

STATES OF JERSEY

OFFICIAL REPORT

WEDNESDAY, 30th NOVEMBER 2016

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

[9:30]

FAREWELL TO HIS EXCELLENCY, THE LIEUTENANT GOVERNOR, LIEUTENANT GENERAL SIR J. MCCOLL

The Bailiff:

First of all, it is a great pleasure to welcome His Excellency and Lady McColl. **[Approbation]** Chief Minister.

Senator I.J. Gorst (The Chief Minister):

It is an honour for me today to express, on behalf of all Members of this Assembly and our wider community, our sincere gratitude for the 5 years of dedicated service given to Jersey by His Excellency and Lady McColl as they leave us today. The role of Lieutenant Governor is an ancient one. The Island, of course, has been well served by many Governors who have, prior to arrival in Jersey, served with distinction in Her Majesty's Armed Forces. His Excellency is no exception, having served in some of the most challenging parts of the world, including Northern Ireland, Bosnia, Kosovo and Sierra Leone and latterly as the Prime Minister's Special Envoy to Afghanistan and as Deputy Supreme Allied Commander Europe N.A.T.O. (North Atlantic Treaty Organisation), the pinnacle of His Excellency's military career. The ancient role of Lieutenant Governor can also be a challenging one but I hope in a different way. As Her Majesty's personal representative, the Lieutenant Governor must be many things to many people, whether acting as impartial adviser to the Crown, sitting in this Assembly or when carrying out the many and various public duties that form part of the role. His Excellency has carried out all of these roles in an exemplary manner. It is well rehearsed that by custom the Lieutenant Governor, as an elected Member of this Assembly, only speaks in this Assembly twice; once on his first sitting and again during his final sitting, which will be today. When he spoke for the first time His Excellency said that knowing it would be 5 years before he would speak in this Assembly again, that he would resolve to be a good listener. There are those who might suggest that only a person with the highest military stamina and perseverance could survive 5 years as a silent but listening Member of this Assembly. I and many others who have worked closely with His Excellency have greatly valued his speed and clarity of thought, his integrity and his sound judgment. His Excellency's diplomatic skills have also been employed for the benefit of the Island in welcoming and hosting visiting dignitaries and members of the Royal Family. We owe His Excellency and his team at Government House a debt of gratitude for their work in ensuring that a traditionally warm Jersey welcome has been extended to all of those who stayed at Government House during their tenure. However, for most Islanders it is the many public appearances that His Excellency and Lady McColl are best known. In preparing for this speech I thought back to all of those many public engagements that His Excellency and Lady McColl have carried out over the last 5 years and I will mention but a few this morning. It will not surprise you that, unlike the BBC who seem to think one of His Excellency's most distinguished moments was coming down a slide that had been newly opened somewhere, I do not count that as one. There is one image that for me encapsulates the attributes that are central to the immense respect that Islanders have for His Excellency. Members might recall a photograph on the front page of the *Jersey Evening Post* in 2014 when His Excellency, in full uniform, shook hands with a young and rather shy-looking 6 year-old boy dressed as a soldier from the First World War. The photograph was taken when His Excellency and Lady McColl visited Les Landes School as part of the commemoration: 100th anniversary of the beginning of the First World War. As part of the commemoration the children had dressed as school children or as young soldiers of the era and in keeping with the occasion His Excellency had attended dressed in his uniform. For me, it is that photograph that demonstrates His Excellency's ability to engage with and his dedication to

Islanders of all ages and, in particular, to our children and our young people. **[Approbation]** His Excellency and Lady McColl have used Government House to welcome numerous groups of children, including over 75 children who took part in the Teddy Bears' Picnic, more than 150 Brownies also enjoyed a picnic and various activities on the lawn to celebrate their 100th anniversary and members of St. Luke's Scouts also held tea parties there. The gardens have been open to the public more regularly, than has previously been the case, to support local charities. I hesitate to mention a few but I will and I hope all of those many tens and hundreds that I do not mention will appreciate that they also are grateful for his support but charities including St. John's Ambulance, Jersey Association for Youth and Friendship, the Red Cross and the R.N.L.I. (Royal National Lifeboat Institution). I know that the support His Excellency has shown to the young members of the Air, Army and Sea Cadets and the St. John's Ambulance Service and the volunteers that support them has been invaluable. During His Excellency's tenure the post of Cadet and military support officer and the Jersey Joint Services Cadet Committee has been established. His Excellency has also formed the Lieutenant Governor's Cadets. These are selected each year to support His Excellency during ceremonial and V.I.P. (very important person) visits and they represent the best of the Island cadet movement. Of course, we should not forget the older members of our community and His Excellency and Lady McColl have also welcomed older members of the Island community. Earlier this year around 90 people born in 1926 with a guest were entertained to afternoon tea and entertained to a lovely tea party celebrating Her Majesty the Queen's 90th birthday. I know that all who attended were indeed touched and moved by the generosity of His Excellency and Lady McColl. I started this speech by mentioning His Excellency's distinguished military career and I want to talk briefly about that, how that has continued during his time as Governor. Firstly, he was instrumental in establishing the Armed Forces and Community Covenant in Jersey and I know that we will continue to see the benefit of that into the future.

[9:45]

He has also helped remind us about the heroes in our own community, some resident and some visitors because His Excellency and Lady McColl have been unstintingly supportive of Holidays for Heroes Jersey, a great charity which provides holidays for Armed Forces personnel who have suffered in conflict. The Governor's support has allowed their work to go from strength to strength and on behalf of the heroes and the charity I say thank you. I also want to give special mention to His Excellency's support of the Normandy Veterans Association, a decreasing number of men and their families who are truly heroes. I know that they have grown to consider His Excellency and Lady McColl as their friends and will greatly miss them. During this speech sometimes I have referred simply to His Excellency and at others I have also mentioned Lady McColl. But in carrying out all of these public engagements His Excellency has been wonderfully supported by Lady McColl who has too embraced her role. I know that many Islanders have been deeply touched by the energy, compassion and enthusiasm that she has shown to thousands of Islanders during her time here. **[Approbation]** She will indeed also be greatly missed. To conclude, returning to that speech 5 years ago when speaking for the first time, His Excellency stated that he and Lady McColl had resolved that the wellbeing of the people of Jersey would be their primary concern. His Excellency and Lady McColl have absolutely and completely delivered on that commitment and will indeed be sorely missed by all. It is not often, Sir, you will know, that a politician is lost for words or struggles to find a word to describe his feelings but as I conclude these short remarks I am indeed struggling to find appropriate ways to describe our thanks for the 5 years of dedicated service to our Island. So, I fall back on simple words, which, as I say them today, are magnified in meaning. I simply say to His Excellency, to Lady McColl, thank you, God bless, bon voyage. We will not forget you and we will always be grateful for your service. Thank you. **[Approbation]**

The Bailiff:

I think only for the second time and certainly for the first occasion for me, Your Excellency.

His Excellency, the Lieutenant Governor, Lieutenant-General Sir J. McColl:

Mr. Bailiff, Chief Minister, Constables, Deputies and Senators, first of all, may I thank you, Mr. Bailiff, for convening this special sitting of the Assembly today. It is a great privilege to be allowed to address the States and I appreciate it very much indeed and also thank you, Chief Minister, for those very, very kind words. It hardly seems possible that it was 5 years ago that I addressed the Chamber on arrival and yet in those 5 years there has been a huge amount of change across the globe, across Europe, across the U.K. (United Kingdom) and indeed within the Island, and I would like to take a couple of moments to reflect on some of those changes. As part of my handover preparations I have been paying a series of farewell calls in the United Kingdom, as I did in the weeks prior to arriving here. It is striking how the tenor of those meetings reflecting the relationship between the Bailiwick and the U.K. has changed and I recall 5 years ago the atmosphere was cloudy, difficult. There was friction, miscommunication and a degree of mistrust. The intervening 5 years have included a number of issues that could have aggravated those differences: historical child abuse, L.V.C.R. (low-value consignment relief), the time taken to receive Royal Assent to legislation, F.A.T.C.A. (Foreign Account Tax Compliance Act), beneficial ownership, European blacklisting, among others. However, despite these potential impediments, the relationship between Jersey and the U.K. is as positive as perhaps at any time in recent years. The progress in these last 5 years has been significant and I believe that there are 2 primary reasons for that. The first is the Island's enlightened approach to the developing international climate of openness and transparency. The forward-looking realisation at being at the heart of events and being prepared, where reasonable, to be on the cusp of change has long-term benefit. A few years ago it would have been inconceivable to imagine the U.K. Prime Minister standing up in the House of Commons, as he did on 11th April this year, saying that the Crown Dependencies, with Jersey very much to the fore, will now be in advance of most other countries, so instead of attacking them we ought to praise them and thank them for what they have done. This overall observation perhaps refers primarily to the financial sector. But being agile and sensitive, demonstrating a willingness to challenge, question, validate and adjust the changing international expectations across all sectors is key to the Island's standing and reputation internationally and reputation is perhaps the Island's most important commodity. Such change is difficult, you must be informed by the Island's history and culture and a balance must be struck. This Chamber is exactly the right place for that robust debate to take place and I commend the approach of the Assembly over the last 5 years. The second reason for the improvement has been the emphasis that has been placed on improving communications, both with the U.K. and within Jersey. The advent of the post of Minister for External Relations supported by his officials and the development of the London office have been central. Jersey is now having its voice heard. Those crafting the briefs for U.K. Ministers are being informed and influenced routinely. The Island is able to shape views as positions are being taken, rather than them reacting to problems after they occur. The formation of the London office and the Brussels office before it now look remarkably impressive as we move into the difficult area of Brexit negotiations. Over the past 5 years Ministers and officials have worked hard to promote the identity of Jersey across the globe in order to enhance business opportunities. As part of that laudable objective we have, as the Chief Minister has alluded to, seen a steady stream of ambassadorial visitors to Government House, rather more, I understand, than there have been in previous years. In welcoming these visitors to the House, the House has, I hope, played a helpful supporting role in providing a tangible manifestation of Jersey's relationship with the Crown and its distinctive constitutional relationship with the United Kingdom. In hosting those ambassadors I am frequently struck by the value that they place on Jersey's relationship with the United Kingdom. It is clear that they regard it as a strength. I also note that these foreign representatives come not

directly from the nations from whom they are drawn but from the Court of St. James's, highlighting the degree to which the rest of the world views Jersey positively through the prism of a wider British identity. My point here is that the twin objectives of energetically developing Jersey's distinctive international profile are strongly investing in the relationship with the U.K. are as complimentary as they are critical to the future wellbeing of the Island. Jersey is a complex community, full of energy and creativity, with a distinct culture. It has a warmth and a generosity that is unique, in my experience. In particular, I would like to acknowledge the central and invaluable role the volunteers play in every aspect of Jersey society. It is also a community that includes a surprising number of those in need of help and support. Engagement with the charities, which Gene and I have been involved, has given us an insight into that level of need and we have found it very moving. The Government and the charitable sector are working in tandem to support that need. The objective of developing the partnership between the Government and the third sector in order to deliver services is laudable and I know that many of the charities welcome this collaborative approach. However, in developing that relationship there is a need to ensure that the charitable sector has a strong and authoritative voice. Without such a voice there is a risk that the force and impetus of Government in the understandable drive to get things done for the benefit of Islanders may seem heavy handed and overbearing. In such circumstances, legitimate concerns may be overlooked, with unsatisfactory outcomes as a consequence. I would suggest that there is a need to find a way to provide the all-important third sector with an active, recognised and authoritative voice and that more Government help may be needed in this area. When talking to people on visits around the Island and often ask what I have been up to during the week and I will quite often reply that I had been sitting in the States. The response is often a pitying smile, followed by: "Well, never mind." **[Laughter]** I have always gently rejected that sympathy for 3 reasons: first, to sit in this Chamber as an unelected Member is a privilege. It enables someone new to the Island, as the Lieutenant Governor usually is, to understand the issues of the moment and the frictions and frustrations of Government. Such direct and immediate access is hugely beneficial. Secondly, I am aware that there are concerns about the construct of the Assembly and I am sure that there are improvements that can be made in many areas but it also has great strength. It is transparent. You, as Members, are accessible and accountable. It covers a broad range of responsibilities, ranging from those of a local council to those of a nation State. It is disciplined and robust in its approach to issues. Thirdly, and most importantly from a personal perspective, over the last few years of my military career I dealt with politicians from a variety of countries and political persuasions. A significant number of them might be thought to be driven by motives more closely aligned to ego, self-interest and political opportunity; that is not the case here in Jersey. Members of this Assembly disagree and at times you disagree violently but it has, as perceived from my vantage point, always been for the right reasons because you care. It is my experience that all of you, left of centre, right of centre, down the middle and determinedly and obstinately independent, are hard-working and committed and have entered politics to do the very best for those that you represent. I am an admirer of the States, despite and acknowledging its imperfections, but I am concerned for the future. Analysis and criticisms of decisions, policy and politicians, are healthy, necessary, indeed essential elements in a democracy. Vigorous debate is to be encouraged. However, I know that there is a concern that the States is not as well respected as it might be; a problem affecting many democratic Governments, perhaps all of them. Over the past 5 years I have seen the tenor and quality of debate improve and I commend the Assembly, however, there is more that can be done. The issue of respect begins, of course, within the Chamber itself. The more that Members respect each other then so will the public be encouraged to respect them and the States as an institution. Beyond the Assembly the nature of criticism levelled at Members, which at times is personal, is a cause for concern. Within the unique and, inevitably, confined environment of an Island jurisdiction there is a danger that the narrative will build on itself, creating an increasingly caustic atmosphere. In such an environment a potential consequence is that good

people will be discouraged from entering or indeed remaining in public service. This is a time of great challenge for the Island when the best possible representation is needed. I have already highlighted the strenuous and effective efforts being made to ensure that the Island is properly understood beyond these shores. I would encourage a similar emphasis upon internal communication. Communication and the work of the Assembly, clearly and persuasively, is key to establishing an environment in which the institution of the States and those who work within it are properly understood and, therefore, valued. In conclusion, I would like to offer a sincere word of thanks to my wife, Gene, who has immersed herself in the life of the Island. We have tried together to serve the Island to the best of our ability and she has given me outstanding support and I am always, as ever, in her debt. To the wonderful staff of the office of the Lieutenant Governor and Government House who have made the House a warm and welcoming home, while retaining the highest of standards, as would be expected, especially for an Island institution. Finally, and most importantly, to the people of Jersey who have made us feel so welcome and so at home, being Her Majesty's representative in Jersey has been the greatest honour of my career; as a family we have been particularly happy here. As we go to start the next phase of our lives we know that we will miss this remarkable community and this lovely Island very much indeed. Thank you very much indeed. **[Approbation]**

The Bailiff:

The adjournment is proposed. The States stand adjourned until 11.15 a.m.

[10:00]

ADJOURNMENT

[11:15]

PUBLIC BUSINESS - resumption

1. Minimum Wage: Revised Hourly Rate from 1st April 2017 (P.115/2016) - resumption

The Bailiff:

We return to the Order Paper and the Greffier read last night P.115, the proposition lodged by Deputy Mézec on the minimum wage revised hourly rate and I call on the Deputy to make his proposition.

Deputy C.F. Labey of Grouville:

Sir, just before we start the debate, could I ask for a défaut excuse for the Constable of Grouville? He has had to go to the U.K. with his wife.

The Bailiff:

He answered the roll earlier, did he not?

The Deputy of Grouville:

Yes, but he wanted to be marked défaut exusé now.

The Bailiff:

But he is not en défaut, this is just an adjournment from earlier, so you ...

The Deputy of Grouville:

But he was here earlier.

The Bailiff:

Yes, so he is not en défaut at all. It is a continuation of the sitting at 9.30 a.m.

The Deputy of Grouville:

But he wanted it recorded because he will not be here for the vote.

The Bailiff:

It now has been because it is there in Hansard but it is not a question of calling the roll again.

Deputy S.Y. Mézec of St. Helier:

Sir, could we also lift the défaut on Deputies Southern and Tadier, please?

The Bailiff:

Propose the défaut be raised on Deputies Southern and Tadier; do Members agree? The défaut is raised.

Deputy S.Y. Mézec:

I am glad because, of course, I need them to second this proposition.

The Bailiff:

I am sure you will have more support than that, Deputy.

1.1 Deputy S.Y. Mézec:

I certainly do hope so, especially given that it is the second time I have brought the same proposition. This is, of course, now an annual event and it will continue to be an annual event, so long as I continue to think that Jersey falls behind the U.K. and other parts of the British Isles, falling behind what our effective minimum wage rate is. As I said, this is, in terms of its wording, virtually identical to part (a) of the proposition that I lodged this time last year, shortly after the U.K. had announced that it was going to be introducing its National Living Wage, which, to all intents and purposes, is their effective minimum wage rate, albeit for people over the age of 25, which they were taking a political decision and I think that is the key point. It was a political decision to introduce a minimum wage rate that was significantly higher than what they had had before with the further aim of it being raised and raised and raised over the years to a much higher level than it was set to go at that point. It was a political intervention to do that on the basis of what they saw as being the right thing to do. I think that it is a real shame that Jersey has now fallen behind. I think that we may have been able to say that there was a reasonably understandable excuse for falling behind last year because it did sort of take us by surprise when the U.K. introduced its national living wage. Certainly, nobody ever really expected the Tories to be behind something like that but they were and good on them because I think they recognise the economic reality now. We were caught off guard by that and to have not been able to give that much notice to try and do the same thing in Jersey. While I did not agree with the decision not to do that last time I can see why some people would have done. I do not think that excuse counts now though because we have had a significant period of time now where we have known what the U.K.'s aims here are and we have been able to see the calculations before us of how the lowest paid workers in Jersey, who already have to deal with a much higher cost of living than the U.K., are now falling further behind in terms of what their own spending power is and what they can afford to have in their standard of living. I was incredibly disappointed when I saw that the Employment Forum had proposed increasing the minimum wage to an amount, which is less than the national living wage in the U.K. has been, and is also less than what Guernsey have done because Guernsey, from 1st January next year, will have a minimum wage which is £7.20, matching what it has been in the U.K. recently. For the sake of 2p I simply cannot understand why we are letting ourselves fall behind the U.K., especially when we look at the plans in the U.K. There is acceptance that the minimum wage needs to be a significantly higher rate than it has been and that the calculations

based on ambitions for the minimum wage are now out of date. At some point in the near future I think it is going to become politically untenable for Jersey not to have a significant rise in the minimum wage and when that moment finally happens, the more we fall behind the bigger that jump will be to get to that point and the more disruptive that will be for the businesses that will be wanting to plan ahead for that. I simply cannot understand why, for the sake of 2p, they did not come to that conclusion. In the comments that have been lodged by the Minister for Social Security, she has listed several reasons why the rate of £7.18 is the right way forward, one of which is that that decision was agreed unanimously by all 9 members of the Employment Forum. I think that is a strange way of phrasing this, given the conversations that I have had with members of the Employment Forum, who have told me that they argued very strongly for it to be £7.20. They also believe that it was wrong to fall behind but I just presumed that the word “unanimous” is used because it surely cannot have gone to a contested vote. They have obviously made that argument and realised they were in the minority and so said, okay, £7.18 can be the compromise but there are members of the Employment Forum who believe it should be £7.20. The other arguments against it that are used, like that this is the biggest percentage increase in 8 years, well, so what? It is still inadequate. It does not matter, in my view, that this is the biggest increase that has been proposed; it is still not big enough. There are still many workers in this Island who are earning too little, given the work that they do, many of them working very hard, many of them working more than one job, many of them working on zero-hours contracts and have the volatility that goes alongside that. We should be aspiring to much better and to have now fallen behind both the U.K. and Guernsey, I think, symbolically sends out a message that we just do not really care that much about these people. If they want to see their standard of living continue to decrease and their spending power continually going down and no political intervention made to say, okay, we are changing our minds on this agenda and we do want it to go up so that we can stand up for these people and see their standard of living go up. I think that is very, very disappointing and what is extra frustrating about this is when I sat down to write this proposition it was very, very tempting for me to just bring forward a proposition that pulled a number out of thin air just to get that significant jump forward. I could have gone for what the local branch of the Living Wage Foundation here has said the actual living wage is, which is £9.45. I could have done that; that would not have been the smartest thing to do, simply because I think that in such a short period of time would be a massive jump, which would cause people a lot of difficulties, even though, in the long run, I think that is where we should be aiming to go. But I chose £7.20, as that is the rate that it has been in the U.K. for a period of time. Then, of course, I found out on Wednesday last week that my proposition is already out of date because the U.K. has done another significant increase in their minimum wage, raising it to £7.50, so we fall even further behind. In the proposition I brought last year there was a part (b) that spoke about having a review to see what the impact on the tax and benefit system would be of a significant rise in the minimum wage. I think the information that we end up getting from that will, hopefully, inform us as to what the appropriate way forward is and to realise that the benefits we will get to our tax intake and to the amount that we spend out on income support will be positive for the Island and it is something that we should be looking to do. I am asking the States on this occasion to symbolically say that we are not going to fall behind Guernsey and that the lowest paid workers in Jersey are not worth less than their counterparts in other jurisdictions where the cost of living is much lower and I would say that this is a political decision. That is one of the criticisms in the comments from the Minister for Social Security saying: “Well, we are ignoring what an independent body has advised us.” Well, yes, quite rightly. That is because we are elected by the people to make political decisions about how we see the future of our Island community, our economy and everything that goes along with it. What the Employment Forum is tasked to do is based on what the elected politicians ask them to do. So the existence of that independent body is a political decision. Its terms of reference and what it is asked to recommend on is a political decision. So for this Assembly to then make another political decision, which is

that we do not want to fall behind the U.K. and Guernsey on this, is to me an entirely legitimate proposition to make and something that I hope that Members of this Assembly will see is their role. It is not our role to simply kowtow to what any other independent body says, not just this subject but I think a whole range of subjects as well, and so I am going to make the proposition and ask that Members support this and send out that message that we are not going to let our workers in this Island fall behind other jurisdictions. We will show political leadership and tackle this as a political issue as it should be and not a decision-making process that is simply outsourced to another body. I make the proposition.

The Bailiff:

Seconded? [**Seconded**] Does any Member wish to speak?

1.1.1 Deputy S.J. Pinel of St. Clement:

As Deputy Mézec has said, this is indeed an annual event. I reported to the Assembly on 4th October that I had accepted the Employment Forum's recommendation for a 3 per cent increase in the minimum wage. Deputy Mézec's report does not convince me that this was the wrong decision. When it comes to setting the minimum wage there is never going to be one correct answer. However, the Employment Forum has done the research and has provided us with a sound evidence-based recommendation. The Forum has a statutory duty to take into account certain factors, including economic advice and responses from stakeholders. Rather than choosing an arbitrary rate the Forum takes the balanced view of all the relevant evidence. There is a different evidence base for the setting of the U.K.'s national living wage. Unlike the other 4 minimum wage rates in the U.K. and the minimum wage in Jersey there is no requirement to consider the potential negative impact on the increase in jobs. In Jersey our aspiration to reach 45 per cent of average earnings is subject to the impact on the low paid jobs. It is not clear why this year, unlike in previous years, we would want to match with the U.K. and Guernsey, particularly given that the £7.20 rate in both cases is a higher premium rate for older employees. The rate in Jersey will apply to all employees over the age of 16. The Forum's recommendation has not been influenced by political considerations. I believe that this is a more appropriate basis from which to increase the minimum wage. If this proposition is adopted our minimum wage will be based for the first time on a political decision rather than a non-political assessment of the evidence. I am not persuaded to disrupt the independent procedure that currently works so well and risk damaging the relationship of trust that we have with the Forum. I ask Members to take 3 key points into account. Firstly, a 3 per cent increase is already the biggest increase since 2008, both in percentage and in pence and is much higher than the increases in average earnings and the cost of living. Secondly, based on the economic advice about the uncertainty following Brexit it is sensible to minimise risk at this time and review the position in next year's minimum wage review.

[11:30]

Finally, the increase was recommended unanimously by the 9 members of the Forum which means that the representatives of employers and representatives of employees all agreed that the minimum wage should be set at £7.18 from 1st April next year. I ask Members strongly to oppose this proposition.

1.1.2 Connétable M.P.S. Le Troquer of St. Martin:

It was good, once again, to hear from the president of the Jersey Farmers Union, déjà vu. I am not sure how many letters I received from the Farmers Union in the few short years that I have been in the Assembly but there have been many, I think it was my fifth or sixth, every time it is regarding the minimum wage discussed in this Assembly. He and his members must be very frustrated. It was only 10 months ago, I think, that he last wrote to us and like other Members I have also received other correspondence from farming groups. The theme on the letters that we have

received is: "Please, Connétable; please, Members, do not support this proposition." Earlier this year we had the letters that concerned not supporting the figure that was being proposed by the Employment Forum. I hope I have not sounded flippant. I do not mean to be because this is a serious issue to be taken seriously. There are a couple of points, main issues, that sadly swayed me away from supporting ... to reject the proposition, not supporting it although I believe, and I say I believe because I am not quite sure why the Deputy has brought it to the Assembly and I will come back to that later. I think we must all want more for those on the lowest end of the wage structure. It would be a sad day if we ignored that because there are those struggling in our community because of their low incomes. I cannot imagine what it must be like to be at the lowest end of the pay structure and I would be lying if I said I did. I have no idea how to look at every penny you spend before you can buy food each week and then to have to keep some in budget to pay for your doctors or to pay for your water, lighting, electricity and the like. I find myself in a difficult position today and probably the wrong word "difficult" because difficult is what I have just spoken about. The difficulty is, which button do you press at the end of the debate? That word should be "hard". Which one you are going to do; it is hard not difficult. We have explained difficulty. I find myself today in both positions, to support it and also to reject it. I am aware, and I think I am aware, of all the work, quite a bit of the work being undertaken by Caritas Jersey and their work in relation to a living wage rather than a minimum wage and it is one of the reasons I wanted to speak in the debate today and I accept we are not talking about living wages today because it has to come into this debate somehow. I have been to some of the meetings with the church groups and the representatives of many denominations. I went to one only last month where the vision and the work of Caritas Jersey was disclosed or discussed again. I am sure they would very much like any increase today although we are not going to be moving to a living wage today. I can understand that. I do not reject their vision and their goal. I know they will continue to press forward for something, of course, that is quite different from the Deputy's proposition today. Quite apart from the group of Caritas Jersey's vision I am an individual, like the rest of the Members today, that we all wish the best for our lowest paid workers. We all wish that. It is then that my loyalty is torn and tested in 2 areas. Firstly, and the Minister has explained it, we have the Employment Forum to act as this non-political consultative body that has a duty to consult on the rate of the minimum wage and other employment-related issues as directed by the Minister for Social Security, quite clear, and then to report back to the Minister with their recommendation on each issue based on the views received in that consultation process. I am pleased to see the vice-chair of the Forum in the Assembly in the gallery today. The Minister has accepted their recommendation and I think probably reluctantly at first when it came through. I have not checked every recommendation of recent years but I would suspect that most of them have been questioned by Members and brought to this Assembly for alteration. I have sat through a number of debates since I have come in in the short time I have been in the States. I have a copy of the press release of June of this year when the chair of the Forum explained how they were going out to the employers and employees to get the views of the people, that went out to all Members, and they have done that. How they must feel now when their decision is questioned yet again and it is a question just to raise it, and I can understand it is raising it not just to make things difficult. It is to improve something but imagine if this Assembly, every time, had to test the decisions made by the Tourist Development Fund, Jersey Overseas Aid Commission, the States Members' Remuneration Panel, just to name a couple. Have the experienced Employment Forum got it wrong? Have they misinterpreted what they have heard during the consultation? They must be quite dismayed although I am sure the Members can understand why the Member has brought this today. My other concern, in the conflict that I have in this proposition, I represent ... I know we represent everyone in the community. I represent a rural community, a farming community, and it is in that line of work that probably the majority of those on minimum wage are employed albeit I accept that there are shop workers and those in the catering and hospitality industry to name just a few others. I also represent the workers themselves

on the farming industries that may live in our rural Parishes but it is the farmers themselves who want to be there next year. They want to have their farms next year when the workers themselves may have moved on. When the farmers ... the people who come over to work have got nowhere to work because the farmers have ceased. We have large numbers of staff employed in our rural communities employing in agriculture and horticulture and they have asked us for help in rejecting the proposition and already having to find a 3 per cent increase. I have had these members asking me to reject the proposition. There may be some of those in the community that think the farming community complain too much, complain about the weather affecting crops, insufficient States grants and subsidies, complain too much about the legislation being applied to them and you may think that farmers complain about everything but I believe their concerns are real and why would they want to make them up. They would not want to. The Deputy has mentioned, and he has mentioned it again this morning, the higher minimum wages in the U.K. and also on our sister island in Guernsey and the seasonal workers may in fact decide that ... I think it comes across, the grass is greener on the other side. Well, we seem to have an ever increasing population on the Island, Jersey, every time we have results of figures of people living on the Island. Why would these people keep wanting to come to this Island if it was greener on the other side? We have Polish, Portuguese, Madeiran and many other nationalities who are prepared to come over and work on our farms and in any other employment roles unlike some, unfortunately some of our own local people, and they keep coming to the Island. Where we are told the population of our sister island was in fact falling at the last count, people leaving the island, and it was falling from the previous census that they did in Guernsey. Maybe it is those on higher salaries that are leaving Guernsey. I do not know. That is the trouble with statistics. I am sure there are a lot of Members today that could explain far better than I could, comparing the U.K. minimum wage is it comparing apples with apples. I do not know. I do not think it is. The Minister has tried to explain a little bit this morning as well in her few words. So in concluding, the arguments for this debate are well rehearsed and we know we discussed the same subject, amendment number 9, in January of this year. As I said at the start, I am not sure about the Deputy's proposition if it is to assist the workers, unfortunately it would just be 80p a week increase on a 40-hour week if they worked a 40-hour week, or whether the Deputy is bringing it forward to assist the Social Security budget to be less or if it is a little bit of both. The Deputy does state in his proposition the results of the investigation and the potential impact of a significant rise in the minimum wage on tax and benefit system, it is the second part of a 2-part proposition that was narrowly approved in January of this year, will be delivered in December. I think we have to wait for the result of that investigation and maybe at that time that Caritas Jersey and we, as Members of this Assembly, will then have the opportunity to make major changes if they are found to be necessary. So I am, sadly, unable to support the proposition today.

1.1.3 Deputy M. Tadier of St. Brelade:

I was hoping that the Constable of St. Martin might come down on the other side and perhaps it is not too late. Like the Constable I have a great appreciation for the work of Caritas and other organisations who really try and look out for, in many cases, not exclusively, but the lowest paid in our society and those who are vulnerable, and long may their good work continue, and it is important to note as well that they are part of the living wage movement that is going on in the Island at the moment. It is good to be able to work with them, other States Members and other stakeholders in society. Now, let us talk of some things which I think are factual. Now, if the Council of Ministers had proposed this increase today it would be adopted, probably unanimously, not necessarily, but it certainly would be adopted overwhelmingly. If the Council of Ministers had got the findings from the panel upstairs, the Employment Forum, they would have read it and said: "Thank you very much, we really appreciate the hard work that you have done. On top of that we believe that there are other factors, political factors, that need to be taken into consideration about

not just our Islanders but also the way that we look in Europe and to remain competitive”, a word that we hear often when it comes to reducing taxes for the most wealthy. We are told we have to remain competitive. If they had come forward and said: “But we are going to add an extra 2 pence so that we remain competitive and so that the lowest in our society are cared for slightly better as part of a bigger plan to move towards the living wage” that would have been adopted, no question of it. So the next question is: are we today then voting on the merits of this proposition or are we voting politically against a mover of the proposition or the supporters of it who bring it forward? I would suggest we cannot have it both ways. We are told that we sit in this Assembly to act independently, because most of us are elected as independents, and we should look at these things even-handedly. I would ask Members if it is the case that they would have supported this were it brought forward by the Council of Ministers, then they should be completely blind to who the movers are of this proposition and support it anyway on that basis. There perhaps is a better way, of course, because if rather than increasing the minimum wage by 2 pence an hour for the next year we simply gave a penny for every word that we speak talking about the minimum wage during this debate, those lowest workers would probably be much better off. But I do not think that is going to happen, and that is because talk is cheap. We can all stand up and talk about how, of course, we need to look after the lowest paid in our society, but when it comes to giving something that we can do tangibly to make a difference, we find all sorts of reasons and excuses, I would suggest, for not doing that. The obvious excuse is we have an independent body who make decisions. The minimum wage is not a political decision. It is set independently. What a load of nonsense. Of course, the minimum wage is political. The fact that we have a minimum wage in itself is a political decision. There are no doubt those free marketers in the Assembly, but certainly outside in wider society, and we heard yesterday from Senator Ozouf saying free market economics is what it is all about. No, I am afraid, it is not always about the free market. We decided politically that we do need a minimum wage for very good reasons so that people who are working can at least expect to know what they get in their pockets. So that is a political decision. Whether we have a living wage is also a political decision. Whether we have a higher or significantly higher minimum wage is also a political decision, and we cannot abdicate that to a panel, which does some very good work, it has to be said, but which is still advisory and which we can still take into account and add other considerations and political factors to it. Now, we know that there is a great immigrant population in Jersey. Many of us come from immigrant families somewhere down the line. I would suggest that probably all of us do at some point, even if we have a long lineage going back. We also have grandparents, a grandmother, grandfather somewhere along the line who came to Jersey and they probably came to Jersey as economic migrants. They came here to work, possibly on the fields but maybe in other disciplines. For all sorts of reasons they found themselves in the Island. We also know that tomorrow is the Romanian national holiday, 1st December. No doubt they will be gathering in the Town Hall. They will be celebrating the unification of the Romanian provinces and some Romanians, of course, will have been here longer than 5 years, some in many cases may have been here less than 5 years.

[11:45]

Now, why do I raise that issue? It is because we are told time and time again that we already have the living wage in Jersey because if you combine the minimum wage with benefits that is the living wage. Now, of course, that demonstrates a complete lack of understanding of what a living wage is because a living wage should be, at least in theory, what you are able to live off without any other state aid. Of course, we are given that definition by the current Minister, but even if that were true, do we ever ask ourselves the question about how we look after those who do not have the safety net of the benefit system? We know very recently the Health and Social Security Scrutiny Panel came out with a report that said already the value of the benefits net is too low anyway for those who are on it and its value has eroded. There are individuals in our society who do not have 5 years’

residency but who nonetheless pay G.S.T. (goods and services tax), who pay social security, who work very hard and who do not have the benefit of claiming that top-up that other workers in our society do. Who speaks up for them? Who looks out for those individuals? I would suggest that that 2 pence is better off in their pocket than it is in the pocket of the employer. That 2 pence may not seem like a lot. It has been said that it is 80 pence a week. It is probably nearer to £1 a week if they are doing longer hours, 50-hour weeks. It is not uncommon for low-paid workers and, of course, you extend that to the year, it is over £40 which will find its way back into the economy. There is no doubt about that. That £40 will be spent probably locally and it will find its way back into the economy. I think that is a good enough reason, whether we are looking at it from a Caritas charitable point of view or whether it is just basic economics. It is an opportunity for us who like to stand up on occasion and speak fine words about looking after those to do something tangible and look after that particular section in society which so often gets overlooked. We do, of course, have this annual event, it seems, and hopefully we will not always be in this position. We will hopefully move to a position where we have a living wage. We always have this back and forwards. The letter comes in from the Farmers' Union saying: "Yet again we predictably see Reform Jersey" - or previously Deputy Southern, this time Deputy Mézec and probably my turn next time - "bring this asking for a higher minimum wage." Of course, we get the reasons from them saying: "We are already on our knees." I have made the speech before that, of course, we do need to look after farming in Jersey, but if it is so marginal and so delicate then we seriously need to get all of our heads together and find a way to support farming in the Island, whether that be through greater subsidies, through other initiatives that we can all get behind, rather than necessarily saying the fact of 2p an hour is necessarily going to spell the death of farming. I have also questioned how many potatoes go to waste every year, and a quick Google search will find year after year we hear about potatoes being dumped in the Island. They cannot be sold to the market in the U.K. because they are too big or there is a glut and the prices go down. That is free market economics for you, I guess, but it must be slightly disheartening for those who go out and work for the minimum wage to plant and to farm and then to collect the potatoes, only to find that a lot of that product is being wasted. I do not offer that as any reason for or against the minimum wage or this 2p increase, but suffice to say that it is an irony that there is so much waste when people are working in many ways for such small wages. I think we should be supporting this today, but just to clarify how we got to this position, I am sure Members and some of the public listening might think why only 2p, why are we not going for the £7.50 an hour. I think Deputy Mézec has already explained the position that obviously developments move very quickly. But it has to be said that this is not an end in itself. This has to be seen as a progressive step. We often talk about evolution in this Assembly and not doing things too quickly, but it is important I think to put it on record now and to say that if anybody does support this proposition today it should be seen as a move to a wider step towards a living wage that pays. I will just close by saying that Reform Jersey does remain convinced that there is a need for a minimum wage that is significantly higher than it currently is. We are also of the view that the ambition for a minimum wage which is 45 per cent of the mean wage is out of date and that there is merit in seeking to emulate the U.K. aim of 60 per cent of the median wage. We remain committed to the principle of a real living wage and we intend to offer the States the opportunity to debate these points in the near future. I hope that Members can vote for this today. It is only 2 pence. We should be able to vote for this fairly easily without too much debate, but the key thing is that we do move to a living wage very soon, sooner rather than later, so that it is better for everyone around. It saves taxpayers money. It saves the Minister for Social Security money and we get jobs that pay and people can be independent, which is surely not just one of the Minister's aims but something that we can all buy into.

1.1.4 Deputy A.D. Lewis of St. Helier:

I really welcome the Minister's comments that 3 per cent will be the increase recommended by the Employment Forum. The Employment Forum have a difficult job to do, but they are advisory. It is not mandatory. The Minister simply takes advice from them. Then, as Deputy Tadier said, it then becomes pretty much a political decision as to how the minimum wage is set. Setting of minimum wages here and in the U.K. was very much a political decision and many thought it would be the end of the world having a minimum wage. It was not in the U.K. and it was not here. Neither is an aspiration to go more quickly towards, as Deputy Tadier said, a living wage, a wage that people can live on. That is an aspiration that I know the Minister has as well. She has said that in this Assembly, but she would like to see that happen in 11 years. Eleven years. The U.K. is trying to do that in the next 4 years, 60 per cent of median average earnings, and we are looking at 45 per cent median average earnings. Anything that can be done in the short term to increase that, albeit slowly ... I fully accept as a businessman myself that catastrophic change quickly is bad for business. We are seeing that at the moment potentially with Brexit. So it needs to be done slowly, but really this slowly? That to me is not acceptable. There is an opportunity today to accept the recommendations of the Employment Forum and then go that little bit further, that little bit closer towards what would be an acceptable living wage. Still nowhere near where it needs to be, but it is a step further forward that is good for low earners. It is also good for the economy, which I will come on to a bit more in a moment. Last night we had a dinner in honour of the Governor and we had it at Highlands College. We were honoured to be served by a number of students, and they were excellent. **[Approbation]** They were from the Academy of Culinary Arts and they cooked the food, they served the food, they cleared the plates away. They looked great and they were fantastic and obviously a lot of hard work has gone into training them. Very few of those will go into the industry that they were representing that evening. Why? Because the wages are very, very low. In fact, they are even lower than low because many hotels within the current regulations can employ people and take into account their accommodation and their food, so they could be coming out with £3 or £4 an hour, the migrant workers that are generally taking those jobs. Would it not be wonderful if far more of those Highlands students end up in those jobs, serving us, local young people serving us in our restaurants and bars and cafés? That is not going to happen under the current system of minimum wages. It is not going to happen until you get towards a living wage. The current workforce in that sector are generally migrant workers and they do a great job and they work very hard for very low wages. That money goes generally straight out of the Island. They take it back to their countries of origin, which has happened for decades not just in our economy but many others. However, there are other economies around the world like Australia that has the highest minimum wage in the world. It is right up there at the top. We are comparing ourselves with the U.K. today, hence the extra 2p being suggested, and it is at the bottom of the scale. It is really not that aspirational to match what the U.K. is doing. If you go to Australia, as maybe some of you have, you will be served, yes, by migrant workers in some cases but an awful lot of Australian young people work in hospitality, work in agriculture, making careers out of it, not seeing it as the job you do because you cannot get anything else. It is because of higher wages. What does that then do to the economy? It trickles down and it fuels the economy. In the Great Depression in the 1920s and 1930s this was discussed then. There was an M.P. (Member of Parliament) called Maxwell who made a proposition to the House of Commons for a minimum wage. As it happens, it was rejected but why did he bring it? He brought it because it was socially the right thing to do, but he also did it because the U.K. was in a recession at the time, a major recession, and they saw it as an opportunity to get themselves out of recession. Because you would put more money into the economy, more people spending money in the economy. What happens with people on low wages is they do not go out and buy a pension with it. They do not go and buy a mortgage. They do not put it into a savings plan. They spend it. Whereas wealthy people have the opportunity to save, put it into pensions. They do not go out and buy 100 pair of trousers, mind, but they can. People on lower incomes spend all that money in the economy, so that is good for

jobs, it is good for growth. In the U.S. (United States) 13 states have gone for a much higher minimum wage and in those states they have seen 50 per cent increase in jobs. That is in the U.S. It might change under Trump, I do not know, but he has been an advocate on some occasions of higher wages for the low paid. So it is a good thing for economies to do it and we have an opportunity today just to take that little step further forward to getting towards what some people would describe as a living wage. A lot of work is going on in the background at the moment with Caritas and you will see a lot more employers adopting a living wage very soon. But that is already happening in other places. I mentioned hospitality. I will now mention retail, another business sector that would be concerned about this, and understandably so with the pressures of online selling being a major issue. However, in the U.K. a number of retailers have adopted the living wage. Lush you may have heard of, Richer Sounds, Costa Coffee, Lidl, dare I say it, Ikea, perhaps one of the cheapest furniture shops in Europe. Because they see the opportunity for retention, they see the opportunity for motivation, and you end up employing in some cases less workers and that is one of the arguments that has been given before. So you lose some jobs, but you gain other jobs because of the productivity levels. You would have heard it mentioned by our economist and other people in Jersey that we have very low productivity rates in Jersey. In fact, the U.K. productivity are not very high either. That is because of wages. At the bottom end of the scale, wages are too low so you have low levels of productivity, and that is bad for all economies and it is really not very good for ours. Every year we get this yellow letter from the farmers and I have some sympathy with their plight. However, we should not not increase low wages just because one sector has a problem with it. We need to find another way around it, and others have mentioned that. Maybe it needs to be through subsidy. It is really hard for our farmers to compete against huge subsidies that the European competitors get. I fully accept that, but that does not mean you should not still have an aspiration, as the Minister does, to get to what is regarded as a living wage and this does that. I am afraid I have heard this argument from the farmers, from retail, from hospitality, not just in recent years but for decades that they are having a difficult time. We all know hospitality, tourism, retail and farming have all had good times and they have had bad times. That is market economics. The farmers have had good times before as well, but I do accept that it is perhaps even more difficult now. But I kind of heard them say that 30 or 40 years ago when I lived in St. Ouen and all my friends' fathers had farms. I heard it then, too. So I do not think a huge amount has changed and we need to change with the times and move forward. There is another element which was mentioned recently and it is mentioned in Deputy Mézec's proposition, and that is the cost to the taxpayer of low wages. £40 million income support, £60 million supplementation.

[12:00]

I am not suggesting that will be wiped out overnight by going up by another 2 pence. Of course it will not. The closer we get to a living wage and those people end up becoming net contributors in tax, in social security payments, in G.S.T., that reduces the cost to the other taxpayers. The fulfilling nature for those low-paid workers to be earning more, it makes a huge difference, it really does. Members will be familiar with the concept of a living wage so I am not going to dwell too much on it, but there are huge opportunities and advantages to getting a higher wage in our society. Three hundred retailers in the U.K. have signed up to a living wage, for example. I was spoken to by a senior member of one of the sectors that I mentioned recently. He said: "We are not paying minimum wage. No, no, no, we are not paying minimum wage, we are paying way above that." I said: "So how do you work that one out then, Sir?" "Well, our workers are working at least 60 hours a week and they love it. They are really happy to do 60 hours a week." Are they really? They do it because they have to and we know that there are lots of low-paid workers in Jersey who are taking one, 2, sometimes 3 jobs to make ends meet. Perhaps some of us have done that here as well in our early years. I certainly have. It is how you get on in life. It is fair enough. But if you

have a young family and you are working 2 and 3 jobs, you really do not have much time for your family. You do not do that night-time story. You do not have that time with your wife or your partner that you might like to have and that is really not good for society. The Governor spoke today about the third sector and how important that was, volunteering, how important that is in Jersey, and it is fantastic.

The Bailiff:

Deputy, I am sorry, I must ask you to withdraw reference to the Lieutenant Governor. It is contrary to Standing Orders to draw him into the debate in any way at all.

Deputy A.D. Lewis:

Yes, Sir. Members will have heard comments about the third sector in recent times, how important it is, the voluntary sector. But if you do not have time to volunteer because you are too busy working, that voluntary sector really is not benefiting from you. You are not putting back into society. You do not have time to do it. Jersey is really good at that and I would really like to see that not lost. Employers really should not underestimate the benefits of paying higher wages. This is the crux of the matter here. They will experience greater staff retention, reduced absenteeism, and there are lots of other positives. They are more motivated. The arguments have been well rehearsed before. I will mention the U.S. again if I may: 61 per cent of U.S. employers favour a rise in the minimum wage. It might be a bit surprising that, one of the most industrialised nations in the world. That was despite polling data that claimed that raising the minimum wage will kill profits, eliminate jobs and cut growth; 61 per cent of employers did not agree with that. They are the people doing the hiring. I sense that Members now have a real understanding of the importance of resolving what I would call the scourge of low wages in economies such as ours. The Minister needs, in my opinion, to be braver. Yes, listen to the advice of the Employment Forum and then look at the bigger picture, have a long-term vision that can be achieved in the medium term. She has the chance to show today by supporting this proposition that she is prepared to do that simply by agreeing to at least match the minimum wage of our 2 nearest neighbours. In my view, not doing so is a serious own goal for the Council of Ministers and they could do without some of those at the moment. What she will do is she will start that journey to bring Jersey into a modern era of fair wages. This is not just about the few that are on the minimum wage, but about a much larger number of people that are paid low wages, just above the minimum wage. If we stick to consistently proposing such low increases, albeit I accept that 3 per cent is much higher than before so it is great progress, we could take until 2030 to get to the U.K. 60 per cent of median average earnings. If you give a business time to adjust, it will adjust. If you give a business too much time to adjust, it will not. So if you have 3 or 4 years, 5 years maybe, to remodel your business you will do it. If you are told you have 11 years to think about this and it still might not happen, you are just not going to do it. I have been in business all my life. I would like to think I planned 11 years in advance but I really did not. If we planned 3 years in advance we were doing well. The U.K. introduced, as you know, a living wage. Okay, it has been criticised as a political tool to satisfy the desires of the Conservative Party, but it did send out a clear message across the economy in the U.K. that higher wages at the lower end of the spectrum were a good idea. I have a few words here from the Director of Ethics at Lush, a brand some of you will be familiar with. We do not have one in Jersey but they are familiar with them in the U.K. This was Hilary Jones. She said: "Regardless of the woes that all of us business people will tell you, there is still no excuse. Retailing is struggling. We are always complaining about rents and business rates, but that does not mean that we have the right not to pay a living wage for people that are working on the shop floor. But it also makes businesses easier to run. Our rotoring has become easier. It is easier to recruit staff. Our staff are not as tired because some of them have not had to look out for second and third jobs. They work harder and they are more enthusiastic." Although she does admit it has been a costly

experience in other ways, but she is more than convinced that she is getting that back in increased staff performance and reduced absenteeism. After the U.K. put up the minimum wage and called it a national living wage, a survey was done by the Queen Mary University of London. They interviewed 400 workers that are on low wages. Across all those companies and people they interviewed the staff leaving rates have fallen by 25 per cent; 54 per cent of workers felt more positive about their workplace; 52 per cent were more positive about their employer; 38 per cent felt they had greater spending power; 32 per cent felt it improved their family life. What a great result. We can do the same. In 2016 low-paid jobs in London stopped increasing for the first time since 2009 because they introduced a national living wage. This is our opportunity, Members of the States of Jersey. This is our opportunity to start that journey and get there quicker, in 5 years maybe. That should be our aspiration. I have a couple of quotes that I would like the Minister to listen to: "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty." That is what the Minister needs to think about today. That was Winston Churchill. I will just finish with a final one, which I hope again the Minister will listen to and the Council of Ministers: "The best way to predict the future is to create it." Unfortunately, the person that said that did predict the future very well. It was Abraham Lincoln. We all know what happened to him, but a great believer in a social ideal, a capitalist ideal in America as well, but he believed in fairness. He believed in fair wages. So the best way to predict the future is to create it. We have that opportunity today and we can start that journey simply by matching what our near neighbours do and start that journey a bit quicker to get towards what I think a fair wage is, what we all believe a fair wage is, what we all believe could become a living wage in the future. So I would urge Members do not be afraid, be brave. There are opportunities. Yes, there are threats, too. We can do this today simply by adopting Deputy Mézec's proposal and accepting the Employment Forum 3 per cent as well. We could do that today. It is in your hands. It is a political decision. It should be a political decision. That is why we have a minimum wage. It was a political decision. Take the advice from the Employment Forum. Yes, that is apolitical, that is great, it will do a great job, but then it is up to us to aspire to getting towards a living wage and you have that opportunity today. I would urge Members to take that on board and support this amendment.

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

It is a pleasure to follow Deputy Andrew Lewis because he speaks a lot of sense and he has done a lot of research. It is a political decision. Yes, again, the Minister says in her comments she accepted this recommendation in October so we should not have been surprised. Well, why does she keep accepting these recommendations blindly? Can she not see that it is 2 pence from the minimum wage paid across the water and paid in the U.K.? Two pence. We have heard from the Constable of St. Martin it is only 80p a week or it is £40 a year. Well, you were quick enough to take £40 off the children of single parents, were you not, a week? Easy. This would be on a single parent's wage one month that they will be up for what they lost. Do we really understand how people survive on the minimum wage? The Minister for Social Security says work is good, get off benefits, but do not upset the hardworking owners of these businesses, the farmers who write to us yearly. I have total respect for the farmers, but they should have much more respect for their workers. It comes through again. I am sorry, I have to go back to the Constable of St. Martin who says they are obviously not looking at Guernsey, who pay more, and they are not looking at the U.K., because our population is rising. We now have 105,000, is that not great? Really good. Are they really low-end workers that are coming here? Are they picking us because we look after them better? The absolute nub is where Deputy Andrew Lewis said. Is it the job of the taxpayer to subsidise these employers? It is not. Is anybody going to go out of business for an extra 2p an hour for their low-paid workers? No, but it will save Social Security. If that family is on income support it will pay them £40 a year because what comes in goes off the income support. It is a

weighing. It is scales. The Minister is not interested. She has said there are 9 people sit round a table to make a recommendation to her, highly respected, and I absolutely agree again with Deputy Andrew Lewis, it is a recommendation. They do the research and make a recommendation. The Minister for Social Security could quite easily have said: "No, I think we should literally try and get there quicker" as Deputy Andrew Lewis said. I really do not think people do understand and it is something that Deputy Tadier said. I have been watching this programme. It is called "The Big Food Rescue" and it is on BBC2. It started yesterday at 6.30 in the morning, a great time to watch telly. It is so interesting. There is tonnes and tonnes of food that is chucked away. I would like to know what our farmers do. Do they work with local charities? I hope they do because you need to watch this and open your eyes: 18 million people in the U.K. live below food poverty, in food poverty; 4.5 million ... this is BBC. This is not some far left/right politician saying these people are starving. These are facts and figures collected: 4.5 million will go a couple of days in each week without food at all. That might be because they are feeding their children. We are standing here today trying to defend not giving the lowest people in our society an extra 2p an hour. Deputy Andrew Lewis said: "I hope the Minister is listening." I do not even think they were listening to your speech. They were sitting over there, writing their little things probably for the next debate. They have made their mind up. They do not want to come here ... and, again, I go back to the Constable of St. Martin. In the middle of his speech he was still balancing the act until he ended. He convinced himself not to support it by the end. He did not sit down and say: "I still have an open mind. I will listen to the debate." He has the letter from the farmers that they wheel out every year. I have mine; it is in my handbag. I read the first line, oh, yeah, of course, we have the minimum wage debate coming up, we have a letter from the farmers, who have sent out to us ... even the postage. Just writing the letter and sending it in the post would cover some of this minimum wage. I really have no sympathy, I am sorry. I feel sorry for the people who are out there. Absolutely how dare somebody come up and say: "My workers are earning the minimum wage." Did they not understand it is by the hour, not how many hours you work?

[12:15]

Ridiculous to say this in this day and age, in this absolute prospering society that we had for ... which had nothing to do with the debate yesterday but we got the speech from Senator Ozouf. We are doing this, this, this and this right, everything is right, but our lowest paid workers, we are sitting here saying: "No, you cannot have an extra 2p an hour. We cannot bring you up to Guernsey and the U.K." Then we have the comments about not comparing apples and pears; 16 year-olds and 17 year-olds have different rates. We had that debate last year. We all agreed that there should be no different rate. If you have a person of 16, 17, 18 doing the job of a 40, 50 or 60 year-old, they are lifting, they are digging, they are doing this, they are filling shelves, they are doing the job right, they should be getting the same pay. That is not rocket science. We agreed that. We had the debate. Deputy Mézec I think brought that one. We agreed it. So do not give me any red herrings. I say to even the Constable of St. Martin please be a bit more thinking for the worker, not the employer. Think that it will save money for the taxpayer. It will take money, even if it is only ... I do not know what the Constable of St. Peter ... he has farmers, I suppose, in St. Peter as well and we cannot vote against the farmers. Well, not many farmers live in St. Helier No. 1 so I am quite happy to vote against them. Sorry, and I really do not believe that it will break their back. I hope Deputy Norton speaks because he is going to speak for the other sectors, the retail, and say that this will really put so many businesses out of work. Well, I do not believe it. We do not have the extra letters. We only got the one off the farmers this year. Oh, at least I provoked it. Yes, I see him writing his note so this is a speech he prepared himself. I am sorry. Yes, really we do need to be brave. It would have been nice for the Minister for Social Security, who believes in hard work, who believes work is the answer, who believes getting off benefits is great, she could not look at it and go against these people who advise her, absolutely do a brilliant job of advising

her, and they are independent. Two pence? To me, this debate should have never been brought. The Minister should have stepped up to the plate and said: “No, I am going to make that £7.50 because it is so near.” But no, here we are again and we will be back. We will get there, like Deputy Andrew Lewis says. We will get there quicker because there are that many people in the Assembly that really feel you cannot keep trotting out these old, old excuses for not paying people doing the work the money they deserve and stopping them going down La Motte Street for more handouts. They do not want it. They want to work and they want to work for a good wage.

The Bailiff:

You have taken the bait, Deputy Norton, have you?

1.1.6 Deputy M.J. Norton of St. Brelade:

I always intended on speaking but yes, I may have taken the bait. I do love it when you get pigeonholed that that is exactly what you are going to say, so perhaps I should just sit down now because obviously Deputy Martin has my mind already read. Or maybe not. Let us first of all compare the apples and pears. Of course, it is very convenient to say that we should not be worrying about this because there are differences, and yet Deputy Mézec stands up and says: “Well, they have £7.20 in the U.K. so we should have it here.” Yes, they have £7.20 in the U.K. if you are over 25. If you are between 21 and 24, then it is £6.95. If you are between 18 and 20, it is £5.55. Poor you if you are between 16 and 17 where it is only £4. In Guernsey, if you are between 16 and 17, it is £6.50. In the Isle of Man, if you are over 18 it is £6.65. If you are between 16 and 18, for a 16 year-old it is £4.67, as a 17 year-old it is £5.24. It is £7 if you are over 21. So let us compare some facts with facts. Deputy Lewis has rightly pointed out that Australia have the highest of the minimum wages. Of course, we should be comparing ourselves with Australia and not with Guernsey and the Isle of Man and the U.K. That seems sensible as well. So is it politically right to interfere with the Employment Forum’s recommendations? Deputy Lewis was completely right: it is a recommendation. Will 2 pence actually make any difference to either the employer or the employee? Probably not. So then you wonder why this proposition has been brought forward. Is this, I wonder, some early May 2018 electioneering that we have been hearing a great deal about over the last week? Deputy Mézec and I met in the lift, with two-thirds of the Reform Party I might add, outside the Chief Minister’s office only last week. We do like a little bit of banter from time to time and we do respect each other both politically and as friends. We did have a little bit of banter in that lift and I know he will not mind me repeating just some of it where, when I was quite surprised to see him on the 4th floor of Cyril Le Marquand House; he did say that he was busy measuring up the curtains. I think that suggests a little bit more Laurence Llewelyn-Bowen than it does Che Guevara but it ... they are going to be red curtains apparently. **[Laughter]** They are going to be red curtains. So I wonder why this 2 pence that is not going to make any difference comes before us and grabs the headlines. But Deputy Lewis again was absolutely right that many of those that were serving at that dinner that he mentioned last night and in other colleges for hospitality do not end up going in there because the wage is too low. The best way that you can retain staff is by appreciating the staff. Quite low down on just about every survey of employees they will tell you that wages is not the main reason why they are there; there are many other reasons, but it certainly helps. Now, nobody is saying that you have to pay the minimum wage. There is no law to stop any employer paying £9, £10 or whatever you want, as you might well be aware. So what will putting the minimum wage up do? It will be marginally inflationary for all of the staff that you have because all of their wages will want to go up. It is something I have mentioned before. I was pretty stuck on this one because I do, contrary to what Deputy Martin may think of me, want people on the lowest wage to get a higher wage. I believe it is right that they should get a higher wage. I believe it is right that fair pay should be paid. I would believe it is right for every employer to pay more than the minimum wage. That should not be the default

position for an employer. It really should not. It is wrong. This is a very tempting proposition and I am tempted.

1.1.7 Connétable S.A. Le Sueur-Rennard of St. Saviour:

I just have a couple of issues. Firstly, being a farmer I seem to have taken a lot of knocks in the speeches today and I find it a little bit upsetting. I am a dairy farmer and I have always paid over and above for the staff for the simple reason it is a 24/7 job. It is out in all weathers, summer and winter, and if you have animals you have to be there for them. So I can pat myself on the back and say I have always paid more because I appreciate the work that is being done. I have done a land swap with Jersey Royal and they are governed by the supermarkets what they get paid. I know that the Deputy would like to have said can the farmers not give away the food instead of it being dumped. This is not possible because the supermarkets control everything. Having said that, I do not know how many of the other Members of the establishment here phoned around, but I phoned quite a few people who employ people on a low rate. I was quite surprised because with some of them I thought that the accommodation was included free. It is not in some cases. If they are on a minimum wage, some of them, depending on how they live, if they live in Portacabins they have to pay the electricity, they pay the water and they pay the heating. That comes out of their wage. Yes, there is no point in shaking your head, Deputy, because I have spoken to people and they have said this is what happens. I made enquiries purposely. **[Interruption]** Thank you. Sorry, I did not know. You were like one of those nodding things in the back of a car. I was not sure whether it was going sideways or up and down. **[Laughter]** In that case, I appreciate you. If they live on the premises in the building, they do not pay anything. Their wages are theirs. But if they live in a Portacabin they have to pay extra. So I would like people to just think about this for 2 reasons. Please do not keep knocking the farmers, we are doing a great job. I am sorry, if it was not for us, you would not have the clothes on your back; you would not have the food on your table. The farmer, who is the landowner, stands to lose a lot. Take it from one who knows. We are doing our best for the community, we are all trying to make a living out of this, but I also am going to support this amendment for the simple reason these people are coming to work, bless them. It would be lovely to have a show of hands here to see how many people phoned either Jersey Royal or the other people who did potatoes or the Farmers' Union and asked exactly what was going on. Anybody can put anything on paper. My father always used to say: "Paper never refuses ink" but how many people in this Assembly phoned to find out things? I did. I was a little bit disappointed, because I always thought that, as I said, the money was theirs and the Portacabins and their accommodation was thrown in. That does not happen. I was told by one employer: "Not to worry, because they can work 30, 40, 50, 60-hour weeks and get a lot of money." They do not get a lot of money. They are out in the weather. I always wrap up and half the people do not talk to me when I am putting my cows in or doing anything like that. The Governor always did, bless his heart, but a lot of people do not. But you see them picking the cauliflowers, the water is contained in the cauliflower, so as much as you cut, it is going to fall down your Wellington boot. We are moaning about 2 pence, so whoever gets up to talk after this, please do not have a go at the farmer, please do not have a go at the landowner, just phone around, find out the facts and vote. Thank you very much.

1.1.8 Deputy P.D. McLinton of St. Saviour:

I best not have a go at the farmer or the landowner, not that I was going to. I was doing that with my head to say it is highly disagreeable for people to charge for accommodation on top of a pathetic wage. It is strange, is it not, that the jobs that we would least want to do get paid the least? It is one of the strangest things. There are people crawling around in sewers right now not getting paid a great deal, people standing out in fields right now, freezing their doo-dahs off. I withdraw that immediately, Sir. Sorry, it is not very parliamentary. But they are getting paid a pittance.

What are we talking about? Two pence an hour: that is 80 pence a week for a 40-hour week. They should be so lucky to be working a 40-hour week, but let us put it in perspective. If you have got a staff of 20, that is £16 extra a week. If that is going to break your business, you are not running a very good business. Let us go to the 60-hour a week example that Deputy Lewis mentioned earlier. That works out at £1.60, a whole £1.60 a week extra in their pay packet, £1.60 extra. A staff of 20, £32 extra a week you have to find. It is a bit of a no-brainer really, is it not? That we should even be arguing about this is rather embarrassing, frankly. This is nothing against the farming community. We understand you have got to make your money, but this is an embarrassing pittance extra, to be totally honest. I say we should definitely support this.

[12:30]

1.1.9 Deputy S.M. Brée of St. Clement:

Having listened to all the various arguments being put forward and most certainly having read the Minister's comments on the proposition, first of all, I would like to say that I - and I am sure many other Members - commend all the hard work the Employment Forum does do on our behalf. However, as it has been said before, they provide to the Minister a recommendation. Really what is lacking here is leadership from the Minister. The Minister is provided with information, and to say that this should not be a political decision I think is perverse in the extreme. We, as an Assembly, are here to act on behalf of the electorate and the people of Jersey. We are here to make those decisions as to what do we feel is an acceptable minimum wage. Do not confuse these between the Living Wage, which I fully agree with, but that is an aspiration. This is a minimum wage; we believe it is the minimum people should get paid. What we are seeing here, as I have said, I think is a total lack of political leadership, which while I accept the recommendation of the Employment Forum, I believe as a Minister that the minimum wage should be £7.20. What is the difference between £7.18 and £7.20 per hour? We have heard many people talk about many different calculations. I cannot understand the argument being put forward that we should not increase it by 2 pence. Now, one of the areas that obviously there is concern is in the farming industry. One of my worst jobs ever was cauliflower picking. I will never do that again if I have to. But we must not forget that there are additional avenues of support for the farming industry through the Rural Economy Strategy. We are all waiting with bated breath to see what the Minister for Economic Development, Tourism, Sport and Culture is going to put forward as the Rural Economy Strategy. I would suggest that if other Members, like myself, really do value the farming industry over here - that is both agriculture and dairy - not only for what they do, but also as custodians of our Island, that we can provide additional support to that industry through a sensible, meaningful and long-term Rural Economy Strategy. But as yet, we have seen nothing on that, even though it is due to take effect on 1st January. That, I think, is a great failing on behalf of that particular Minister, but moving back to the question facing us at the moment, we, as a body of elected representatives, have a responsibility, a political responsibility and a social responsibility, to ensure that the minimum wage is a sensible one, in line with the recommendations received, but £7.20, 2 pence extra, is not that much in the scheme of things. We need to move towards a living wage because the pressure on taxpayers through the income support benefit system is unrealistic. Why should we say a living wage is a minimum wage plus a top-up by the Government? Who is paying for that top-up? The taxpayer is paying for it, but that I think is another subject. This is about a minimum wage and I really would urge all Members to support this proposition.

Senator L.J. Farnham:

Could I correct the previous speaker? I think he has been rather disingenuous with his comments.

The Bailiff:

If you wish to speak, you may certainly speak.

Senator L.J. Farnham:

I will, Sir. He has been rather disingenuous again.

Deputy S.M. Brée:

Excuse me, Sir, if I may, “disingenuous” has been classed as unparliamentary language.

Senator L.J. Farnham:

I am not giving way, Sir. I will give the Deputy a taste of his own medicine today.

The Bailiff:

Senator, the objection was taken on a point of order that the word “disingenuous” has been treated as unparliamentary. To the extent that you are accusing the Deputy of deliberately misleading the Assembly, that certainly would be wrong.

Senator L.J. Farnham:

He said he had not seen the Rural Economy Strategy. His panel has had 3, if not 4, drafts and it is due to take effect on 1st January on the recommendation of the Scrutiny Panel, Sir. If that is not disingenuous, then I do not know what is.

The Bailiff:

Senator, the way to deal with that is to put the facts before the Assembly and let Members draw their own conclusions.

Senator L.J. Farnham:

I will leave it there, Sir. Thank you.

1.1.10 Connétable C.H. Taylor of St. John:

I think perhaps Members need reminding about what has happened in the agricultural industry over the years. In 1971, when the States elected to stay out of the common market, there was considerable fear of what might happen to the agricultural industry, which in those days was almost on a par with tourism and bank finance. You can see the industry is nowhere on a par with either of those today. The States here made a pledge to ensure that agriculture did not suffer. As someone who has worked for 25 years in the agricultural industry on this Island, I will state quite categorically the industry has suffered. In 1981, shortly after I started in agriculture, this Assembly made the pledge to fulfil the shortfall in the dairy industry between what the dairy could pay and what the farmer required to be viable. There had been a number of farmers, and I was one of them, who every year took their accounts, all the receipts and everything, gave them to the Department for Agriculture and said: “Here you are. You can see my books from start to finish.” There were some years where my wages were 12 pence an hour. This Assembly has not supported agriculture and it is not doing so. The level of money that is currently given to the industry I doubt would cover what the industry gives to the Island in the way of branchage, which no other competitor in Europe pays. Agriculture pays rates on land and buildings; nowhere else in Europe is that paid by agriculture. When we have a Government that fulfils its promises to the industry, then I am sure the industry would be only too pleased to stand up and say: “We are proud to be paying a living wage to our workers.” The solution is right here in this Assembly and I am afraid it is up to the Ministers to sort that out.

1.1.11 Deputy S.G. Luce of St. Martin:

I had not meant to speak, but Deputy Martin said a couple of things which I just wanted to respond on. The first one is food waste. I know it is a bit off the debate and the proposition, but I just wanted to tell Members that I came back from a meeting of Ministers for the Environment of the

British Isles in Guernsey recently, where the discussion topic was food waste. The Island lags sadly behind England, Scotland, Wales especially, in the use of food waste and I have instructed officers that in the New Year I want to look at the subject very carefully to make sure no food is wasted on this Island and everything that can be eaten will be eaten by somebody who could use it well. The second thing I will say while I am on my feet is to talk about the future of farming. I am glad to follow the Constable, because like he, I am an ex-farmer. I had not realised there were so many people in this Assembly that had cut cauliflowers for a living, and certainly on a day like this, those of who have done it are reminded what a joy it was to work in the fields, although some of us did it because we did enjoy working in fields and we wanted to be outside. But the future of farming is different than it was in the past and the points that Deputy Lewis made about the old days, the old days are long gone. While I accept that the consistency from the farming industry has been that they write to us every year saying they do not appreciate the increase in the minimum wage, something is very different in the farming industry, and that is the ability for farmers to make money when the seasons change. Last year should have been an exceptional year for our potato farmers, but it was not. Why was it not? Because these days marketing is set 6 months ahead, the prices are 6 months ahead. Everything that farmers do is now predictable, including the money they receive for their crops. The seasonal changes, the rains, the wind, the frost in the old days would have affected and made major differences on yields and the amount of monies that farmers would take home. That no longer exists and farmers are faced with ever-decreasing monies for the crops they grow. They do that because they are in competition with farmers from not only the U.K. but across Europe. That is why we do not grow cauliflowers in Jersey anymore; that is why we do not grow many of the second crops that follow potatoes anymore, because we are not in a position to compete on price. The Jersey Royal is now starting to fall into that category. For so long the Jersey Royal was a niche crop, which could command increased money. When the weather was bad and the crop was light, the money was better. That is now no longer the case and farmers that grow the Jersey Royal are faced now with certainty, absolutely certainty, in the money they will receive. They also know with certainty that the costs are going to increase, so they know pretty much with certainty that if we are going to increase the minimum wage and head for a living wage in the future that that puts them in a very difficult situation. I am not saying for one minute that we should not do that, but I completely agree with Deputy Tadier when he says if that is the way we are going, we are going to have to look and find other ways to support farming into the future if we are going to continue to have this green and pleasant wonderful countryside in Jersey that we all enjoy at the moment. Finally, and I will be as brief as I can, I just want to talk about 2 pence difference. We have asked for recommendations from an independent body that look at everything and come up with where they feel the minimum wage should be. Every speaker that we have heard this morning has said: "It is only 2 pence. It is a political decision." If it was a political decision, the difference might not be 2 pence, it might be 22 pence or 42 pence or £1.02. But 2 pence is not a political decision, it is an attempt to get this Assembly to not take the recommendations of the independent body, to set a precedent for the future, where the recommendations have not been taken in the past and now once again we cannot take them on board. I, for one, will not go against the recommendations for 2 pence.

The Bailiff:

Does any other Member wish to speak? If not, then ...

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

The adjournment is proposed. Do Members agree?

Senator A.J.H. Maclean:

Just before we rise for the adjournment, could I just remind Members that there is going to be a briefing in the Société at 1.00 p.m. on the operation of the tax system? I know a number of Members have accepted. There will be a light refreshment lunch to encourage any others who wish to come along, but between 1.00 p.m. and 2.00 p.m. will be that briefing on the tax system, which Members might find useful.

The Bailiff:

The States are now adjourned until 2.15 p.m.

[12:44]

LUNCHEON ADJOURNMENT

[14:15]

Connétable L. Norman of St. Clement (in the Chair):

The debate continues on Projet 115. Does anyone else wish to speak? Deputy Southern.

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

It has so far been a most reasonable and good far-reaching debate, but I just want to point to a few factors that I do not think have been mentioned, or to reinforce them if they have, in particular on the comments made by the Minister for Social Security on this proposition. I start with paragraph 2 here and why we need a sense of balance about what we are doing here: “The Minister is satisfied that the Forum presented credible evidence in support of its recommendation, having balanced out all of the factors that it is required to take into account. These are the economy, competitiveness, responses from stakeholders and the States objective that the minimum wage should be set at 45 per cent of average earnings by 2026.” Here we get into the debate. This particular proposal is described as political. Of course it is political. It is about the balance between what the employer pays his employees and what we, the taxpayers’ representatives, pay to support that rate. This is an intensely political debate. That is why the Employment Forum makes the recommendation - not gives a directive, makes a recommendation - to the Minister for Social Security as to what it sees fit. But the Minister for Social Security, and indeed this Chamber which is happening today, decides whether to accept that recommendation or not. That balance is one that weighs heavily on the taxpayers. We are talking about supplementation to the tune now fixed of £65 million a year. This is supplementation to support low wages. That is the reality. Income support, I do not have an accurate figure on me, but let us say it is around £75 million, again to support low wages and ensure that people can survive and can live a healthy life, but that support is absolutely essential. Just add those 2 figures together a minute, something like £140 million, and put that into the coffers of the States. We would not be facing any problem, we would not have a shortfall in our tax revenues. We would be able to afford a lot more than we can now. That is the net impact of a low-wage economy. It requires enormous support from the taxpayer, which is why we are debating today. The comments go on to say: “Deputy Mézec of St. Helier’s proposition does not challenge the evidence that was presented by the Forum and it does not offer any sound reason why this year, unlike previous years, Jersey should try to match the highest minimum wage rates in the U.K. and Guernsey.” Let us just pause for a minute: “... sound reason why this year, unlike previous years, Jersey should try to match the highest rate of a minimum wage.” Let us have a look at the history of matching the highest rate in U.K. Where are we? I have got the figures here from 2008 to date. The U.K. figure in October 2008 - they used to make this change in October, and we compare with it in April of the following year - £5.73; in Jersey £6.08. 2009 in the U.K. £5.80; in Jersey £6.20. Continuing through the years: £5.93 compared to £6.32 in Jersey; £6.08 compared to £6.48; £6.19 compared to £6.53; £6.31 in 2014 compared to £6.63. Consistently throughout this time, the Jersey rate has been significantly higher than that in the U.K., and yet here we are today talking about not

even matching last year's rate of £7.20, but failing to get anywhere near what is this year's rate of £7.50. Why should that happen? One reason is because the U.K. have made a commitment to coping/dealing with its low wages by raising their minimum wage. As previous Members have mentioned, one of the ways you can grow your economy and one of the ways that you achieve economic growth is by feeding in at the bottom end. But why? Because those people on minimum wage and close to it spend all their money. Every penny that you feed in at the bottom end comes out, it is spent in the economy and boosts the economy. Equally, every penny that you can add to the minimum wages comes off the massive supplementation and income support bill eventually that that taxpayer pays. It mentions the highest of the minimum wage rates in Guernsey and U.K., but let us bear in mind what that means. The highest of those minimum wages applies to how many workers in the U.K.? It is over-25s only, it said, and we cannot go near that, over-25s only. What is that? That is between 75 per cent and 80 per cent of the whole employee population, so it is the vast majority of workers, not a minority, not a few, it is the vast majority which are on this particular rate. It is perfectly legitimate to make a comparison between U.K. rates and our rate. In paragraph 6(a) of the comments, it reminds us that there are 4 lower rates which apply for those aged under 25, but I remind Members that twice we have properly voted to not go for an age-related minimum wage, but to have an adult rate and a trainee rate as the way forward to address those lower-skilled who need that training. That we have decided twice, once only recently. So to bring in the fact about these different age rates is a totally spurious argument, I would put. Moving on to paragraph 4 of their comments, it starts off: "The Forum conducted a detailed review, taking into account all the available evidence including [et cetera]." I do not know if Members have got their report from the Forum, R.102/2016, lodged on 4th October, but here it is. When they say: "The Forum conducted a detailed review" what it does not mention is that on pages 25 to 28, the recommendation starts with this: it examines a greater minimum wage increase by 2026 or 2020. As an additional part of its annual review it says here: "The Minister asked the Forum to consult on the implications of increasing the minimum wage more significantly going forward. Respondents were asked what they thought the impact would be of an increase to a rate equivalent to £7.65 for all employees aged over 16 by 2026 or 2020." It goes on to say: "The relevant questions in the Forum survey included a preamble to explain the meaning of the £7.65 figure and how it had been calculated" but it is clear from some of the comments that unfortunately some of the respondents assume that this figure was a proposed wage rate for the years 2020 or 2026 and not an exemplar for a bigger rise now or in the future. Respondents' views on the impact of such an increase as negative or positive do not therefore necessarily give a good indication of what the response might have been had the question been that which was intended. Just to take an example, it quotes Unite the Union saying that this was meant to be a big rise corresponds to a 9 per cent increase over the course of 10 years, or less than 1 per cent a year, so that would not mean very much at all. They asked in one section of their survey a question which was misinterpreted, misunderstood and therefore got no valid or little valid response at all. Now, this was the first part, I presume, of the report that Deputy Mézec has already asked for into the impact of larger rises going forward. That is one piece of work which conducted a detailed review. Satisfactory? Not at all. Then finally, some previous speakers have talked about where we are going in the longer term. The remit in the U.K. is that their national living wage of £7.20 is the figure should reach 60 per cent of median earnings by 2020, subject to sustained economic growth. We, on the other hand, have committed to raising our minimum wage to a figure, which is 45 per cent of the average wage, compared to 60 per cent of the median earnings in the U.K. It seems to me that the U.K. have got this right. What I introduced or persuaded the House to introduce all those years back in 2005 is not the best figure to aim at: 60 per cent of median wage is the figure we should be adopting. I will hope to bring a proposition to that effect in the near future, because that is the marker that we have seen from our own income distribution survey which is the marker that says living at a low wage, living at low income, that is what we should be aiming for in the longer term. It makes sense in terms of our

taxation; it makes sense in terms of the conditions in which our workers work; it makes sense, I believe, morally and effectively and economically to start that move. Now, today, as many have said, an extra 2 per cent is not going to cause mass bankruptcies across the economy.

[14:30]

But it does indicate the way forward. It is a small step which says we are going to address the issue of a low-wage economy over time. I think we can afford to support this particular proposition.

1.1.13 Senator P.F. Routier:

When I was at Social Security and we were considering bringing forward the minimum wage legislation because we believed it was the right thing to do for our community, for social reasons that it was important that we supported people in employment, we did so on the basis that we wanted to try to avoid that the setting of the minimum wage would become a political football. Unfortunately today it is becoming a bit of a political football. To try to avoid that happening, we established the Employment Forum, who, as Members will be aware, are made up of a number of people. There are employee representatives, there are employers and there are independent people. There is a balance, which was carefully put in place to ensure that all views are heard. As we are aware, the recommendation which has come forward is a unanimous decision of that Forum. I say those things because I believe that having a Forum in place to review and to make recommendations to the Minister is the strongest mechanism that we can have to ensure that we have a minimum wage which is appropriate, that the business community can afford, which is at a level which is sustainable. Having been in the position of Minister for Social Security, I am aware of the process it needs to follow when the Employment Forum makes a recommendation. To go against a recommendation of the Employment Forum ... and I have to say, it is not just minimum wages they look at, they look at all aspects of employment law, they look across the board at everything that is involved with family-friendly working, all sorts of sides of employment law. It would be a great shame if we were to go against their recommendation, because I believe it would devalue the status of the Employment Forum, because they are well-established, they make good recommendations. When they do make a recommendation, if the Minister was to decide that it was not a good recommendation, the Minister has to put in a clear report to the Assembly to say why the Minister would go against that recommendation. I do not believe that is something that should be taken lightly. It is something which I believe we should cherish, having the Employment Forum in place. With regard to the comparing with other jurisdictions, it has been identified by some that there is obviously quite a difference between the U.K. and Guernsey with regard to their different levels they have for youth rates, apprentice rates and all the various age groups. The proposer in his proposition has made great play of comparing against the other jurisdictions. I do not think that is a fair comparison really, because you are not comparing like with like. The issue with regard to a youth rate, as Deputy Southern has mentioned, this Assembly has decided against the youth rate. To me, and from my understanding of speaking to employers about wanting to employ within their businesses, they are not particularly interested in employing local young people, because they can employ experienced people who they pay the same rate to. There is no benefit in trying to attract young people into their business. There is no incentive for them to do that and I believe we are doing a disservice to young people by not having a youth rate. From the experience of speaking to employers they do not have any interest in employing young people when they can employ somebody who is more experienced for exactly the same rate of pay. That is just an observation I make and I have gained that information through speaking to employers. Deputy Tadier spoke about how he felt it was now becoming politically untenable to have a rate perhaps lower than Guernsey and the U.K. I believe it is untenable not to have a youth rate because it is something I believe would be of benefit in getting more local young people into the workforce as a stepping stone. I do not mean it to be there for a long period. It needs to be introduced into the workplace.

It is just that the door is closed at the present time and I believe we should be opening that door to get them into work. I know people might think it is a platitude that I would like to see them earning more money. It is a fact. I want to see wages increase. I want to see people earn more money but it has to be done in a reasonable, considered way. We have the Employment Forum in place and they do a very good job for us and I think it would be a great shame if we were to go against their recommendation and I hope Members will not be able to support this proposition.

1.1.14 Senator P.F.C. Ozouf:

I will not repeat any of the remarks made by the Minister for Social Security for her opposition and the fundamental opposition to having set an expert body for setting a rate and then effectively setting it aside. I want to address the issue about agriculture and to build on some of the remarks made by the Minister for the Environment in contrast to the Constable of St. John, who in opposing this proposition misses the point. I will be opposing this proposition out of principle that we have an expert body but I am in no illusion that there is a general mood to move towards a better understanding of ... and I saw Deputy Andrew Lewis shaking his head and then nodding his head. I understand there is a move towards a living wage and all those arguments and those arguments are evolving and we are beginning to understand them. They are, of course, as always, influenced by affairs in other places and the fact is other political commentators will make their own judgments but my own judgment and that of other commentators is that the removal of social benefits in the U.K., the emolument of that, the presentation of that has been to raise the national living wage. There have been huge cuts in benefits in the United Kingdom for whatever reason. I just make the observation that there is a link between the U.K.'s decision for national living wage and the cuts they have imposed on benefits and I do not think the mover of this proposition would welcome those cuts in benefits and certainly while there has been, of course, aims to reduce benefits and to get people back in to work because that is the best social programme you can give anybody, that is the best aspiration you can give everybody and we want an economy with high levels of jobs, with plentiful jobs paying plentiful wages. The solution, however, is not simply to make ill-informed decisions based upon the flotsam and jetsam of a short-term, relatively uninformed political wash-over. It is a repeated refrain of mine now in this Assembly to say we are not short-term thinkers and we were told that this morning. The observation was that we were not short-term speakers and I hope we are not. I hope we are not basically referred to as people who just simply go with what is the popular mood at the moment. I am not popular in a variety of sectors. **[Laughter]** **[Approbation]** I am popular in some areas because I tend to say also the facts and that is perhaps why I have lasted as long as I have done. I call to mind many of the things one says is first they say you are bad, then you are mad then there is a period of silence and then most people agree with you. I remember the debates on agricultural subsidy back in 1999. I remember the Constable of St. John in a different era when we were at the R.J.A. (Royal Jersey Agricultural and Horticultural Society) together. I remember a world in which there was a chronic subsidy overkill of agriculture where there were about 1,500 cows being produced, which basically taxpayers' money went into cushion stuffing material. Agricultural subsidies are not the solution. They do not work. They basically just end up - and I declare an interest - agricultural subsidies which are directly relevant to this proposition because it is links to the long-term policy of the national living wage, *et cetera*. The fact is that anybody who understands economics understands that subsidies and agricultural subsidy do not work. They cause market disruption, they hurt the poor and they cause food prices to be more expensive. That is what they have done in Europe and what they do in Jersey is increase the land price. There must be a linear effect pound for pound. If the States pay £35 per vergée for subsidy land per vergée will be rented ultimately at £35 more.

The Bailiff:

You will be coming back to the proposition.

Senator P.F.C. Ozouf:

Yes, I will but the main issue is the linkage when Members purport to argue that somehow we need to deal with the issue of subsidies so we can then go with this proposition. They are wrong. There is no linkage in it. There is an issue. I absolutely commend and recognise the work and the wise words of the Minister for the Environment. There were some comments about who has cut cauliflowers and who has dug potatoes. I think I may have cut a few cauliflowers in my own day and I might have also milked some cows but I do not anymore. I am also a student of why agricultural markets work and I supported the minimum wage right from the start and I support an economy that has plentiful jobs paying high wages. But they should do so based upon advice and proper government intervention. I just want to make absolutely the point very crystal clear for the Constable of St. John. Subsidies do not work. They are not going to be any ...

The Connétable of St. John:

Point of order.

Senator P.F.C. Ozouf:

I am not giving way.

The Bailiff:

What is the point of order, please?

Senator P.F.C. Ozouf:

If it is a different point of order, certainly.

The Connétable of St. John:

I do not believe I mentioned subsidies in my speech. I said the subject needed to be looked at.

The Bailiff:

Connétable, you must have mentioned it if you said it needed to be looked at.

The Connétable of St. John:

It was referring more to the promises that the States had made the industry that they did not keep to. I did not mention that subsidies needed to be increased. I did not say that subsidies had to be given but there are other ways the industry can be supported.

The Bailiff:

The Senator would be right to complain that is not a point of order. That is a point of information.

[14:45]

Senator P.F.C. Ozouf:

The recording back of this Assembly means that we can hear back to what the Constable said and I recall very well what the Constable said. He was calling upon fairness and he was talking about European subsidies and how unfair it was and all the rest of it. He spoke to that subsidy. I heard him and I understood it loud and clear and I understand exactly what that issue was and we are not going to go back to the bad old days of throwing money away in subsidies. In fact we should be removing them because they harm the environment and they harm the poor and they benefit the rich. Most people who understand economics know that. I said I was controversial and I was controversial in 1999 when I said so, and I was controversial when I said there was overproduction and the Milk Marketing Board was effectively not basically publishing correct accounts and I was proven to be correct. I have been controversial in all sorts of things. I see one Constable shaking

her head. Well, let her look at the facts and there were all sorts of issues. This proposition is about those lower value industries that we must assist and we must work with those lower value industries in order that they can pay better wages in the future. You do not force them to do so and you do not disallow your advice. We are going to help the lower wage industries in our Island. We want to make them more productive. They have to be more innovative. I was listening to Radio 4 this morning and listening to an article about Dairy Crest and I was listening to the fact that Dairy Crest is investing ... Dairy Crest is the biggest milk producer in the U.K. a bit like the Milk Marketing Board in Jersey and effectively aims to create 20 per cent of their sales through investing in a university producing added value products, premium products, and that is how they are going to raise their prices and raise the benefit of the price of milk for their producers. That is what you do; you innovate. We have been talking about the Innovation Fund. We can help the tourism industry. We can help it digitise. We can be innovative and we can be more productive.

The Bailiff:

Minister, I am sorry. You must come back to the proposition, which is not about helping industries. It is about 2p on the living wage.

Senator P.F.C. Ozouf:

On the living wage, so what we must do is not go against advice. The Minister for Social Security has explained very clearly that she has an advisory panel. She has taken advice from that advisory panel. These things should not be political. It is a bit like price regulation. It should not be a matter for this Assembly. It should be to act upon advice. We have advice and we have it. We should stick to it. Then we have some more advice about what industries can afford to pay, and I want to see these low value industries becoming more productive and more successful and we can and I know that Senator Farnham and Deputy Norton and the Minister for the Environment have seized upon these issues and they are going to help them, all of them, and we are going to be able to pay more people plentiful wages when we have them more productive, not by way of politicking like this on ill-informed context, ill-informed information, setting aside properly established bodies that are supposed to advise us. Once we start politicising and setting aside the advice it is a bad road and I will not go for it.

1.1.15 Deputy G.J. Truscott of St. Brelade:

I will not be too long deliberating here. I think the lines are drawn. We have had this argument in previous years and I agree we do need to move toward increasing wages for our earners. We do, but it is just the speed of what we do it in and I had this argument with people last year. We have very large levers in this Assembly and we can set cogs in motion and it is the speed at which those cogs move that is the important thing when it comes to employees and employment because if we push too hard and too fast then we will cause the decimation of the finance industry, we will cause decimation in agriculture and retail. Yes, let us start moving towards an increased minimum wage. I totally agree with that but it is about timing. One thing I want to say is there is a tremendous piece of work carried out by the Employment Forum. Since 1999 we have had 9 individuals working on behalf of the community serving Jersey in an honorary capacity doing an absolutely great job and I commend them and their service was greatly appreciated. One thing Reform is constantly and quite rightly asking for is evidence-based material and we have a 50-page report produced by the Employment Forum and they are recommending £7.18. They could have easily gone to £7.20. They looked at £7.20 but post-Brexit they picked up on that sentiment that confidence was dropping. The U.K. Government, for example, have decided to reduce their forecasts. Income, business and everything is on hold for a couple of years until we know the path of Brexit. They sided on the side of caution and I think that is so important and that is where the Minister decided to go as well. You have to be cautious and I think the £7.18 recommendation is

the sensible way forward. I urge Members to support the Minister, to support the formula and the process.

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

One of the reasons I stood for election some 8½ years ago was because I was concerned about the divisions in our society, particularly between the haves and the have-nots and the inequality in our society. Unfortunately these divisions still exist today and seem to be getting worse because the States have not addressed the issues and the policies of the Council of Ministers have, in my view, exacerbated the situation. I am going to quote some figures taken from the U.K. that I think reflect the situation in Jersey. In the U.K. some 20 per cent of workers in 2013 were on low pay and that was almost double the figure in the 1970s. This has had the effect of driving up rates of in-work poverty and the cost to the state of income support. If we look at our situation the number of people who are relying on the income support to top up their wages is excessive and when we look at the figures they are totally out of proportion. The sustained squeeze on wages has created a number of highly damaging economic distortions. Basically low pay has sucked out the demand and encouraged debt-fuelled consumption. I have mentioned in this House before that if you look at the factors that influence economic growth the biggest factor is consumption by members of the public going out and spending. It accounts for something like 60 per cent of economic growth and yet if people are trapped in low wages ... and this is what we are doing. We have people who are on income support and low pay and basically they are subsisting. They are not living; they are subsisting and I would like to see many Members in this House try to live on what some of the employers are paying low paid people or we are giving on income support. I do not think they could do it. Bear in mind if we keep the wages down we are sucking out the demand they could be doing. Deputy Southern addressed the point about every pound of extra income a person has on low pay they will spend that extra pound. In economics it is called the marginal propensity to consume and basically those of us who are earning what we earn as a States Member, if we were paid extra money we would not spend every penny of it. We would probably save some or we would not go for immediate consumption. But a person on low income will spend every single penny they have, and that will help stimulate the economy and it will cause ... if you look at it in one sense more people may be employed in retail, more people may be employed in other industries because the demand is there for the products of those things. But if we continue to pay people washers, which is essentially what we are doing, we are never, ever going to get that contribution to economic growth. Because labour is cheap, firms have less incentive to invest in training and therefore become more productive and they end up turning the U.K. - this is the U.K. but it is happening here as well - into an increasingly low value-added and low skilled economy. We talk about the lack of productivity in some of the economic figures. Why? If you go to most employers what training do they do? When I was a lecturer at Highlands College we used to teach an awful lot of students on day-release courses. They have all disappeared. There are no day-release courses because they did not give the support to them. They had to go in the evening. Even the evening classes diminished. We are not putting enough training in and when people are on low earnings they have to get a second job and they are trying to subsist. They are not doing the training either so we are not helping ourselves in training. Remember the second component of getting economic growth, the assumption being the most important, is investment, investment by firms. They are not investing. Basically we have an excessive imbalance between the key economic aggregates which is causing economies, the U.K. economy especially and ourselves, to be fragile and unsustainable and it will prevent a sustainable recovery in our economy. I get fed up hearing Government Ministers go on about we have high economic growth. Before the crash we had 10 years of no economic growth at all when you look at the figures. Averaging them out there was no growth over the 10-year period. We had 4 per cent economic growth after we got out of the recession. It is expected by the independent Fiscal Policy Panel to fall down to the norm – zero -

going forward. We have got ourselves into a fix with the economic policies we have been pursuing in this Island and getting into a fix because we keep on doing the same old things and we are going to get the same old results. We need to change. I might add also the idea of zero-hours contracts just adds to the problem we have. It is low pay, zero-hours contracts, job instability, people cannot borrow money from banks because they have no stable employment and income; all these things are giving us a problem. Some people have talked this morning and I was pleased to hear it mentioned. We need to have some proper debates in this Assembly on some of the root causes. Supplementation; we are paying out £60 million to try to support people on low incomes. We talk about farming and agriculture and subsidies and whether they can afford to pay the wages and so on. It is about time we had a big debate about the farming industry, what they need, whether we are providing what they need, whether they are helping the Island with the policies they are pursuing including low pay. But we do not deal with these matters. We are having a debate, and I am not knocking it, about 2 pence added to the minimum wage. I think the minimum wage is appalling as it is. I certainly am going to support the proposition. 2 pence is a start. We have to start radically changing the way we treat people in this Island, and the reason I say this, the day of reckoning is coming around in an awful lot of countries. If you think of Brexit basically it was a reaction by many of the people who have been left behind in Britain. It came because politicians were looking after their own interests and do not have the interests of the people concerned. There are bureaucrats who are making decisions and I am critical of Europe in that respect. How you can have people like Juncker and the others who have never been elected making decisions and causing the hardship they do in Greece and everywhere else I am not surprised people wanted to leave. Look at the United States. I mentioned our figure was 20 per cent. It is 25 per cent of Americans who are on low incomes. A lot of the reasons why they voted for Trump was they did not believe the politicians any longer and they felt this guy is a businessman, he is successful. "Maybe if he can make money for himself he can make money for us and do something for the economy." People are rebelling against the old established order. We have an awful lot of people in this Island who are suffering. We know the percentage of people who have faith in this Chamber is getting smaller and smaller, I think probably down to less than 20 per cent of the population at the present time. It is going to get worse and when we start quibbling over paying the lowest paid in this Island over 2p then no doubt we will get to 90 per cent dissatisfaction. I may not be standing in the next election. I have not decided yet. But the point is I hope when it comes to the next election ... that will please the Chief Minister I am sure and some the others ... however the point is none of us could be back here even if we do decide to stand because people are getting fed up with politicians in this Island and the people in this Chamber. I would say there is the old expression "smell the coffee". It is getting to the stage now where people are getting fed up with us and it is about time. If I get turfed-out as well that is fine but we need a radical change to the policies we are pursuing. I would ask Members to support this proposition. Let us make a start and start trying to address some of the problems we have and equally have a debate on agriculture. Determine what the policy is going to be, look to whether subsidies are the way. Senator Ozouf says not. It could be with help in other ways. If they cannot afford to pay people should we be doing what we are doing? We have to have a genuine look at the underlying problem.

[15:00]

Supplementation is a scandal. We have been talking about our deficit and the fact we have this black hole that Senator Ozouf says is a black hole. If we look at that issue and see what the root cause of why we are paying it is maybe we will come up with a solution and we can deal with our backlog as well. Anyway I have said enough. I will say, Members, I hope you will support this proposition and let us start with looking at things properly. We have had an in-house debate on higher education. We should have some on supplementation and agriculture. If no one else will bring it I will bring it. Let us have some proper debate about the policies we have been pursuing

for years and whether we are pursuing the right policies. Let us make a start and start addressing the low pay and insecurity and the unsustainability of our economy by voting for this.

1.1.17 Senator I.J. Gorst:

Supplementation is a scandal, we have just heard. I am not quite sure although I can see there is some relevance to the minimum wage. It could not be further from the case. Supplementation is taxpayers recognising the long-term costs of workers in the community who are lower paid and saying we are making a decision to transfer money from taxpayers for their pension into the future. It is one of our systems that work well. It is a system that builds for the future so that future generations are not left with that cost and without pensions. Let us by all means have a conversation, have a debate, but supplementation is one of the things that work well. Yes, the Minister for Social Security is doing a review of the pension system. This is a pension system, and it is related to low pay because it is how we provide for pensions for them into the future, is a system that has about £1.5 billion in reserve so it is working well. In my absence yesterday I hear you were entertained by a long list of all the things we are doing wrong. But supplementation, the pension pot, the way we are providing for the future elderly is something we are doing well and we want to continue to do well and the Minister will continue to do well. By all means let us have a conversation about the rural strategy and the Minister in his interjections said that was ready for the start of next year, understanding the importance of agriculture in our community and how we can support them. But we have heard that support in debates this afternoon masquerading as subsidies, which is taxpayers' money, so Members who might think they are going to increase the minimum wage today, thereby offsetting the cost to taxpayers on the basis that taxpayers will be providing greater subsidy to the farming industry in future. There is an argument that does not stand together. Or I even heard somebody on the radio say the way we should support the farming industry is by cutting red tape about health and safety on the farm, an area that has to be taken very carefully. Cutting red tape about food security and food health; red tape, legislation that helps to ... and I see people nodding their heads ... provide safe food for this community and into other markets. It is easy to say let us simply raise the minimum wage today and we can deal with the problems that the farming industry itself has written to us again on this particular issue and we will do that by cutting red tape, therefore putting at risk some of the great advantage that the farming industry has delivered by following international standards like Red Tractor, like leave accreditation, things that we should be proud of that they have done and they should be congratulated for so that we can deal with this issue today. But where are we with moving forward on the minimum wage? Deputy Lewis of St. Helier together with Reform colleagues, together with Caritas, together with the U.K. body, have done a lot of good work in thinking what a living wage for Jersey should be and I know the department is prepared to engage with that good work but let us be clear. A living wage elsewhere is not a legislative wage. It is a wage one wants to encourage employers to provide into the future and there is a lot more work that we as a Government and the States Assembly should be doing and will be doing with the work Caritas is overseeing around encouraging people. It might be kite marks for employers. We are exploring whether we can do that through the Housing and Work Advisory Group, encouraging employers to be responsible and encouraging them where possible to pay higher wages. I say all this because we have heard a lot about the need to set aside the Employment Forum's recommendation and make a political decision on the minimum wage. It is a fair argument that we should set aside the existing process and procedure we have and make a political decision. Deputy Southern will recall that when I was Minister for Social Security we had a number of these debates and he lodged a proposal with this Assembly to insert into the instruction we give to the Employment Forum to work towards increasing the minimum wage and I supported him that day. The Social Security Department supported him that day and that was inserted into the Forum's consideration. If we want to make a political decision about the minimum wage and that is a perfectly legitimate thing for us in this Assembly to do because we are elected by members of

this community to do exactly that, then the approach to take is exactly the approach that was taken by Deputy Southern those 6 or 7 years ago. That is for us to work together, with the Minister to work with the Employment Forum, to consider a political approach to the minimum wage. I say that because equally a number of Members have chastised others for not going out and speaking to individuals and asking how the minimum wage operates in practice. That may be a fair chastisement but that is exactly the role of the Employment Forum. They sit round the table. They speak to employers. They speak to employees. They have a detailed understanding of how the minimum wage works on the ground. They understand the issues of offset that the Connétable raised and where sometimes employers offset various provisions and other times they do not. They balance carefully what is happening in the economy, people's living standards, sustainability of businesses and they bring them all together and they make a carefully balanced decision. They have to some extent some of the debates we are having today and I am convinced that some of that is around what the States are going to suggest. What is the indication they have given us in previous debates? What about the request to move to that 45 per cent? Are we moving in that direction when we make this recommendation today? They have all of those in a considered environment. If we look at the comments in regard to this proposal today some Members have said it is only 2 per cent and it will not make a difference either way and that, of course, is a position to take. We hear from the Farmer's Union that is not the case. Where I would agree with Deputy Higgins, and I do hope he returns, is that we do have to have a proper debate about low skilled and low paid sectors in our community and that is around immigration as well. Because we are seeing lots of people come into our Island and we are seeing pressure continually on those decision-makers around the Housing and Work Advisory Group of businesses struggling to find low skills and therefore, to some extent, low-waged employees in their community. Those Members of this Assembly that we ask to make those decisions find it incredibly difficult. They are the serious difficult conversations, debates and decisions that we need to have, taking licences to employ newly-arrived people of those low-skilled and low-paid sectors when they move over the 5-year barrier, as they have been doing in retail. They are the difficult decisions that we are going to have to get to grips with because, when we make decisions in this Assembly that affect businesses' bottom lines, then some businesses go to the wall. But that evidence is gathered by the Employment Forum. It is not evidence that we have gathered before us today, it is evidence that they have and upon which they have based their recommendation to the Minister and that she has accepted. If we want to change the way that they do their work then the right approach is for us to ask the Minister to change their instruction and not to simply make the decision that the Deputy is asking us to make today. I want to pick up on a point that Senator Routier made - and Deputy Southern made it as well - that this Assembly has only recently decided that it did not want to create a youth rate, and I think, on both occasions, Deputy Southern has strongly opposed that and been successful in his opposition. But the Forum, we must remember, said that if there was a youth rate they believe that they could deliver a higher general rate, so there is a correlation between those 2 things, and it is not right for Members to suggest that there is not such a correlation; not in this report, in previous reports when we asked them to consider it. There are broader and wider debates that we need to have. We are focusing in today on this small area and, no doubt, the mover of the proposition will say: "Oh, yes, but the Minister, when she brought forward a change early in her ministerial position, made a political decision to not act on a recommendation", and that is absolutely right, she did. But when it comes to the minimum wage, and I am looking to previous Ministers here, every recommendation that the Forum has made because of the need to finely balance the decision, the Ministers might have challenged. I know that I sometimes challenge the Forum, and we have robust discussions, but every recommendation has been agreed because of these finely-balanced decisions. If we want the Forum to consider a more politicised approach, for all sorts of legitimate reasons, let us ask the Minister to instruct them in that direction and not simply say yes to this today, because it would not be the right approach.

Deputy G.P. Southern:

Sir, a point of clarification. Could the Chief Minister clarify where the source is for his statement that if we adopted a youth rate, a lower rate, we could have a higher ordinary rate, adult rate?

Senator I.J. Gorst:

Sir, I think it was 2 or 3 years ago. I shall ask the department to find the particular reference and reference it then back to the Deputy.

Deputy G.P. Southern:

Thank you.

The Bailiff:

If no other Member wishes to speak then I will call on Deputy Mézec to reply.

[15:15]

1.1.18 Deputy S.Y. Mézec:

It has been quite a good debate: slow to start with but then I think some contributions from both sides of the debate have been really good, and been very interesting to listen to. The point that I want to start with was the one that was made by the Constable of St. Saviour, who said: "Please do not keep knocking farmers" and I 100 per cent agree with the sentiment behind that and I would go further than that and say, let us add hospitality and retail into that, let us value all sectors of our economy and, most importantly, respect the people who go out there and put their necks on the line to get involved in business, often at great personal sacrifice to themselves, to go out there and do a good job. I think we have to recognise that, by and large, most employers in the Island do a very good job and, in particular, it is often the smaller businesses that have that closer relationship between the employer and employee that often do have to pay above the minimum wage because they are having to compete against much larger businesses often, they have to keep their staff loyal, and they ultimately want to save on training by making sure they have that retention in their businesses. A lot of the businesses that exploit the minimum wage by paying it when they could have afforded to pay a lot more, are often the big multinationals which have little actual management presence in the Island anyway. So I do not think that this debate needs to be about whether you are on the farmers' side or whether you are against them. I speak, as Members will know, as a staunch trade unionist and I absolutely support the rights of any section of society to form their own organisations to speak up for their profession and to speak up for their industry, and so of course I respect the rights that the Farmers' Union has to make the intervention that they have on this debate and that they have done in previous ones. But on Monday morning when I was on the radio to talk about this subject, and I heard the statement that was made by the President of the Farmers' Union beforehand, I could not help but just get so frustrated listening to it, because it worries me that, year after year, we get a representation made to us to say: "Please do not raise the minimum wage", just a blanket: "We do not want it to go up", simple as that. Do they not realise that they have lost this moral argument on the minimum wage, the public has moved on, the public supports raising the minimum wage, often regardless of what side of the political spectrum they are on. There was mention about subsidy but, of course, this industry does get subsidised already; it gets subsidised through the income support scheme, which is a much more inefficient, and I would say unfair, way of delivering a subsidy. If we are going to talk about the impact that wages and regulations will have on an industry, I think it is better to reframe the argument in a more positive way. It was the Constable of St. John, I think, who spoke about the broken promises that were made when the U.K. joined the European Community and Jersey did not, and I know he did not specifically refer to direct subsidies, but we know that farms in the U.K. and the European Union get subsidies, which makes it difficult for Jersey agriculture businesses to compete against them,

and the U.K. Government has said it wants to maintain their current level of subsidy when they do leave the E.U. (European Union). I got very frustrated when the Chief Minister spoke about those who have said that we need to find better ways of supporting the agriculture industry, one of those potentially being red tape. He said: "So that means getting rid of health and safety. That means getting rid of workers' rights", well, give me a break; nobody said that and nobody would say that. There is an absolute consensus that we want to keep that and protect workers' rights, especially from my side of politics. We are very big on workers' rights, we want to keep them; it is his side that wants to get rid of them, like when Senator Routier stood up and he said that he thought that it was untenable that we do not have a youth rate in our minimum wage. Well, let me tell him, speaking as a young person, I know that many of my peers will see it as untenable that we have politicians who want to discriminate against them. That is a much worse position, and I think we can be much better and much smarter than that. If we want to support business it is simply not good enough to pay lip service to it, we have to look at the laws and regulations we have which are getting in the way of many of these businesses succeeding, whether that is looking at the business legislation or employment legislation, and saying we want to rationalise how the law works, we want to modernise it, we want to consolidate these laws and make it easier for these businesses to interact with government services. All of that is both pro-business and pro-workers' rights; there is no either/or. I thought the tone of the point he was making there was completely inappropriate and divisive, where it does not need to be divisive, because you are not going to find anyone in the Island who actively wants to work against the agriculture industry. Of course we want to support the agriculture industry and hospitality and retail and everything else. I think the points that Deputy Lewis of St. Helier made about getting more local people into these industries, working there, feeling they have dignity in their profession and knowing that they have a future working there because they are earning enough to get by, they are not going to be living in poverty if they take up those careers. I think not only would that be good economically for our Island but it would be good culturally as well to have people in all industries feeling that they are getting paid a decent amount and can have decent prospects for the standard of living and their families in future. So, to engage properly with these industries to work out what is the best way of delivering for them and finding out how we can support them is something we should be doing. Deputy Brée said briefly in his remarks that apparently there is a rural economic strategy to come in at some point and we do not really know anything about it. Well, over the past few years it seems to me that we get a lot of quangos being created and we get a lot of so-called strategies, but I do not know what tangible changes are being done to make it easier for these businesses to get by and to prosper. I think the argument that we are not prepared to do this properly, we are simply going to let businesses pay poverty wages, is a morally bankrupt argument. It is wrong to say that people should be paid poverty wages and we are simply not going to try harder and we are not going to be smarter in how we work to turn that situation around. Deputy Lewis said that we could view this proposition as being the start of a journey, and I think that is a really important way of putting it, because I would say to Members to have a think, and if you on economic or philosophical, or any other grounds, support the living wage, then put your money where your mouth is and vote to make progress towards that. As Deputy Higgins said in his speech, which I enjoyed listening to very much, especially his analysis about why the people in America have just voted the way they have, why the people in the U.K. have voted the way they have, and why other countries have the very scary prospect that they may do that as well, is because the people are fed up with politicians who pay lip service to things, saying they are going to protect workers, they are going to look out for the low-paid, but are not prepared to put their money where their mouth is and do something about it when that opportunity is presented in front of them. My good friend, Comrade Deputy Norton, in his remarks, he referenced electioneering, and I did not mind him doing so, and I tell him if he wants to see electioneering he should see what proposition I will do in our annual minimum wage debate next year. But this one I do not think can be accused of that, not least of all because I have had in

every single one of my election manifestos in black and white that I support the living wage and, if elected, I would do something to at least try to advance that cause in the States Assembly. These old habits die hard, I believe you should attempt to fulfil the election promises you make and, even if you fail, at least you can say to your voters: "I tried. I did what I said I was going to do." Even if you do fail, the voters out there can at least recognise that you did your best, and I think that that is a way of helping get rid of public disillusionment in politics. That is part of what this proposition is about. There is a phrase that I think we often hear the public use, and it is one that I find a little bit frustrating to hear because I do not personally think it makes that much sense, that if you wanted to see the minimum wage rise quickly, put politicians on it and then see how much it would change. I find that frustrating because I do not necessarily think that it would have the state of impact that they would want it to have. I did get an email from our much-missed former Minister for Drains, who emailed me earlier today to say that none of us in this Assembly is on the minimum wage, and I think we do need to do more to try and empathise with people who are really, really struggling to get by. Many Members, I think, have spoken sympathetically to that aim. Some have said that there is not any evidence presented in the Employment Forum's report that this will have a tangible benefit for our economy, and they have spoken about the caution we need to show because of Brexit. Now, I find that a very strange argument because, of course, the country that will be affected most by Brexit is the United Kingdom, who have just raised their effective minimum wage to £7.50. They have gone out on a limb there and said we are going to define what it is that many people would have expected them to do and go even further and raise it even further than Jersey is, despite the fact that they have a very volatile economy right now as well. The reason they have done that, and the reason I am proposing that in Jersey, is because, despite what people may say about what is contained in the Employment Forum, there is evidence that there will be a beneficial impact on our economy by increasing wages for the lowest-paid people in the Island. You can find that evidence: the O.E.C.D. (Organisation for Economic Co-operation and Development) has done reports, the I.M.F. (International Monetary Fund) has done research as well that has shown that the economies right now which are doing best, which have the best productivity - and that was something that Deputy Higgins mentioned in his speech as well - are the economies that have the lowest rates of income inequality because those people are going to work, they are not stressing-out about having to pay the bills because they know that they are getting paid a decent wage that they can live off. There is more dignity in work, they are more enthusiastic about getting up in the morning and going to work where they are more likely to want to assist their employer in getting rid of inefficiencies in how the business is working, or proposing new and clever ways of moving forward, because they feel more invested in their job. They are not just doing the boring old 9.00 to 5.00 and then go away and forget about it all. They can be more enthusiastic about what they are doing, care about their business, and that can be reciprocated from their employers back to them as well. So that evidence is out there. If we do not adopt this proposition, we are saying to the lowest-paid workers in Jersey, who have to suffer a higher cost of living than their counterparts in the rest of the British Isles: "You are worth less than them. We are going to pay you £7.18 an hour, we are not going to match what the Government of Guernsey has done." Guernsey, of course, also has the same worries about Brexit that Jersey does. They have said: "No, we are going to go for this." The U.K. said £7.20 initially and is now going for £7.50. Eventually we are going to have to catch up because businesses in the Island will suddenly find that they are not able to compete because anybody who is going to want to go and do those sorts of jobs will look at the cost of living, look at how far behind the wages have fallen for other jurisdictions, and why on earth would they do it if they are going to be miserable in their day-to-day life because they cannot afford to do the things they enjoy, they are worried about paying their bills? Why on earth would they come here? It is simply shooting ourselves in the foot, I think. So I intend this year, next year, every year afterwards, as long as I have the opportunity, to argue that this is the direction we should be going. I say to those States Members who philosophically agree with the principle of the living

wage: it is not good enough to stand up in the Assembly and say: “Yes, we support it but we are not prepared to show any political leadership.” I say: put your money where your mouth is and vote for it. At the end of the day, I was given a small prop by my colleague from St. Brelade, a 2 pence. It is not a really 2 pence, it is chocolate, so it is probably a little bit more valuable than that, but that is all we are talking about for these people. Let us make this symbolic gesture and say: “No, you are worth something to us and we are going to commit to doing something to improve your lives as the years go forward” and I think for many of those people it would mean a huge amount. To reject the opportunity when we have it would send a bad message to these people that this Assembly simply does not care about them and is not really interested in listening to the worries that they face. With everything that is going on politically across the world, I think that would be a really, really bad thing to do. I hope Members will vote for this proposition and I call for the appel.

The Bailiff:

The appel is called for. I invite Members to return to their seats. The vote is on whether to request the Minister for Social Security to revoke the Employment (Minimum Wage) (Amendment No. 10) (Jersey) Order and to fix the minimum wage at £7.20 per hour, and I ask the Greffier to open the voting.

POUR: 15

Connétable of St. Saviour
 Deputy J.A. Martin (H)
 Deputy G.P. Southern (H)
 Deputy K.C. Lewis (S)
 Deputy M. Tadier (B)
 Deputy of St. John
 Deputy M.R. Higgins (H)
 Deputy J.M. Maçon (S)
 Deputy S.Y. Mézec (H)
 Deputy A.D. Lewis (H)
 Deputy of St. Ouen
 Deputy S.M. Bree (C)
 Deputy T.A. McDonald (S)
 Deputy of St. Mary
 Deputy P.D. McLinton (S)

CONTRE: 26

Senator P.F. Routier
 Senator P.F.C. Ozouf
 Senator A.J.H. Maclean
 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. Ouen
 Connétable of St. Brelade
 Connétable of St. Martin
 Connétable of St. John
 Connétable of Trinity
 Deputy of Grouville
 Deputy of Trinity
 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 M.J. Norton (B)
 Deputy G.J. Truscott (B)

ABSTAIN: 0

2. Draft Employment (Minimum Wage) (Amendment No. 13) (Jersey) Regulations 201-(P.107/2016)

The Bailiff:

I am wondering, while the minimum wage is in everyone’s minds, whether it would be convenient to do P.107? Very well, I ask the Greffier to read the citation of the draft.

The Greffier of the States:

Draft Employment (Minimum Wage) (Amendment No. 13) (Jersey) Regulations 201-. The States, in pursuance of Articles 17, 18 and 104 of the Employment (Jersey) Law 2003, have made the following Regulations.

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

Just for clarity for Members and those of the public who continue to have the stamina to listen, my proposition is just an amendment to the minimum wage regulations. So, moving swiftly on, minimum wage earners in Jersey are often provided with meals and accommodation as part of their employment package. Data from the latest average earnings survey tell us that one third of the 3,000 minimum wage jobs included either living accommodation or living accommodation with meals. Employers may offset the cost of these 2 benefits in kind up to the limits that are set by the minimum wage regulations. In accordance with the recommendation of the Employment Forum, this amendment to the Regulations will increase the maximum weekly amounts by 3 per cent. I propose the principles.

The Bailiff:

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? All those in favour of adopting them, kindly show. Those against? The principles are adopted. Deputy of St. Ouen, does your panel wish to scrutinise this legislation? Thank you. Do you propose the regulations *en bloc*, Minister?

Deputy S.J. Pinel:

Yes please, Sir.

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak? Those in favour of adopting the Regulation, kindly show. Those against? The Regulations are adopted. Do you propose it in Third Reading, Minister?

Deputy S.J. Pinel:

Yes please, Sir.

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak? Senator Routier.

2.1.1 Senator P.F. Routier:

Very briefly. I think we should really recognise that the Minister for Social Security has accepted the recommendations from the Employment Forum and they are increasing the standard of wages for people within our community, and I think we should recognise that as a positive thing which we are able to fully get behind.

2.1.2 Deputy M. Tadier:

I think it is probably a time to put on record that obviously the Employment Forum, to a certain extent, can only give recommendations in line with what we ask them to do. It has been disappointing in a sense that the current benchmark under which they are working, at the request of this Assembly it has to be said, to achieve 45 per cent of, I think, the mean wage rather than the median, is still very far off. In, I think, the last 9 years it has moved about 1 per cent. If we have to wait at the same rate for it get up to 45 per cent, that is going to take 45 years before we reach our target of getting to the 45 per cent of the mean wage, and many of us will not necessarily be around, at least in this Assembly, by then, hopefully. We have already found out that benchmark is

perhaps out of date anyway. It seems that there is now a consensus that a living wage in real terms is the new benchmark, and I think it is important that perhaps before they report back at the next juncture, that we make sure they have a new set of instructions and that they have been made aware of what this Assembly feels is the direction of travel. It may well be that we need to set a new benchmark and stick to it so that we are all singing from the same hymn sheet. It does seem perhaps slightly unsatisfactory that they come with recommendations and many of us are now feeling that it is not moving at a fast enough rate. That is not their fault, by any means, but it is something that we need to grasp as an Assembly. It may be we can do that either as the in committee debate that Deputy Higgins has suggested, but I think there needs to be clear direction from the top which we can all support. A living wage, whether that is £9.50, by a certain date, sooner rather than later, which we can all aspire to and tangibly mark the progress of.

2.1.3 Deputy A.D. Lewis:

I just wanted to point something out to Members about household income distribution, which I am sure you have all seen, but I asked the Statistics Office to send it to me because I wanted it, and should have used it perhaps earlier in the debate. But it is important to note that the proportion of people that live in, for example, rented households but on relative low incomes in the last 5 years has increased by 17 per cent of people that are in the lowest quintile of income. If you then take that out across perhaps some of our immigrant workers, who can be defined by presumably not having housing qualifications, the proportion of non-qualified rental households on relative low income has increased from 22 per cent to 39 per cent. I just wanted to highlight that the income gap is growing all the time and what we have just voted on today is not helping that, it really is not. I am a bit concerned. I know the Employment Forum has been commended today for doing a great job but, looking at these figures - these are our own government figures - I do not quite know how the Employment Forum sometimes comes up with what it does. I would like Members to reflect on that, have a read of it; if you want to find it, it is on the States website. It is an interesting read, and quite alarming as well. The very fact that the proportion of people on qualified rental households on relative low income has trebled from one in 10, that is 10 per cent, to 3 in 10, 31 per cent, in the last 5 years. That is how much your income gap is growing, and I do wonder why this is not taken more into account by the Employment Forum when it sets these rates. That is of great concern to me and I know others, and I am quietly disappointed that Members still are not getting this issue in quite the way that they should so we can move on and increase wages for the very low earners. We had the opportunity to do that a little bit today and I would like to hope the Minister can come back to this Assembly in the not too distant future with a proposal to increase the earnings of low income earners, in other words, the minimum wage, to a living wage in a shorter period of time: 5 years, not 11 years. That is what we should be aspiring to, to give businesses ...

The Bailiff:

This is a debate in Third Reading.

Deputy A.D. Lewis:

Okay. We give businesses an opportunity to adjust, and I would like to understand why we are where we are. Perhaps the Minister could explain when she sums up.

The Bailiff:

I ask the Minister to reply.

2.1.4 Deputy S.J. Pinel:

I thank Senator Routier, Deputy Tadier and Deputy Lewis of St. Helier for their comments. I have already taken onboard comments made by other Members and made by Deputy Tadier and Deputy Lewis about the future considerations of the Employment Forum, and these discussions, you will be

pleased to know, are already underway. The Forum is an independent body of 9 people working in an honorary capacity, and I wish to extend the thanks, certainly of the Social Security Department and, I know, many Members here, to them for the work that they have done in producing the results and the report. I propose the proposition in the Third Reading.

The Bailiff:

The appel is called for. I ask Members to return to their seats. The vote is on whether to adopt the Draft Employment (Minimum Wage) (Amendment No. 13) (Jersey) Regulations 201-, P.107, in Third Reading, and I ask the Greffier to open the voting.

POUR: 34

CONTRE: 0

ABSTAIN: 0

Senator P.F. Routier
Senator A.J.H. Maclean
Senator I.J. Gorst
Senator L.J. Farnham
Senator P.M. Bailhache
Senator A.K.F. Green
Connétable of St. Helier
Connétable of St. Lawrence
Connétable of St. Ouen
Connétable of St. Brelade
Connétable of St. Martin
Connétable of St. Saviour
Connétable of St. John
Deputy J.A. Martin (H)
Deputy of Grouville
Deputy of Trinity
Deputy K.C. Lewis (S)
Deputy M. Tadier (B)
Deputy E.J. Noel (L)
Deputy of St. John
Deputy J.M. Maçon (S)
Deputy S.J. Pinel (C)
Deputy of St. Martin
Deputy of St. Peter
Deputy R.J. Rondel (H)
Deputy S.Y. Mézec (H)
Deputy A.D. Lewis (H)
Deputy of St. Ouen
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)

3. Future Hospital: preferred site (P.110/2016)

The Bailiff:

We come back to P.110: Future Hospital: preferred site, and I ask the Greffier to read the proposition.

The Greffier of the States:

The States are asked to decide whether they are of opinion to approve in principle as the site location for the new General Hospital the current Jersey General Hospital site with an extension along the east side of Kensington Place and other nearby sites, including Westaway Court, in accordance with the map at appendix 1 in the report accompanying this proposition, with detailed proposals to be brought back to the Assembly as set out in Section 6.3 of the accompanying report.

The Deputy of St. Martin:

Sir, before the Minister starts, could I just say, and I hope it will be obvious to Members, but I will be withdrawing from this debate and not voting on it.

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

Today is a very important day, as we reach a milestone in that long and continuing journey of the new hospital. I hope Members will see that today is decision day. Today we can effectively get the ball rolling on a project that will leave a positive legacy for many generations to come. We need a new hospital, one that is fit for purpose, that is safe, that is affordable, that is sustainable and we need to get on with it. For this reason I am absolutely delighted to be on my feet to propose P.110 setting out the preferred site for the future hospital. I would like to remind Members that in the past 5 years 41 sites have been reviewed. The project team developed a long list and then a short list, as well as evaluating several other potential sites in response to suggestions from individual States Members. After 5 years of work under the current and previous Council of Ministers, we now have a preferred site. I hope Members will agree that the matter has been nothing but thoroughly reviewed. My colleague, the Minister for Infrastructure, will talk later in more detail about the comprehensive work undertaken to settle on the preferred site. We have thought long and hard about how we will pay for this large and important investment for our community. The Minister for Treasury and Resources explained his plan to Members on Monday and you will hear more about the funding of the future hospital from my colleague, the Minister for Treasury and Resources, later on in the debate. But as Minister for Health and Social Services, I must focus on the needs of patients, their families and the staff who will work in the future hospital, and as Minister for Health and Social Services, my primary concern is the safety and experience of Islanders when they use our health and social care services. Also, as Minister for Health and Social Services, I would like to place on record my thanks to our healthcare staff; our doctors, our nurses, ambulance staff and others who do a first rate job [**Approbation**] in caring so well for us. I would like to just take a few moments to explain the journey we have been on today to get to the preferred site that I am proposing. When I became Minister for Health and Social Services, Members recall I was unconvinced about the dual site option being suggested. I worried that it may not represent good value for money. I was also unconvinced that the dual site would give the best experience to staff and patients. It may interest Members to know that 180,000 patient journeys alone would have been needed to attend the outpatients and other services had they been located at Overdale. Now, doctors, nurses, physios, pharmacists, laboratory and many other key clinical staff told us that dividing their resources between the dual sites at such a distance would mean they would have less time for patients unless, and it is a “but” I suppose, unless we were able to recruit significantly more staff, the dual site would hinder the work that they would be able to do for their patients. The dual site was heavily reliant on refurbishing large parts of the current general hospital rather than building a wholly new hospital. Those of us that have been involved in renovations know that they are always, always without exception, far more expensive than a new build. When you take something down you discover something you did not know was behind it. I talk from personal experience. Furthermore, patients would have been cared for in an unacceptable way, in my view, in the middle of a building site for years; chronically ill patients in the middle of a building site. I therefore asked, and this is where all the flak comes normally to me, I asked that all shortlisted sites under consideration be reviewed on a like-like basis and this was the 100-days statement. This

comprehensive but rigorous review undertaken by independent advisers to the future hospital project concluded that due to changing circumstances the dual site option was indeed more expensive than previously understood. This was principally due to changes in calculations used on how to cost hospitals as recommended by the Royal Institute of Chartered Surveyors, based on, in the time between accepting the dual site and the time of my review, real experience from real builders about the true cost of renovating and upgrading hospitals.

[15:45]

They realised it is far, far more expensive and so they increased the calculations. These hospitals, by the way, we hear sometimes can be built for so much less than our own. They might start off with a lesser budget but they do not end up costing less. Changes in Her Majesty's Treasury Guidance, the green book, on what assumptions to use when developing a hospital business case, those changed significantly in that period and also changes in assumptions used about the rate of building inflation when developing a business case. So, all those factors were to inform my view that the dual site was not right, that was easy, that was just over 100 days. What has taken the time is finding the right site, but I will come on to that in a minute. I do not want to dwell too much on how the People's Park became an option, but I think it would be wrong not to mention it at all. It is in the past, the feelings of States Members and the public on the site are understood. However, I would like to take a moment to consider what I learnt from these very painful events. I learnt that no matter how positive a technical assessment is about a particular site, if that site does not have a broad degree of political support or at least an acceptance among States Members, then it is a waste of time progressing it. I learnt that there was a lot of goodwill from States Members to find an alternative solution. I learnt that most Members accepted the need for a new hospital and I learnt that Members wanted to be consulted, wanted to be more involved than they had been up to that point in helping me find a solution. Then there was that famous period of reflection when I took stock and revisited previously discounted options, with my team. What the public may not realise is that during this period of reflection States Members attended and took part in a series of facilitated workshops. They spent many hours working together to understand better the issues we were grappling with. This involved hearing from officers and our independent advisers of the work that had been undertaken to review shortlisted sites, as well as States Members contributing their own insights into what we all acknowledge is an extremely complex issue. In summary, we concluded that the hospital was a special place where important life events happen but it must be easily accessible to all, 24/7, 365 days a year. That may seem a very obvious point but when Islanders proposed sites out of town that were best, the case for the St. Helier hospital became much stronger and this helped us rule out a number of shortlisted sites that failed to provide such critical and easy access. So it is perhaps worth remembering or reminding Members that something like 60 per cent of our journeys to the hospital start in St. Helier. So given its importance to Islanders, it became apparent in our deliberations with States Members that a special case could be made for the hospital while being respectful of and sympathetic to the needs of all stakeholders. States Members were willing to consider, and I quote: "Within reason, flexibility with regard to planning and other government matters, things that government can influence, to secure the best site." States Members also advised me very clearly, and there was no doubt about this, that unless I had political alignment on a site then it should not be progressed to the Council of Ministers for a recommendation and subsequently to this Assembly for debate. This informed the decision to discount sites where political alignment was unlikely and therefore a greater risk of delay and significant cost increases. After this period of reflection and States Member and public engagement I have charged the project team with developing a site that would meet all of these criteria, and ultimately the proposed new-build General Hospital site was the only one, the only one that met that criteria. We brought back what we termed at the time as a proof of concept to States Members as a further workshop before recommending to the Council of Ministers which then adopted the

team's suggested preferred site. States Members helped shape the proof of concept reflected in the proposition before us today. The current Jersey General Hospital site with an extension to the east side of Kensington Place and nearby sites including Westaway Court which I was able, because of the support I had from colleagues, to announce to the Assembly in June this year. May I place on record now my appreciation for the considerable amount of time and effort too that the Constables, fellow Senators and Deputies have invested in these workshops? I hope that they feel that their contributions have been recognised and valued. I certainly learned, with their help, how to work better in partnership with them. Throughout the process I was reassured and encouraged by the collective sense that we recognised the need for a new hospital and our collective responsibility as States Members to find that solution. The Council of Ministers' report that supports the proposition sets out how critical the hospital is as part of the wider transformation of health and social services on our Island, how the new hospital forms an integrated change programme covering the acute hospital care, out of hospital services, mental health services and primary care, to name a few. A general hospital built to modern standards is an essential part of this work. A new-build hospital supports delivery of the acute service strategy which sets out how the hospital will avoid unnecessary admissions, will prevent admission where better care can be provided in an out of hospital setting, will, for those patients who need to be admitted, facilitate a speedy but safe discharge into the community. The preferred site can deliver both this strategy and an excellent hospital. States Members have rightly asked whether the preferred site and the hospital built on it will be the right size for the Island. To be clear, there are no bells and whistles. As part of the new-build the General Hospital will be one that is safe, one that is sustainable, one that is affordable, one that can provide the right services for the people of Jersey and will be the right size to do so. A hospital that is too big is neither safe, sustainable nor affordable and this is why the investments that we are making in care outside the hospital are just as important to the success of this project as the investment made in the future hospital itself. The importance of investments that will be set out in the Budget 2017 should therefore not be underestimated. The proposal before the Assembly today has been assured by the Scrutiny Panel and their Scrutiny independent advisers, it has also been looked at by the Council of Ministers and our own external advisers, the project team's independent advisers and now we are subject to a detailed debate that we are having today. The Scrutiny Panel's advisers, Concerto, are clear that we have arrived at this point through a robust and rigorous process applied in a fair and consistent way. Key finding 21 in the Scrutiny report says that, and I am quoting now: "The review team found that this process has been fair and comprehensive throughout. The key aspects have been addressed in the evaluation of sites in a consistent fashion. The agreed acute service strategy 15 to 14 and the outline requirements for the new hospital derived from the strategy have been consistently applied to both options." The options they are talking about there is the site we are proposing today and Waterfront Site Option D. They set out equally and clearly the consequences of further delay, and again I quote: "Many of those interviewed identified the failure to secure and sustain approval to proceed with the preferred site as a top-rated risk to the project. Should this materialise and the project is subject to further delay, the strategic objectives identified in P.82/2012 and the acute service strategy 2015 to 2024, i.e. to provide a safe, sustainable, affordable hospital, would be severely compromised. They also went on ..." I am still quoting "... to say that continued delay would also result in increasing costs and collateral damage could be far reaching, disenfranchising the clinicians and other key stakeholders, losing valuable staff, failing to attract new ones due to the poor deteriorating state of the current hospital building and increasing the risk to patient safety." I end my direct quote here. We already understand the consequences of further delay, they are detailed in an independent survey called "The 6-Facet Survey" that described nearly every hospital as either not fit for purpose or approaching not fit for purpose. Many parts of our hospital building are safety critical, they form part of a system where if services or facilities do not work there is a possibility of serious harm. That the current General Hospital remains so safe for patients is a testimony to the tremendous

work of our staff keeping it so, but in the next decade the buildings will deteriorate further and this will be compounded further as professional standards rise, as expectations of Islanders rise and as new treatments become available; and for all of those reasons, now is the time to make the right decision for the future hospital. The Jersey General Hospital is just not fit for a 21st century service. The General Hospital has served the Island well over many years but of course a hospital is not just a set of buildings, it is as much, if not more, about the range and quality of service that can be safely provided within it. A modern hospital fit for the future, our future hospital, the Island's future hospital will have more single *en suite* bedrooms, not packing 6 patients into bays where there is barely room for 3 patients. It would provide opportunities for the kind of privacy and dignity that patients and their families should expect as a right especially if, when needed, in their last few days of life or at considerable stress. We should not be asking them to share these very private personal, still special, but very private personal moments overlooked by 5 other patients and their families. We will also develop a layout that is clear and intuitive, not the confusing ways around the current building created by its piecemeal development over 150 years. We will have clinical departments logically located next to each other, not spread across the building in response to building constraints that happened in the building of the time. We have heard from the Scrutiny Panel that there could have been an alternative Option D, the Waterfront. Independent advisers have provided assurance in the matter of site choice. On the matter of site choice they have provided assurance on the merits or otherwise of Option D, the Waterfront, and they have advised that the preferred site or the Waterfront site should be a matter of indifference to the Assembly. However, as Minister for Health and Social Services, I cannot afford to be indifferent to the decision we have to make. We have to make the best decision for our patients and their families, and it is for this reason I will not spend time arguing against the Waterfront as put forward in the Constable's amendment, we will do that later, but I would like to stress the merits of the new-build General Hospital site as set out in the proposition. A site which balances technical merit and practical considerations, of being likely to gain support from States Members, the preferred site set out in the proposition can deliver a first-rate hospital. To reiterate, the report describes how the proposed site configuration with a taller building on a smaller footprint works as a safe and efficient hospital because it maintains all the safety-critical department adjacencies, for example locating of imaging, X-rays to some, and emergency departments; operating theatres and critical care; women and children services and so on.

[16:00]

It supports a very clear separation of visitor and patients and logistic flows. Its direct high footfall to the ground floor or the lower floors with progressively smaller footfall as you work your way up the building. This was to undertake security for staff, for patients, for visitors, as well as reducing the risk of infection. We will allow for separate entrances to the department with specific needs, separating women and children. It will have a 24-hour entrance for the Emergency Department. Outpatients and general public entrances will be separate. It resourcefully uses the existing infrastructure such as Patriotic Street, what I would describe as a Grand Marché experience where you would be able to come in for different parts of the service at different levels. That is particularly important to me when I see young mums and dads struggling with children to get around to the hospital having come out of the car park and the frail elderly struggling to get to the hospital. They will be able to step out of their car on a level floor and walk straight into the hospital. As I said before, it will support the intuitive way of finding things, finding departments and reduce travel between departments for staff and patients. It sustains opportunities to create a healing environment with views outwith from the upper floors benefiting from less street noise, improved natural light at these levels and provide a restful environment for inpatients. It also provides reassurance for something that we can all agree on today, the future of medicine cannot be predicted with any certainty. So much is changing so quickly that we have to choose a site that

gives us maximum flexibility. The preferred site permits this to happen. In the coming years, on the land currently zoned for health but not required for the construction of the new hospital, this future flexibility for expansion provides good insurance for population growth in ways that would not be available, for example, on any of the Waterfront sites. We know that the main increase for demand in hospital services will come from an ageing population. Whether we like it or not, older people use more healthcare resources than younger people. I think we should celebrate that people... my mother, last Monday, was 90 and she is one of the older people that I think we should be proud to support with our new hospital. **[Approbation]** I know that Members will understand that the project team have a base to work on the best data that the Population Office can provide. I am not intending to start a debate here about population, we are here to debate the preferred site, however, one of the advantages of the preferred site is that it allows us to flexibly respond to population changes in a way that we may not even be able to foresee today. Future generations, no matter what their size, will not thank us if we do not, on the preferred site, plan for future flexibility. One of the significant benefits of the preferred option is also that it allows for the development of what we call a healthcare campus. This may be an approach that is new to States Members, they may not be familiar with it but in other jurisdictions this approach has provided a foundation for the regeneration of local communities; with research facilities, with healthcare education, health-related retail, private practice, primary care, community care and pharmacy to name just a few. Such services all congregating around a campus with an acute hospital contributing to the critical mass of these services. Such an approach provides opportunities for what I would suspect may be a model of the delivery of public services in the future. Finally, it is not beyond our imagination to see Parade Gardens as a therapeutic healing green space, playing its own part in the lifeblood of the healthcare campus in St. Helier. St. Helier will be transformed in a positive way. I have to stress that we are not deciding a dual site, we are not deciding a 2-site, neither is it a split-site or any of the other labels that I have heard describing what we are proposing. A campus approach is a tried and tested way to create facilities that are co-located in a compact and connected way. We have the opportunity to realise a vision like this that will be the envy of many other jurisdictions. In conclusion, the proposition asks that Members make a decision today. At this stage it is only a decision about the preferred site. Once we have made that decision there is still much work to be done. States Members will have my commitment that we will continue to work with them throughout 2017, much in the same way as we have worked throughout 2016. This means sharing our evolving thoughts on the project, actively seeking their insights through workshops or through any other means, working with Scrutiny to ensure that what we have is as transparent as possible to both Islanders and States Members. In discussions with Members I have sensed a readiness to make a decision and I hope that that also includes a readiness to continue to work with me as Minister for Health and Social Services. As the debate proceeds I know that we will keep the interests of patients and families at the heart of all we discuss. The decision we make today will have a profound effect on thousands of Islanders of this and future generations, who will benefit from a modern new-build general hospital on the south end site. This will be our legacy. In concluding I would also like to place on record my thanks to the Chairman and Members, officers of the Health and Security Scrutiny Sub-panel. **[Approbation]** Since March they have been poring over thousands, and I mean thousands, of technical documents. They have robustly questioned the officers of D.f.I. (Department for Infrastructure) and Health as well as ourselves and independent advisers. In particular, it is always dangerous when you pick one person out, I would like to thank the Deputy of St. Ouen for the way that he has steered this Scrutiny review and this phase of the project to a constructive report and conclusion. I would like to thank officers when I sum up but it would be remiss of me at this stage not to thank my 2 Assistant Ministers. The Constable of St. Peter, who provided both constant support and continuity across 2 ministerial sessions; and Deputy McLinton, who, as well as supporting me in my deliberations, has provided that fresh perspective, that appropriate challenge, and has always had the patient's

experience at the centre of everything he says. So thank you. **[Approbation]** I think I have said enough, I think I have set the scene and I make the proposition.

3.2 Future Hospital: preferred site (P.110/2016) – amendment (P.110/2016 Amd.)

The Bailiff:

Is the proposition seconded? **[Seconded]** There is an amendment lodged by the Connétable of St. John and I will ask the Greffier to read the amendment.

The Greffier of the States:

Page 2, first amendments, after the words “new General Hospital” insert the words “either (a)”. Second amendment, for the words “this proposition” substitute the words “this proposition or (b) the south side of the waterfront site, not including any part of Les Jardins de la Mer, in accordance with the map and the appendix to the report accompanying this amendment”. Third amendment, for the words “proposals to be brought back to the Assembly as set out in section 6.3 of the accompanying report” substitute the words “business cases for both options to be brought back to the Assembly by the summer recess in 2017; and” both amendments after paragraph (b) insert the following paragraph “to request the Minister for the Environment to amend the Esplanade Quarter Masterplan to make provision for the potential siting of a new hospital on the south side of the Waterfront”.

The Bailiff:

Connétable, can I just check, you are wishing to propose all 4 amendments as one amendment, are you not; they hang together?

The Connétable of St. John:

I may well propose the first 3 and the fourth one separately.

The Bailiff:

Right, okay. Thank you.

3.2.1 The Connétable of St. John:

I will gauge the mood of the Assembly, if I may, on that. Thank you. I would like to make it clear from the start ... sorry, I saw his light.

Senator A.K.F. Green:

Only because I wish to speak after the Constable.

The Connétable of St. John:

I see. I hope I can finish my speech in time then. Sorry, I would like to make it very clear from the start that I am in favour of a new hospital. I listened with intent to the proposition and most of it I very strongly agree with, especially the patient care and the importance of providing a safe, sustainable and affordable hospital. I would like to make it clear that I want the best for Jersey. This is where perhaps the Minister and I disagree. When I look at the Gleeds report and their findings I see that the Waterfront is the cheapest, quickest and lowest risk option and, according to a *J.E.P. (Jersey Evening Post)* poll earlier this year, the most popular site from the general public of Jersey. So, why is the Minister looking for the second best site? Here, I can only surmise but I was interested to hear the Minister on the radio last week and he said: “I have always wanted the new hospital on the present site.” There again, I agree, I originally wanted the hospital on that site. But having seen the evidence and having looked at the evidence I overcame my prejudice and I realised that the best site is the Waterfront. You should all have received a hand-out and I would ask Members to look at the photographs. The N.H.S. (National Health Service) states that: “Views

over flat roofs and rooftop plant rooms should be avoided” and if you look at page 3, that is what we have and it is one of the issues why we need a new hospital. If you turn the page to page 4, you will see in the forefront of the picture the position where the new hospital will be built and it will be higher, but so, too, it is proposed, I understand, that the car park will have another 2 layers added on to it and so the view again is over a car park and over rooftops. If you turn over to page 5, you will see what the National Health have proposed as a good example, a 4-bedded room with full height windows overlooking water and the countryside.

[16:15]

So if you turn to page 6, if you build the hospital on the Waterfront there is the beauty of St. Aubin’s Bay to help the recovery of the patients. I think the patient experience would be superior on the Waterfront than tucked in behind Patriotic Street car park. I was also interested to hear that the Minister for Housing was on the radio and she said: “We need more social housing and the Waterfront could provide this.” Well, again, if you refer to my handout, page 7, you will see the Zephyrus site which will provide 51 new residents in 5 buildings with a selection of 3 apartments overlooking St. Aubin’s Bay. The Minister for Health and Social Services’ proposal is to turn Westaway Court into the outpatients unit at a loss of 51 housing units. Well, that is lucky because that will take 51 out of the 59 housing units at Zephyrus and the Minister for Housing will therefore only gain 8 units of housing at a very considerable cost. The Minister for Treasury and Resources, I presume, was hoping to make a reasonably large profit from the sale of the flats on the Waterfront but it is clear, with the loss of 51 units of accommodation, which will need to be rehoused on the Waterfront or somewhere, this is unlikely to happen. I think at this stage it is perhaps very important to, as has been said several times today, read the proposition. In part 3 of my amendment it says: “Business cases for both options to be brought back to the Assembly by the summer recess 2017.” That is the Minister’s timescale not mine. So if both the cases are brought back in the same timescale, which is the Minister’s timescale, there is no delay. So, I am somewhat perplexed as to why this issue of delay keeps cropping up. In the comments paper from the Council of Ministers they say: “The public want a clear decision to be taken based on the evidence before them and not a choice that will result in significant delay.” I have covered the delay there is no delay. But on the evidence before them; what evidence have we got of the Waterfront, and therefore, what ability have we to make a choice? We have a choice, yes, to rubber stamp the Council of Ministers or to not rubber stamp the Council of Ministers but that will cause a delay if we say not to stamp the Council of Ministers. Sorry, could I have a glass of water? Thank you. It is not normal for me to... sorry. One of the key findings of the Scrutiny Report is, despite the Waterfront consistently being the best performing site, no Assembly has ever debated this site. I am giving this Assembly that option to debate the site and to make a choice. Car parking: the Minister has made some play on car parking at Patriotic Street Car Park and extending it 2 storeys. There is a cost to extending that car park and it is not included in the preferred hospital site costings but car parking is included in the Waterfront costs. So we are not comparing like with like. You can shake your head I have seen the figures. I would love to quote them but I think I will make a statement here that I have seen confidential information. I could use parliamentary privilege and state those figures but as this is now broadcast live around the world I think it would be an abuse of that position. But the figures are clear, there is a sum of money in the Waterfront proposal for a car park. But I would just ask here for a point of clarification from the Minister for Treasury and Resources, if I may. If you look at the handout from the Minister for Infrastructure on page 2, he has an area shaded green and just a bit lower down and to the right is where there is currently proposed to build by the J.I.F.C. (Jersey International Finance Centre) a car park for 500 spaces. Can he confirm that that is still the case?

The Bailiff:

You are making your proposition and you will get a chance to reply.

The Connétable of St. John:

It is a point of clarification; I would like to know and clarify that that is still the case from the Minister.

The Bailiff:

No doubt the Minister for Infrastructure will talk to this plan that he has circulated and you will be able to describe the ...

The Connétable of St. John:

All right, then I will assume that the information, again, received by Scrutiny is accurate and it is the intention to build a 500-space car park just across the road from the proposed Waterfront site. The Minister for Infrastructure has just reminded me that there are 6 lanes of traffic between that car park and the proposed Waterfront car park site. But equally, again, using presentations in public hearings on the Corporate Scrutiny Panel, that road is to be sunk and therefore there will be continuity straight from the car park over the site to the Waterfront hospital. So access to the hospital will be very easy from the large car park. The Minister spoke earlier about patient and family experience and I would like to bring up my very serious concern about the noise, interruptions, dust and vibration that will take place on the hospital site if the hospital is built on the existing site. There is also a chain reaction that needs to take place: the staff will have to be re-accommodated from Westaway Court, that means 51 units of accommodation will have to be found elsewhere. Then, other outpatient facilities will need to be moved into the car park area in front of the old Granite Building so that the current Peter Crill House and outpatient area, Gwyneth Huelin wing, can be razed to the ground, knocked down and subsequently cleared and a new hospital built on that site. But it does not finish there. Once the new hospital is finished the remainder of the site will also need to be cleared or altered or whatever happens to it, so there is going to be another 2, maybe 3, I do not know, but there will be many more years of disruption after the new hospital has been built. If you look at appendix 14 in the Gleeds report - oh, sorry, you cannot - but if you could, and I have, you will see a diagram of how all the departments are moved around in order to make space for that hospital. I suspect that this will be an emotional debate because we are talking about people's health, we are talking about people who need assistance. The Minister spoke earlier of spending your last few days, hours, with your family in privacy and that is important. By building on the Waterfront, I believe we will be providing a hospital quicker, without interrupting these private moments and therefore providing a significantly better option. I am very much a man of figures and I examine figures closely. The figures from the Waterfront Site Option D, and the rebuilding on the hospital site do not compare like with like figures. When we had the open days or consultation days at Hospice organised by the Minister - and I am very grateful to him for doing that - it was I who stood up and said: "Planning should be subservient to the needs of health." I am proud of putting that forward because what it has resulted in is opening up the opportunity for today's debate because without that it probably shows that the political support or the planning support would not have been there to put the hospital on its current site. But having altered the size of the hospital and reducing its footprint quite significantly, the other sites were not revisited and instead the Waterfront site has been kept as it was when it was first examined well over a year ago. Figures have changed, they have been updated and there are significant differences. I have seen them, I know. I think one figure, which is not commercially sensitive, and it was one that the Minister himself quoted, was the inflation figures have been updated. But they were only updated on the hospital site, they have not been updated on the Waterfront site and if they were you would see a very significant saving in the costed price for the Waterfront approaching some £38 million or more. When you add together the £20 million that the Waterfront site is cheaper in the first place, according to Gleeds, we start to get a figure somewhere in the region of £58 million. When you start adding to that the fact that we are not going to be building on the Jardins de la Mer site,

therefore Jardins de la Mer will not need relocating so there is a saving on that. When you add in the cost that it will be to the Car Park Trading Fund to extend the Patriotic Street Car Park, there is another cost there. There is already a cost on the Waterfront for car parking. When you add in the cost of 51 units of accommodation that are going to have to be built somewhere for staff, that is an extremely large cost and it is my very firm belief that we are looking at a substantial saving in the order of 60, 70 and possibly much more millions of pounds by building on the Waterfront. I know the Minister and others will try and shoot me down in flames but as you have not done the work on the Waterfront you cannot do so. So, I think finally, to sum up, the Waterfront is very significantly cheaper. The Waterfront has a lower risk profile. The Waterfront can be delivered 2 years earlier than the hospital site. The Waterfront is the public's first choice according to an independent poll by the *J.E.P.* This is the first time this Assembly has the option to look at the facts; I just wish you had them to hand to be able to look at these. Finally, there is no delay in this amendment because this amendment works with the timetable set by the Minister, so please do not be conned by believing that there will be a delay because this amendment works to his timetable. I urge Members to take a realistic look and to have an open mind as to the best site and I hope you will support my amendment. Thank you.

[16:30]

The Bailiff:

Is the amendment seconded? **[Seconded]** Minister.

3.2.2 Senator A.K.F. Green:

Let me be clear from the outset, Members will not be surprised to hear me say this. Today we have come here to make a decision, a decision that is long overdue, a decision that Islanders have already waited too long for us to make. That man in the square - he does exist, it was a different man this morning - stopped me and said: "When are you going to get on with it? Why are you still talking about it?" The consultants I bumped into in the ... I will not say early hours it would have been about 7.00 am, in the hospital: "You must get on with it." But we will come back to that in a minute. We have not come here today, I would have thought, to have even more choices placed before us, that despite what the Constable of St. John says, it will delay us and I will come back to that shortly. It will distract us from the vital work of developing a modern fit for purpose general hospital. Let me also be clear that in proposing a twin track approach, as the Constable of St. John's amendment does, taking forward both the preferred option of the Council of Ministers and the option that the Constable of St. John wants us to do, he has asked the Assembly to do something very specific. He is asking you to spend between - and I will come back to the why in a minute - £10 million and £17 million on a site option that is nothing more than his sole personal view. Let us be clear, the Constable's option is not the Waterfront Option D as listed and evaluated by the Council of Ministers. It is not the Waterfront option that was subject to that rigorous and robust appraisal using publicly available industry standard techniques, the way that the Concerto independent advisers of the Scrutiny Panel have said we have applied that in a fair and consistent way. Completely independent of Ministers, it was the Scrutiny Panel's adviser. Where EY said we could be indifferent about the Waterfront D or the current site, and as I said I cannot be indifferent about it. It is not that Waterfront option that has been the subject of that rigorous and robust appraisal, it is not the Waterfront option we shared with States Members at site option workshops that so many Members agreed to attend and kindly agreed in March, June, July and as recently as November. It is not the Option D, as I said before, that the Scrutiny advisers analysed and presented in their report, a report which I have already thanked the Chairman of the Scrutiny Panel for. It is not the option considered in detail by the Scrutiny Panel over several years but intensively over the last few months. The new option that the Constable has put forward I will call Option D Minus. It is minus any rigorous or robust appraisal, it is just a pen mark on the map. It has not had

any industry standard techniques applied to it, and despite what the Constable says, it is minus any plans for adequate car parking or good access for patients. It is minus the equivalent medical centre for the repurpose at Westaway Court. It is minus expansion for the future. It is minus the concept of the health campus that we wish to develop. We have received and reviewed the Health and Social Security Sub-panel report. I find much to commend it, it makes 4 recommendations, all of which I am seriously considering, and although the sub-panel did not make a recommendation as to the preferred site, which site should be for the hospital, there is no doubt, be in no doubt that the existing General Hospital comprehensively will meet modern ... the new one. Sorry, the existing one does not meet modern standards and the new one will. Our current hospital is just not fit for purpose. To remind States Members, the Waterfront Site D was considered in the sub-panel's report, not the one as the Constable has brought in his amendment. Again, it is an option that if we were to vote for it today it would involve us in spending even more money. It is time when we have to make ... it will be in the region of £10 million to £17 million at a time when Members have to make really tough decisions about public finances. That money spent on the amendment will not then be available for investment so desperately needed in health and social care either in manpower or medical equipment. That money, if we are still given the right amount of money in health and social services, would not be available to other Ministers for their services. Or is the Constable saying, in his amendment, that the cost of investing and appraising his option would be met from other sources? He has not said. He has said in his amendment that there are no financial implications. Well, I am sorry, even my 6 year-old grandson would know that there are. I do not know what the Constable's parishioners at St. John are saying to him but Islanders are saying to me: "We understand and accept we need a new hospital. We have spent enough money looking for sites. How much more are we going to spend?" The most consistent message I get throughout the Island is: "Get on with it." The Constable's amendment, Minus D, is a recipe for spending more money and not getting on with it. In voting for the Constable's amendment we would not only be placing the decision for the new site at risk, his amendment is delaying the whole system of transformation that we want to secure for patients on this Island. As I said, the Scrutiny Panel advisers identified that many of the people interviewed said failure to secure and then sustain approval to proceed with the preferred site was their main risk in terms of project delivery. Should this materialise, the project is subject to further delay and strategic objectives identified in P.82 are at risk; P.82, to provide that safe, sustainable and affordable hospital. Not my words, the words of the independent advisers, Concerto, to the Scrutiny Panel. Let me remind the Council and States Members that the Assembly considered P.82, the New Way Forward, where the case was made for a future hospital as part of the system built around the increasing needs of elderly patients. It would be right here to extend my appreciation to my predecessor as Minister for Health and Social Services, the Deputy for Trinity, in leading much of this early work that provides that firm foundation; I am very grateful for the work that she did in setting us on the right road. The growth in older adult population will create significant increases. We are already feeling the demand and I do not want Islanders to experience, for one day longer, the indignity of using a commode in a 5-bay ward, the things that we talked about at end of life, nor do I want our staff to continue to work in a building that is just not fit for purpose. Despite what the Constable says, his amendment is a recipe for delay because what do I do, leading the project? What we are asking States Members to do today is to give me the green light for the current site so that we can then get on and do the detailed plans, make application to the Minister for Planning and Environment - who has quite rightly left the Assembly - make detailed applications. So what do Members want me to do if they go for the Constable's amendment? Do I do all that work, do I spend the millions of pounds working up the final scheme and getting planning permission, while we are evaluating a completely new site that has never been looked at before? Never been looked at before. We would lose the benefit if you went for deeper sites, all the other issues around the campus. There has been such intense clinical engagement; we have had something like 80 meetings for clinicians about what we

need to do, about how it could work on the current site. We have their support. All of this, if the Constable's amendment is accepted, will have to be repeated. We have engaged with the public, despite the small amount... and I think my Assistant Minister will talk more about the so-called *Evening Post* review, we have extensively engaged with the public, but I will leave my Assistant Minister to go through that. The Constable talked about evidence, there is absolutely no evidence whatsoever for the site he is proposing. It is not the Option D that we are all familiar with; that we have all talked about. It is a square he has taken on the Waterfront site along Jardins de la Mer. There is no thought to where the outpatients might be; there is no thought to where the car park... sufficient car parking will be; there is no thought to where the Education Centre might be. He has given some thought though to the loss of accommodation in Westaway Court and that is something we are talking to Andium Homes about, something that they are looking at, and I know the Minister for Housing will say more on that. But one option would be, when the hospital is built, to repurpose the 1980s Building into key worker accommodation. The constrained ground floor footprint, without the car park access - the Grand Marché experience that I have talked about - as suggested in the Constable's amendment, will result in - let us be quite clear, before we have done any work - poor clinical adjacencies. It is that access to the car park that increases the patient experience and also allows safer and easier circulation. The amendment proposes a site that does nothing to assure me that the limitations associated with the Waterfront have been addressed; nothing to assure me that there would be political alignment. In conclusion - and I could go on for hours but I do not think Members would want me to - I believe the Constable's amendment creates delay in delivering the hospital we can ill-afford to wait any longer for. If we do that, we will not be preparing, not facing up to that challenge that I think many other governments are not facing up to... will not face up to that challenge of the ageing population. It will be unnecessary and substantial, despite what the Constable says, it will bring unnecessary and substantial additional costs. You cannot evaluate a new site to the same industry standards of the sites we have evaluated for nothing. That is blatantly clear, but that is what the amendment says. It will bring further uncertainty with key stakeholders, including our doctors and nurses, and they have contributed so much of their time. I believe it will bring a complete loss of confidence in constituents who are clearly saying, as they are saying now: "You have spent enough time, get on with it." Finally, perhaps most importantly, it will not deliver a good hospital. It is a whim, nothing more, and I ask Members to reject the amendment.

3.2.3 Senator S.C. Ferguson:

Oh dear, the shroud waving is so hard there is a hurricane blowing around the Senatorial benches. The Connétable has mentioned the N.H.S. standard and has had concerns for the disruption for patients.

[16:45]

As many Members will know, I have been living next door to a building site for the last few years and the delicate sounds of piling and diggers and the dust generated have ruined life in St. Brelade's Bay for the past 3 years. I have watched utensils jump off the shelves in the kitchen because of the reverberations from the building site. Is this the sort of thing we want for Islanders recovering from illness? Come on. The Minister may have been talking to the apocryphal men in the square, I meet the public *en masse* at the supermarket cheese counter and they favour the Waterfront site. Those who do not want the current hospital renovated, not rebuilt. But really why should Islanders be condemned to looking at air-conditioning units instead of St. Aubin's Bay? Is it not time we thought about them rather than luxury flats? If the Waterfront site, as the Connétable says... and I have no reason to doubt his calculations and in fact I have had evidence in other committees I have been on with him that his figure work is extremely good; and if the Waterfront site reduces the overall project cost when we are talking, what, £70 million or million £80 million,

then the small front-end costs to do the review are totally economic and there will be no delay because we have already heard that it will fit with the existing timetable. I feel that, before we commit to £400-and-something-million, we really should consider the options properly and consider them on a level playing field, not a big site on the Waterfront and a small unit on the hospital site. I think we should pass this amendment and have a proper research of this project.

3.2.4 Deputy A.E. Pryke of Trinity:

I am very pleased to follow Senator Ferguson, so I will come on to that later. The Constable starts saying that he puts the patients' care first and the right thing to do, he was talking about a safe sustainable and affordable hospital and I am glad that the message has got through. I hope that is what every States Member here and Islanders want. But then he went to talk about finances, he did give us some nice photographs of Jersey, which were very nicely taken, very nice; it is a good tourism advert. But it is the care that is most important. He went on to say about the masterplan. The Minister for the Environment has instigated a review of the masterplan, recommended by one of the planning inspectors. We will all have an input in that and I have already put my 2-penny worth in, so to speak. Yes, the Constable was quite right, I would like to see some affordable housing down there, be it social housing or affordable for sale, a bit like the College Gardens model perhaps, a mixture of all 3. He mentioned about the accommodation for key workers. That has been taken into account, looking at the bigger picture, and I can talk about that, but I would like to leave that for the next debate. But be assured it has been taken into account. But I harp on to my main thing which is about the car parking. It is 6 lanes of traffic. It does divide the Finance Centre car park and the hospital; you have 6 lanes of traffic. The Constable said quite rightly that in the masterplan it might be sunk. But you still cannot get away from the fact that you still have to cross or walk across the equivalent of 6 lanes. Yes, in this House, we all are fit and well and healthy and all of us should be able to do it. But I am surprised where Senator Ferguson is coming from about that; that she does not take into account her people from Age Concern who are elderly, probably walking perhaps with a stick or with Zimmer frame, having to walk across the equivalent of 6 lanes of traffic. When I was Minister for Health and Social Services - and I am sure Senator Green is exactly the same - the most phone calls I got was: "It is a long way to walk from Patriotic Street to the main hospital building." Time and time and time again I did. Even if you can manage it, there is a little slope and people find that difficult. Sometimes I think we all need to think about that. All of us perhaps need to walk that distance with a Zimmer frame and see how taxing it is. We know that our hospital will be used by our ageing population because they are the ones that will need most hospital care so let us think of them. Let us think of the visitors that they will have, think of their loved ones who want to go and spend time with them, need to spend time with them, and think, just think of that. But also it is the delay; we are very good at putting off a decision, we love that, but it has taken too long to get to this point. Any delay will have some effect. Senator Green has mentioned that and it still puts off that decision so please let us refuse this amendment and let us get back to the main one, deciding that the hospital should be built where it is, just think of those elderly patients, your elderly constituents will have difficulty in walking across the equivalent of 6 lanes. Even from Patriotic Street Car Park, if that car park is full, it is still 6 lanes of traffic, and I for one am fit, well and healthy, I do not want to cross that at the best of times.

The Bailiff:

The Greffier will note that the Connétable of St. Saviour is now in debt to the States for her machine going off when it should not have.

3.2.5 Deputy R.J. Renouf of St. Ouen:

I am pleased to be able to speak as the Chairman of the sub-panel that spent a great deal of time looking into these matters and I thank the Members who served with me on that sub-panel. The

Constable of St. John was a member of that sub-panel and today he has spoken about things that he has learned and documents he has received as a member of that sub-panel. But I would like to assure the Assembly that the proposition the Constable has brought is not the proposition of the sub-panel. The Constable reached his own conclusions and reached them before the sub-panel had considered its findings and, as a result, the Constable agreed and fully accepted that he needed to resign to bring this proposition, which he did do so. But it has meant that the sub-panel has particularly looked at the 2 sites that seem to be the clear frontrunners, the preferred site and the Option D site on the Waterfront, which included Jardins de la Mer. The site proposed by the Constable of St. John has just not been evaluated in the same sense of those other 2 sites because it is a site on the Waterfront, which excludes Jardins de la Mer, and therefore is a smaller site than the one called Option D. No one has gone into that and researched it to any great extent, it has not been put forward as an option to be worked upon in the same way that so many other options were. So we as a sub-panel have not been in a position to comment on it. We have commented on the report on the work we did, which was to examine the 2 sites, the preferred site and Option D, including Jardins de la Mer, and essentially we found that both sites are viable, both sites would produce a good, modern, safe and efficient hospital. But they would be different hospitals. The risks associated with one are not necessarily the risks associated with another and each scores highly but on different benefits. In the technical assessment of each of those sites, the scores for the risks and the benefits were essentially the same and that Option D was marginally less expensive. We had some excellent advice given to us by Concerto, a consultancy company, who have reviewed more than 100 health projects for the N.H.S. in the U.K. including new hospital constructions, and Concerto conducted something very close to what is called a gateway review, a framework used by the U.K. Government to look at capital projects at key stages. I think all members of the panel were very impressed with how quickly they grasped what we were trying to do here in Jersey and we were impressed with the knowledge and the professionalism they showed, a team of 3 very clever and experienced people. They greatly helped and in fact reassured us. They told us, and we have included this in one of our key findings, that the evaluation of the 2 sites, Option D and the preferred site, was fair, consistent and comprehensive, and the Minister has alluded to that a few times. So we can be assured I believe on the technical appraising and scoring. But I have to say, and here I am going to venture into being a bit negative, what struck us during our Scrutiny process was that a Waterfront site, not necessarily Option D, but different combinations of areas on the Waterfront, had risen to the top as one of the high-performing options as early as 2012 and it had remained on the top in all the subsequent reviews, not necessarily on the top, but let us say as a high-performing option, throughout the process that we have undergone in the last 4 years. We note, if I can just refer from part of our report, that a ministerial oversight group expressed views that, although the Waterfront options had attractions in terms of potential benefits in costs and ease of construction, any option involving the Waterfront would be out of keeping with the existing Esplanade Quarter Masterplan and require considerable lost opportunity costs to replace or compensate for loss of existing uses. If you remember the Esplanade Quarter Masterplan envisages development of housing, office space, hotel, self-catering apartments, a public square, *et cetera*, with housing to be included. Furthermore, we learned in the course of our review that in 2013 an Economic Impact Assessment was undertaken of the potential impact of building a hospital on a Waterfront site, what impact that would have on the Jersey International Finance Centre. As a result of that assessment, Ministers confirmed there should be no further consideration given to any Waterfront site option. We as a sub-panel consider that the Assembly should have debated whether the masterplan should have been amended to allow planning for a new hospital to go on a Waterfront site. That was an issue we felt of magnitude, an issue that went beyond routine government business, it was more than just a policy decision, it involves the largest capital project this Island has undertaken and the siting of a desperately needed new hospital for the Island population. We had hoped, we had thought that Island representatives, this Assembly,

should have considered that issue because the benefit of a Waterfront site was that it was a clean site, there would be minimum disruption to patients and staff, there were no temporary relocations.

[17:00]

Against the use of a Waterfront site of course is the fact that there are possible excellent returns from a housing development on a Waterfront site. Housing there seemed to have no effect on the International Finance Centre, but a hospital was considered to have some effect on an International Finance Centre. So, we do make that point in our report, but later on, after those reviews I have just spoken about, and it was in fact after the People's Park debate that was going to be a debate, but turned out not to be, it was said that St. Helier representatives in this Assembly would fight against any development on Jardins de la Mer. To an extent that has been said by the St. Helier Members. So for that reason we were told in our sub-panel hearings that Ministers chose not to proceed with the Waterfront sites and instead went out to look at other sites. Those other sites included considering the dual site, considering People's Park, which did not proceed, and eventually ending up with where we are now with the preferred site. The difficulty has been that this Assembly has never had the chance to debate whether a hospital might be thought about on the Waterfront site and we now have this situation where a Member has felt driven to say: "What about the Waterfront?" If only we would have considered it at an earlier stage. But here the amendment perhaps becomes relevant because the amendment has been brought, and I can understand the frustration of the Constable of St. John, because our advisers, Concerto, informed us that the preferred site had been evaluated at a later stage than the Waterfront site and they had found a comparison between the 2 sites difficult to achieve, though not impossible to achieve, but because they were not evaluated at the same time the comparisons were made at different times and therefore difficult to equate. Furthermore, it appears the Future Hospital team has had some more time to develop the detail of the preferred site and they have been able to plan and engineer to a greater extent what might go on the preferred site than all the other sites, including the Waterfront site. So they have been able to identify some space savings and some cost savings, which the Constable of St. John has learned about and said: "Well why could that further work not have been included on a Waterfront site option?" We raised that question in Scrutiny hearings, if it can be done on the preferred site, why can you not transpose that work on to other sites, essentially why can we not put the tall hospital on the preferred site, move it on to the Waterfront site? As I say, we asked those questions, we were told that of course the Waterfront site is a differently shaped site, so there are different configurations to what buildings might be put on that site, and a very great drawback was the fact that on the Waterfront, being a site that is triangular in shape very roughly, a bit dumpier perhaps, you would have to create a central core of a building, which has little natural light, whereas on the preferred site it is a more elongated site, you can have easier access, I understand, to natural light. Then of course the Minister has already told us about the use of the Patriotic Street Car Park and the great advantages that has for the preferred site, with its multiple entry points at different levels, which we can understand would be an advantage to the preferred site, which seemingly would be much more difficult to achieve on the Waterfront site. Because our advisers explained to us that the usual practice of building a new hospital is that on the ground floor you have a very large area to bring in everybody who needs to have access to the hospital, you have a large reception area, and from that large area you then move visitors and patients and everyone who needs to be in the hospital out into the further areas. That is how the Waterfront option would be developed if a hospital was ever to be built on the Waterfront. The preferred site option, the attempt is made to do something differently, so as the Minister has said, instead of, let us say, women and children entering on the ground floor and having to find their way through the building to where they need to be, they can come in at say the 3rd floor or any floor of the Patriotic Street car park and be right where they need to be. So those answers were given to us. Now of course it would be possible to work up a Waterfront site in more detail. The Option D site, incorporating

Jardins de la Mer, has been worked up to a very great extent to be able to compare it with the preferred site. But what has not been done is any work on the site proposed by the Constable of St. John. Having looked at the kinds of expense incurred by the consultants used by the Future Hospital team, there is a very great deal of work to plan, to work out what could be done on a new site that comes forward for evaluation and it takes time. So when we learned about the Minister's preferred option in June this year, or perhaps even earlier, we were hoping to get what has been called the Gleeds report and other reports earlier than we did because they took time to prepare and these are very advanced experts who will charge considerably. So there is much more work and expense if we were to approve the proposition of the Constable. But, aside from that, it seems to me, we would still have an argument over the use of the site because I said before about how the Council of Ministers had wanted to preserve a Waterfront site for housing and whether it is to be luxury housing, which seems to be the suggestion, because we were told that one advantage of not using the Waterfront was that it would provide substantial returns for the States finances. Or if it was to be social housing, as suggested by the Minister for Housing, if someone wished to use it as the hospital, we still would have to have that debate and there is a great deal of argument and passion over what to put on the Waterfront and it comes at a time when the Minister for Planning and Environment is reviewing the Esplanade Quarter Masterplan. So representations would have to be made to include the possibility that a Waterfront site could be used for health purposes and that would have to be incorporated within a review and then we would have that debate on whether to accept that. It seems to me that is recipe for yet further delay and a lot of argument and a lot of uncertainty and to throw us back really so many years. The current hospital has to serve the Island's needs for the next 8 years while the preferred site is built, if the preferred site is chosen. I do fear that accepting the Constable's amendment would mean that we would not proceed with a building after next summer, we would be still engaged in these discussions about what to put on the Waterfront and that would lead to very substantial delay. Our advisers were very much impressed with what Jersey is doing in the terms of how Jersey is trying to redesign its whole health service and seeing how the operation of a general hospital fitted into that redesign. They could see the urgency and the need to keep those 2 programmes marching step by step, so what we do in the community, the services we deliver in the community to try and keep people out of hospital, must be aligned with creating a new hospital for the crucial times that people need to use it. They learned about the state of our current hospital, which is alarming in so many respects, and credit to the staff and consultants who work in our hospital for keeping a service going under very difficult conditions very often. But I know the Minister has already said that and quoted from our report, but I would like to stress again that we were told very firmly by Concerto, who have such experience in these things, that, if the project was subject to further delay, then our strategic objectives to provide a safe, sustainable and affordable hospital for the Island would be severely compromised. They make the point that continued delay would also result in increasing costs and what they call collateral damage would be far reaching, and that is disenfranchising the clinicians and other key stakeholders, losing valuable staff and failing to attract and retain new ones due to the poor deteriorating state of the current hospital buildings and the increasing risk to patient safety. Within the last year, the Health and Social Security Scrutiny Panel has conducted a Scrutiny review on the recruitment and retention of clinical staff and, we are not alone in the world, but Jersey does have problems in that area. Part, though not exclusively, is down to the fact that we do not have the best working conditions and that does detract. If hospital staff are to be told there is yet further delay, there is yet further indecision on the part of the States Assembly, and we do not really know yet where we are going, then that is only going to make the position worse, I would regret to say. So, although I have had to give voice to the criticism we had of not bringing a Waterfront option to the States Assembly at an earlier date, we do find that the Ministers have now identified a site, which does deliver a safe and affordable and modern hospital for the Island. This site, the preferred site, has its challenges. There is a lot of work to do to make sure that disruption is minimised, but

our experts and advisers have told us that those challenges can be resolved if they are addressed promptly and thoroughly. We put the Future Hospital team through quite a rigorous time in investigating quite what skills they have in addressing these issues, we do make some recommendations about how that expertise could be supplemented so we have an even better team, but I think our sub-panel was confident that we do have a Future Hospital team that is capable of addressing these challenges around this transition period and it is doing so, so that we can soon begin work on the preferred option. I do fear that we would incur very severe risks and much damage to the Island in fact and our future hospital services if we incur further delay. I do fear that the Constable's amendment would incur that further delay and therefore I would have to urge Members, with regret in one way because I can understand the Constable's frustration, but I would have to urge Members to not approve the amendment brought by the Constable. **[Approbation]** I am grateful.

Senator L.J. Farnham:

I wonder if it would be the right moment to test the mood of the Assembly and ask whether Members were minded to try to finish this debate this evening.

The Bailiff:

We can put it to the vote and ask Members, but it is not just this debate, it is also the main debate, there is quite a lot to it. But those Members in favour of continuing until we finish tonight please show?

Deputy M. Tadier:

Can I just ask what the Senator means, does he mean the amendment or the overall debate?

[17:15]

Senator L.J. Farnham:

I was wondering, given Members' busy diaries over the next few days, it might be difficult to come back tomorrow, but I thought if Members were minded to sit until perhaps 7.00 p.m. or something like that it might be possible to finish. I was just testing the mood of the Assembly because I know there are a number of Members wondering about this.

The Bailiff:

There are a number of Members shaking their heads, but those in favour of continuing until at least 7.00 p.m. tonight would you kindly show? There you are; that seems to have tested the water quite well. **[Laughter]**

Senator L.J. Farnham:

Can we have a recount please? **[Laughter]**

The Bailiff:

Would any Member who stood up last time and I did not notice please show? **[Laughter]** All right, does any other Member wish to speak? Senator Routier.

3.2.6 Senator P.F. Routier:

It gives me great pleasure to stand up after the Chairman of the Scrutiny Panel has spoken so very, very well in this debate and I think it is one of those occasions where we can say that Scrutiny have really done their job. They have done an exceptional job. **[Approbation]** I believe that the time and effort and the due diligence they have taken in reviewing everything that they have been given I think is first class and, if ever there is going to be a time when we can say that we are supporting Scrutiny, this is the time we can do it. I urge Members to reject the amendment.

3.2.7 Deputy S.M. Brée:

Having listened to the Members who have spoken before me, I feel that unfortunately it is perhaps beholden on me once again to drag Members' attention back to what this amendment is about. This amendment is not about asking Members of this Assembly to choose now between the 2 sites, but, if you read the original proposition, the Council of Ministers are asking us to make a decision today. I would just question whether or not the original proposition, if allowed to go unamended, is a choice of any form whatsoever. It is accept or reject. The point behind what I am trying to get to is the fact that the whole hospital project is the biggest capital expenditure project this Island has ever undertaken. The estimated amount, the maximum amount that will be provided, is £466 million. The Minister for Treasury and Resources made a presentation to States Members talking about the way in which the Island would fund that cost. Part of that was looking at issuing debt, borrowing in the capital markets up to £400 million over a period of up to 40 years. Now, being, or attempting to be, optimistic, if one were able to borrow that money in the debt markets at a rate of 2.6 per cent, which is optimistic at the moment, but as I said I am trying to be, you would have to pay to investors in the bond £10.4 million per year as the coupon. That is the interest that you pay back to investors every years. It is a fixed rate, not a floating rate, or any other kind of note. Now, let us take that over the 40-year life of the bond and that means that you will pay back, just on the bond, the £400 million, £816 million. Then you have to talk about the additional £66 million, which the project is being costed at. So we are talking about a huge amount of money. I would also just like to draw attention to the Minister and just try and clarify something, the workshops that he arranged for the States Members, which I did attend and I did find very useful, I would stress the fact that my attendance at such a workshop does not equate to any tacit form of approval to the Council of Ministers' preferred option. I went there to seek information; that was all. We will no doubt hear from Minister after Minister and Assistant Minister after Assistant Minister why we should reject the Constable's amendment. I would just like to try and simplify matters possibly. We are here to decide upon the best site for a new hospital. We are not here just to ratify the Council of Ministers' decision. Whatever site is chosen for the new hospital has to be the best site for the Island and the best site for the future. Now, what we are looking for, I think every Member in this Assembly is looking for, is evidence, not just rhetoric. Once we have looked at options, and I am talking about real choice here, I am not talking about: "There is the option, take it or leave it." The Waterfront site has been identified for quite a while now as being a potential site. All that this proposition is asking for is that the Council of Ministers provide to this Assembly an option, option A versus option B, we will then decide based on evidence what we believe to be the best option for the Island. It is about the States Assembly being given the opportunity to make an informed decision on behalf of the people who elected us. I am concerned, very concerned, that the Council of Ministers have chosen not to offer a choice, not to offer us, who are the elected Members of the public, the opportunity to review one site against another. We are being denied the choice and that I am concerned about. We are being offered a single option. I will support the amendment of the Constable of St. John, not on whether I think the Waterfront is better than the existing site, but because I want to make an informed decision based on having the choice, having 2 options and looking at the evidence. That is why I will support it. I do not believe that what the Constable's amendment is asking for will cause long delays, it may cause additional cost, yes, but bearing in mind what the Council of Ministers is asking us to approve, which is nearly - my maths was never good - but bearing in mind future inflation rates, costs and everything else, we are being asked to approve effectively a project that is going to come in close to £1 billion, but more importantly we are being asked to approve a project that is going to affect the long-term future of every member of the public of this Island who we represent. That is why I want to see 2 options presented to me, those 2 options that have been identified as being suitable, and look at the costs, look at the pros and cons of each site. I am not happy that I am not being afforded that opportunity and I would urge all Members to think about that, rather than thinking about which site is best,

consider whether or not you are able to make an informed decision over which is the best site. I would urge all Members to think very, very long and very, very hard about what vote they make on this amendment.

The Bailiff:

The adjournment is proposed. Can I announce P.130, Future Hospital Funding Strategy, has been lodged, been emailed to Members, and hard copies will be circulated. The States now stands adjourned until 9.30 a.m. tomorrow.

ADJOURNMENT

[17:26]