benchers to find money. I would fully expect that any money that is given out towards this from Education ... and it is quite right I think that Education still have an ongoing input into the promotion and teaching of the language. They should not be penalised and that money could then be made up by whatever magic pot it is that the Council of Ministers and the Chief Minister has to find that money. So, absolutely fine in this particular case to accept the offer of the Chief Minister.

**The Deputy Bailiff:**

Those Members who are in favour of the amendment ... **[Interruption]** The appel is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

<b>POUR: 42</b>	<b>CONTRE: 0</b>	<b>ABSTAIN: 0</b>
Senator P.F. Routier		
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator P.M. Bailhache		
Senator A.K.F. Green		
Senator S.C. Ferguson		
Connétable of St. Helier		
Connétable of St. Peter		
Connétable of St. Lawrence		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Brelade		
Connétable of St. Martin		
Connétable of St. Saviour		
Connétable of Grouville		
Connétable of St. John		
Connétable of Trinity		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy J.A. Hilton (H)		
Deputy J.A.N. Le Fondré (L)		
Deputy of Trinity		
Deputy K.C. Lewis (S)		
Deputy M. Tadier (B)		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy R.G. Bryans (H)		
Deputy of St. Peter		
Deputy R.J. Rondel (H)		
Deputy S.Y. Mézec (H)		
Deputy A.D. Lewis (H)		
Deputy of St. Ouen		
Deputy R. Labey (H)		
Deputy S.M. Wickenden (H)		
Deputy S.M. Bree (C)		
Deputy M.J. Norton (B)		
Deputy T.A. McDonald (S)		
Deputy of St. Mary		
Deputy G.J. Truscott (B)		
Deputy P.D. McLinton (S)		

## **2.5 Draft Medium Term Financial Plan Addition for 2017 to 2019 (P.68/2016) - amendment (P.68/2016 Amd.)**

### **The Deputy Bailiff:**

We now come to the first amendment. I will ask the Greffier to read the amendment.

### **The Greffier of the States:**

Paragraph (a)(i) - after the words “in Summary Table B” insert the words “except that the net revenue expenditure of the Education Department shall be increased for 2018 and 2019 by £240,000 and £480,000 respectively by not pre-empting through a States decision the proposed review of terms and conditions of teachers. Paragraph (a)(ii) - after the words “as set out in Summary Table C” insert the words “except that the total proposed central contingency allocation for 2018 be decreased by £240,000 and by £480,000 in 2019.”

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

I just wonder if I could just declare ... it is not probably a relevant interest, but just for good practice, my daughter is a newly qualified teacher teaching languages at Les Quennevais School. I just wanted to make that note.

### **The Deputy Bailiff:**

Very well. That is not a direct pecuniary interest, Senator, but you are quite correct to declare it if you wish to do so. Obviously, if the first part of this amendment is rejected, the second part automatically falls away. I ask Deputy Southern to propose the amendment.

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

I am just patting my papers and getting them in order, because I find that sometimes just patting them clarifies things. I was expecting to be speaking rather earlier in the day than this. Nonetheless, okay, from one serious matter to another. In this case, it seemed to me when I saw it first that, quite frankly, I could hardly believe my eyes. I hope to show Members why this proposal is morally, ethically and practically unworkable and unsustainable. I cannot believe that this House will vote to constrain free collective bargaining, which should be taking place with teacher unions on this issue. In the Chief Minister’s response to questions earlier in the year from me, he said: “Like all reward structures, the teachers’ salary structure is subject to collective bargaining with our recognised trade unions. The N.Q.T. (newly qualified teachers) element of that structure is no different. Any proposals to amend that structure will be dealt with by collective bargaining using the framework machinery in place with the outcome subject to be approved by S.E.B. (States Employment Board) before any implementation.” This was noted in a meeting with teacher unions on 6th June 2016 where the N.A.S.U.W.T. (National Association of Schoolmasters Union of Women Teachers) raised a concern insofar as any changes to the pay scales would require consultation and negotiation to take place. This was acknowledged in the meeting. Indeed, as far as I am aware, that was the only notification that teacher representatives got: 6th June, at a meeting with the consultative council, there it was on the agenda. Serious cuts in the pay rates for newly qualified teachers and, as far as I am aware, no negotiation has taken place since then. Deputy Bryans, in answer to another question, had the following to say. In response to Deputy Mézec he said: “These are just proposals. Anything that is in the Medium Term Financial Plan is exactly that.” “These are just proposals.” If Members vote to accept these cuts of £250,000 in 2018 and £500,000 in 2019, then those will not be proposals, they will be an instruction from this House that the collective bargaining which ought to take place, this is pre-empting it because the condition is that this should be the starting point and this must be one of the conditions. Now, I do not believe that anyone in this House wishes to restrict collective bargaining in that way, but if they do vote for it and not my amendment, then that is exactly what they will be doing. That would be a thoroughly retrograde act to abandon collective bargaining with our unions under such circumstances. Now, at

the moment there are, in fact, 2 levels of negotiation either taking place already, or about to take place. One will be the 2017 pay claim, pay and conditions, as normal. The other will be about the modernisation of the workforce. Modernisation of the workforce, for those who are not aware, might be starting with this little document, 3, sides with a whole range of jobs put into pay bands A to H, ranging from catering assistants in the hospital at one end, grade A to H, a clinical psychologist in the Child and Adolescent Mental Health Service. On that list, you have healthcare assistants in the hospital. You have community service supervisors. You have teaching assistants. You have senior staff nurses of various levels and you have physiotherapists and speech therapists. A major piece of work to get all the elements of the workforce into one single band, at the moment from A to H - I do not know if there are more coming on top of that - so that everybody slots into comparable rates of pay. That is a major undertaking, but if I were to suggest to teachers: "I will tell you what, I have a good idea, a brilliant idea. Why do you not pay newly qualified teachers less and some senior teachers more in order to ..." In order to do what? In order to correct something? In order to make things better? In order to make career development improved? In order to enable newly qualified teachers ... to make it more difficult for them to come to the Island and settle? But where would that be? Surely that would be in the modernisation process. Let us change the pay structure of teachers, a serious, serious issue but one that must be treated separately from the routine we have a pay claim about terms and conditions and this is taking place at the same time. Perhaps it is the time to look at the reaction from one of the teacher representatives, the president of the N.U.T. (National Union of Teachers), who has put out a press release which says the following: "N.U.T. Jersey urges States Members to reject any proposal to cut education funding in the coming M.T.F.P. debate, particularly the cuts to newly qualified teachers' pay. Proposals that could lead up to £8,000 less for newly qualified teacher starting salaries are short-sighted and will have significant effects on education in Jersey. We will vehemently oppose cuts to pay that will lead to a 2-tier pay structure in Jersey." Just imagine that. Once you have done that, newly qualified teachers into the profession in Jersey get paid less than people who were new last year. Where does that go at the end of that year? Where do they slot into the pay scale? They started £8,000 less. Is there a notch with £8,000 less in the system that they can move on to? It appears not. What you are going to do there is develop a 2-tier pay structure. People working alongside each other, joined at different times, may or may not be as experienced, but teaching alongside other teachers getting paid significantly less. Is that the sort of structure you want? Yet that seems to be almost the inevitable result of this. So: "We will vehemently oppose cuts to pay that will lead to a 2-tier pay structure in Jersey. At a time when the U.K. faces a recruitment and retention crisis, Jersey's ability to attract and retain quality staff beginning their careers in teaching will be seriously damaged." Now, it might be that the structure of teachers' pay does want some adjustment, but the way to do that openly is to have an open negotiation with teachers and listen to all the arguments, the pros and cons, and decide the best way forward with agreement, hopefully, of those unions, of those representatives, so that we can go forward in some sort of harmony. It makes sense. If it makes sense to the employees and the employers, well and good.

[16:30]

But to impose a structure and say: "This is what you are working to" is the complete opposite of any negotiation and, I believe, disrespects not only the teaching profession but also their negotiators. He goes on: "This follows real-term cuts to teachers' pay following an imposed pay freeze in 2015 and a below inflation 1 per cent pay rise in 2016." So this is coming on the back of a pay freeze and a pay reduction. "We also reject being forced to co-operate in a process of workforce modernisation that has refused to engage in any negotiation on pay." Perhaps Members may be starting to get the tone of this press release. It is certainly a man who is keeping his anger, I think, under control, perhaps just under control, because he goes on: "We will be consulting members on action to be taken to oppose this series of attacks on teachers' wellbeing. I hope States

Members recognise that teachers are a significant part of the electorate, who will not stand aside and accept the constant denigration of our profession.” These are professionals saying, I think, enough is enough. Why would paying newly qualified teachers significantly less than they currently get be wrong? Well, to start with, the emphasis in the negotiations hitherto has been to weight pay increases to the bottom end, aware that the act of moving to Jersey, the cost of living, the cost of housing, is very significant. So, it is better in terms of attracting workers and attracting people into teaching to have their salaries weighted to the bottom end and not the top end. If you are getting into the top end and into posts of responsibility, then you are some way into your career, you are stable, you have established yourself, whereas newly qualified teachers, the danger is they may well end up going. It need not be only those new to the Island. It could well be, as we have already heard, people returning to the Island after completing their training. Let us bear in mind what that training involves nowadays. The training involves getting a degree, which takes 3 years, and taking a Cert. Ed. after that. So it is a 4-year training. That is 4 years of fees. That is 4 years of accumulating debt. That is 4 years before you return with extra load because you decided to go into teaching and that requires an extra year. That means extra debt. So, let us just bear in mind somebody returning to the Island. For example, perhaps they trained in Manchester. Perhaps they trained in Southampton. Perhaps they trained in Sheffield. Ah, love Sheffield, love visiting Sheffield, where the average house price is what? The average house price in Sheffield: £128,000. So, I am a Jersey person. I have trained, got my degree, got my teaching qualification and my student debt, yes, in Sheffield, and I like the area. Do I stay in Sheffield and try and find a job in Sheffield or do I come back home to Jersey and try and find a job here? Well, what is the calculation I do? Pros and cons, pros and cons? I am very rational. Among the pros and cons is: can I buy a house? Later on we will come to what the average salary is in the U.K. Let us take comparable figures: £26,000 for somebody teaching in Yorkshire, away from London, away from Jersey. House price average: £128,000. Can I get a mortgage? Absolutely you can. You are earning enough. The multiplier there is around between 5 and 6 times. That is the price of your house, that is your earnings; of course they will be bending over backwards to lend you money to buy a house. The alternative is to come back to my family in Jersey. Do I come? Average house price: £450,000 across the board. I know one Member in particular would say more, but nonetheless £450,000 is what I have on there. My starting salary: £38,000. Can I afford to buy a house, buy a property, in Jersey? Well, that factor is 12 times. The price of the house compared to the price of my wages, 12 times. Is anybody going to lend me money for a mortgage on that? No. So, in deciding where to go, whether to come back to Jersey or whether to come to Jersey in the first place, that is one of the calculations: what is the price of housing? Can I afford to start myself on the property ladder? The answer is no. So that mark-up for the newly qualified teacher is, I believe, completely justified in terms of are we going to recruit and get people to come to Jersey whether or not they are local or otherwise. So, why is this an important issue? It is a vital issue because in the U.K. Members may well be aware there is a dire shortage of trained, qualified teachers in many areas. I could have picked any number of documents which point out the lack of people going into training, let alone coming out of it. In 2015-2016 the only subjects where the teacher supply model recruitment target was met were English, history and P.E. (physical education). In all other subjects, we in the U.K. trained fewer graduates, fewer teachers, than we need to fill our schools in terms of teaching. This shortfall represented 3,400 fewer secondary trainees entering the profession than were needed. What about retention rates? Again, in the U.K. D.f.E. (Department for Education) figures show that, in the 12 months to November 2015, over 50,000 qualified teachers in England left the state sector. This equates to one in 10 teachers leaving the profession and is the highest number of teachers leaving in the last decade. Is teaching a stressful job? Does it wear you out? If you are new to it and establishing yourself, do you leave? Yes, you do, 10 per cent do, cannot take the pace. It is a highly demanding, very stressful job, as I am sure other Members of this Assembly will state. We come to the key. The crisis in teacher



recruitment means that while schools are struggling to fill vacancies, more and more pupils are being taught by teachers who do not have a relevant qualification in the subject. In 2015 in the U.K. less than 75 per cent of maths teachers had a relevant post A-level qualification, a drop of over 2 per cent on the year before. The proportion of physics teachers with an appropriate qualification in 2015 was just 62 per cent and for English, surprisingly - you think you would always get English graduates, but no - this figure was 78 per cent. So we do not know what is happening in Jersey. We have yet to get the answers to my questions of a couple of weeks back to say how many teachers, how many people in Jersey, are being taught by non-specialist teachers. Maths, physics, English, for example, are areas where we obviously have shortages. Are we going to be able to cater for that? Are we going to be able to cope with that in the U.K.? One thing we do know, as has been pointed out by the Minister, is that we do not have a shortage of primary school teachers. We have never had a shortage of primary school teachers. Primary teachers we always have an abundance of. However, the likelihood is that we are going to see shortage areas occurring as we go through the next few years. They are already starting now, I think. They will be visible shortly. Finally, I come to the way in which information has been presented in the comments from the Council of Ministers. This is the headline: "Newly qualified teachers starting work in Jersey currently earn up to £16,000 or 70 per cent more than their counterparts in the U.K." Well, that is an interesting figure, £16,000 or 70 per cent more than in the U.K. Then you turn the page and here they are again: "Newly qualified teachers starting work in Jersey currently earn up to £16,000 more than their counterparts in the U.K." Really? The proposal is to reduce that by £8,000. That £38,000 does sound a lot but we are told this is pay scale 3 because they are all graduates with honours, so M.P.S. (Main Pay Scale) 3 is the figure of £38,000. If you were to compare like with like, then what you would find is not £16,000 more, not £11,000 more, but far closer together if you compare like with like. The figures produced by the department say £38,000 for Jersey M.P.S. 3; Jersey M.P.S. 1 £33,000. How does that compare with inner London? Well, you have to compare level 1 with level 1. In inner London, that is £27,000 or £28,000 compared to £33,000, so a difference of £6,000 or £7,000. Quite significant. Is it enough to make you want to come to Jersey because we need you in Jersey? Or are you going to stay in the U.K. somewhere else? Then the comparison if you make it with the England and Wales rate, so in the rest of the country, that too is around £31,000. Not an enormous difference, £31,000 for M.P.S. 3, compared to £38,000, so a £7,000 difference. Again, is that enough to make you want to come to Jersey with our enormously high house prices and rents? That is why the weighting is down at the bottom end. That is why it is there. It has been presented in such a way that it seems like enormous differences when, perhaps, it is not quite as it appears. So, the key is does this House, this Assembly, wish to constrain the collective bargaining over pay and conditions that should normally happen? Are we going to respect our teachers?

[16:45]

Are we going to respect their negotiators? Or are we going to ride roughshod over the process and say: "No, we will instruct our negotiators to achieve this"? You know what will happen then. If teachers then object to a pay cut at the bottom end for whatever reasons, it is going to be, all right, out comes the stick; where else are you prepared to cut? Will it be class sizes? Will it be staffing numbers? Will it be classroom assistance? Who knows? All this at the same time as having had a pay freeze, a pay restraint imposed on us - it was not agreed, imposed - and a modernisation process which is going on, which is an enormous process, to get equivalent scales across all public sector employees in the U.K. Or do Members want to see more headlines like the one that occurred today: "Pay cuts the final nail in the coffin, warns teachers' union boss"? Far be it for me to suggest that we risk relations with our teachers and ruining what has been by and large a good relationship, a good working relationship. This could well be the final nail in the coffin, as the

headline says. I advise Members to support my proposition and not to vote for this imposition of conditions on the negotiations.

**The Deputy Bailiff:**

Is the amendment seconded? [**Seconded**] Deputy Bryans.

**2.5.2 Deputy R.G. Bryans:**

As I explain our response to this amendment, I hope to give the Assembly a clear understanding of how all our decisions were reached for this M.T.F.P. I want to provide a foundation of factual information that will show the depth and breadth of consideration given to every element of the plan that affects the education of this Island's children. I want to start off by saying how impressed I have been by the teachers I have met when I have visited schools. It is absolutely clear to me that a good teacher can make an enormous difference to the children in their care. It is said that teaching is the profession that creates all other professions. I am sure everyone in this Chamber can remember their favourite teacher, the one who inspired them and helped them believe in themselves. It may seem counterintuitive for a Minister for Education to be proposing this. I can understand that point and I want to explain why this change makes sense and how this small piece fits into the overall plan. When I took office, it was obvious to both myself and the new director that we needed to take stock, ensure the system is fair, amplify concerns and create new initiatives. We wanted a clear vision that would provide focus and that everyone could understand and appreciate. We also knew that some of what we contemplated would dictate a shift in direction of ideas and resources and would not be appreciated by some of those it could affect. One of the largest draws on our budget is teachers' pay, which you might expect, but in some schools it accounts for over 90 per cent of the budget, leaving head teachers little room for manoeuvre, much less than the U.K., to adapt their schools. This has been caused, in part, by a generous pay deal some time ago when teachers were in short supply and money was plentiful. Everyone received a pay rise, including newly qualified teachers. As a result, their starting salary was raised and it now stands up to £16,000 more than if they had stayed in the U.K.

**Deputy G.P. Southern:**

Sir, could I interrupt the speaker? I believe he is misleading the House.

**The Deputy Bailiff:**

Well, would you like to seek a point of clarification if the speaker is prepared to give way? It is a matter for the speaker.

**Deputy R.G. Bryans:**

I am prepared to give way.

**Deputy G.P. Southern:**

Thank you. The reference to £16,000 more than the U.K. is only achieved by comparing M.P.S. 3 rates of pay in Jersey with M.P.S. 1 rates of pay in the U.K. So that is inaccurate. It is an oranges and lemons comparison. It is not like for like. Please, I would ask the Minister to reconsider his continued use of that £16,000. It is not true. He is misleading the House.

**The Deputy Bailiff:**

Well, I think that is a point of clarification of your speech, which is perfectly acceptable.

**Deputy G.P. Southern:**

Can he clarify this is like for like?

**Deputy R.G. Bryans:**

Yes, I will go on to clarify as I go through the speech and if the Deputy is still concerned I am sure he will rise again. They walk out of college and into a job here paying £38,296, whereas a teacher's starting pay in the U.K. is £22,244, rising to an inner London rate of £27,819. Of course, the financial picture has changed and so has the availability of teachers. There are still concerns about the shortages, but there are signs in the U.K. that the shortfall is being addressed and numbers of new recruits are rising. For Jersey, there is no shortage of high quality local primary teachers. The Deputy made reference to this earlier. In fact, there are more candidates than jobs, which is a nice position to be in. However, we share the national problem when it comes to specialists at secondary level, and that is what we need to address. We find ourselves in the position of having inherited a pay scale that includes the old premium that is something that we no longer need. It would surely be foolish for anyone in any circumstances to continue paying an inflated price for something. This amendment asks us to keep spending more than we need to. Surely that cannot be good financial management.

**Deputy G.P. Southern:**

Can I have another point of clarification, Sir?

**The Deputy Bailiff:**

It is up to the Minister whether he wishes to give way or not.

**Deputy R.G. Bryans:**

If I could just carry on, Sir.

**The Deputy Bailiff:**

If the Minister does not wish to give way, then I am afraid, no, you cannot. Of course, you do have a right to respond at the end, Deputy.

**Deputy G.P. Southern:**

It is very awkward to listen to somebody who is misleading the House.

**Deputy R.G. Bryans:**

I do not believe I am misleading the House.

**Deputy G.P. Southern:**

The figure you just quoted was £22,000, was it not, in the U.K.?

**The Deputy Bailiff:**

No, please could this be directed through the Chair? To stand up and suggest that someone is misleading the House is obviously a serious allegation, Deputy.

**Deputy G.P. Southern:**

Yes, it is.

**The Deputy Bailiff:**

I am assuming that you are meaning unintentionally because you have been seeking points of clarification. Standing Orders provide that if the Minister is not prepared to give way, then there is no way of seeking a point of clarification. Of course, you are in the unique position of having a second speech, which is at the end, in which you can clarify matters as you see fit.

**Deputy R.G. Bryans:**

I am not misleading the House at all. Can I continue?

**The Deputy Bailiff:**

I have to ask you, Deputy. To say the House is being misled, I have to assume that you are saying unintentionally misled.

**Deputy G.P. Southern:**

It appears to me that the Minister is quoting from salary scales, which are in front of me, when he refers to £22,000, which is definitely level 1, not level 3. I know he is using level 3 for his £38,000.

**The Deputy Bailiff:**

The position is ...

**Deputy R.G. Bryans:**

That is correct. You are correct in that assumption. I am using ...

**Deputy G.P. Southern:**

You are not comparing like with like.

**Deputy R.G. Bryans:**

No, I will move on to that and show you, explain to you.

**The Deputy Bailiff:**

No, this cannot be an exchange between Members. This must be an exchange through the President.

**Deputy R.G. Bryans:**

Sorry, Sir.

**The Deputy Bailiff:**

The position is that you have made the point that you believe that the figures in front of you do not support what the Minister is saying. I think we can take the matter no further forward. The Minister has not given way. He can continue with his speech and you are in a position to correct it at the end if you feel that is necessary, Deputy.

**Deputy R.G. Bryans:**

Of course, the financial picture has changed. So has the availability of teachers. There are still concerns about shortages but there are signs in the U.K. ... I am sorry, I have already said this. However, we share the national problem when it comes to specialists at secondary level and that is what we need to address. We find ourselves in the position of having inherited a pay scale that includes the old premium that is something we no longer need. Again, I am sorry, I have missed my place. Okay. Once again, the Education Business Plan focused our minds. The M.T.F.P. provided extra impetus for us to take an honest, critical look at what we are doing to review and refresh to meet today's circumstances. In this process, we ask 2 questions: what do we want to do and what do we need to do? The answer was we want and need to focus on standards and the curriculum, family support and school autonomy. The solution, the way to get what we want as well as what we need, is to reprioritise and I mean reprioritise everything, even in previously sacrosanct areas like teachers' pay. To improve standards, we need great teachers. To attract great teachers in shortage subjects like maths, English and science, we need to offer good pay. To offer good pay we need flexibility so that we can reprioritise our wage bill and how we spend it. That is the logic behind our proposal. To achieve it, we would like to reduce N.Q.T. starting pay by around £8,000, taking it to £30,000, which would still be considerably above the national starting rate and even above the figure for central London. It is very important to stress that this will only

apply to new teachers, those who have never worked in Jersey before. Compared to the U.K., they would be getting higher wages when they come here. I want to confirm that it would not apply to any teacher who is already working in our schools. Seeing a more realistic starting salary would also create a greater differential across the pay range and, in particular, more financial incentive for young teachers to take on extra responsibilities and seek promotion. This Island has a great deal to offer beyond a reasonable income. I spoke to a teacher, who has recently returned to the Island from having taught in the U.K., and when I mentioned the concern raised about recruitment she laughed and said anyone contemplating coming to this Island should visit her. I asked her why. She said the schools here were modern, well maintained, and the resources were second to none. She loved the teachers she was working with and everything the Island had to offer. More than anything, she said, the children were a delight to teach, hungry for learning. As you can imagine, it was music to my ears. Everything she had experienced in the U.K. was the opposite: poor schools, extremely limited resources and, more significantly, difficult children. Even now, this remains a proposition, a proposal. It is not signed and definitely not sealed. The States Employment Board will still have to enter into negotiations with the teaching unions using agreed processes, and this was never in doubt in our minds. We have a partnership with the unions that is widely accepted as something of a template for other jurisdictions. We have no desire to damage or destroy that relationship. Deputy Southern suggests that what we have done is misleading. That is incorrect. He asked if we had informed the unions. We had. Everything we have done has been open and transparent. It is only right that we signal our intent and then discuss what is possible. It could be the negotiations reject this idea and if that happens the department would have to look elsewhere for its savings. We have informed the Treasury that that could be the case and they appreciate our position. We do have some time as this change is not in the plan until September 2018. So what I ask you to consider regarding this amendment is the following. It is part of a much greater plan for the education system. By allowing this amendment you start to unpick that plan. It is a proposal and still has to be negotiated with the unions. They are already aware of our hope to make a saving in this area. This is the wrong point to say no. It should be fully explored and discussed. Approving this will make it harder for us to offer financial inducements where they are most needed in our secondary schools. We need financial flexibility. This proposition removes that. But should you decide that we have made the correct decision, here are some thoughts. Our level of starting salary will still be higher than that of the U.K. and London, 9 per cent higher than inner London scale and 36 per cent higher than the rest of the U.K. It is also above that of Guernsey, £29,000. Inflated salaries could be addressed. Existing teachers' pay will not be affected by this proposal now or in the future. It will reduce our wage bill over the next 20 years. I will also remind Members of the steps we are already taking to improve our recruitment strategy. We have already successfully targeted Newcastle University, which has resulted in 4 new science teachers who have started teaching in our secondary schools. In fact, one of my colleagues was at a meeting just yesterday where we had 28 new N.Q.T.s, 14 of which were primary, 14 of which were secondary. This year, in addition, we are looking to recruit 4 new maths teachers from the same source, Newcastle University.

[17:00]

We have created a new television ad that airs shortly in the U.K. and we still advertise across social media. We understand the problems of recruitment all too well. We have highly qualified teachers among our ranks within the department. We are proactive in our actions and have a desire to pay our teachers the best income we can afford, but not to overpay where it is no longer needed. To accept the Deputy's amendment is to undermine our savings plan, to vote in favour of inflexibility and to approve ongoing unnecessary spending. I cannot accept this amendment.

### **2.5.3 Deputy L.M.C. Doublet of St. Saviour:**

I wonder can I ask the Minister to clarify something before I speak?

**The Deputy Bailiff:**

The Minister has sat down. If you wish him to give you a point of clarification about something he has said, that seems to me to be in order at this point, although not later on. He would then have to ask you to sit down in order to clarify.

**Deputy L.M.C. Doublet:**

Okay, thank you. I just wanted the Minister to clarify. I understand when teachers are first employed, usually if they have a good degree, a 2.1 or above, they will usually skip the first 2 levels of the pay scale and start on level 3. So I think the Minister is using that as his example for where teachers will start being paid. Just for clarification, could the Minister clarify what pay scales 1, 2 and 3 are at the moment in Jersey and what they will be, the first 3 pay scales, after his proposals are implemented?

**Deputy R.G. Bryans:**

I do not have the figures in front of me relating to the first 2, but the actual figure that I quoted before, the £38,296, related to, as the Deputy suggests, the third pay scale.

**The Deputy Bailiff:**

So you had risen to speak, Deputy.

**Deputy L.M.C. Doublet:**

I just find it slightly bizarre that the Minister does not have the figures to hand of a proposal that we are debating the money for. I find that ... okay, Deputy Southern has some of the information. So the first level of £30,000 would be the starting wage for a teacher. If they have a good degree and they start on the third level of the pay scale, it is £38,000. So I am still not sure what the other part of my question ... what the clarification would be because the Minister has not told us what the like for like is. It is very difficult to compare to see what we are talking about here. Okay, so if we accept that the Minister wants to significantly cut teacher salaries, if we do not have the exact figures ... bear with me, please, it has been a very long day. I can see that Members are tired and I will try to be clear in my speech. When I was looking at this proposal as part of the whole package of measures within the education section of the M.T.F.P. with my panel, we did focus in on this section. We found, if Members have read our comments, that it is a similar story to last year's M.T.F.P. There is very much a lack of detail and this particular proposal is the same. This is an example. We cannot seem to get the basic information. We do not know whether the second year of pay will be the same, whether it is negotiable, how the N.Q.T.s will move up the pay scale. There is no detail on what this will look like in the schools when it is implemented into the schools. Also, there is no information on the impact of reducing teacher salaries. Deputy Southern, of course, has attempted to look at the impact in his amendment, but we also did look at this as a panel. I will come on to some of those facts and some of the findings that we found when we looked at this as a panel, but I did think it might be helpful to Members because I know that Members like to know how this will affect the workers that are on the ground that are doing the work. Members will know that I myself have been in this situation. I have been a student at university trying to decide what career I would like to have, and I did decide to go into teaching. I have been that student going through that P.G.C.E. (Post-Graduate Certificate in Education) teacher training year, which is a bit of a baptism of fire. I have had to make all of these decisions myself. So, although I prefer to base my arguments on evidence, I will just briefly give you some anecdotal insight. It is very difficult when one is deciding on a graduate career sometimes to know which way to go and I think it is even more difficult now for our students. It will be especially difficult if the pay is lowered. How can a graduate make a decision on what career to go into if the starting pay of a career they are interested in is on a par with that of a gardener, which is something that we

were told by one of the unions that came in to speak to us? It just makes the profession a lot less attractive. No teacher goes into education for the money. That is certainly not why I went into it, but it is like a light at the end of the tunnel of that P.G.C.E. year. It is such a difficult year. It is so rigorous. You get so well trained, and then at the end of it you have this lovely job where you are working with children and again it is really, really tough. But if you are being paid a fair wage, then you can get on with it a bit better and go through that stressful working environment and manage that heavy workload because you can feel that you are getting paid a fair wage. I just think this might be a tipping point. If we take that fair wage away from new teachers, I think it might be a tipping point that many, however much they love children and they want to have this vocation and be of service to their community, I think they will be put off by it. Knowing what I do know about young teachers at the moment, the model seems to be at the moment get these young teachers into the schools, work them to the ground and then they burn out and then they leave anyway. If we are investing in higher education and we are training these teachers and they are coming back to the Island, our own statistics are showing that we are in line with the U.K. in terms of losing around 50 per cent of new teachers in the first 5 years of the profession. Now, I do not understand. If that is happening in our schools, I just cannot understand the rationale behind cutting the pay and disincentivising people into this career. Again, there is no impact assessment or anything to say that it is not going to impact recruitment, as the Minister has said. Okay, I will give you some facts now. There is a teacher recruitment crisis in the U.K. and the adviser that helped us with our comments for our panel has informed us that teachers in Jersey are required to work a far higher number of directed hours per year than teachers in the U.K., around 1,400 directed hours every year, and teachers in the U.K. are required to work around 1,200 directed hours. So there is already that discrepancy as well as the cost of living factors that Deputy Southern has pointed out. They are required to work more hours, so there is already a bit of a disincentive there. Our adviser also pointed out teachers do not just bring their subject knowledge to the school. They bring the wider concepts of learning. So a maths teacher or an English teacher is not just of value to that school in the subject that they teach, they are of value in the whole wider concepts of learning in the school. If we are disincentivising some of those good teachers, not just in the shortage subjects, then we are not seeing the holistic picture there. Our adviser has echoed what I have said about the serious issue with supply of teachers in the U.K. and he quoted from a U.K. Government report by the School Teachers Review Body. This was July this year. This report found that teachers' pay was consistently lower than median starting pay for other graduates. That report has recommended an uplift to the pay framework significantly higher than 1 per cent to ensure an adequate supply of good teachers. It looks as if, if those recommendations are followed through, teacher pay in the U.K. is going to be going up. If we are lowering our teacher pay, it is just disincentivising even more. Sorry, I am just making sure I have covered everything. I do understand that the Minister for Education ... I am not sure that he has been given enough money to do the things that he wants to do in his vision. I do feel for him and I understand he has had some difficult decisions to make, but this is not the place to make cuts. The biggest resource of any school is its staff and if we are cutting staff pay and disincentivising good teachers from returning to the Island and taking up jobs here, then we will ultimately be harming the children of our Island because they will not be getting the best teachers. I ask that Members support this amendment. It is very important and I hope that Members agree with the points I have made and support Deputy Southern's amendment.

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

Maybe I misunderstood the purpose of this amendment but, as I see it, it is not to discuss the merits or otherwise of the proposed cuts included in the M.T.F.P. The amendments simply suggest that the M.T.F.P. does not pre-empt that decision-making process and on the face of it I am inclined to agree. On that basis, I do query whether now is the right forum to discuss the rights and wrongs of the proposed cuts and that should be left for a different time.

### **2.5.5 The Connétable of St. Martin:**

I thank Deputy Doublet and remind her there are gardeners and gardeners. I qualified as such in the U.K. It cost me a lot of money. I did a whole apprenticeship. An £8,000 reduction for newly qualified teachers is an important issue, obviously. In my understanding it means 2 teachers at the same school could earn considerably different sums and that probably is hard to accept. However, I think it would only be for a certain time and would eventually even up in the coming years. Unfortunately - maybe the Assistant Minister or the Chief Minister might explain later - the amendment or the comments do not show how they might intertwine at a later stage when they catch up. It is also hard to implement on one day, but in my understanding it would be at the beginning of the autumn term when newly qualified teachers have come back from training college and are starting work. I do not think that should be a stumbling block. I suspect there are many people on the Island who think that the starting rates in the public sector, and even some of those with many years' service in the public sector, are too high. My understanding of the Deputy's amendment is on 2 fronts: it would stop proper, open negotiations and, secondly, make recruitment harder. I am not sure about the first one, in fact, pre-empt any possibility of proper, open negotiations, which is on page 4 of the amendment. I am not sure why a newly qualified teacher seeking a post would be negotiating their salary if they are newly qualified or who they would be negotiating with, but maybe the Deputy would be referring to the unions doing that consultation on their wage negotiation rounds, and those would continue anyway. One applies for a position knowing the terms and conditions. The Deputy also mentions again in his final paragraph, I think on page 4, about how difficult it would be to see how teachers would willingly accept pay reductions. In my understanding, no teachers would receive a reduction and I think the Minister stressed that in his speech. No one would receive a reduction in their salary. It would just be the new teachers starting on a different rate and know that rate when they apply for the position. I have been through and worked through the public payroll throughout my career. I worked alongside colleagues who received different salaries, different scales of pay, who received different medical benefits than I was receiving and different pension benefits that were to follow upon their retirement.

[17:15]

Some were far better than the retirement pension I received and some were going to be a lot lower when they retired, although we were all doing the same job at the same time. But they knew that when they applied for the positions. As to the second point about making recruitment harder, we seem to be oversubscribed with the primary school teachers. How can we be sure that the stream would suddenly stop? I do not think it would but people with better knowledge than I have probably would. Yes, they might say that I have it wrong. I suppose the basic question that we have to ask ourselves, are newly-qualified teachers paid too high a starting salary? The Council of Ministers and the Education Department have provided the figures in their comments and it would indicate that they are. I accept we are talking extremes and Deputy Southern has raised that and he will when he is summing up, I am sure, as well; £16,000 more than U.K. counterparts in England and Wales, that is the £16,000 more than the starting figure for England, 70 per cent more. For the lower figures, which we get closer to what the Minister was saying as well, is that 36 per cent higher for England and Wales and if you get down to London, which is high-cost of living, it is £6,000, still £6,000 more in Jersey than in London. It is no wonder we had no teacher shortage, I put 2 nos there, I am sorry, I should go back to school. I am also comforted that if we reject the amendment the likely result will be that we will attract or set a goal to those teachers who are capable to teach in subjects, such as mathematics, physics and other subjects, especially in secondary-school level. The Minister has said already and he has said it in his speech: "I have much admiration for the teachers. I see the teachers at our Parish school next to the Public Hall in St. Martin. They guide young children, they coax them, they teach them and bring them up to that.



They leave there as ambassadors going into secondary school. I have every support for teachers.” I know many teachers, although it is not a conflict of interest, 4 of my 2 daughters and sons-in-law, 3 out of the 4, are teachers, albeit 2 in the U.K. and one is not indeed a qualified teacher anymore. We do talk teaching and I know how hard they all work. But the fact of the matter for me today is I answer to members of the public and now I can argue a case that newly-qualified teachers, at least 33 per cent or 34 per cent more than they would receive in the U.K., even with the cost of living on the Island. I think the idea of paying more to the specialised teachers who are assisting in other subjects should be followed. As I said before, this only affects, I understand, only newly-qualified teachers, this is not established teachers. If the amendment is defeated then it may be that we should also be looking in many other areas of the public sector and accept much work has already been underdone in the workforce modernisation programme.

#### **2.5.6 Senator P.M. Bailhache:**

I am going to follow the Constable of St. Martin because I think it is important to reiterate that it is a misnomer to speak of reducing teachers’ salaries; not a single teacher’s salary is going to be reduced. The new arrangements would apply only from 2018 and would apply to new recruits. It seems to me that the figures set out in the reply of the Council of Ministers are so overwhelming in their starkness. A newly appointed teacher in England and Wales is paid £22,467; in inner London £28,098; in Guernsey, our neighbour, £29,247; but in Jersey £38,296. The discrepancy and the disparity is extraordinary. Is there any advantage that the Island gets from essentially overpaying newly-appointed teachers? It does not seem to me that there is because the Education Department tells us that they have no difficulty in recruiting primary school teachers. The advantage of paying the proper rate from the job, instead of overpaying newly-appointed teachers, is that money would be released and could be applied to encourage recruitment in areas where there is difficulty of recruitments, specifically in secondary schools in certain scientific subjects. I hope that Members will reject this amendment.

#### **2.5.7 Deputy M. Tadier:**

The justification that the Council of Ministers give for their scathing cuts to public services and, of course, as we know to the most vulnerable in our society who cannot even get away with the benefits being cut, even though they are not taxpayers, is the fact that they can spend the money on education and health. Somehow that seems to justify it, so the people who are being harmed across the board, it is okay if a young family finds themselves impoverished and their home conditions have got much worse because we are investing in a people premium. We give with one hand and take away with the other, not necessarily in that order, but we are being told that we invest in education. But what was quite clear from the comments of the Scrutiny Panel is that, in real terms, there is no new money going into education. It is simply making savings that will necessarily have an impact on the education of our children, because we know that, by and large, the Education Department works efficiently. In fact, most of the departments are running efficiently, when we compare them to other jurisdictions in terms of the money they get in and the output you get out from it and the staff that they have. But, of course, the departments know that if they are to make any savings and which they have completely signed up to do, because we have loyalist Ministers in those departments that the money must come from teachers. For me, it boils down to 2 essential points, one of which has already been touched on, is that how on earth can we pre-empt and say that we have made savings if those savings have not even been decided yet or been negotiated with the unions? It is slightly disingenuous to say that we are not reducing the pay of any teachers because it is exactly what we did with the pensioners, we are effecting new entrants into that scheme. Of course, there are negotiations going on by the teaching professionals when it comes to those schemes, because they do not want to see not simply the value that is given to the teachers and their terms and conditions reduced, but they do not want to see the education system in Jersey adversely affected. I think there were both those points there because teachers, of course, are not

just in it for themselves. Most go into the profession, I think, because of a vocation. I think this topic came up at one of the Parish Halls in St. John in the recent by-election where it was said that teachers go in there. They could make lots more money by going into other professions, but they choose to be a teacher, even though they know that, ultimately, they are not going to be earning hundreds of thousands of pounds doing that. One of the candidates says: "Yes, I used to be a teacher but then I left because there was more money to be made in the finance industry." He did not get elected, but at least he was being honest. I think it is often difficult to make comparisons fairly, either between, in the first instance, the private sector because we are not comparing like for like. There are not necessarily the opportunities for promotion. It might seem on paper that in the public sector, especially as a teacher, one has a relatively secure and a well-paid job. But, of course, one has to remember the extra hours that teachers do, the fact that they are often working late at night. They are working even throughout the summer when people presume they are on holiday. Does that sound familiar to anybody in this room? Of course, we do not all get long holidays and we do not just do 9.00 a.m. to 5.00 p.m., as I think that applies even more so to teachers. It brings you back to the point about, do we value teachers? Do we value the teaching profession? If we do value teachers, then we should not be saying to the Minister: "We think it is okay for you to cut the starting salaries of teachers, those who train the next generation, not simply in educational terms but holistically and generally to be citizens in our society and also to be able to perform well economically and culturally and socially in our society." Are those the kind of people that we want to be targeting the cuts at, those who train the next generation for us or should be saying: "No, this is not the right thing to do." It is not the right thing to do to pre-empt it. In the past, in the run up to the M.T.F.P., whenever we have asked the Minister for Education questions about this he said: "It is just an idea. You do not need to worry about this. It may not happen. It is just an idea that is being floated along with lots of other things." Now we find that it is more than an idea. He is saying it is being put into the fine, small print into the figures of the Medium Term Financial Plan and it already being put in there as a saving, when it cannot possibly be a saving because it has not been agreed anywhere and it is certainly not being negotiated on. Completely separately to whether or not we support the idea of cutting teachers' pay, whether we do think they are paid a little bit too much, they could be reduced or in fact, if like me, you think that they are being paid a commensurate amount proportionate to the effort and the skills that they put in. It is kind of irrelevant on the first point, because we should not be pre-empting this decision and that is why Deputy Southern is absolutely right and should be supported, even just on that ground. But if, like me, you value the teaching profession, it would send a completely perverse message out to say: "We think that you are overvalued currently" and that is what the Minister is saying. He thinks that we think newly-qualified teachers in the Jersey context are overvalued and we need to value you less in financial and economic terms. We like to make comparisons with the U.K. sometimes, do we not, saying that even if you compare newly-qualified teachers in Jersey with London, then they are much better off? Of course, it ignores the fact that many teachers, who are being drawn to the Island, or who are being asked to come to the Island specifically to teach, there is an element of upheaval. You get to come into this beautiful place with granite cottages where the sun always shines and where we have cabbages that are 10 feet tall. But, of course, there are other peculiarities, you have to uproot yourself. You have family and perhaps elderly parents who are still in the U.K. You know that you have to fly back, often to the U.K. and that is where many of our teachers are recruited from. What do we know about travel costs between Jersey and the U.K.? What do we know about ferry links between Jersey and the U.K.? Are they reliable? Are they expensive? What do we know about the health service in the U.K. compared to the health service in Jersey? You do not necessarily have to fork out a lot of money in the U.K. if you get ill to go and see your G.P. (general practitioner), if you are bringing a young family over, if you are bringing perhaps a partner. You may be a teacher yourself who is setting up a young family, your partner may be expecting, who is going to need to visit the doctor. In the U.K. you do not really

have that headache because all that is put into the social security system. They have a proper social network still in the U.K. and, hopefully, for a long time to come, despite the attacks that are being ravaged by their own Tory Government. Of course, in Jersey we have a different starting position: we do not have that, we have our own version, a poor man's version of a Tory Government. We have a starting position where we do not even have the ability where people in Jersey have to pay to see the G.P., for example, completely different starting position. It seems to me, as it was said by a former teacher herself, why are we disincentivising teachers to come to Jersey? It seems that we are saying: "We can reprioritise that money. We want to incentivise maths teachers, for example, so we can pay maths teachers more." In reality we will not be paying maths teachers more, we will be paying them more than the new teachers, which are getting less. These teachers will be getting exactly the same or probably less than they would be now and it is all smoke and mirrors. I think those are 2 key reasons why we should not be going down the ministerial route. We should be supporting Deputy Southern. First of all, it is pre-emptive, it is completely unfair to think about what the outcomes of any negotiations might be. It goes against what the Minister himself said in many Question Times, that this is just an idea. It is just an idea, preferably one that needs to be nipped in the bud but if it is to happen it cannot be put yet into these figures. Secondly, if we value our teaching profession this is not the way to do it. We need to value our teachers, both in word and in deed and that includes by guaranteeing that they have reasonable starting salaries to entice people to come to our Island and train up the next generation.

**Senator P.F. Routier:**

I was really just going to ask if there were any other Members who are going to speak, Sir, before being asked to ...

**The Deputy Bailiff:**

I have one other Member who has notified an intention to speak. It might be helpful if other Members could indicate whether or not they wish to speak. Yes, there are at least another 4 or 5 Members who wish to speak on it. Of course, Deputy Southern must have the chance to respond.

**Senator P.F. Routier:**

In that case, sir, I would like to propose the Adjournment.

**The Deputy Bailiff:**

The States agree that we should adjourn. Very well. Sorry, Deputy, you ... I beg your pardon, before we adjourn, Deputy, you still have your light on. Is there ...? Very well, the States stands adjourned until 9.30 a.m. tomorrow morning.

**ADJOURNMENT**

[17:30]