

# STATES OF JERSEY

## OFFICIAL REPORT

WEDNESDAY, 7th OCTOBER 2015

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[9:30]

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

**PUBLIC BUSINESS – resumption**

**1. Medium Term Financial Plan 2016–2019 (P.72/2015): ninth amendment (P.72/2015 Amd.(9)) - as amended**

**The Bailiff:**

We return to the debate on the Medium Term Financial Plan and the next amendments are those of Deputy Tadier. Deputy, you have sought to amend your own amendment and presumably you would like us to take the amended amendment as amended. Greffier, would you please read the amendment as amended?

**The Greffier of the States:**

The ninth Amendment, part 1 - page 2, paragraph (a)(i) - After the words “as shown in Figure 18” insert the words “except that the intended total amount of States income shall be increased by the amounts in the following table by the introduction of a higher rate of income tax in the 2016 Budget for individuals whose income is greater than £100,000 per year to offset the 2016 financial impact (and the ongoing financial impact in 2017 to 2019) of not proceeding with the proposed savings in the expenditure of the Social Security Department shown – (i) 2016 0; 2017 £4,400,000; 2018 £3 million; 2019 £3,100,000. Apply index-linking to core components of Income Support; (ii) 2016 0; 2017 £1,200,000; 2018 £600,000; 2019 £600,000. Maintain current I.S. (Income Support) disregards for Long Term Incapacity Allowance/invalidity/survivors’ benefits; (iii) 2016 0; 2017 £300,000; 2018 £200,000; 2019 £200,000. Maintain current levels of emergency grants/loans.” Subparagraph (iv) was withdrawn by Deputy Tadier. 2. Page 2, paragraph (a)(ii) – After the words “Summary Table B” insert the words “except that the total amount of States net expenditure shall be increased in the years 2016 to 2019 by the amounts in the following table by not proceeding with the proposed 2016 savings (together with the ongoing financial impact of these savings in 2017 to 2019) in the expenditure of the Social Security Department as shown – (i) 2016 £1,500,000; (ii) 2017 £2,900,000; (iii) 2018 £3 million; (iv) 2019 £3,100,000. Apply index-linking to core components of Income Support (I.S.); (ii) 2016 £600,000; 2017 £600,000; 2018 £600,000; 2019 £600,000. Maintain current I.S. disregards for L.T.I.A. (Long Term Incapacity Allowance), invalidity/survivors’ benefits; (iii) 2016 £100,000; 2017 £200,000; 2018 £200,000; 2019 £200,000. Maintain current levels of emergency grants/loans.”

**The Bailiff:**

Deputy, I take it you will be proposing the income and expenditure side in one go and you may wish to take both separately or do you have some other way of dealing with it? Very well, then please would you propose it?

**1.1 Deputy M. Tadier of St. Brelade:**

As has been said by my colleagues in previous speeches, some of this will go over familiar territory. Obviously responsible politics means that you have to fund the type of policies that you want to implement. Because it is Reform Jersey’s policy to maintain rather than cut, reduce and outsource, the political reality and responsible politics is that we have to find money from somewhere else. Other individuals, because we are separating the vote, have the luxury of wanting something and not being able to pay for it. We as a political party do not have that luxury but nonetheless we are presenting the cases individually because we know that not everybody is quite yet on the same moderate page as our own party. I would ask initially, and I want to bring this back to some of the theory of social justice before we look at the specifics of what is being proposed, and

I did have a slightly restless night. I woke up early with certain thoughts running through my head, the nature of which were somewhat existentialist and related to this Assembly, and I was asking myself questions like “Why did you come into politics?” Not in a negative way but in a neutral way, and I would ask the same question to other Members, through the Chair. Why did one come into politics in the first place? The broader question of democracy is who are we here to represent and what does it mean to run a society in a democratic and fair way? Hopefully questions that at some point in our lives, perhaps for some of the longer serving Members many, many moons ago, were the kind of questions they were asking themselves perhaps when they ... I will not finish that sentence but perhaps when they were in a different position. It has led me to think that in Jersey we have been preached a mantra for a very long time and it has been internalised to the point where most people believe it, that what is good for the wealthy is good for the rest of us. That is essentially a throwback to 1980s Thatcherism and Reaganism, although the roots may lie elsewhere, and it essentially is still the same trickle down politics and economics that was sown then and planted and has become so popular and since has been seen to be both morally and economically bankrupt. Because even if it was true at one point in time that what was good for the wealthy in Jersey was good for the rest of us, that there was enough of a loaf on the top table so the crumbs would keep feeding the rest of us, that is certainly not true nowadays. We know that the facts out there are that the wealthy have continued to get wealthier even in our Island as across the rest of the globe. The number of millionaires has quadrupled, we know in recent times, yet the standard of living has gone down by 20 per cent. These are simply the facts. I am not making them up. They are provided by the Stats Unit and independent economists. Did we as politicians come into this Assembly, whether we were new here, whether we have served 3, 6, 9 or more years, to preside over that kind of social inequality? Because that is a political choice at the end of the day and surely if Government and the State has any role to play whatsoever it is to mitigate the vagaries and the negative consequences of the free market. Yet in Jersey it is the free market which dictates and the Government not only does not intervene to stop those trends occurring but it exacerbates those trends. This is exactly what we are talking about today. Given the political choice, and it is a political choice, this Government and their adherents, because they need our legitimacy in order to make decisions, they are in the minority as a Council of Ministers, have chosen to put even more pressure, heap on the pain to the most vulnerable in our community rather than address the fundamental reality that their economics, which might have been okay, as my colleague said yesterday, in a recently post-war economy, no longer reflects the needs of the day and as a Government, as a State and as an Assembly we must make sure that we adapt and are flexible enough to meet those requirements. It is no longer satisfactory to trot out the same belief that this system has served us well for the last 70 years. The 20 per cent tax rate is sacrosanct. Forget about the stealth taxes. Forget about the fact that the Long Term Care Benefit has completely changed the 20 per cent tax rate. The low tax, low spend model does not serve the greater good anymore, and this is not a question of whether you are on the left or on the right. It is simply a question of whether you are perhaps at least a utilitarian when it comes to your socio-political outlook in this Island. The reality is that this Assembly, and in particular this Government, is so far to the right that they think that mainstream social democratic policy is radical. In fact, it is even worse than that. They think that basic Fordism, where you pay the workers a wage, not necessarily enough to emancipate themselves but certainly enough to be able to buy the products that they are making or essentially to keep the economy functioning, that is seen as radical because this is not even commonsense conservatism. We have a Government that is cutting so savagely that the only consequences, and it is not just about these cuts, of course. Globally it is about the fact that they are taking £90 million out of the economy in terms of staff wages, replacing that with poverty wages, giving a certain section of that presumably to their mates as the vernacular would go, so that they can have their profit.

[9:45]

The result is worse public services or in some case no public services which were previously provided, a dissatisfied work staff on poverty wages without any concept of a living wage, which at least their parent party in the U.K. (United Kingdom) has had the foresight to pay lip service to.

**The Bailiff:**

Deputy, can I interrupt you just a second? One of your colleagues just nearby is using a laptop or machine that is I think causing the interference on the system and the advice I have been given is that it is better when someone is speaking if possible not to use those machines during that time if someone is speaking nearby you.

**Deputy M. Tadier:**

It is slightly problematic insofar as I have an iPad on my screen. I am not specifically using it but I will need to, seeing as we are trying to go paperless to refer to the ... and it may well be the phone, Sir, so I think in my experience phones tend to generate more interference even when they are not necessarily receiving a text message but that is perhaps something that needs to be considered in the round. But thank you, Sir, for that. I was just finishing off about the current local Tories are not keeping up with latest Tory policy back in the U.K., which is, I am not going to say unfortunate but it shows that they are slightly behind the curve. It goes back to what I said yesterday, that there is no mandate for the cut. They never came to the electorate saying that we will impoverish you, we will lay you off, we will give you less money in your pocket. I am fascinated about this concept of financial independence. Again, it is one of those aphorisms that is trotted out so many times as if to make us believe it but how can one be financially independent if one does not have any money in the first place? Surely you need to give somebody money if they do not have any to make them financially independent. You cannot give somebody a hand up if at the same time you are putting your foot on their head when they are trying to pull themselves up. That is essentially what this Minister for Social Security and this Council of Ministers is doing. They are not even delivering on that good old conservative phrase of hand up not hand out. They are saying: "We will give you a kick while you are down." That should be the slogan for their election. "Vote for us, we will kick you when you are down." This is exactly what they are doing to the most vulnerable in our community. I thought again, going back to the theory of social justice, what does that mean? People have different bases for that. For me it is always a constant surprise, even though I have been in politics for some time now, just how much lobbying and how much vested interest there is in politics. Perhaps that is the stark reality of it. We know we do not live in the era of the philosopher king where people are slightly detached from politics and they make the right benevolent decisions based on a utilitarian approach. But certainly what has informed my politics in my younger years was John Rawls' *Theory of Justice*, that we should all take a somewhat back seat and decide what kind of society we would decide to live in if we were ignorant of the position that we would eventually end up in society. He calls that the veil of ignorance or the original position and that is the point from which I think certainly in theory we should be setting out the ground rules for what kind of society we would like to live in. Because the reality in Jersey is that it is a place that is run primarily for the wealthy and that is the way it has been for many decades, and that has allowed our State to become captured to the point where they will only make decisions, or primarily make their decisions for the interests of the wealthy, not simply to keep tax low but to keep tax as a zero per cent and the economic and social consequences of that is putting more and more pressure on to ordinary taxpayers which we know has been the consequence if not the deliberate design. When I look at the theory of justice we think about not knowing where one will find one's place in society. If we are sitting round a table there may be 6 of us there. We know that maybe one of us will be chronically disabled. We know that one of us may be very wealthy. We know that one of us may be a low paid worker. We know that one of us may be, let

us say, a retired individual. Again, the list can go on. The point that John Rawls makes is that we do not know where our position will be in that society and so we would agree to conditions for running that society that were both reasonable and rational and that made us risk-averse, so that those who are least able in society would have some basic protections. I think that really is a long-winded way of saying what many other religions and philosophies probably worked out quite a long time ago. It is called the golden rule that runs through all faiths or those of no faith who are interested in morality. It is essentially do unto others as you would have them do unto you and do not do things to people that you would not like done to you. It is interesting that we have a religious leader in this Assembly on occasions and it is interesting that we have an established Church of England who is very vocal on certain issues such as equal marriage. They will make sure that the position of the church, if indeed there can be said to be a coherent position on matters like that, are very well vocalised and are not just so but enforced in legislation so that their rights are protected. We know that similarly perhaps in an area where I am more inclined to agree with them they are quite happy to pontificate or even engender valid discussion and welcome discussion on issues such as the refugee crisis. What should a compassionate and civilised society's response be to a humanitarian crisis that is happening some distance across the world and coming towards us? Those are all valid and laudable points of view to put across. Where they are deafeningly silent of course is when the social injustice is happening on their very doorstep and we do not hear one peep out of the established church or indeed, as far as I can see, any church groups in Jersey about the austerity measures that are happening. That is not the case in the U.K. because we know that many of the anti-austerity movements and activism are led in many cases by church groups and one has to ask if the State has been captured, whether to a certain extent the church has also been captured for those financial elites. The reason I use that as a kind of segue is because the basic philosophy is whether you talk about Jesus or whether you talk about John Rawls, the point is what would Jesus do and what would John Rawls do? He certainly would not be advocating these kinds of cuts. Members might notice that I do not partake in prayers in this Assembly because I am an atheist and I find it hypocritical to do so. But what I find even more objectionable is that Members in this Assembly can stand up on a weekly basis, trot out the same religious expletives and say "Give us today our daily bread" while we are taking the bread out of the mouths of those who most need it in our society. So, let us turn to the next part of the propositions. Think again always in one's mind of the fact of why we were put here, who voted for us and those many who did not vote because they are disenfranchised or do not feel part of the system, do not feel represented, quite understandably. What we are saying, and none of this seems to make sense, is that we are not going to anymore index link for components of income support. Very bizarre because at the same time the Minister for Social Security and the Council of Ministers are not saying that they will stop inflation. They are not saying: "We are going to freeze your benefit." Incidentally they are not freezing the housing component, as Deputy Bryans often reminds us, because Andium needs their money to pay back to the Treasury so we will make sure that they are all right. Jersey Electricity does not get the same advantage. The supermarkets do not get the same advantage of having that food component because all of income support is a living component. You have a housing component that is obviously compartmentalised but the rest of it is all living component because it all gets spent. That is the reality of it. In fact it gets spent more than once over. One asks the question why we have people at the bottom of the economic pile, if you will excuse the expression, and maybe they will excuse the oppression as well from this Government, is that at the end of the month they have less than they started with. That is not just people on income support. This is standard now for many people who are in paid, poverty wage jobs because this Government is quite happy to put the pain and the cuts in to protect their golden 20 per cent rate or their golden Zero/Ten per cent rate or their golden no more than the golden threshold of social security for those who are already wealthy and protected. This is not just political mantra; I mean words can tend to sound hollow after a while but this is the truth. They are protecting those who are most able to get

us out of this economic crisis. It is frankly bizarre. Who caused the economic crisis, be it in Jersey or elsewhere? It was not created by people on income support. It was not created by L.T.I.A. claimants, invalidity claimants, those who are on survivor's benefit. It is not created by those who have nothing and so knock on the door of either what was the Parish Hall or currently the Social Security Department and say: "I really need an emergency loan but because I have been systemically poor since I was young, I have not seen a dentist ever and now I have no teeth left and I am only 35. Please, can you do something about my mouth?" "No, sorry, I cannot because you need to be financially independent, so we are not going to give you some money to go and see the dentist" who, presumably, I am sure works hard but is not too badly off: "We are not even going to do that, we are going to lend you some money. We are going to lend you £500 so you can go to the dentist and get some dentures presumably or perhaps get some fillings put in." They will say: "Well, you know what, I cannot really deal with having £500 of debt hanging over my week, even if that means I am paying £3 a day or £21 a week because that £3 a day is my cereal, my milk and my bread. I think I will just do without my teeth and because I am poor and the social status and the economics that go with it mean that I will die early anyway" as we were reminded yesterday by Senator Cameron. They will just go away and that is the kind of society we have. It is the kind of what-would-Jesus-do society because, of course, he would be there at the Tory conference sitting with the Institute of Directors in the middle table ...

**The Bailiff:**

Deputy, I think, if I may say so, that is offensive to all those who have a belief in Jesus Christ, to attribute political views to Jesus that he would be at the Tory Party conference would be offensive to some and you should please withdraw it.

**Deputy M. Tadier:**

Sir, I will not withdraw that at all because the point is I believe in Jesus because he was a historic figure and the point I am making is that he would not have been at a Tory conference. He would not have been at an I.o.D. (Institute of Directors) dinner. Obviously the historical context does not allow for it but ...

**The Bailiff:**

Deputy, I am sorry, I have asked you to withdraw the allegation, the statement that Jesus would be at a Tory Party conference.

**Deputy M. Tadier:**

No, Sir, I am not withdrawing that because I did not say that, Sir. I said Jesus would not have been at a Tory conference or an I.o.D. dinner, obviously like he did not live in our times so he would not have been able to, Sir.

**The Bailiff:**

Just one moment ...

**Deputy M. Tadier:**

I frankly resent that kind of intervention, Sir ...

**The Bailiff:**

Just one moment, please.

**Deputy M. Tadier:**

... when I am trying to make a valid political speech.



**The Bailiff:**

Just one moment, please. Both the Greffier and I think that you said that Jesus would have been at the Tory Party conference. Now, if that were a mistake, then withdraw that.

**Deputy M. Tadier:**

Sir, it is called rhetoric. It is when I say he would have been there, the obvious implication is that he would not have been there because he was in the temple driving out the moneylenders and that was going to be the next part of my point, Sir, to negate what I have said. If elected parliamentarians cannot be free to use the rhetoric that they choose because it might upset some sensibilities, in fact completely spuriously, then I do not know what we are put here for, Sir. I think that goes against parliamentary privilege and the ability for us to speak openly, Sir.

**The Bailiff:**

It is a question, Deputy, of using offensive language and offensive language means offensive to some and not necessarily to all. When you use language about Jesus Christ and bring him into political debate, then to those who are believers in Christ that is offensive and that is why you are being asked to withdraw it.

**Deputy M. Tadier:**

Sir, I do not withdraw that. I think we have a Dean in this Assembly who is not even elected who is able to refer to Jesus Christ in his speeches to make political points. When I seek to do that it is somebody who I believe adheres to the philosophy of Jesus from what I can see of his teaching, the point I am making and I will not apologise for any offence because one is elected here to speak.

[10:00]

One cannot control what is heard, one can only control what one means and I think that is the issue, Sir, so ...

**The Bailiff:**

Would you please sit down now? Greffier, please ... Deputy, perhaps I can remind you of Standing Order 109 and Standing Order 110. I have indicated to you that I consider that the allegation that Jesus Christ would have been attending the Tory Party conference amounts to objectionable, offensive, unparliamentary language and I have asked you to withdraw the words and you have not yet done so. Standing Order 109(6) says that: "If the Presiding Officer determines that the words are offensive, objectionable, unparliamentary or disorderly, he shall direct the Member to withdraw the words and he may direct the Member to apologise." I have directed you only so far to withdraw them. Under paragraph 6: "The Member must withdraw the words and, if so directed [and you have not been] apologise." Under Standing Order 110: "The Presiding Officer may require a Member of the States to withdraw from the Chamber, either for the remainder of the day or for a lesser period, if the Member has used offensive, objectionable, unparliamentary or disorderly words and refused, when directed by the Presiding Officer, to withdraw them." May I just invite you, again, to withdraw the allegation that Jesus Christ would have attended the Tory Party conference?

**Deputy M. Tadier:**

Sir, I am sure you are providing rich pickings for satirists all over the world when you make such ludicrous interventions. But the point is obviously your reading of that Standing Order is completely incorrect because I do not accept the fact that I have made any offensive statement. In fact I was cut down in the middle of my sentence and if I had been allowed to finish it Members would have quite easily realised where I was going with it, saying that what we would have

expected from the historical Jesus from what we know about him and where his political and social sympathies would have lied, Sir. I am quite happy to give way to another Member, perhaps the Chief Minister, if he wants to say something.

**The Bailiff:**

It is a matter for the Presiding Officer, rather than the Chief Minister but, Chief Minister, do you wish to say anything?

**Senator I.J. Gorst:**

Sir, I am not sure whether my intervention is going to be helpful or not. In my job I am used to being criticised and I was taking, perhaps incorrectly, the Deputy was referring to myself and indicating the view of the church and those who might be of faith and questioning my own beliefs and my presence at the Conservative Party conference and putting it into that sort of context. I was not offended with regard to what he was saying about faith. I think he was simply asking Members of this Assembly, and perhaps particularly myself, to consider whether it was the right thing and the belief system that I follow, whether I should question that in light of my attendance. I think he used some term: "Sitting at the I.o.D. table" at the Conservative Party conference. I was taking it, Sir, as normal political challenge and banter and not perhaps in the way of questioning what Christ himself would do and I would not want to necessarily go there. I may not be helping that he may not have been meaning that at all but that was certainly how I was taking his comments, Sir. I was listening to them, of course, I do not agree with them but I took them as a legitimate challenge to my position as head of this Government and what I do in representing my community.

**The Bailiff:**

I have to say, Chief Minister, it had not occurred to me for one moment that the reference to Jesus Christ was a reference to the Chief Minister. **[Laughter]**

**Senator I.J. Gorst:**

Sir, I must say that that is not what I said. I think he was referring to those who have belief systems which, hopefully, sometimes coincide with the belief systems of the church and he was simply, as he went on to say, asking us to think about what we do politically and perhaps attending the Conservative Party conference, which, of course, is a political thing, in light of those belief systems. I was in no way at all, Sir, trying to indicate that I would take such a title on to myself.

**The Bailiff:**

Deputy, I will give you one last opportunity to withdraw the language that I have mentioned.

**Deputy M. Tadier:**

Thank you, Sir. I would like to give you an opportunity to withdraw from the Chair and allow the Greffier to Chair, Sir, because I think that you have overstepped the mark on this one.

**The Bailiff:**

In the light of your refusal to withdraw as requested, then I must ask you to withdraw from the Chamber for the next hour.

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

With respect, Sir, I believe you have gone over the top. I am going to withdraw also for an hour.

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

Sir, we are in the middle of Deputy Tadier's debate or opening remarks. I propose we have an hour adjournment because I do not think it is fair we carry on, whether we agree with your ruling or not. Where do we go from here practically?

**The Bailiff:**

Is that seconded? **[Seconded]** Does any Member wish to speak? All those in favour of the proposition, kindly show. Those against. The proposition is adopted, the States will adjourn for one hour.

[10:08]

**ADJOURNMENT**

[11:10]

**The Bailiff:**

Right, after that interlude, Deputy, if you would like to continue with your speech.

**Deputy M. Tadier:**

Of course, he would not, he would have been driving out the moneylenders from the temple. He would have been out there looking after the sick, the poor and vulnerable and even though I question the actual literal interpretation of the healings, I think that certainly he would have been doing what he could to help the most vulnerable in society. He certainly would not have been waging cuts on them and taking out the bread from their mouths. He would have been feeding them, literally perhaps with bread and fishes or at least fighting their corner in the best way that he could. The reason I make that reference is because wherever we come from in our politics we need to have some kind of, at least, theoretical background. We have to have some consideration of the thoughts about where our politics come from, whether the inspiration be from individuals in the field of economics, in politics, in philosophy or religion/philosophy. I think enough of those comments and now turning to the actual reality on the ground. Why I cannot support these Council of Ministers in their cuts is because we know that the cuts will hit those disproportionately. As I said earlier, they are not the ones who caused the financial crisis. They are not the ones who created the forecast deficit in Jersey. It is the fact that the economic model, the tax and spend system, no longer stacks up in Jersey. We may not wish to do it today but at some point in the very near future we will be obliged to change. We know that we have a younger generation out there and even up here and I think in many ways that kind of intervention is welcome because it reminds us perhaps of whom we are here to serve. It is not simply about us, it is about the next generation. We know that be it in Jersey or be it in the U.K. or elsewhere that times are tough. We are looking at lost generations who are in the political wilderness. The old mantra that if you go out and work hard you will do well for yourself is, unfortunately, no longer believable for many of them because we see people working very hard, very long hours and not even able to necessarily meet their rent and their living costs, certainly not with anything to show for it or to save and without any chance of being homeowners. I think I have said enough but I will simply leave Members with this figure, be it for emergency grants and loans, notwithstanding what I said earlier. Remember that individual who I said about the teeth, that he did not have teeth because she had been impoverished since a young age but we will be taking money away from people, be under no illusion of that. We know from the report that I have submitted that the disabled, those on invalidity benefit, will be at least £7 a week worse off. It does not make any sense to say that we are not going to index-link components of income support when we know in the real world the bills will be going up. If one's issue is that we do not like income support, we do not think that there should be any kind of welfare state and that they should just fend for themselves or charitable organisations or families and not everyone has a family, should be taking care of them, then that is one argument.

[11:15]

But it simply does not make sense to erode, as we have been doing over the last 5/10 years and the I.S. components have lost their index linking anyway, it does not keep up with what we should have been doing, that does not help anyone, it just adds to the misery. I make the proposition and, hopefully, at least one of my party members, if nobody else, will second this.

**The Bailiff:**

Seconded? [**Seconded**]

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

In an attempt to bring this debate back to the amendment in question I will start. I get the impression that Deputy Tadier drew the short straw when Reform Jersey was drafting these amendments. This final set of amendments includes the remaining proposals that make up my package of £10 million worth of savings. Together they are something of a jumble of income support changes with few specific arguments put forward by Deputy Tadier to support the individual sections. However, I am grateful to the Deputy for withdrawing his fourth amendment, which was debated and rejected in another form at the last States meeting. Returning to the first section of this amendment, so this is closely linked to a similar proposal from Deputy Southern for pensioners that has already been debated and rejected. During that debate I drew the attention of Members to the difficulty of creating separate rates for working-age adults and pensioners across each of the income support components. As the decision has been taken to maintain existing component rates for pensioners, I strongly urge Members to make a similar decision for working-age groups. The arguments for holding income support levels steady until October 2017 have already been rehearsed. Please note that our Medium Term Financial Plan projections include an uprate for all income support households in October 2017 and 2018. The current rates will remain in place for the next 2 years, not the full period of the M.T.F.P. I have previously circulated a breakdown of the income support available to a pensioner household in 2008 and 2015. Working-age households have also seen a significant increase in household income since the start of income support. There has been an improvement in the disregard rates for earned income from the original 6 per cent set in 2008 up to the current 23 per cent. This creates a substantial incentive for working-age households to take up and remain in employment. For each £100 of wages received the households will keep £23 over and above their basic components. This improvement in the treatment of wages means that any income support household receiving earned income has seen a significant improvement in their total income since 2008. As with pensioners, many working-age households will have seen an increase in spending power since the beginning of income support. As a simple example, a couple with 2 young children with one of the parents working full time at minimum wage has seen an improvement in spending power for the family of £28 per week or £1,472 a year. Holding current benefit levels steady is a simple and cost-effective way of creating significant reductions in benefit budgets. The impact of the reduction is spread across all benefit claimants. As you have heard me say several times before, taking decisions to restrict benefits is always very difficult but without this measure I would need to find an extra £4 million from specific claimant groups. If some groups are protected from changes other groups would inevitably face more restrictions on their benefits, including cutting benefits to existing claimants. I have avoided this as far as possible in this overall package. I urge Members to reject this part of amendment 9. The second part of this amendment deals with the interaction between income support and other benefits. I will briefly explain to Members how this current disregard works and why we are seeking to remove it. The current income support legislation includes a 6 per cent disregard against some types of contributory benefit income. These mainly cover claimants with long-term medical conditions who are claiming either L.T.I.A., which is long-term incapacity allowance or the old invalidity benefit. It also covers a small number of working-age individuals

who are claiming a survivor's benefit. These individuals are receiving 2 benefits from the department at the same time and the current disregard means that they keep a small percentage of the contributory benefit on top of their income support award. The maximum standard rate benefit is about £200, so the maximum additional benefit kept is £12 a week. However, most of these contributory benefits are paid on a percentage basis, leading to a lower average of less than £7 per week retained. This extra allowance is not aimed at any specific need or additional cost. It is not provided to people claiming sickness benefit, maternity allowance or carers' allowance. It adds extra complexity to the income support system and does not encourage claimants to move towards financial independence. Claimants who have a long-term health condition or a disability can claim a range of medical benefits through income support to assist with extra costs associated with their condition. The Back to Work teams have already extended the support they can offer to people with long-term conditions to help them return to suitable employment. I do not believe that this part of the income support system is well targeted to a specific need and I urge Members to reject this part of the amendment. The final section of amendment 9 deals with one-off payments available to income support households. Income support is designed to support basic weekly living costs. One-off payments, known as special payments, are used to help with the cost of bigger items, such as rental deposits, white goods and dental costs. At present most special payments for white goods, furniture and fittings are given as grants and do not need to be repaid. Other special payments, such as rental deposits, are provided as loans and the department has procedures in place to recover the loan in small weekly amounts. My proposal is that payments for white goods, furniture and fittings will now also be provided as loans. This ensures that a household can always receive help with basic items but reduces the cost to the department as loans are repaid. Household circumstances are always carefully considered when setting the level of repayment. Vulnerable claimants, such as care leavers, will still receive grants when needed. Other special payments, such as help with funeral costs and dental costs for pensioners, will continue to be available as grants. This is a minor adjustment to the income support system and I urge Members to also reject this final section of amendment 9.

### **1.1.2 Deputy G.P. Southern of St. Helier:**

I have had a very enjoyable day today listening to the spin coming from the Minister for Social Security. When it comes down to reality though one has to look at what her intention is and her intention is clearly to save money from the poorest and those most vulnerable. We have seen a whole series of what was described by one recipient yesterday as an attack on those most vulnerable and to paraphrase Bonhoeffer I think, they came for the young and we did nothing, the under-25s, that was last week. They came for the senior citizens, that was yesterday and we did nothing. They came for the lone parents and we did nothing. Now they come for the children. How shall we act? Finally, they come for those with disabilities. What will we do to protect those who are least able to look after themselves? As I said earlier, I think yesterday, long-term incapacity allowance is not a replacement for income. It is a compensation for loss of faculty, quite literally lose your arm it is compensation for that, for example. So to say that there is no reason to have a disregard on a long-term incapacity award is a nonsense. The old award, incapacity benefit plan B, was a replacement for loss of income. You could not work if you were on that benefit. This one you can work but look at those figures of whom this is going to affect. The average award of L.T.I.A. for those on income support, i.e. those at the very bottom, is around £116 a week, which works out at 6 per cent disregard, £7 a week approximately. So we are proposing to take £7 a week at least, between £7 and £12 if they are top end, if they are most disabled, away from these people. This will include wheelchair users, for example. That is what we are proposing. I ask Members to think very carefully about whether that is what they wish to do at this stage and because of this apparent crisis. Is it appropriate that we take away from the most vulnerable and poorest in our society? We have already dealt with children who are growing up in a lone parent household.

Yesterday you refused to act on that while we know that many of those children will be in relative low income, i.e. relatively poor. Today we get a second bite at that because the Minister is freezing the child benefit, a couple with a child is going to see if the predictions of inflation are correct, something like £15 a week taken away from their spending power. When we look at what evidence we have got we look at the 2002, 2009-2010 income distribution survey, we see that after housing costs we had been making progress. Fewer children in relative low income, i.e. the poverty threshold, below it, fewer children in 2009, 24 per cent compared to 33 per cent. We were making progress. Without checking to see if that progress has been maintained we are going to change the rules and reduce the benefit going to these families. While it is obvious to see that that applies to single parents, they can only have a single income, we find that the same argument, and they are significant numbers, are below the poverty threshold, the low income threshold for couples. So couples with at least one dependent child in 2002, 28 per cent of them, nearly one in 3, in relative low income. We had reduced that by the action we had taken in income support to 19 per cent. So 28 per cent to 19 per cent, significant progress. It is at risk of being thrown away on the back of zero research at all. That is the reality. It is all very well to talk about changes to the disregard for earned income but many of those who have a disability cannot work.

[11:30]

They may be, according to the rules, allowed to work but they cannot work. Finally, the Minister glides over the condition of what is called the community chest in the U.K., the pot that is there for emergency or big item expenditure for the poor. When she says: "We negotiate a rate dependent on circumstances for the repayments of any payments given to a household" whether for a deposit or for white goods or buying a bed because your bed collapses, *et cetera*, when she says: "We negotiate those rates and have paid clear attention to what the income of the household is" that is simply not true. The minimum rate today was not that in the time of Senator Routier, was not that approach taken by Senator Gorst when they were Ministers for Social Security? I do not believe it was the attitude taken by Senator Le Gresley either but today the minimum rate at which you pay back is £21 per week, £3 a day. I hear that week in and week out when people come to me and say: "I cannot afford that." It is no wonder people cannot afford that because what we do is calculate the minimum people need to have a decent life. If we have given them a loan that will be the minimum you need to lead a decent life less £21 a week. Try it if you can. That inevitably will lead to increased hardship and increased poverty. That is what we are doing today. So when we come to the disabled I suggest we do regard what we do today with extreme seriousness and at least act to support the disabled.

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

I will be brief and I will just stick to the point about freezing the components at 2015 rates. Some figures the Minister read out I cannot let them go. The Minister mentioned that households have seen themselves increasing something like over £1,000. The Minister has very carefully included the rental component in this and the rental component will not be frozen, the rental component will go up. But, as I say, if you look at the answer to that question, I said it yesterday, overall the adult component has gone up £3.80 in nearly 8 years. The household component, which is everything you need as well, your food, clothing, your children's food and clothing, has gone up £5.60 in real terms. The rental component, yes, has jumped in these figures to £32.48. But the actual rental ... that will cover everybody's rent unless it is above the income set by Social Security, which now for a one-bedroom flat is up to £200 a week. Because this is what they agreed with Housing, Andium, when they decided that they must borrow £250 million - I was going to say billion, the noughts escape me sometimes - but I cannot have the Minister for Social Security absolutely, in my opinion, misleading or interpreting the figures to suit her department and telling me that some of these components were already frozen in 2013 and 2014. This is why from 2008 to 2015 they have not

really caught up. So be aware exactly what you are doing. You are cutting the spending power for people with young children who are trying for the next 2 years. Be quite clear why you are doing it because in the answer the Minister said: "The measure to freeze core components at 2015 rates makes a significant contribution to the total of £10 million in tax funded benefit savings required as part of the overall Medium Term Financial Plan. It is inevitable that it will have some impact on income support claimants." It will not have some impact, it will have a real big impact and if that is what you want to decide please be honest with your vote, vote against Deputy Tadier, vote with the Minister but really be aware of what of you are doing, you are freezing people's spending power at the 2013 rates, do not be influenced by the uprate in housing benefit. As I said yesterday, the majority of people there is a deal done at Social Security, and Andium, and most of the private trusts, they do not see a penny of that money, quite rightly, it goes across, their rent is taken care of, but do not tell me it is in their household spending power to use that money for food, electricity, children's shoes, anything like that. Be aware, the Minister is interpreting her figures, read her comments, this is all about her saving her £10 million. Deputies Southern and Tadier are completely correct, hitting the most vulnerable who cannot ... some of these have got children under 3, they cannot go out to work. Childcare costs, they cannot afford them. They are single parents. You have just cut £40 off of their benefit and now you want to freeze the rest of their money into the future. She said it might only be until 2017. As we started this debate yesterday, we do not know beyond what is happening tomorrow. Sorry, I went on a bit but I really am pleased on what you absolutely ... the figures are not right. The figures are very, very tiny increases and frozen for years. The only uprate is money that goes to the landlord not have money to spend in their pockets, juggle Peter to pay Paul. Just on one note, I was going to leave this my speech, it is very good that we heard from the Constables yesterday that they are now going to start a mini welfare fund and I hope they have all contacted the Grace Trust, they have all contacted C.A.B. (Citizen's Advice Bureau) and they have all given their numbers because I am fed up with them ringing me or Deputy Southern. Where they have got our numbers down there, we get the faxes: "Could you represent this person because da, da, da." So now it is good that the Constables are getting reinvigorated, re-involved with welfare. They want to feed these people ... well, the Constable of St. Peter is, I am not allowed to say he is nodding because I am not looking at him, but he is disagreeing with me. When you make your ruling about speeches maybe you could say people should not interrupt when other people are speaking. **[Laughter]** Because I know that will be your next point.

**The Bailiff:**

I hear you, Deputy.

**Deputy J.A. Martin:**

I have obviously upset the Constables but that is what I heard yesterday, there will be a mini welfare. They want to get to know the people in the Parishes again who are struggling. They will help. Apparently there is money there. I hope their ratepayers know that they are putting in this pot. But I will leave it there. Do not be misled by the Minister for Social Security's figures. They are incorrect for spending power. I will leave it there.

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

As Assistant Minister for Social Security, it goes without saying that I will be fully supporting the Minister for Social Security in this debate and will be voting to reject Deputy Tadier's amendment. I urge Members to do likewise. At this point I would just like to correct Deputy Southern and can assure Members that the calculation for pay back of goods is based on what people can realistically afford. There would be no sense in making the pay back become a hardship to the people on income support. Deputy Martin, we could have made cuts. We did not make cuts. I think the most

sensible thing to do was hold rates and freeze rates, and I think that makes absolute sense. I think that is fair and that is the appropriate thing to do. Thank you, I have made my point.

**Deputy G.P. Southern:**

A point of clarification? Is the Assistant Minister suggesting that freezing is not equivalent to a cut in inflationary times?

**Deputy G.J. Truscott:**

I am making that point.

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

Just very briefly. I reminded Members yesterday when Deputy Southern and Deputy Mézec brought their amendments that in fact they, although being extremely responsible in identifying a funding mechanism that funding mechanism is of course raising the personal rate of income tax. As I pointed out yesterday, and I will not rehearse the argument again, I know Members are fully aware of them, that is a decision that we would not and should not be considering taking very lightly. It is a tax rate that has been in place for some 60 years. Our economy is built on that stability and certainty and if any changes were to be made then they would have to be done over a period of time and after good and due consideration and assessment. So I will just remind Members that the concept of raising the funds to pay for this proposal by raising the personal income tax level is not a matter that I can support and I would urge Members also not to support it either. I think the Minister herself has made an excellent case of what is clearly a difficult decision. In fact it is freezing the exemptions with R.P.I. (Retail Price Index) currently at 0.9 per cent the impact on individuals is mitigated in the current low inflationary environment that we are in. There will be some impact, of course, but nevertheless it is lower than it might have been if inflation had been higher. I think that relatively benign R.P.I inflationary level is helpful, if nothing else. I do urge Members to reject this amendment and support the Council of Ministers.

**1.1.6 Deputy M.R. Higgins:**

Just responding to the Minister for Treasury and Resources: it is all right spouting figures about inflation, inflation is not the same for everybody. Believe it or not, if you are a pensioner there is one rate of inflation for you because inflation is determined normally by a shopping basket or by looking at the items that they purchased and how they have gone up. We know for example with the health service, there is inflation in the health service which is way above the normal rate of inflation. So Senator Maclean may be talking about a negative rate of inflation by the sound of it, in which case deflation can be exceptionally bad as many economies are finding out. What I would say though is that there is a real cut to these people who are having their benefits removed and I do think, again, going back to what Senator Maclean was saying, he said it is a rise in income tax. What is proposed is a rise in the rate of those earning more than £100,000, who can afford to pay the extra. I am surprised the Chief Minister is nodding his head, he does not think that they can afford more, but certainly they can afford it far better than the people who are on lower incomes. So I have no problem in supporting this amendment because those who can afford to pay should pay and those who are least able to do it should not be penalised in the way that they are being treated.

**The Bailiff:**

Does any other Member wish to speak? Then I call on the Deputy to reply.

**1.1.7 Deputy M. Tadier:**

In one sense I am glad that we have not had too many speakers, it is somewhat easier to sum up, I think, because of that. But notwithstanding that I think the main points have been outlined, if not in



this debate certainly in previous debates, and the points remain the same. I am fascinated by the - I would call it - spin but certainly the position that the Minister for Social Security takes when she says: "Oh you do not need to worry about these cuts because we are spreading them right across all benefit claimants" which were her words, or certainly the sentiment. As if that is some kind of comfort. So to say we are not just targeting some individuals, we are spreading the hardship among all of them. So chances are those who are already down and out, if we can call them that - although that is not a completely satisfactory phrase because it does not capture the real struggles and courage that these individuals have in their daily lives - will be hit and they will be affected. They are our constituents. Let us not be under any illusion, they will be worse off. That was confirmed in question time. At least I appreciate that there was not an attempt at spin to say: "No, they will be better off in the long term." They will be worse off and that is just part of the plan that we need to get the economy back on track. I certainly do not buy that anyway. The other thing to remember is that many of these claimants, be they working, be they looking for work or bringing up young children, are obviously affected by different components. So they may have double, triple whammies in some cases. They might be on a personal component, they may also be a single parent, just had that single parent component removed, they may be on L.T.I.A. benefits and it is not really much comfort to say to them: "Do not worry, you can keep 6 per cent of your long term incapacity allowance as a disregard so even if you are receiving that maximum of £200 a week that the Minister spoke about, that is only £12 compensation for you being disabled and possibly either partly or fully unable to work."

[11:45]

I thought Deputy Southern's reminder that L.T.I.A. is not really income as such, it is not to be treated like that, even though it is treated like that by the department, is a compensation for a disability. Again, that ties in nicely with where I started off with the original position and the theory of justice. If we did not know where we were coming from in this world or where we would be situated in this Island, I doubt we would all sign up to a position which said: "You might be dealt the card which says that you suffer from a disability with those challenges that go with it, you may not be able to work but do not worry because we will give you a benefit with one hand and claw back 94 per cent with the other hand." That is not something that I would certainly sign up to. It is not anything that a reasonable, a rational or even a compassionate person would sign up to either. We have also been given the idea that we are targeting benefits better. But that is not the driver here, is it? The driver across all departments is to cut. That is the primary driver. They have not gone into this saying: "We want to target income support better" because you could have done that a long time ago and you could have done that on the many occasions where Deputy Southern has called for a complete review of the Social Security system. That is not because we disagree, and I think there is general consensus that the Social Security system does need a complete root and branch look at but it should not be done with the Sword of Damocles hanging over one's head where the imperative is simply cut, cut, cut, rather than help, help, help. We know that this is not the driving force, it is about implementing the hidden Tory agenda which this Government did not have the courage to stand on at the last elections. I repeat once again that they have no mandate for these cuts and they do not have any mandate for breaking the presumed social contract, which we have all been working to up until this point. I will not go through all of the arguments but I thank those who have reminded us that it makes an absolute nonsense not to index-link income support components when we live in a real world which is inflationary. If the Minister, either for Social Security or Treasury and Resources or Economic Development, has a magic wand where they can freeze the inflationary tendencies of Jersey Electricity, which incidentally we have learned with our Scrutiny hats on that the price of electricity is coming down dramatically and has done, not reflected in the electric bills. We are coming up to winter now. We know those gas prices in the long term will go up, the heating prices, the food prices, *et cetera*. If the Minister for Social

Security can promise me that there will be no inflation either next year or in the next 4 years then I would be quite happy to withdraw part 1 of the amendment, but I do not think that is the reality and it certainly will not be. That is, of course, why the Council of Ministers have quite sensibly made sure they have protected the rental components for their friends at Andium because they need that return to the Treasury. I will go back to the point because this is essentially not about technicalities, this is a political debate about why we are here, about what our politics should be. I have said, and we have said, previously that the current economic model is not sustainable. It is essentially the Emperor's New Clothes, we can go riding around on the horse with no clothes on and it will only take a short amount of time before more and more people just point at the person riding around on the horse and say: "He has got no clothes on." It is the same with our economic model. It is no longer fit for purpose. The longer we bury our heads in the sand to that reality, it is only delaying the inevitable and storing up pain for our constituents in the meantime. Our - I would like to say "your" constituents but probably cannot - constituents will be worse off under these measures. I did not get into politics to harm people's standards of living. I think most of us, and I will remind them of the expression I said earlier, people want a hand up, they do not necessarily want a hand out and they certainly do not want our foot on their head when they are trying to get up on their feet. These amendments seek to take out some of the worst of the austerity measures that we are seeing and I would urge Members by saying you can quite easily support all of these parts. We know that from previous amendments yesterday, it is quite unlikely that the changes to the tax system will go through but, as the song goes, which side are you on? Which side are you on? I hope Members have maybe seen the Jersey version that was released by our talented local artists only this week in response to austerity doing what they can in the way they think they can for the cause. Which side are you on? I would encourage Members who perhaps up until now have not had the inclination to vote for the first part, to send out a strong message that we do need a different economic model so that message can get registered by the Council of Ministers, by those decision makers perhaps who are not in the Council of Ministers that we cannot go on as we are. It does not mean that if you vote for these amendments today that you are supporting a long-term socialist agenda. It does not mean that you are a closet member of the Reform Jersey Party or that you are a member of the wider Corbin, Russell Brand school of politics that is sweeping some corners of the U.K. But you can know as middle-of-the-road conservatives perhaps that you are supporting a commonsense approach, as I said earlier, a forwardist type of model where you say: "We do not want to make the worst off in our society even more worse off so that they cannot spend, they do not have enough to buy things in the economy." We do believe that a welfare state is a necessary part of any civilised society and that is not a leftist thing, it is simply common sense, it is socially democratic and it keeps capitalism functioning. If we undermine that welfare state by not giving people at least index-linked increases that they need, if we do not help those who have got difficulties with disability, other challenging circumstances, if we do not maintain emergency grants and loans then we are only making the situation worse. What it will do is lead to a greater social division and ultimately a bigger demand for change when the inevitable happens. So I make the proposition. I do ask Members for their full support.

**The Bailiff:**

You asked for the appel and, Deputy Tadier, you wanted to take 3 votes or 6 votes? Do you want the income and expenditure vote separately or in pairs, as it were.

**Deputy M. Tadier:**

The 6 separately, Sir.

**The Bailiff:**

The 6 separately. Very well, I invite Members to return to their seats. The first 3 votes are on the income side of things, as amended the first vote is on whether to increase the rate of tax for those whose income is greater than £100,000 a year so as to raise for 2017, £4.4 million, £3 million in 2018 and £3.1 million in 2019. I ask the Greffier to open the voting.

<b>POUR: 8</b>		<b>CONTRE: 34</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Deputy J.A. Martin (H)		Senator A.J.H. Maclean		
Deputy G.P. Southern (H)		Senator I.J. Gorst		
Deputy J.A. Hilton (H)		Senator L.J. Farnham		
Deputy M. Tadier (B)		Senator A.K.F. Green		
Deputy M.R. Higgins (H)		Connétable of St. Clement		
Deputy S.Y. Mézec (H)		Connétable of St. Peter		
Deputy L.M.C. Doublet (S)		Connétable of St. Lawrence		
		Connétable of St. Mary		
		Connétable of St. Ouen		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of Grouville		
		Connétable of St. John		
		Connétable of Trinity		
		Deputy of Grouville		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy E.J. Noel (L)		
		Deputy of St. John		
		Deputy J.M. Maçon (S)		
		Deputy S.J. Pinel (C)		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy of St. Peter		
		Deputy A.D. Lewis (H)		
		Deputy R. Labey (H)		
		Deputy S.M. Wickenden (H)		
		Deputy S.M. Bree (C)		
		Deputy M.J. Norton (B)		
		Deputy T.A. McDonald (S)		
		Deputy of St. Mary		
		Deputy G.J. Truscott (B)		
		Deputy P.D. McLinton (S)		

### **The Bailiff:**

I will ask the Greffier to reset the system. The second vote is for £1.2 million in 2017, £600,000 in 2018 and £600,000 in 2019. I ask the Greffier to open the voting.

<b>POUR: 8</b>		<b>CONTRE: 34</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Deputy J.A. Martin (H)		Senator A.J.H. Maclean		
Deputy G.P. Southern (H)		Senator I.J. Gorst		
Deputy J.A. Hilton (H)		Senator L.J. Farnham		
Deputy M. Tadier (B)		Senator A.K.F. Green		
Deputy M.R. Higgins (H)		Connétable of St. Clement		

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

### The Bailiff:

The third vote in relation to income tax would be to produce £300,000 in 2017, £200,000 in 2018 and £200,000 in 2019 and I ask the Greffier to open the voting.

<b>POUR: 8</b>		<b>CONTRE: 33</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Deputy J.A. Martin (H)		Senator A.J.H. Maclean		
Deputy G.P. Southern (H)		Senator I.J. Gorst		
Deputy J.A. Hilton (H)		Senator L.J. Farnham		
Deputy M. Tadier (B)		Senator A.K.F. Green		
Deputy M.R. Higgins (H)		Connétable of St. Clement		
Deputy S.Y. Mézec (H)		Connétable of St. Peter		
Deputy L.M.C. Doublet (S)		Connétable of St. Lawrence		
		Connétable of St. Mary		
		Connétable of St. Ouen		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of Grouville		
		Connétable of St. John		
		Connétable of Trinity		
		Deputy of Grouville		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		

	Deputy E.J. Noel (L)		
	Deputy of St. John		
	Deputy J.M. Maçon (S)		
	Deputy S.J. Pinel (C)		
	Deputy of St. Martin		
	Deputy R.G. Bryans (H)		
	Deputy of St. Peter		
	Deputy A.D. Lewis (H)		
	Deputy R. Labey (H)		
	Deputy S.M. Wickenden (H)		
	Deputy S.M. Bree (C)		
	Deputy M.J. Norton (B)		
	Deputy of St. Mary		
	Deputy G.J. Truscott (B)		
	Deputy P.D. McLinton (S)		

### The Bailiff:

We now come to the second part of the amendment which deals with expenditure and this is to increase the expenditure of the Social Security Department by £1.5 million in 2016, that is applying index linking to core components of income support, the first part of the second amendment. I ask the Greffier to open the voting.

<b>POUR: 12</b>	<b>CONTRE: 31</b>	<b>ABSTAIN: 0</b>
Senator Z.A. Cameron	Senator P.F. Routier	
Connétable of St. Helier	Senator A.J.H. Maclean	
Deputy J.A. Martin (H)	Senator I.J. Gorst	
Deputy G.P. Southern (H)	Senator L.J. Farnham	
Deputy J.A. Hilton (H)	Senator A.K.F. Green	
Deputy M. Tadier (B)	Connétable of St. Clement	
Deputy M.R. Higgins (H)	Connétable of St. Peter	
Deputy S.Y. Mézec (H)	Connétable of St. Lawrence	
Deputy L.M.C. Doublet (S)	Connétable of St. Mary	
Deputy R. Labey (H)	Connétable of St. Ouen	
Deputy S.M. Bree (C)	Connétable of St. Brelade	
Deputy T.A. McDonald (S)	Connétable of St. Martin	
	Connétable of Grouville	
	Connétable of St. John	
	Connétable of Trinity	
	Deputy of Grouville	
	Deputy J.A.N. Le Fondré (L)	
	Deputy of Trinity	
	Deputy E.J. Noel (L)	
	Deputy of St. John	
	Deputy J.M. Maçon (S)	
	Deputy S.J. Pinel (C)	
	Deputy of St. Martin	
	Deputy R.G. Bryans (H)	
	Deputy of St. Peter	
	Deputy A.D. Lewis (H)	
	Deputy S.M. Wickenden (H)	
	Deputy M.J. Norton (B)	
	Deputy of St. Mary	

		Deputy G.J. Truscott (B)		
		Deputy P.D. McLinton (S)		

**The Bailiff:**

I will ask the Greffier to reset the voting and we will take the second vote which is on maintain the current income support disregards for long-term invalidity and survivor's benefits. I ask the Greffier to open the voting.

<b>POUR: 14</b>		<b>CONTRE: 29</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Connétable of St. Helier		Senator A.J.H. Maclean		
Deputy J.A. Martin (H)		Senator I.J. Gorst		
Deputy G.P. Southern (H)		Senator L.J. Farnham		
Deputy J.A. Hilton (H)		Senator A.K.F. Green		
Deputy M. Tadier (B)		Connétable of St. Clement		
Deputy M.R. Higgins (H)		Connétable of St. Peter		
Deputy J.M. Maçon (S)		Connétable of St. Lawrence		
Deputy S.Y. Mézec (H)		Connétable of St. Mary		
Deputy A.D. Lewis (H)		Connétable of St. Ouen		
Deputy L.M.C. Doublet (S)		Connétable of St. Brelade		
Deputy R. Labey (H)		Connétable of St. Martin		
Deputy S.M. Bree (C)		Connétable of Grouville		
Deputy T.A. McDonald (S)		Connétable of St. John		
		Connétable of Trinity		
		Deputy of Grouville		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy E.J. Noel (L)		
		Deputy of St. John		
		Deputy S.J. Pinel (C)		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy of St. Peter		
		Deputy S.M. Wickenden (H)		
		Deputy M.J. Norton (B)		
		Deputy of St. Mary		
		Deputy G.J. Truscott (B)		
		Deputy P.D. McLinton (S)		

**The Bailiff:**

I ask the Greffier to reset the voting for the purposes of taking the third vote, which is on the maintenance of current levels of emergency grants and loans. I ask the Greffier to open the voting.

<b>POUR: 15</b>		<b>CONTRE: 28</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Connétable of St. Helier		Senator A.J.H. Maclean		
Connétable of St. Peter		Senator I.J. Gorst		
Deputy J.A. Martin (H)		Senator L.J. Farnham		
Deputy G.P. Southern (H)		Senator A.K.F. Green		
Deputy J.A. Hilton (H)		Connétable of St. Clement		
Deputy M. Tadier (B)		Connétable of St. Lawrence		

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

## **1.2 Medium Term Financial Plan 2016–2019 (P.72/2015): fourth amendment (P.72/2015 (Amd.(4))**

### **The Bailiff:**

The last amendment has not been put because of the States decision on 23rd September. We now come to amendment number 4 lodged by the Corporate Services Scrutiny Panel and I invite the Greffier to read the amendment.

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

Page 2, paragraph (a) – for sub-paragraph (a)(ii) substitute the following sub-paragraphs - “the total amount of States net expenditure for 2016, being the total net revenue expenditure and the total net capital allocations, as set out in Summary Table B; the total amount of States net expenditure for 2017, being the total net revenue expenditure and the total net capital allocations, as set out in Summary Table B; the total amount of States net expenditure for 2018, being the total net revenue expenditure and the total net capital allocations, as set out in Summary Table B; the total amount of States net expenditure for 2019, being the total net revenue expenditure and the total net capital allocations, as set out in Summary Table B,”.

### **The Bailiff:**

Deputy Le Fondré, do you wish to propose the amendment?

[12:00]

### **1.2.1 Deputy J.A.N. Le Fondré of St. Lawrence (Chairman, Corporate Services Scrutiny Panel):**

This is a different debate to yesterday in a way. Obviously we had a very tight vote yesterday. I hope Members will give it the same level of attention today, despite the fact we are a day and half into the debate, it has been long. In essence again, this should be a very straightforward amendment in itself. It is allowing the Assembly to vote on each year separately in this aspect on

the second part of the proposition which is - turning to the right page - (a)(ii) and it is to approve at the moment the full amount of expenditure, the total amount of States net expenditure for all of the years of the M.T.F.P. In total, and as Members may have picked up hopefully from our crib sheet, as I said yesterday on the front of our report, that adds up at the moment to £3.1 billion of expenditure. In our perspective we believe that it is important the Assembly should be able to vote on each individual year but obviously what I would like to do as well is to explain why we think it is important that that ability is there. To an extent, this is almost where we started as a panel. What are we being asked to approve? Bearing in mind, as we have said, this was said yesterday, the Council of Ministers has said, this is a 2-part plan. In other words, there is an addition that comes to this Assembly in June. It is 2-part because the Council of Ministers have made it a 2-part. We did not disagree with the reasons but as the panel have said, what our responsibility is now is to this Assembly, to what the Assembly is being asked to vote on. The point is, and it is relatively simple if one holds up the Summary Table B, which is what we have been asked to vote on, this lot is blank. Whereas if one went to Summary Table A, last time around all these columns had a reasonable amount of detail in them. Obviously we had concerns about some particular aspects of them but there was some information there for States Members obviously to make an assessment. Here it is blank basically. As I said, the totals at the bottom are £3.1 billion. That is what we are being asked to approve. The Council of Ministers keep arguing this delivers a balanced budget by the end of 2019. That is obviously one interpretation. We do remind Members and, again, one looks at the ... I will refer to it as the crib sheet in the front of our report, the net position from 1st January of next year to the end of the period is minus £165 million. So, yes, at 2019 it seems to go back into surplus but it is a very slim margin. Also within the context then that this does all come back to what are we approving and the why. In the context of how things are fundamentally changed as to we are to fund things. Capital expenditure is included in these totals. Now, previously capital expenditure used to be funded out of revenue, out of profits. I can go back to the days when it was funded, it was an amount of £80 million a year we had and then it dropped down to 50 and then it was 30, now it is zero. Pretty well everything that is being funded in this plan, just under £170 million over the whole period is funded out of reserves, mainly out of the rainy day fund. That just shows how the balance between where we are spending money is changing. Within those figures that we are approving, or being asked to approve, somewhere in this lot there are £70 million of people savings, there are £30 million of other savings. There is £148 million in total of contingency spending but no detail provided or very little detail provided. In essence we believe, somewhere in there, certainly there will be a political argument from the perspective of when the M.T.F.P. is eventually approved if it is unamended that we will be approving £10 million of user-pays charges which includes solid waste. The Constable of St. Helier pointed out the concerns, I think, of the Parish of St. Helier yesterday on that area. I assume those concerns remain. Also on liquid waste. As we have said in our report, we do not know (a) the impact of these various measures at all and that is why I have a degree of sympathy with a number of the other debates being made. We do not know the impact. That has been made very clear. We are told the impacts are coming later, the impact analysis, but we do not have them in front of us at the moment. Also, we do not know the likelihood - if you use the savings as an example - of those savings being achieved. We have got no detail to assess that at all. So, again, what we are trying to say is give time to the Council of Ministers, all we are suggesting is that the Assembly should wait until the detail it would normally have at this point in the process - that is the main thing, it is nothing radical we are asking for - in a normal M.T.F.P. Admittedly this is only the second one. But that is entirely consistent with what the Assembly approved in the previous M.T.F.P., that level of detail is not there. So it is not saying stop, it is not saying: "Do not proceed with your plans for 2016", it is saying: "Approve 2016" or rather at this stage we are asking for the choice or the ability to be able to approve separate years and when we get to that vote, maybe tomorrow, we are recommending to the Assembly that we say: "Approve 2016, allow the Council of Ministers to stick to their plans,



bring back their detail and their impact analysis” they have said they will do that whenever they want to do it. They have got the deadline of June of next year, they can do it earlier, and bring those plans back for the rest of that period. That is about trying to make a sound decision-making process and that is why we think it is critical this Assembly should be allowed at this stage to split the vote and later then decide how it is going to vote. Basically what sound organisation agrees to spend £3.1 billion without knowing remotely the detail? This is about discipline. It is about all of the remarks from past and present Public Account Committees and Scrutiny Panels about lack of transparency and about holding Ministers to account. That is part of this. We talked yesterday, I think, about holding Ministers to account, about holding their feet to the fire. How do we do that because that is basically blank? So how do I hold the very nice Minister for Social Security to account for her expenditure in 2017, there is nothing there yet we are basically being asked to approve that whole table and some very significant numbers at the bottom. How do I hold the Chief Minister to account for his expenditure in 2017? It is blank, it is not there. So we do not know what we are approving. I assume the sewage charge is included somewhere in these figures and netted somewhere off in there. I do not know. What I do know is that the Minister for Transport and Technical Services is looking to charge me and everyone else twice for going to the toilet basically, i.e. we all pay for it through income tax and now suddenly it has been defined as a free good. That he is going to charge me again. Income tax, which is where we pay for it now, is for the provision of basic services and they do not come more basic than that as far as I am concerned. Yet the political argument will be, by the way for approving this M.T.F.P as it is presently done, we will produce the plan later on and those numbers are in there. Suddenly if you disagree with it, you have to find another - we do not know the amount - £10 million in user-pays charges somewhere. That has to be replaced and that will be so difficult you are automatically being guided down that route. Just as a light relief slightly, the bit I really like is the comment in the M.T.F.P. on that subject, is that a sewage charge - and I call it a toilet tax, I am afraid - will significantly improve environmental behaviours. **[Laughter]** I have to say, the mind slightly boggles as to how that is going to be achieved in relation to a surcharge applied to most Islanders. On somewhat more material matters let us consider the £70 million of people charges. I am slightly cautious about names here, I think it is appropriate to reference it, let us consider the news from yesterday about the resignation of the consultant, adviser, Mr. Keen from his ... anyway, standing down from his role in the reform process. Certainly he has been quoted in part of the media and the quote is, asked if he was optimistic about whether the States could make the kind of changes needed to turn it into an efficient and effective organisation, he said: “He did not have a huge amount of confidence. At the beginning it seemed to be a real urgency to get the change done, which is what we need. But as time has gone on that urgency has subsided as the whole thing has disappeared into the big process.” I believe the Chief Minister is on record, or has certainly been quoted in the media in the last day or so, that he has got concerns that the thing has slowed down. This is again about what are we approving here because that is all included in there somewhere. It has to be because that is to achieve the so-called balance budget at the end of the period. The argument thus far from the Council of Ministers has been: “We can justify putting up taxes, we can justify charging Islanders twice for going to the toilet, we can justify having massive unallocated contingency included in the figures States Members are being asked to approve”, £148 million, most of which is unallocated. We can justify removing the Christmas bonus, we can justify getting rid of free T.V. (television) licences because we can also make the savings; that is part of the balance within that lot. But we have got no way to assess those saving measures at this stage but we are being asked to approve £3.1 billion of expenditure. Why is that important? Well it is important for 2 reasons. One is, and it is just a reflection - something just came to me literally in the last 24 hours, which is a bit worrying - how much have we shifted the burden to individuals from the corporate sector? Because we have had Zero/Ten in the past, and that was when I came in, and that was broadly a £100 million shift. But in the last 5 years if you include the measures,

some of which are included in this section, and again this is why we think it is important to be able to split the vote, it is about another £100 million, because roughly 4, 5 years ago we shifted G.S.T. (Goods and Services Tax) from 3 per cent to 5 per cent, that is £30 million. User-pays charges, healthcare charges in these proposals are £45 million and then on top of that there is a long-term care charge.

**The Bailiff:**

Deputy, you will remember it is about expenditure and not income.

**Deputy J.A.N. Le Fondré:**

The user-pays charges are included in here somewhere and the £70 million savings are somewhere in here. But the principle is that the justification for shifting this tax burden has always been we are making the savings, we are taking the pain ourselves, and that we cannot see. Let us just go back to the C.I.P.F.A. (Chartered Institute of Public Finance and Accountancy) advisers and I want to give a couple of quotes and, again, this is why it is relevant. They are included in our report: “Strategic Financial Planning is in recovery mode”, this is in relation to Jersey, to the States of Jersey and its finances: “rather than setting a stable financial strategy that delivers robust financial performance. At worst, using specific reserves to fund core expenditure and creating measures is not going to create the necessary conditions that will successfully recalibrate financial strategy for the medium and longer term” and yet we are being asked to sign up to these spending measures: “Much has been said about Jersey’s ‘strong’ balance sheet position. No matter how ‘strong’ the States net asset position appears to be there is not an infinite timeline which would allow it to continually support/maintain a low tax/high spend jurisdiction especially with significant investment needs to cover demographic pressures.” This ties into my earlier comments about reform: “In our view there appears to be almost a cultural acceptance that there will be a significant element of non-achievement. It is our view that a number of key assumptions, principally around income tax and savings targets, including £70 million of people savings, invite an unacceptable level of risk.” So we have got the reform guru, for the want of a better expression, not being confident about the changes, the structural savings which in theory are in here somewhere, and in theory have a timeline attached to them, and in theory we could then hold Ministers to account to, but this is what we are being asked to approve. We have got our advisers talking about complacency and that is consistent with the themes that have come out from the Public Accounts Committee recently, or the Comptroller and Auditor General, and also a few months ago. Now also, and it is slightly technical, but I will just point at colours rather than anything else. We heard in remarks about the state of our underlying systems and controls, i.e. what generates the data upon which decisions are made? We have a problem. Holding this up, this is our report, Members do not need to worry about it too much, except these tables here have amber and red all over them. Amber and red. Amber and red. Red is not a good thing. What those are is essentially a high-level assessment by C.I.P.F.A. as to the state of some of the financial controls that have been used and processes to generate this document.

[12:15]

It is very easy for people to say: “Well who are C.I.P.F.A., what do they do? What is their experience?” I just thought I would get it directly from our adviser and on the financial management model they report on, which is that red and amber stuff, the adviser himself advises: “The Abu Dhabi Accountability Authority, the New South Wales Treasury, Sydney, Government Finance Officers of North America, State of Victoria Health Department and New Zealand Treasury. In terms of the financial management model C.I.P.F.A. sold over 300 U.K. public bodies. On our independent assessment [which is what the red and amber stuff is] we have covered most of U.K. Central Government, including H.M. (Her Majesty’s) Treasury and most of the large

agencies, probably about 70, including Health and some local authorities. H.M. Treasury required all of the main 17 departments of state to be assessed using that model and I, the adviser, have led on most of those, the Ministry of Defence, Health, Education, Home Office, *et cetera*.” These people know what they are talking about and they know what good looks like. Funny enough, there was no green in that assessment; I think I have given their credentials. So what this all adds up to is we are signing up to here a blank set of columns, we are being asked to approve these totals at the bottom in total in one block vote. But to me there is a significant risk to the panel and to our advisers that the savings, for example, are not going to be achieved. That contract that we have referred to previously, if you like, between this Assembly and Islanders will have been broken. We will have let them down and we will not have performed our proper functions of custodianship and prudence. But how do you hold people to account when you do not know what you are holding them to account to? How do we know the likelihood of achieving the requisite savings? That is the “why” we are bringing this amendment, to allow people at this stage to vote separately on each individual year and our recommendation at this stage when we get to that vote, that we only approve 2016. We now know that the income is going to be voted on in one block. We think it is absolutely critical we should have separate votes on the expenditure for the reasons I have outlined. There is no detail in 3 of the 4 years that States Members are being asked to approve and that cannot be a rational way of approving £3.1 billion of expenditure. That is not a small number in anybody’s terms. The answer and the opinion of the advisers and the Corporate Services Scrutiny Panel is that is not a good way of doing things. So the amendment at this stage is simply to allow this Assembly to have a direct vote on each individual year. I hope I have explained our rationale why that was justified because it is an important matter. On that basis I propose the amendment. Thank you.

**The Bailiff:**

Seconded? **[Seconded]** Does any Member wish to speak? Deputy Southern.

**1.2.2 Deputy G.P. Southern:**

I will not repeat a single argument that has been used yesterday in the sister argument that went down by one vote. I will remind people it was one vote. Personnel has changed today, I would urge everybody to hold the line. **[Approbation]** **[Laughter]**

**1.2.3 Deputy T.A. Vallois of St. John:**

The points I raised in the debate on income yesterday are also pertinent to this particular debate as it goes to the heart of medium-term financial planning frameworks. The envelope that is being asked of the Assembly for 2017 to 2019 is to ensure the Council of Ministers deliver the public services, particularly prioritising those in the Strategic Plan, while ensuring that in 2019 the budgets are balanced. I will not repeat everything I said yesterday; however, I would ask that Members also keep those comments in mind throughout the debate. It was clear to me during that debate that there is an inherent lack of trust and confidence in the way that the Executive deliver plans and produce information for Members of this Assembly. Governance has been highlighted in varying reports by Corporate Services, Public Accounts Committee and C. & A.G. (Comptroller and Auditor General) reports, in particular ensuring appropriate financial management is in place which is something our Treasurer and our Treasury team are working hard to improve but cannot be done overnight. The Council is fully aware that the expenditure limit set for 2017 to 2019 in the M.T.F.P. will require difficult decisions to be made across the States. But Ministers are committed to a strategy which will transform the Island’s Government and enable money to be reprioritised and reallocated from current budgets to invest in the strategic priorities for health, education, essential infrastructure and generating economic growth for future tax revenues. The M.T.F.P. provides details on States expenditure priorities and does provide the Assembly with the plan for

the level of efficiencies, benefit changes and other measures which need to be made within government, and the Council is convinced that the total expenditure limit set for 2016 to 2019 are the right way forward. We are in the middle of an extensive process, the biggest restructure of the public services that Jersey has seen. We cannot afford to take our foot off the pedal. Removing the control on expenditure through an envelope will lead to an expenditure creep that the annual business planning process encouraged. There is a plan, it identifies a path to balance budgets by 2019. It shows the detail of the 4-year investment the Council of Ministers want to make: £96 million over 4 years in health, £27 million over 4 years in education, £44 million over 4 years in other priority areas and £20 million over 4 years in economic growth initiatives. The plan also shows the detail of the important investment in our essential infrastructure, an indicative programme of capital projects amounting to £160 million over 4 years, including £55 million on our schools. The Council would like departments to be able to start to plan and prepare for this investment, to be confident that the States is committed to change and to a medium-term plan. The Council of Ministers are keen to emphasise that the current process does not end here with the approval of these overall expenditure limits. This is just the start. There will be full discussion with all stakeholders prior to the proposals for the detailed allocation of department's expenditure for the years 2017 to 2019 in the M.T.F.P. addition which will be lodged by 30th June 2016 prior to a full debate by this Assembly. I will end my speech on referencing a concluding comment by the C.I.P.F.A. adviser to the Scrutiny Panel who has done a very good report. I have worked with the adviser previously in my previous roles and, of course, as a C.I.P.F.A. member he is very astute and very aware of how to deal with these types of budgeting measures. In his comment, 5.7 on page 62 of Corporate Services Scrutiny Report, I quote: "Despite the current lack of detail on departmental expenditure covering 2017 to 2019 and our comments relating to key assumptions, it would be our considered view that M.T.F.P. 2 can still provide the strongest modelling platform for critical decision-making. Indeed, there may be no other time within which the M.T.F.P. will be more relevant to the decision-making processes that will deliver financial sustainability for the States of Jersey." **[Approbation]** I would ask the States to take that into consideration and ask them to reject this amendment. Thank you.

#### **The Bailiff:**

Deputy, I am still taking time to catch up with your move of parish; I should have called you the Deputy of St. John. I am sorry about that. Senator Cameron.

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

One explanation used to justify the high levels of spending on American health care is its ageing population. However, the United States has a younger population than the United Kingdom, New Zealand and Japan, all of which achieve better healthcare outcomes for less than half the per capita spending on health. I, like many of my U.K. contemporaries, am pleased to have worked during a time of professional freedom for doctors without performance-related pay and the subsequent higher consultation rates. Our businesses in Jersey stood or fell on the quality of the customer service we offered. We have been able to sit down with our patients, form real relationships and be free to use our professional judgment, along with the patient's knowledge of their own particular life circumstances, to determine the best course of action. The extra health spending voted for by the last Assembly has meant that there is now a third person in the room grading the performance of your general practitioners. Have they filled in the computer template correctly, coded and recorded the consultation in the prescribed manner? Have they adhered to the latest life's guidance that takes no account of the complexity of individual cases and no account of the placebo and nocebo effects of the quality of the doctor/patient relationship in calming or heightening stress at times of illness? The result is a less-productive, less-accessible workforce and a more drug-filled society, a society where distressed children are not asked the cause of their distress, a society that

labels their behaviour as a problem, a society that, rather than helping a child understand their behaviour and take responsibility for it, gives them the lesson that the answer lies in a bottle. In the United States this has reached such epidemic proportions that the medication ending up in the streams and rivers is now impacting the behaviour of American fish.

**The Bailiff:**

Senator, could you come on to the amendment, please?

**Senator Z.A. Cameron:**

Sorry? It is about expenditure and whether we are choosing the right expenditure and whether we had a chance to debate it enough. Cancer is now a major health concern in this Island as several States Members can attest to. When cancer is suspected timely access to investigation and diagnosis can mean the difference between life and death. Only 5 per cent of cancer cases are diagnosed by screening which is often of questionable value exposing some to a diagnosis and treatment that would never have caused them any harm. Is it the right choice to be introducing screening tests for bowel cancer when we do not yet have speedy enough access for those who are symptomatic?

**The Bailiff:**

Senator, I am sorry to interrupt you again, but honestly if every Member addressed particular issues of spending, this debate could go on for most of the year. What we are ...

**Senator Z.A. Cameron:**

But we are deciding whether to commit to £46 million of expenditure on drugs.

**The Bailiff:**

Senator, excuse me, I am speaking to you. The purpose of this amendment is to consider whether or not the total amount of expenditure should be voted on as one go or in parts for each year and that is really the subject of the debate. If you could address that, that would be helpful.

**Senator Z.A. Cameron:**

I do not believe this Assembly has a mandate from the electorate to build a new hospital, increase health expenditure and introduce a new health charge. The electorate voted me into senatorial position so that my 35 years of expertise and knowledge would be used to build a health service fit for the future and that has not happened. It is time that this Assembly started listening and looking after the people of Jersey instead of the mandarins and experts from the City of London.  
**[Approbation]**

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

I will try and drag it back on the subject. I just wanted to get this out into the room. I bet the Minister for Treasury and Resources wishes he had put some numbers into those blank columns because if we are honest the numbers into the future are a fiction anyway. They really are; they are just a best guess. 2017, a slightly more accurate best guess; 2018, less accurate; 2019, less accurate again. So if it makes you feel any better, what you could do is get out your pen, put in a number that is a little bit like the one to the left, fill it all out, and then you have got yourselves some numbers because this is all best-guess work anyway. It is all about trust. Do you trust the Council of Ministers to spend the money, the big number, correctly? That is all this is really about. If you feel you can trust, you know what to do; if you do not, you know what to do. Thank you.

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

I was going to speak in this debate anyway and I have some prepared notes, but I would like to make a few comments - and I will not digress too far - about what Senator Cameron said. She implied that the £45 million that we will be spending on health will be on drugs. Nothing could be further from the truth. Some of it will be on drugs, of course. We have the increase in drugs on an annual basis but much of it is about changing the way we do things, developing our services to support this ageing community. I think that is something we should celebrate. We cannot ignore that it is happening. At the end of 2015 there were 16,700 retired people; at 2010 there were only 14,400 and so it goes on. A third of the community will be retired in about 20 years' time needing to be supported, something we should celebrate.

[12:30]

While they may remain healthier than our counterparts, they do need - and we are already seeing the evidence of this, it cannot be denied - to have joints replaced and other support. We need a sustainable funding mechanism to ensure that I can, with my team, take forward the health service. We are debating now a Medium Term Financial Plan. If we go back to one year after another, we have not got a Medium Term Financial Plan. We have got the old system of the short-term plan and no doubt we will throw in the old system of having supplementaries every now and again. I do not know if some Members remember that where spending was not targeted and not controlled. We have to have a plan. I have to have a sustainable guarantee source of funding that I have to justify in order to move services forward. I cannot make short term one-year 2016 changes and improvements in the children's service that this Assembly has signed up to that is absolutely essential only to find out in 2017 I might not be able to do it because the Assembly may not approve the funding mechanism that is in place. No, we want to go back to the old way of doing things, the old short-term system. Then so be it, do it, but I cannot run a service on unpredicted income. I have to be able to invest in change to ensure that we have a completely different health service, one that is fit for purpose going forward to support the young people, the children's service, to support the old people and to ensure that primary care can play a greater role. Not what Senator Cameron said but a greater role in services going forward that we can support people with mental health problems. None of those things can be done short term, they have to be done long term, and I urge Members, the funding as it is laid out sets a ceiling, holds us to account for a figure. Fine. Allow us to come back later on and give you the detail on how that figure might be carved up but hold us to account on that figure but you cannot plan a health service, probably cannot plan an education service, on one year at a time. We have tried it before, it does not work; that is why we have got a Medium Term Financial Plan, so I urge Members to object and oppose this amendment.

### **1.2.7 Connétable C.H. Taylor of St. John:**

I would like to thank the Minister for Health and Social Services for speaking in favour of the proposition. We have been told by his colleague the Minister for Treasury and Resources that no money can be spent in 2017, 2018 and 2019 - he is nodding his head and he is agreeing - until such time as we have those figures. So we cannot spend that money and so you cannot rely on what money you are going to get in Health for 2017, 2018 or 2019 because that is what we have been told.

#### **The Bailiff:**

Through the Chair, Connétable, please.

#### **The Connétable of St. John:**

Through the Chair we have been told?

#### **The Bailiff:**

No. **[Laughter]** The Minister cannot rely.

**The Connétable of St. John:**

Sorry, I am not used to debating, Sir. I am still less than a year in the Assembly. **[Members: Oh!]** What we are being asked to approve is, if I can put it simply into countrified terms, sent to the supermarket and “beep” £1.89 a packet of Maryland cookies. “Beep” £1.02 packet of sugar. “Beep” a cucumber 59 pence. When you come home you say to your neighbour: “I have done your shopping. Here it is, the bill is £89” and the neighbour goes: “What? That is an awful lot, can I see the receipt?” You say: “Yes, here it is” and there is the till receipt, a foot long with one figure at the bottom, £89. Are you going to have a happy neighbour? I know in St. John we certainly would not have happy neighbours. **[Laughter] [Interruption]** We in St. John always provide a full till receipt of everything. **[Laughter]** It is common sense and it is logical, we are here to represent the electorate of the Island and we cannot vote for what we do not know. Provide the figures, we do not have to wait until June. The Minister for Treasury and Resources can bring them next week if he wants to, if he knows what they are. You could bring them in December, you could bring them in January. Any time before 30th June and the sooner you bring them, the sooner we can vote the money. But we cannot even vote the money yet, so can you please bring the figures as soon as possible with a proper M.T.F.P. which this Assembly can then support and approve? But please do not ask us to approve something that you do not know. Thank you.

**1.2.8 Deputy L.M.C. Doublet of St. Saviour:**

I just wanted to pick up on something that Deputy McLinton said previously, and it is not very often that we disagree, but I would disagree slightly. He suggested that this was about trust and I do not believe it is about trust. I think it is about respect, this amendment, and it is about how we are going to have this debate. Not really what yet, but how we are going to have it, and how we are going to vote. Personally, and I believe that most Members take the same approach as me, I have respect for the Council of Ministers and I respect the work that they are doing. I respect the work that Treasury are doing but I would like to take these years separately. I have not decided yet which years I would vote for because I have not heard the arguments from the Ministers. I will listen to them and I will give them that respect but I am quite surprised that this amendment has not been accepted by the Ministers because that would show respect to the rest of the Assembly **[Approbation]** in giving us a bit of a say in how we make these decisions together and it could be that you convince us. I hope you do because it would be good if we could approve something together as an Assembly but we need to have this choice to vote for the separate years and we need to be convinced by you, Ministers, that we should vote in favour of them separately. It is not about whether you agree with this point, it is just do you think that we should have this option to vote on separate years? It is quite simple and I hope that we can carry that respect throughout this debate.

**1.2.9 Connétable P.B. Le Sueur of Trinity:**

I too have enormous respect for the Council of Ministers. Yesterday’s debate on the income, at least the table was populated for us, but this must be a spreadsheet that is in front of us today that somebody has decided that they will turn off the columns. Because I cannot believe we have got to these totals without somebody populating this table. My question is why can we not, the Assembly, be trusted to understand how that list is populated? Is there something in that population that is going to throw up alarm bells for us? Surely we have a right to know. As I say, I respect the Council of Ministers, I respect the work that is being done, but if I took this document to my Parish Assembly, I would be laughed out of the Parish Hall. **[Approbation]** Thank you.

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

I am still crying from the Constable of St. John's comments so I do apologise. I just wanted to bring Members' attention to a report which I think is worth reading as we continue through this debate. It is a report from the C. & A.G. on financial management and it refers to the M.T.F.P. a great deal. I think it is worth, Members, if you do have the time over the next few days to have a look at it. She does make some interesting observations that I think are pertinent in this particular element of the debate. She does question the M.T.F.P. process perhaps not being any longer fit for purpose. I think these types of deficiencies in it perhaps is what she is getting at. I would urge Members to read it and make their own conclusions before the end of the debate. However, one of my concerns is that we do not have full detail but I also said in an earlier speech that I felt there was an awful lot of detail in this document which perhaps some Members are overlooking. There is a lot of detail but it does tend to be on the income rather than the expenditure which the Constable just referred to and I think he is right. However, the thing about this for me is very much about the headline figures over the next 4 years. But there is some interesting information that is there which should raise the questions that are being raised here in terms of should we be voting for this on years rather than over the 4 years? Because there is only a difference between the years in question here which are 4. It is quite small. There is a £22 million difference, for example, between 2017 and 2018 and then there is another £10 million difference in 2019. If we were to apply 1.5 per cent inflation rate over the whole period which I think would be reasonable to get at, there will be £12 million there that has not been accounted for or rather has been accounted for in the figures. So my question, which is I think the question that many of us are asking, and the public too, is if this is blank how have we come to the conclusions that we have with the bottom line? In other words, there is increase, so we are also talking about savings and they are in there as well apparently. But how are they in there if we have only got rises going up of £22 million in the first year, only £10 million in 2019 and we have got inflation of potentially say 1.5 per cent which is another £12 million? So I can quite understand why Members are asking these questions and why the public as well are perhaps asking the same questions. Because if there are savings built into here, which we are told there are, although I firmly believe - and I have said quite publicly the last few days - that the speed of reform is slow within the States, so are the savings really going to be delivered? If they are in there, I do not quite see how you can see them even if you are guessing because you have only got such a small amount of increase throughout those years plus inflation, where are the savings in there? I think these are the sort of questions people want to ask about the years that are not illustrated in those columns. But I can also understand the Treasury's argument which is how do you do all of this at the same time and bring forward a meaningful M.T.F.P. in the timescale that is provided? Having said that, I understand from Corporate Services that it was extended and it still did not come in on time. We had a presentation from Corporate Services on this very proposition on Monday. As fascinating as it was, there was a degree of concern about the lack of information articulated very well by Deputy Brée and Deputy Le Fondré. I did ask the question of the Minister for Treasury and Resources on the day: "Is there a compromise here? Is there some way of weighting this information?" Apparently there is not and we need to confirm and approve these bottom-line figures for the sake of having an M.T.F.P. It is not a Medium Term Financial Plan if you do not take it across the 4 years and I think that is a general acceptance among all Members. But we are still confused as to why the data is not there so I think, as Deputy Doublet said, Members, because they do not feel confident in what the Minister for Treasury and Resources is saying about the predictions over the next 4 years, should be given the choice to vote individually on year. The Council of Ministers and the various Ministers have the next - well it could be - several days to convince Members that are perhaps wavering here whether they should be voting for the whole plan or not and I think you can do that pretty well. The Minister for Treasury and Resources was pretty convincing the other day. If other Ministers can do the same, maybe you will sway Members here to vote for the entire plan. I would urge you to do that but give Members the opportunity to vote on year by year right now and change their view through debate over the next



couple of days; that is what I would recommend. So I would recommend to Members, support this amendment, what is the harm? Convince us that you have got it right. I have raised a couple of curve balls there. I will raise some others as we go through. Read the C. & A.G.'s report on the last M.T.F.P., I think you will find it interesting reading, and may well find some other questions to ask of Ministers during the subsequent debates. Thank you.

## **LUNCHEON ADJOURNMENT PROPOSED**

### **The Bailiff:**

The adjournment is proposed. The States now stand adjourned until 2.15 p.m. this afternoon.

[12:44]

## **LUNCHEON ADJOURNMENT**

[14:16]

### **The Bailiff:**

Very well, the States now resume debate on the fourth amendment. Does any other Member wish to speak? Yes, Deputy Brée.

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

To approve income forecasts is a very, very different matter to approving actual real expenditure and that is what the draft M.T.F.P. is asking us to do but remember it is not just for 4 years. This draft M.T.F.P. contains within it fundamental changes to our infrastructure, to the infrastructure of the Island. Now these changes are going to impact on the Island, not only which will impact on us, but a much, much longer term. Yet, we are being asked to approve the total spending envelope without any detail being provided for 2017, 2018 or 2019. The figures are blank. All I have heard so far from the Council of Ministers is to explain why the figures are not there is: "Trust me, I am a Minister." Perhaps now is the time for the voice of reason to prevail in the Government of this Island. The stated need for this Assembly to approve capped spending limits in order to produce some form of control or discipline on States departments points to just one thing: the fact that Ministers have lost control over their own departments. Leadership is about providing direction and, where required, controlling excesses. I do not see any evidence whatsoever in this happening so far. Until I understand exactly what the implications of the draft M.T.F.P. have on the people that I am here to represent, I cannot, indeed I will not, support spending where there is no detail. There are no impact studies that we can look at. There is no distributional analysis that we can go to for guidance. I want the choice to look at each year's expenditure in detail before making my decision. I want the choice to have an educated and informed decision and that that is a decision that I am prepared to stand up and defend in front of my electorate. What I am not prepared to do is to support a proposition where virtually no details have been provided. That is why we should be supporting this amendment. A number of risks have been talked about at various times during this whole debate. The biggest risk to the draft M.T.F.P. and the level of money that we will have to spend is people savings. The projected people savings of £70 million is a huge figure. At the moment the reform of the public sector is not going according to plan. It is not going as fast as it should do. If the Council of Ministers fail to achieve this highly-ambitious saving there will not be the money to spend. Yet, contained within the draft M.T.F.P. are no details on how money is to be spent and where savings are to be made for the years of 2017, 2018 and 2019. So I urge all Members to support this amendment as a logical, sensible and prudent approach to a Medium Term Financial Plan that will affect all of us, not only now, but into the future. This amendment does not destroy the concept of a Medium Term Financial Plan, it is not seeking to turn it into a one-year budget. It is saying: we understand the need for detail and we want to give the Council of Ministers

the opportunity to come back to us no later than June 2016 with that detail but until you do, until you can show us where you will be spending money and on what, do not expect us to support a blank piece of paper with just a huge total at the bottom. All Members need to think very long and hard about this. This is merely saying: let us look at each year on its own. It still creates a plan but we are asking you, Council of Ministers, to give us the respect of giving us the details. Thank you.

#### **1.2.12 Deputy K.L. Moore of St. Peter:**

Deputy Le Fondré in his speech asked: “Why do we hold to account if we do not know what we are holding them to?” Well I would like to give a little explanation and explain also that we are being held to account by setting our maximum spending limits. I think it is very important that the Assembly gets behind the Council of Ministers and allows us to set those spending limits because it is the maximum spending that cannot be exceeded and it is very important that we do that. I understand why the Assembly feels some sense of confusion in this respect, having myself taken part in the Scrutiny process in the past, but from a Council of Ministers’ perspective this has been a very long process. A lot of work has been conducted to get us to this point and to bring us here today. Very careful planning but planning that still needs to continue. If I explain from a Home Affairs’ perspective, we are looking at service models, how we do and provide the services that keep our public safe. The desire is, obviously, to provide the very best value for money but our community and our world is changing. We need to particularly look at how we harness technology in this modern world and to use that to our best advantage so that we can improve our services but maintain our current spending limits. We recently outlined these proposals or plans so far to our Scrutiny Panel and we most certainly have control of our departments. We share a common goal in providing the very best value for money and maintaining the very best public safety. We have excellent people working on our behalf. I hope that the Assembly will join the Council of Ministers in setting these limits over the years so that we can set out our main spending envelope and ensure that we remain within it. Thank you.

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

Yesterday we debated amendment number 5 from the Corporate Services Scrutiny Panel that asked Members to vote separately on income for each of the years in the Medium Term Financial Plan. This amendment deals with expenditure, asking Members to again only vote for the individual years of the plan. The panel is effectively seeking to move us to a position of short-termism with even greater uncertainty by undermining the principles of medium-term financial planning. Longer-term planning was a process approved by this Assembly in 2011 and supported of course by the Fiscal Policy Panel. Curiously, if we followed the panel advice and reduced - that is the Corporate Services Scrutiny Panel advice - our central income assumptions, it would create an even bigger funding shortfall by 2019, probably about £25 million. The panel do not make it clear how they would fund that. Having reduced our income forecast, which the panel believes is currently too optimistic, they are then asking the States in this amendment to take the cap off expenditure for the years 2017 to 2019 and to have no plan to control that expenditure. That is just putting off decisions and returning to the days of annual budgeting. It will certainly do nothing for our international reputation as a stable and sustainable economy and I can tell Members that it will risk a negative response to our credit rating. The Council of Ministers has been open and honest throughout the development of this Medium Term Financial Plan. We have worked with the previous recommendations of the Scrutiny Panel; we have worked with the Comptroller and Auditor General and with those of the Fiscal Policy Panel to ensure that we have produced a plan to place Jersey on a path to fiscal balance and short, medium and longer-term economic stability. Perhaps most importantly, the Council of Ministers is proposing a plan with the aim of addressing the deficit by 2019, which is in line with advice from the Fiscal Policy Panel, and of course in accordance with the States Sustainable Public Finances Strategic Policy, which was agreed in April

of this year. The Council is fully aware that expenditure limits set for 2017 to 2019 in the Medium Term Financial Plan will require difficult decisions to be made across the States, but Ministers are committed to a strategy which will transform the Island's Government. The draft Medium Term Financial Plan provides details on States expenditure priorities and does provide the Assembly with the plan for the level of savings, efficiencies, benefit changes and other measures which need to be made within Government. I understand the concerns of Members about the lack of detail in the 2017 to 2019 period contained within the addition. Deputy McLinton said he suspects that I wished that I had included the numbers. In a sense he is right, I do wish I had put the numbers in, but to have done so would have been dishonest and I will explain why. It is because that was the way that it used to be done, and then of course with the numbers in there, Ministers were able, using Ministerial Decisions, to move money around between their departments as they wished. I have to say that I do not believe that that is a fair and reasonable approach to have taken. This Medium Term Financial Plan has even greater levels of uncertainty and so the Council of Ministers took the decision to leave the columns blank and then come back with more accurate details in the Medium Term Financial Plan addition next year so that Members can then have the choice to vote on them.

[14:30]

I hope that Deputy Doublet recognises that we did that out of a sense of openness, transparency and, yes, respect, respect for the parliamentary process and for its Members. The Constable of Trinity made the point that we have the totals, so of course we must have the detail. He is right, we do have a lot of detail. The totals are based, after all, on existing departmental cash limits. We know the profile of growth, but what we do not yet know exactly is how the savings will fall until more work is carried out, including impact assessments. The Council of Ministers are convinced that the total expenditure limits set for 2016 to 2019 is the right way forward. We are in the middle of an extensive process, the biggest reform of public services that Jersey has ever seen. We need to show our staff and departments internally that the States are serious and committed to this reform programme. We have a plan with a sensible and balanced approach and it is as fair as it reasonably can be. We want departments to be able to start to plan and prepare for this huge investment. We want departments and staff to be confident that the States is absolutely committed to the change and a Medium Term Financial Plan with details is a way to ensure that is the case. I agree, as I said yesterday, that splitting the Medium Term Financial Plan into 2 parts, 2016 and then the addition, which is 2017 to 2019, is not ideal. I would not have chosen to do it and I do not think there are many Members here that would have chosen to do it. However, in the extraordinary circumstances that emerged, with a funding shortfall of £145 million by 2019, albeit that it includes £63 million of investment, it meant that we had little choice. To balance budgets by 2019 will take significant change to the way that we run public services. It is not going to be easy. There are many difficult, and at times, I have no doubt, unpopular decisions to be made, but the reform programme must and indeed is accelerating. The Corporate Services Scrutiny Panel make the point that Members today are being asked to approve approximately £3.1 billion in expenditure for the periods 2016 to 2019 without any detail beyond 2016. Notwithstanding that this should not have been a surprise to the panel, as they agreed the amendment to the Public Finances (Jersey) Law to allow us to present the Medium Term Financial Plan in this way, however, it is also not correct for them to say to Members that they are being asked to approve £3.1 billion of expenditure. To be absolutely clear, the only expenditure being approved in this Medium Term Financial Plan is in respect of 2016. The years 2017 to 2019 only contain a total expenditure cap. Therefore, for no other year other than 2016 is the Council of Ministers proposing cash limits for departments and it is therefore not seeking authority at this stage to spend any amounts. No departmental cash limits are provided for and therefore no Minister or accounting officer can spend funds for 2017 to 2019. They will not be able to do so until the second part or the addition of the Medium Term Financial Plan is agreed by

this Assembly next year. The control and the choice is in Members' hands. The addition to the Medium Term Financial Plan covering 2017 to 2019, with all the detail, including impact assessments and so on, will be lodged no later than 30th June 2016 for a debate in September of the same year. For the avoidance of any doubt, the detailed department allocations proposed in the addition covering those years will be subject, as I have already said, to amendment by Members when they are lodged next June. All that is currently fixed is the cap on total States expenditure over the period. The Council of Ministers is effectively asking the Assembly to agree those maximum sums. By rejecting this amendment and supporting the Council of Ministers' plan, Members are not giving approvals, as I have said. It is absolutely critical that we have a plan to balance budgets by 2019 and this amendment is effectively a move back to an annual budgetary cycle. It is a retrograde step. Change will be difficult, but we have to ensure that we have a sense of momentum, a sense of direction and some certainty and some focus and, most importantly, some targets. That is what we have with the plan. Every organisation needs targets. Additionally, without targets to work to, departments will not be able to bank on the funding profile of growth that is identified in the plan. Members know how much departments currently spend and also what the proposed growth is; the quantum of savings proposed are also known. All that is missing is the split of the savings, as I have mentioned, and importantly, by leaving those columns blank, Members will have their chance to have their say on the detail next year. The clear message from this Assembly must be that reform is top of the agenda. I will close by reminding Members of a point made by my Assistant Minister in her earlier excellent speech on this amendment. She quoted the Corporate Services Scrutiny Panel's own adviser, C.I.P.F.A., who, despite commenting on the lack of detail, as Members themselves are concerned about, for the later years, the adviser to the Corporate Services Scrutiny Panel endorsed the approach that the Council of Ministers have taken by splitting this plan, as presented, describing it as: "The strongest platform." I strongly urge Members to reject this amendment and support the Council of Ministers' plan in its entirety to ensure that we have the confidence and the momentum to continue to move forward with reform.

**[Approbation]**

**1.2.14 Deputy J.A. Martin:**

What a pleasure to follow the Minister for Treasury and Resources. I thought all had been said before lunch with the excellent speech of Deputy Doublet, but if anybody was not sure which way they should vote on this, the Minister for Treasury and Resources just gave the absolute supporting speech for the Corporate Services amendment, because he said: "All we are asking you today, fellow States Members, is to approve 2016 and we will come back with the detail for 2017, 2018 and 2019." It has been terrible, because they had to do so much, that it is about trust - or is it about respect - but absolutely I cannot understand, and I said this yesterday: they believe in their plan; they believe in their figures; they believe they have got it right; they believe that their expenditure will be in this envelope. Why do they then not trust us to vote on each year separately? Convince me over ... it might be today or tomorrow, it looks like next week now, but this is where you convince me. I absolutely heard everything you said. This has never been ... and for anyone who was not in this House 4 years ago, we had yearly budgets, we had things done, as the Minister said, and we had one M.T.F.P. Maybe it is working, maybe it is not. The speech from the Minister for Health again was great stuff: "And you are going to stop me doing this great stuff for the children's service." Bring it, bring it in the addendum by June 2016, and if you cannot get me to vote for it today, you will get me to vote for it by then. I cannot see why the Council of Ministers have dug their heels in. They either do not understand this amendment - it is just giving the Members the choice to choose each year - and if they are worried that you might choose just one year or you might choose year 1 and year 3, that is their problem. It is their M.T.F.P. If they have not done the work, as excellent speeches have said, why should we approve the envelope and then be told by the Minister we will have a chance to amend it? It does not make sense to me. I will leave it there, get

straight to the point. As Deputy Southern said, we should be able to vote on this each year. They are bringing back the details by June 2016. We vote. If we do not support the other 3 years today, we have a chance to support it then. It is quite clear.

**1.2.15 Deputy R. Labey of St. Helier:**

I was trying to get in while the Minister for Treasury and Resources was still speaking, but I could not interrupt his usual impressive and very slick flow. But I did want him to back up his repeated claim that if this amendment were to be successful, it would affect the Standard & Poor's AA+ credit rating of the Island, because from my understanding of the briefing we had from the Scrutiny Panel and the address from Deputy Brée, who is probably the most expert on this field in the ... oh, he has gone. **[Laughter]** This would have zero effect on our credit rating unless we were borrowing 5, 10, 15 years down the line X amount of millions. **[Approval]** A better expert than I might back me up on that.

**1.2.16 Deputy M.R. Higgins:**

I am only going to make a few comments. We have had it repeatedly said from Ministers we have to hold them to account, we have got to hold their feet to the fire and all the rest of it, and if we do not have this cap they will not make the necessary reforms. Members might forget there are a number of slush funds around, where they can dip into if they want. For example, the Minister for Home Affairs talks about her department will be kept ... they have got their plan, they are going to keep to certain spending. What about the Criminal Offences Confiscation Fund? It may be empty at the moment, depending how quickly the Judiciary deal with certain criminals and get more money in. There may be a substantial sum of money ...

**The Bailiff:**

Deputy, I am sorry, I have to put you right on that. It is not the job of the Judiciary to get in criminals. **[Laughter]**

**Deputy M.R. Higgins:**

I do accept that, Sir, but once you have got them in and convicted them, you have the ability to obviously seek their ill-gotten gains. That is what I am trying to come to. There may be nothing in the pot at the moment, if we are being told that, but there may be some next month or the next year. But the point is it has been tapped time and time again by departments. For example, when I was doing some research on it, the Judicial Greffe were paying for their leases or for new members of staff; the Home Affairs Department were tapping it for all sorts of nice little goodies. The point is that money is not accountable, it is not part of our spending plans. It is a separate pot. Look what happened on Plémont, £3.5 million taken out of that fund, transferred - I still think it is money laundering, in my own opinion - through the Home Affairs Department to the Chief Minister's Department so they can buy Plémont. To my mind, that was a total misuse of what those funds were about. It also showed how desperate we were for funds at the time, because there were no other pots that could be raided. What I am trying to say is Ministers talk about us holding them to account, but the truth of the matter is there are some funds like that which can be used and will be used by the Ministers. We also know that most of these accounts are smoke and mirrors, because they do what they want anyway. But I do believe that we do need to take a stand on this. You either have the information and vote on the basis of the information or the evidence you have got or whether you believe that is what is happening, but you certainly do not vote, as the Constable of Trinity says, when you have got a figure at the bottom and you have got no detail. Absolutely stupid, and we would be abrogating our responsibility to the electorate if we did, so I ask you to support the amendment.

**1.2.17 Senator I.J. Gorst:**

We heard it here first, the Judiciary is not responsible for ... I am not quite sure what you said, Sir, but that ...

**The Bailiff:**

“Getting in criminals” was the Deputy’s expression. **[Laughter]**

**Senator I.J. Gorst:**

In that case, Sir, you were quite correct.

**The Bailiff:**

Very grateful for that endorsement, Chief Minister.

**Senator I.J. Gorst:**

We come to the other side of amendment 5 and the chairman, I think, and other Members have suggested again that it is a simple separating of the years so that we can vote on each year. Of course the counterargument is that in order to maintain a Medium Term Financial Plan, we need to have the balance over the period of the 4 years. I think a lot of the argument has been around is it appropriate to vote for an envelope when the details of allocation across departments will be voted upon by this Assembly when we bring back the addition to the Medium Term Financial Plan and what is the implication for doing that.

[14:45]

The Council of Ministers, as the Assistant Minister for Treasury and Resources said when she brought the change to the Finance (Jersey) Law earlier this year, that it was only going to be possible to provide the detail for 2016 and we would ask Members to vote for the detail of 2016. That means when we get to the vote, we will be voting for the allocation to departments. Departments will then, in 2016, be able to go and spend that money. We said that we were amending the Finance (Jersey) Law so that we could have a balanced budget over the period, but we would come back to Members and ask them to vote for the detail of those following 3 years, and only once they had voted for the detail of the following 3 years would they be allocating it to departments, which would then allow accounting officers to go and spend within that detail. This is, as it stands without the amendment, agreeing the envelope, therefore showing that we are going to live and deliver a balanced budget, notwithstanding the crib sheet that the chairman of Corporate Services refers to in his speeches, talking about the difference between needing to in-year supplement that balance, but by the end of the 4 years arriving at a position where income and expenditure are balanced. Some Members do not want us to do that. I absolutely understand that and therefore they are arguing for splitting the years. They do not want us to do it because they want to spend more. I respect those Members. They have a legitimate position and they are saying we should not be driving out efficiency, we should not be reforming the public sector, we should be spending what we currently spend on the services we currently provide and they accept that we should be spending more money on health, education and infrastructure. That is a legitimate political position to take. That is why they do not accept this M.T.F.P. and they do not accept the jacket of this envelope of spending. There are other Members, and I am not sure whether the Corporate Services Panel fall into this or not, bearing in mind they have produced some amendments to this plan which would increase expenditure, taking it out of contingencies, and bearing in mind the fact that they tell us that they think there are some challenges in delivering those savings. They are absolutely right, but they also say that they do not think we will meet the income line, therefore the implication of that is that we should spend less. I would argue that there are those who are going to support the splitting of the years because they want us to spend more and not live within that envelope, and there are those who are proposing to oppose this splitting,

because they want us to spend less, they are not convinced that we are driving out the efficiency that we should do. In one regard I agree with them; we are not doing it as quickly as we should do. There are others, we have heard, that do not think we need to spend the extra money on health, and no doubt other arguments in that regard will be made during the course of this debate. We believe that it is fundamentally important to medium term financial planning that you move away from a one-year figure and you set an envelope for income and expenditure - this is expenditure and I understand that - for the period of this plan. If you will forgive me, I would like to just visit St. John, where they, it would appear, like to shop, from the Connétable's opening words. It would have surprised me indeed if they had shopped in the manner that he outlined we were asking them to shop today, going into a shop, buying lots of detailed items and then simply showing what the bottom line was, I accept that would be irresponsible. We are not doing that. Today, when we get to the vote, we will be asking Members and showing them the detailed receipt. That is what 2016 is all about. That is the detailed receipt. Members have the ability to vote and say, yes, they are going to buy that detailed receipt. But I would suggest that prudent as the parishioners of St. John are, at the start of the month, when they know what they have got to spend, they say to themselves: "This month we will spend ..." I am not sure what the eating habits are of a parishioner in St. John, but they might say: "We are going to spend £100 on food." The Constable tells me no, they would not spend such an amount. They obviously do not shop in the shop in the Parish if that is the case. **[Laughter]** Let us say, for example, they are a family of 4 and they say to themselves: "This is what my household budget is. This is what I have received. For those 4 weeks of that month, we are going to spend £100 on food." They allocate that £100 and that is the envelope in which then whoever it is that does the shopping, or there might be more than one of them that does the shopping, goes away and says ... well, probably there is another step in between. We do not always do this very well in the Gorst household, I have got to confess. They say: "I have £100 to spend on food this week" and then they move to their meal plan and they say to themselves: "On Monday evening, we may have this particular meal, Tuesday evening we will have another, Wednesday evening we have another" and Thursday evening they might be out, Friday evening they have another. The person that is responsible for the shop then goes and spends that allocated envelope in order to deliver the meal plan for the week. They might do a bit of shopping around, they might decide that: "We are going to buy potatoes and they will do us for 3 of those meals throughout the week." That is what we are asking Members to do in keeping all these years together. We are saying it is prudent, it is the right, appropriate thing to do, to say we are going to live within the means of this envelope of expenditure, and then in June of next year, we are going to almost make the decisions about how we are going to spend it on the meal plan that we have decided. Each Member will be able to come along and amend what that meal plan might be for their particular concern or their particular taste. It is the right approach to take. The Minister for Treasury and Resources said that we have been absolutely clear and open that we were going to take this approach. We have been absolutely clear and open about why we are taking this approach, because for us, balanced budgets are important. We know we have got to make savings and drive out efficiencies and it is taking time to deliver and to decide where those savings and efficiencies will be spread out across various departments. I think that is a prudent approach. Let us not put off deciding what that envelope is for another day, let us say that we are, as an Assembly, committed to balance budgets, because Deputy Labey said that somebody said at the Corporate Services Scrutiny Panel presentation - and I am sorry and apologise to Members that I could not be there - that in their view they felt that presenting a balanced budget over a period would not affect the credit rating. I have got to say there are probably very few who have dealt with credit ratings before, but credit ratings - I am not sure if the Member is now reapproaching - but credit ratings for companies and for corporates and for jurisdictions and countries have different elements to them. I have sat, as I said yesterday, in front of these terriers and they always want to know how are we going to deliver a balanced budget over the period, what confidence can I give them, because I am not

chairing a board of directors, where the board of directors say what is going to happen and then it is delivered. Sometimes I wonder what I am chairing: I am chairing a group of independent-thinking politicians who come from each issue from a different angle and then, even once we have made a decision, we have to come to this Assembly and get authorisation for those spending decisions. I believe fundamentally in Members of this Assembly, that they will make the right long-term decisions into the future for Jersey. If we divide these years and then vote against the balanced budget and setting the envelope, I cannot see that the rating agency would not do anything other than want to question me about why it was that the Assembly was not prepared to set an envelope which delivered a balanced budget over those 4 years. Could I satisfy them? I would certainly do my very best to do that, but I cannot say that I would, but I know that if we do not split them out, that we do vote for a balanced budget, I have got a lot better chance of doing that. Thank you.

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

The research that I have carried out, and I refer to my colleague, Deputy Brée, this will not affect our credit rating one iota. We will still be AA+. We are being asked to sign up to a blank sheet of paper, which is absolutely ridiculous, and I do not know anyone that would do so. All the Council of Ministers has to do is come back in June with all the details and we will gladly look at it. If it worthy, then of course we will approve it. We are asked to trust the Council of Ministers. Last time I did, it did not end well. **[Laughter]** This is the Council of Ministers who do something like buy 25,000 acres of rainforest and have it slashed and burned to save on maintenance. The whole thing is bizarre. A blank sheet of paper. I have not had such a good offer as this for the last 2 years, where a very kind lady emailed me, a very nice lady from Nigeria, who said: “Dear beloved one, I am going to make you rich. Just give me all your credit card details and leave the rest to me.” I am still waiting. This is a commonsense amendment and I urge Members to support it. Thank you.

**The Bailiff:**

Does any other Member wish to speak? If not, then I call on the Chairman of the Corporate Services Panel to ...

**1.2.19 Deputy J.A.N. Le Fondré:**

It has been a lively debate, I would suggest. If this is a Medium Term Financial Plan, why are we being asked to vote on the detail for 2017, 2018 and 2019 in September of next year? That is what the Chief Minister said to us. The Minister for Treasury and Resources said to us: “We do have a lot of detail, but we do not know where the savings will fall and we do not know the impact” and yet he referred to the splitting out into 2 parts of the M.T.F.P. into 2016 and to 2017 and 2018 and 2019. We are just trying to say let us be consistent with what the M.T.F.P. structure was meant to be. We did not know what we were going to be getting when we had that amendment in terms of what it would look like. That is where we are. As we have said, we have got the duty to raise to the Assembly, this is what the Assembly is approving. We are basically just asking that the States vote on that part 2 when we have the detail. That is not unreasonable. I want to see reform at the top of the agenda, but I want to know it is happening and I want to know the profile and what the impact is on the expenditure. It is all very well saying: “Oh, we are just setting the envelope” which implies it is a bit wishy-washy or there is a slight fuzziness around it. No, we are approving that table. It is all very well, anybody who has been in the States for long enough will know that you work on the proposition that we are approving, not the report. The proposition in this aspect is this: the report is that long, and that part of the proposition is blank. That is why we are recommending that we, as an Assembly, should at least at this stage have the choice of voting separately on each year. Again, do not forget there is a difference between spending the money and approving the money, in a way. I do not know if that is clear or not, but let us not try to con



ourselves here or get ourselves confused - maybe that is not the right expression - the proposition: “(a) to approve” and the effect of this lot is one is approving, as we have said, £3.1 billion.

[15:00]

That is not a small sum. It is all very well having analogies about very organised households putting their shopping lists together. This is a shopping bill, as I said, of £3.1 billion. It is also a little bit about based on experience, in a way. Although it is an estimation process, when those estimates are set, that is what the Civil Service will attempt to spend to, basically. It is down to the Council of Ministers then to control and spend, but there will be all sorts of good reasons why the Civil Service will come along and say: “We have got to spend to X, Y, Z.” Although it is an estimation process, it is an exceptionally important estimation process, and the problem being here is we do not know what we are voting on in terms of that table, because all the individual departments would make up all those amounts and it adds up to that total for 2017, which we are voting on. I am just obviously addressing some of the points from Members. I definitely remind Members of the remarks of both the Constable of Trinity and the Constable of St. John. I thought they were particularly pertinent and relevant. I have talked about our experience. Do not forget we have one M.T.F.P. For whatever reason, it went awry, and the reaction time to get things back on track was slow. If we do not know the detail in the first place, what are we setting? I also take slight issue, I am afraid, with saying: “If you approve this amendment, it becomes a one-year plan.” It becomes a one-year plan, we go back to the retrograde step, it implies it is a one-year plan for ever. No. We are saying, in these exceptional circumstances, because do not forget the Corporate Services Scrutiny Panel insisted on a sunset clause, and so this set of circumstances - unless a future Assembly or a future Council of Ministers tries to change this - it can only happen now and it stops in June of next year. What we are saying is approve 2016 and wait for the detail, and it is for the other 3 years. That will come back, that will be the package and we will then see the whole package together in June. It is not one year now, June; one year, voting in 2017 for 2018, and one year and going back to that type of behaviour, as Senator Green is referring to. We are dealing with a circumstance we have got and we are dealing with what the Assembly is being asked to approve. Ultimately, as we said, it is about having good data on which to base a decision on and a decision to approve £3.1 billion. For me, the Council of Ministers wants to tax people £1,000 extra, which includes user-pays, which is included as part of this element of the M.T.F.P. He wants to tax me twice for going to the toilet, but it cannot show me, or show us, the profile, for example, of the savings or the expenditure. I make no apologies for rereading the remarks from C.I.P.F.A.: “The introduction of a health charge that is separate and a user-pay strategy scheduled to bring a combined additional income of £45 million a year in 2019 is considered to be insufficiently developed at this stage to validly incorporate within a meaningful plan designed to eliminate the structural deficit.” In other words, in their public professional opinion, it is not fit for purpose at this stage to be presented for approval by this Assembly. There is an element of that relevant to this debate, because user-pay charges come under expenditure. As we have said time and time again, although our simplistic analysis of the £1,000 a year extra, there is no impact assessment provided at all, do not forget, as I said earlier today, this is in the context that within the last 5 years and taking account of these measures, part of which appear under user pays, the tax burden on individuals will have or will increase by £100 million. I accept the remarks that were made by the Deputy of St. John. It is a critical document. We know that. But I also just remind Members there was another comment by C.I.P.F.A. at the time which I think is more consistent with the theme that came out in their report. That is: “We would take the view that the submission currently considered by the Corporate Service Scrutiny Panel does not constitute a Medium Term Financial Plan which can fully inform and provide stability in the determination of financial strategy moving forward. At this stage within the cycle, running a 4-year M.T.F.P. based on only one year of detail and 3 years of control totals with no reasonable detail for those 3 subsequent years negates the benefits of a

Medium Term Financial Plan and significantly reduces its utility.” On that note, I stop. It is about transparency, accountability. We have got 100,000 stakeholders in play. This amendment is just to allow us to vote on individual years at this stage. On that basis, I would like to maintain the amendment and call for the appel. Thank you.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on amendment 4 of the Corporate Services Scrutiny Panel and I will ask the Greffier to open the voting.

<b>POUR: 20</b>	<b>CONTRE: 24</b>	<b>ABSTAIN: 0</b>
Senator Z.A. Cameron	Senator P.F. Routier	
Connétable of Grouville	Senator A.J.H. Maclean	
Connétable of St. John	Senator I.J. Gorst	
Deputy J.A. Martin (H)	Senator L.J. Farnham	
Deputy G.P. Southern (H)	Senator A.K.F. Green	
Deputy of Grouville	Connétable of St. Helier	
Deputy J.A. Hilton (H)	Connétable of St. Clement	
Deputy J.A.N. Le Fondré (L)	Connétable of St. Peter	
Deputy K.C. Lewis (S)	Connétable of St. Lawrence	
Deputy M. Tadier (B)	Connétable of St. Mary	
Deputy M.R. Higgins (H)	Connétable of St. Ouen	
Deputy J.M. Maçon (S)	Connétable of St. Brelade	
Deputy S.Y. Mézec (H)	Connétable of St. Martin	
Deputy A.D. Lewis (H)	Connétable of Trinity	
Deputy L.M.C. Doublet (S)	Deputy of Trinity	
Deputy R. Labey (H)	Deputy E.J. Noel (L)	
Deputy S.M. Bree (C)	Deputy of St. John	
Deputy T.A. McDonald (S)	Deputy S.J. Pinel (C)	
Deputy of St. Mary	Deputy of St. Martin	
Deputy P.D. McLinton (S)	Deputy R.G. Bryans (H)	
	Deputy of St. Peter	
	Deputy S.M. Wickenden (H)	
	Deputy M.J. Norton (B)	
	Deputy G.J. Truscott (B)	

**1.3 Medium Term Financial Plan 2016-2019 (P.72/2015): first amendment (P.72/2015 Amd.(1))**

**The Bailiff:**

We now come to the first amendment of the Council of Ministers and I invite the Greffier to read the amendment.

**The Deputy Greffier of the States:**

Page 2, Paragraph (a)(ii) – After the words “as set out in Summary Table B” insert the words – “except that the total amount of States net revenue expenditure shall be increased by £6,000,000 in 2016 and reduced by £10,000,000 in 2017.”.

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

Hopefully this is a straight ... forgive me, Sir. I wonder if the Minister for Treasury and Resources could act as rapporteur for this amendment? Thank you.

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

Members will recall that when we presented the Medium Term Financial Plan back in July, we proposed a redundancy provision to facilitate the people savings in the plan. At that time, we had launched the initial voluntary release scheme, but the applications had not been assessed. We originally set aside £2 million in 2015 from existing funding and proposed additional funding of £10 million for 2016 and 2017 in the Medium Term Financial Plan. The applications have now been assessed, and as Members will be, I am sure, aware, over 100 applications have been accepted with a few more being reviewed. It is now clear that nearer to £6 million will be required in 2015 and the Council of Ministers is determined that savings should be taken as soon as possible. In the interests of fairness and to those who have successfully applied to the scheme, and in order to expedite the reform required to change the way we deliver our services and contribute towards the £70 million worth of people savings required by 2019, the Council of Ministers is therefore proposing that the original redundancy funding be brought forward to 2015 and 2016 from 2017. The revised proposal is for £4 million to be transferred from the Strategic Reserve in 2015 and £16 million in 2016, rather than £10 million in 2016 and £10 million in 2017. This will provide for a revised central contingency allocation for a redundancy provision of £6 million in 2015 and £16 million in 2016, rather than £2 million in 2015 and £10 million in 2016 and the same in 2017. The people savings are an important part of our package of measures. We are not proposing any more funding than originally proposed, but simply to bring forward the funding so that it is more aligned with the requirements of the voluntary release scheme over 2015 and 2016. I ask Members to support this proposition.

**The Bailiff:**

Seconded? [**Seconded**] Does any Member wish to speak? All Members in favour of adopting the proposition, kindly show. [**Interruption**] The appel is called for. I invite Members to return to their seats. The vote is on the amendment of the Council of Ministers number one, and ask the Greffier to open the voting.

<b>POUR: 29</b>	<b>CONTRE: 2</b>	<b>ABSTAIN: 0</b>
Senator P.F. Routier	Deputy M. Tadier (B)	
Senator A.J.H. Maclean	Deputy S.Y. Mézec (H)	
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator A.K.F. Green		
Senator Z.A. Cameron		
Connétable of St. Helier		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Brelade		
Connétable of St. Martin		
Connétable of Grouville		
Connétable of St. John		
Connétable of Trinity		
Deputy of Grouville		
Deputy J.A. Hilton (H)		
Deputy of Trinity		
Deputy E.J. Noel (L)		
Deputy of St. John		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy R.G. Bryans (H)		
Deputy of St. Peter		
Deputy L.M.C. Doublet (S)		

Deputy S.M. Wickenden (H)				
Deputy M.J. Norton (B)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

#### **1.4 Medium Term Financial Plan 2016-2019 (P.72/2015): seventh amendment (P.72/2015 Amd.(7))**

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

We now come to the next amendment and I ask the Greffier to read the amendment.

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

Paragraph (a)(ii) – After the words “as set out in Summary Table B” insert the words – “except that the total amount of States net revenue expenditure in 2016 shall be reduced by £100,000 by deferring the additional funding proposed for States members’ pensions and reduced by £100,000 in 2017 and by £41,700 in 2018 as a result of the ongoing financial consequences of this deferment”.

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

I will have a go at this one, Sir, now I know where we are again. This amendment is around the proposal in the plan from Privileges and Procedures to provide funding for States Members pensions from January 2016. The Ministers are asking the Assembly to defer the decision on States Members pensions until the States has made the opportunity to consider the proposal as part of a wider debate on the remuneration of States Members and proposes that any changes agreed are introduced for the new Assembly in May 2018. The amendment of course was necessary because we are required under Article 24B of the Public Finances (Jersey) Law 2005 to include the proposed estimate of the States Assembly in the M.T.F.P. Therefore, if the Council of Ministers own view is different to that of the P.P.C. (Privileges and Procedures Committee), and I am not sure that we are different, but simply it is a matter of timing and needing the details we are in the position of having to bring an amendment. The amendment is to defer allocating the money in 2016 and 2017 and part of 2018 so that the details of any proposed pension can be considered and agreed in time for the new incoming Assembly after May 2018. Thank you.

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

Is the amendment seconded? [**Seconded**] Does any Member wish to speak? All Members in favour of adopting the proposition ...

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

Sorry, Sir, there is an amendment to my amendment from Deputy Tadier.

#### **1.5 Medium Term Financial Plan 2016-2019 (P.72/2015): seventh amendment (P.72/2015 Amd.(7)) - amendment (Amd.(7)Amd.)**

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

Oh, I am so sorry. I thought that was a separate one. I am so sorry. Deputy Tadier, you have an amendment. Greffier, could you please read the amendment?

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

For the words “in 2016” substitute the words “in 2017” and delete the words “by £100,000 in 2017 and”.

[15:15]

### 1.5.1 Deputy M. Tadier:

We have got a choice here. We can either have a debate about States Members pay and their package of pensions or we can have a debate about whether or not we give the disabled in our community bus passes for free. That is a decision which is in the hands of the Assembly. The point I am making is that this is a figure of money which was allocated for a specific purpose. As I said, I think it much more preferable that in fact out of the 3 options which are on the table, that is take the £100,000, put it back into the pot, because we trust the Ministers to know how to spend that so effectively; leave it where it is so that future generations of States Members might have the same basic provisions that public sector workers currently have, and perhaps encourage States Members in the younger generations to come forward, knowing that they will have basic pension provisions; or we can talk about, again, the most vulnerable in our society that we have been cutting savagely in the last debate and putting that £100,000, which is essentially a windfall, if you like, because it has been taken from one department - it is our money, if you like, which has been earmarked - and we put that to good use. My argument today is rather than giving that £100,000 back to the Council of Ministers or to the Ministry for Treasury and Resources and then trusting them somehow to spend that on whatever that money will be used for, it will be going back into the pot, use it for those individuals in society who we know need it. There is a good political basis to do that. We are not just making up policy on the hoof. It gives the Minister for Transport and Technical Services an ability to have a wedge of money to start doing what he said he would do. It comes back to what we promise when we seek election. In my report, I am quite fortunate that the Minister for Transport and Technical Services helps me in making this case. He was quoted on 6th November 2014 as saying: "These people, being disabled people, need to have access to public transport which is free." They are not my words. That is the words of the perhaps politically diametrically opposed Minister for Transport and Technical Services to what I also think is a good idea. He thinks it is a good idea; I think it is a good idea; methinks we should all just get on and do it. But of course it becomes more grey than that, does it not? Where was the genesis of this? As I have stated previously, there was a question at the Grouville senatorial hustings - looking over specifically at the Senators' benches, they will remember it all very clearly - and as the song goes: "What a difference a year makes", 8,760 little hours to change your policy, perhaps. The question was from Anthony Lewis, who we know is somebody who has shown great courage and bravery in overcoming a stroke. **[Approbation]** He did not let that get the better of him. He said: "I have not been able to get a disabled bus pass. Do we do enough for disabled people in Jersey?" This is where the fine words come out, absolutely great words from seasoned professionals who know how to win elections, say the right thing and get the people to vote for them. Senator Ozouf starts off fairly middle of the road, perhaps leaving himself some leeway, as any good politician might: "I did not know you could not get a bus pass. Many of us would want to fix that." Senator Routier: "No, we are not doing enough. I am the chair of the Service Users Forum and was not aware of the issue of not having a bus pass, even though I have been in the States for 20-odd years and I was at Social Security in my previous life. We are having a transport and policy review and I am sure we will put it in there." That is fine, that is a good response. I am sure Mr. Lewis took some comfort from that. Senator Farnham is a bit more committed on this one: "I am embarrassed to learn that you could not get a bus pass. You should be able to. Something has to be done about that. A lot more could be done. Keep campaigning and I am sure you will continue to get results." That is not the time when you want your iPad to switch to another screen. Senator Bailhache is great here. He said: "I never thought about the question of bus passes. I am sure we should be thinking about it. I am sure there is more to be done. The question has certainly stimulated me, and I am sure others, to think about the question for the future." That is a particularly great answer, because you can use that for any question, which is clearly why he did so well in the elections. Senator Maclean again,

just off with his manifesto, saying we should treat pensioners like royalty, and obviously the royalty have got loads of money and they do not need their benefits. They might even have a season ticket to Fratton Park, and certainly they do not live so far away if you are royalty. But I must be careful what I say here, because I know there is a Standing Order which probably rules in that favour: "The question is why you should have had to come to a hustings to raise the issue. You should not have had to. We should have known about it and we should be able to deal with the issues to do with disabled people. If we cannot help as a Government people who are in genuine need, what are we here for? If something needs to be dealt with, I might add that the system of support is sometimes too rigid" *et cetera et cetera*. Other current Senators: "No, we do not do enough. We should be doing more. We do not do enough for people with disabilities." Hear hear, absolutely agree with that. I was standing outside in the packed hall with the now Minister for Transport, one of the Deputies from St. Lawrence, and I was saying: "Why do we not have it?" I was saying: "Surely the Senators who have been in the States for quite a long time, they must know that, they know that we do not have free bus passes in Jersey. What is going on? They must know that. We used to have an H.I.E. (Health Information Exchange) card. They are basically being phased out. There are only about 200 now left in existence. That is where we have got to" and he is saying: "No, it should just be something that the Minister for Transport should do. He should just get on and do it." Admittedly, that the conversation we had, it does not necessarily hold any sway, but I think that is a fair reflection of the comments that were made. But how different it is when you are the Minister for Transport and Technical Services and then you realise that it is easy to stand up and say: "These disabled people need to have access to public transport which is free" but when you start digging and realise that you have to pay for that potentially, to give people a free bus pass, social justice and policy of that nature costs money, then it is a completely different story, especially when you come from a political bent of not wanting to spend any money and cutting back the state, including the welfare state. Therein lies the rub. Talk is cheap, but helping people can cost money. I have identified £100,000 here. It may or may not be sufficient. Chances are it will not be sufficient, but Members will know that I sent out an email yesterday. I apologise that it only came around before, but I had asked for information before and I think some of the individuals in question were in fact away, but we got the figures that we need. If I refer back to that, if I can pull up the email, Sir, and you say that technology is a great thing ... here it is. The only real thing I can compare this to is the concessionary bus passes we have for O.A.P.s (old age pensioners), because we do not know how the system would operate, and that is why I have some sympathy for the Minister for Transport and Technical Services. He has made a commitment to do something which I think is laudable, and now the argument is: "We do not know how many people that would affect. It could be that there are 10,000 disabled people out there who would all want a bus pass and what would the consequences of that be?" That may be the case and I think there is an element of shroud-waving there. I suspect that we are not going to end up giving a disabled bus pass to 10 per cent of the population, but there is a key issue here. Imagine in the worst-case scenario there is 10 per cent of the population out there who are disabled to the point of needing a disabled bus pass, which would be free, and maybe be paid for by this Government, and we will come on to how we would fund that in a moment. If the need is so great, then it seems we must do something about it. If on the other hand the need is not great at all and there are only a few individuals who will be affected, then it seems to me we should do that anyway, because it will be relatively cheap to do that. If we look at journeys for O.A.P.s that are paid for, I was asking essentially: "How does it work? Do you pay for the actual bus pass or is it done on a per journey basis?" because I had one O.A.P. saying to me he does not claim his bus pass because he thinks it is a waste of money if he only uses it twice a year. What is the point in Government paying, let us say, £500 or £600 a year for him to use 2 bus fares at £300 a journey? But that is not how it works and I am sure the Minister will clarify that. In 2013 there were a total of 558,500 journeys, so we are looking at 560,000 journeys. The reimbursement value was £569,000, so we are essentially looking at a fee of

£1.02 per bus journey. In 2014, the figure was 615,000, so good, more people are using the buses, more concessionary fares as well, and the vast majority of that, as I have said, will be for O.A.P. concessionary fares as opposed to any H.I.E. legacy cards that are still out there. So again, it works out at £1.02 per journey and that is capped. I really do not think that we need to worry, because this is the best figures we have been given, is that on the database there is about 11,000 concessionary passes for O.A.P.s. Admittedly, that is not necessarily a completely accurate figure, but that is the best figure I could be given by the department at the time. If we had a fifth of that number, in the ballpark of 2,500 concessionary fares, we could give that to these people today, presuming there is a similar kind of usage as there would be for O.A.P. bus passes, and that would cover 2,500 individuals with similar bus usage to what we are seeing in O.A.P.s. Again, these are ballpark figures, cannot do any better than that, I am afraid, because I can only work with the figures I have been given. But the point is it would start to make a difference. The other thing, it really depends on what kind of deal we can get out of LibertyBus. I have said in my report that LibertyBus has signed up to social enterprise, which is another word for social corporate responsibility. We already know that they have said publicly that they are pleased with the suggestion of disabled bus passes. You could argue of course they would be because they will make some money from it, but at least it is on their radar, it is something that they are willing to do. I think there is scope for the Minister for Transport and Technical Services to say to them: "Look, we have £100,000 now in the pot which we are reallocating. That is the starting figure. How many bus passes can you give us for that? I think it obviously depends on the generosity or the narrowness of the scheme that you want to operate. You could operate it on this £100,000 as a starting budget and say: "We will make sure that we give it to those most in need, those who cannot drive" so for whom a blue badge pass is no use whatever, as opposed to those who have a disability but which does not stop them driving, *et cetera*, using other modes of transport. I think that is the core thing, and I am really disappointed with this one, that we again see these standard comments in bold: "Strongly opposed this amendment" because I do not see the argument being made. They are saying: "It is much more complicated than that. A free bus pass for a disabled person does not necessarily help their needs." Of course it does not. I am not saying that is the be all and end all. We have a disability strategy which is out there. I am saying this is just one way in which we can help people in a very real way, rather than giving the money to ourselves or giving it back to the pot, use it for these individuals and carry on that good work. But are we seriously saying: "We do not think we want to give free bus passes out because we can give them maybe an allowance for transport, or we are going to give them free taxis"? How is that going to work? We know that taxis will be more expensive. There needs to be something put in place so that somebody can perhaps phone up a taxi or whatever, but we have a public transport system, we already give it a subsidy. All I am saying is earmark this money for that purpose. I do not think I need to say any more on that. I will listen with intent to the words of the Minister for Transport and Technical Services, but I would hope that at some point in this debate it could be one of those amendments where we could just all simply agree and that would be that. Wishful thinking, but I think stranger things might happen.

**The Bailiff:**

Is the amendment seconded? **[Seconded]** Deputy Tadier, one of the reasons for my hesitation from the chair is that the running order that we have settled upon takes only the first part of your amendment, because that deals with the overall net revenue expenditure as set out in Summary Table B. Most of your speech to Members has really been about the allocation of that money to the second part of your amendment, which we are going to be discussing later. Your position is that the 2 amendments really are to be taken together, is it?

**Deputy M. Tadier:**

Sorry, I am a bit confused. Do you mean my ...

[15:30]

**The Bailiff:**

If you look at the running order at page 9 at paragraph 18, you will see that there is to be an amendment you were proposing to insert the words: “and the net revenue expenditure for Transport and Technical Services be increased by £100,000 in order provide funding for concessionary bus passes for the disabled.” But the whole content of your speech to Members just now has really been to concentrate on that part of the amendment. That is why I was asking if you were in effect taking the 2 together.

**Deputy M. Tadier:**

For some reason I was looking at page 6 initially. Is it linked, I presume?

**The Bailiff:**

You were rightly on page 6. That is where we are.

**Deputy M. Tadier:**

Good, good. So there is something on page 9 as well, which is the second part of the amendment, is that right?

**The Bailiff:**

Yes, I am really just thinking ahead, I suppose, but are you expecting to have that debate again at page 9, because it seems to me that if Members approve this amendment, then it will be on the basis that the amendment that is proposed later on must have been approved at the same time.

**Deputy M. Tadier:**

I think that is right, Sir, because it seems to be consequential, so if I did not address that specifically, I apologise, but I think that Members probably ...

**The Bailiff:**

I just want to be clear what the proposal is. All right, it has been seconded. Does any Member wish to speak? Yes, Minister.

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

By his own admission, Deputy Tadier does not appear to have the facts to allow us to make an informed decision. He does not know how many people would be eligible; he does not know how much the scheme would cost per annum and he gives no solution to the potential problem of £100,000 not being enough. Also, the funding only covers one year, so what happens going into the future? I am afraid I cannot help Members with the facts, because we do not have them either yet, but we do intend to get them. However, based on the initial data that we do have and our initial assumptions, it is likely that a blanket concessionary bus pass could cost in excess of £500,000 per annum. That is based roughly on 1,000 recipients. Deputy Tadier has only allocated £100,000 in his amendment, so there is already a potential shortfall of some 400 per cent. Certainly, T.T.S. (Transport and Technical Services) does not have the additional funding to top up this difference, so if we were to introduce this in say January of next year, we could well easily run out of funds by Easter. Really for Deputy Tadier’s benefit, social enterprise does not mean social corporate responsibility. He would have found that out if he delved a little further into the LibertyBus and CT Plus websites. I am surprised in fact that he did not do so, because he quotes them in his amendment report. LibertyBus operates as a not for profit business. It ploughs any profits back



into or into charitable transport ventures. However, the sort of shortfall that is estimated is way beyond anything that it could afford, even if it wished to do so. Again, by his own admission, Deputy Tadier is aware that work is being undertaken, led by the Social Policy Unit in conjunction with my department and Social Security. They are developing an Island-wide disabled strategy and mobility is being addressed within the strategy. This is alluded on page 110 of the M.T.F.P. annex. The majority of Deputy Tadier's report is taken up with supportive quotes from Ministers and he voices his disappointment that on the back of this political support nothing has been done to deliver this sooner. Back in November last year, I too thought it was a simple matter. Like Deputy Tadier, I too thought it was a simple matter for the Minister for Transport and Technical Services to make a ministerial order and for this to happen, but once the cross-department working party had been set up - which I, incidentally, instigated - I soon realised that there was much broader issues. It is really about breaking down the barriers to mobility for all disabled people, not just those capable of catching a bus. As a responsible Minister in charge of public expenditure, one would not bring forward a proposition to the States for a project if the Minister did not know there was sufficient funding, funding that was unsustainable or if it was in fact the best option for providing support for mobility for disabled people. That is why it is taking time. That is why there are joint departments working on this matter and that is why I said it was a joint department activity back in November last year, not just merely a T.T.S. function. There is a huge range of disabilities and every disabled person is an individual with their own lifestyle and their own needs. Bus travel will only suit a certain percentage. If there is a sum of money to be spent on mobility assistance for disabled people, then surely it is only fair that all of the people with disabilities should be considered for access to it and not just those who are capable of or want to catch the bus. The issue has to be looked at properly and in the round, not on a piecemeal approach. There has to be proper data from which informed decisions can be made, options must be looked at on their merit and justified. I do not know what the strategy is going to recommend. What I do know is that there are potential opportunities opening up in the future to make travel easier and more accessible for disabled people. We are making sure that there will be more wheelchair-friendly taxis available as part of our changes to the taxi industry announced last week. LibertyBus are also considering a low-cost service which would pick up people with disabilities from their homes. I am sure Deputy Tadier was well-intentioned in bringing this amendment. However, in reality, it will not deliver the best outcomes for disabled people who it is intended to benefit. It is really important, never more so than now, that funding is targeted where it is needed and to provide what really is needed. This amendment simply just does not do that. It certainly would not provide a benefit to some disabled people. It would certainly provide some benefit to some disabled people and he may argue that that is justification enough. However, if a subsidy is going to be given to someone who does not need it because they can afford to pay for it themselves, then that funding is being reduced for those who do need it. Members should not just accept this amendment because they think disabled people should have concessionary bus fares. They should reject it because the proposed funding is short term, the proposed funding is insufficient, the proposal is not targeted at those who really need the support and is not targeted in terms of the type of support that is being offered. We are working to determine those factors and officers from the Chief Minister's department will be coming forward with a paper for us to consider in the latter part of this year or early next year. As much as this is a very emotive subject, I do request that Members remain with us and reject this although well-meaning amendment from Deputy Tadier, because it does not deliver what most people need. To go back just finally a couple of points in Deputy Tadier's opening speech, he said right at the beginning that there was 3 options and one of them was for the money not going back into the pot. The Council of Ministers' amendment to P.P.C.'s £100,000 for States pensions, we are taking that out of the cash limits. It is not going back into the pot. It is not happening, it will not be money available, so it is not going back into the pot for the Council of Ministers to spend. Deputy Tadier also briefly mentioned the arrangement that we currently have. We currently have a short-term

arrangement with LibertyBus about the existing concessionary fares. They have, through negotiation, agreed to cap those for last year. That is one of the reasons why we have a growth bid in the M.T.F.P., to pay for what we know is going to be the shortfall from our current position to the position going forward, because we know there are more concessionary passes coming to those who receive a pension and reach the age of 65. Yes, it has been capped in the past, it was capped at some £630,000 last year, but we know that that cap is coming off. Again, I just ask Members to bear with us and to reject this well-intentioned but misguided amendment from Deputy Tadier.

**Deputy G.P. Southern:**

A point of clarification, if I may, Sir. When he refers to the cross-departmental party, across which departments and which members of staff or officers or politicians were involved?

**Deputy E.J. Noel:**

I do not believe it is Question Time, but I will quite happily answer that.

**The Bailiff:**

It is a point of clarification.

**Deputy E.J. Noel:**

The political members are myself as Minister for Transport and Technical Services., the Minister for Social Security, the Minister for Housing, the Assistant Chief Minister on behalf of the Chief Minister.

**1.5.3 Deputy C.F. Labey of Grouville:**

What am I missing here? What am I missing here? When a bus goes from Gorey to St. Helier, it is going from Gorey to St. Helier. If a disabled person gets on the bus, why is that going to cost this Island approximately £500,000 in the Minister's approximation, off the top of his head figures? I am not understanding what it is costing us. Why does that journey cost us anything? If that disabled person decides not to catch that bus, the journey is going to go the same distance, use the same amount of petrol, use the driver. What am I missing here? It is no wonder, is it, we have got ourselves into this mess, no wonder. Here we have a perfectly good amendment, a gesture to try and ease people's transport. I was at that hustings meeting. I was embarrassed by the request and of course we should be doing something about it, of course we should. It is a complete no-brainer, and why are we not? Why has it not been done? Now we are here, we have got 4 Ministers sitting around a table having cross-party workings to provide a pass like this. Is this what it is meant to look like when they hop on their bus? I do not understand. Let us not forget what the Minister revealed on Monday in answer one of my questions: this bus service is costing the taxpayer £4 million in subsidies. That is before we start. Is this gesture to kick start the disability access which the Minister has now referred to as misguided? I am sorry, I will be voting with the proposer of the amendment. I would welcome anyone that can explain to me how it is going to cost this vast amount of money to put disabled people on the buses.

**1.5.4 Deputy P.D. McLinton:**

I am not a great catcher of the bus. I think the last time I caught the bus, I caught the bus to Corbière to run back from Corbière as part of my training when my hip was playing up, but we do not want to go into that subject now. When I was on that bus, I do not remember thinking: "Good grief, there are an awful lot of disabled people on this bus. If we let them in for free, we are going to break the Island." I saw precisely none. I do not think this is because they could not afford the fare, but they were not on it, so they are going to hop on the bus as and when they choose to. I do not expect there is going to suddenly be 60 per cent disabled people on buses going on a wild bus frenzy around the Island to break the Island's bank. £500,000? Really, come on. So therefore I

think this Island owes it, in fact, to my good friend, Anthony Lewis. I think he should be able to hop on a bus for nothing and go wherever he chooses occasionally and I think this Island owes it to the disabled of this Island just to let them do it without bean-counting on it and scaremongering on it. It is ridiculous. I shall be voting for this amendment.

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

I too will endeavour really hard to keep this tone of incredulity out of my voice. Honestly, honestly. I will start with re quoting Senator Maclean, who said: "If we cannot help those in need, then what are we here for?" I have to consider that that is an entirely appropriate question to ask: what are we here for? Forget what has gone on before. Let us get into this debate and decide what we are here for. If we are not here to help those in need, what are we here for? What we have heard is classic almost civil servant-ese.

[15:45]

When I first came into Home Affairs in the old committee system, I was warned by my president then, who said: "You have got to be careful. If you sit down in a room with 3 civil servants and say: 'We want to do this. How about it?' you will get 3 nos, you will get 3 sharp intakes of breath, 'Oh, could not possibly do that.'" I think the same sort of process must have happened with these 3 Ministers, T.T.S., Social Security and the Assistant Minister for Housing, because what we should be doing is saying: "Here we go. We want to do this. Give me 3 ways of doing it so I can decide between them and decide which is best." They do not have to be perfect, they do not have to be everybody. They have to be reasonably fair, yes, reasonably fair, but we have got here a pot which could do something and we could, if we so choose, get on with it. That surely is what we need to do on this. Find me 3 possible solutions and I can decide between them and we can have this the other side of Christmas. Why not? This is something we could do. The alternative, of course, is to lock these 3 Ministers in a room and say: "You do not come out until you have got an answer. It does not have to be perfect, but come out with an answer, come back to this Chamber and let us get on with it."

#### **1.5.6 Deputy A.E. Pryke of Trinity:**

We heard many comments: "Easy to do, just get on and do it" but let us step back and think. I, like many Members, have been approached by people who are disabled. Deputy Labey says, quite rightly: "This is a gesture." I do not want to put something in place that is only a gesture. I want to make sure that whatever we put in place is right, fit for all people with their disabilities. It looks a very easy thing to do, but having discussed it, and I discussed for a long time with the previous Minister for T.T.S. as well as the other Ministers, it is far from easy. What disabilities do you include or not include? Do you include those only with physical disabilities or are there some people, as we know, who have epilepsy? There is no outward sign that they are disabled. Do you include those? More importantly, how many people are there? We just do not know. A great deal of work is being done by the Disability User Forum and that forum is chaired by the chair of the Voluntary and Community Sector and it is made up of all different types of groups which are part of a disability forum. It has taken time, I think for them too, and I think this demonstrates clearly how difficult the issue is. But if it was easy to do, they would be battering on the Council of Minister's doors saying: "Where is it? Come on, deliver it. This is what we want. This is what we need." This amendment is well-intentioned, but to be successful and to really make a difference right from the very beginning, we need to have the data. Also, we are expecting people with disabilities just to want a bus pass. What about those who wish to use a taxi? There is a lady there who said to me: "I have got 2 or 3 children. I do not particularly want to use the bus because I find it difficult to use a bus. I would rather go by taxi." But saying that, she could not use a car. That is the reason why, because of her disability, not an outward disability, but other disabilities that we

cannot see. But what happens if £100,000 is not enough, so going back to who do you include or not include, who makes that decision? It is not right that the data is not there. A consultation survey has gone out. We need to know the level of disabilities there are out there and it is not right that we have taken this time, but work is being done and it should come back by the end of this year, as the Minister said, or the beginning. It is well-intentioned, but if we put something in place that is new, let us make sure it is targeted to the right people, not only people with physical disabilities, but importantly to a sector that we do not really know much about, who you cannot physically see their disabilities, because they have a right too. I ask you, please, to reject this amendment.

**The Deputy of Grouville:**

Can I just correct the Deputy of Trinity? She meant the Deputy of Grouville, not Deputy Labey, who is looking a little confused.

**The Deputy of Trinity:**

Apologies, Sir.

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

I think I am slightly frustrated, because either I am getting it wrong or the proposer is getting it wrong. It is probably going to be me anyway, certainly in the eyes of the proposer. The £100,000 has been set aside for a possible pension scheme for States Members. It has not been agreed yet. That has been inscribed into future budgets in case it is called upon by this Chamber when we vote for it. In fact, what today the proposer is asking us to do is to commit to spending what I am going to call virtual money, in other words, it is not there yet, because we have not even passed in within this Assembly that States Members are going to get a pension. Just thinking about the numbers in themselves, and the Deputy of Trinity was alluding to some of the thoughts that I have. This is again another untargeted benefit. Yes, if people need it they should have it, but it must be targeted, not just given to anyone that may well wish to have it and there must be a justifiable reason. But set into the background of this is the comments on the Council of Ministers, which shows that currently approximately 1,000 people get the mobility allowance, which ranges, if they are non-earners, about £1.2 million we are already contributing to their mobility, but if they are working, they get double that. It is about £2.4 million which is being given for mobility already. This £100,000 is in effect peanuts. Now, it is peanuts on one hand, you can say it is going to make no difference and I am arguing we do not have the money to buy that peanut in the first place. I just think that again we are going to be committing money which we do not have, it is a future inscription in principle, it is not there, and we are going to be giving to anyone, rather than targeting it.

**1.5.8 Deputy D. Johnson of St. Mary:**

It appears to me the debate has become unnecessarily confused. There are 2 distinct components of this. One is to not receive the £100,000 for the pension, which we have not yet voted on; the other is can we put it to a better use? I am sure all Members agree that the disability purse is almost an entitlement for those so entitled. I do not see it being a particularly strenuous procedure to gauge who is and who is not entitled. It is a procedure which happens on issue of a ticket or a label or whatever it might be, not by the bus driver concerned. I have taken heart from the fact that various Ministers have committed themselves to introducing such a system. I have taken further heart from the statement made by the Minister for Housing that this is in progress and that she hopes to bring a proposal forward early next year. On that basis, I am prepared to vote against the amendment only for that reason, and on the basis, in reliance on the fact that appropriate measures will be introduced shortly.

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

I am supporting this amendment, because how much help does the Minister want, in refusing this money, £100,000 to kick start this scheme when the Minister for Housing, for exactly different reasons, said the data is nearly there, the information will be there by December and it will be hopefully introduced in 2016. We are talking about approving this budget for 2016. The Minister for Transport and Technical Services stood up and said he did not know that when he was Minister. He did not make these comments or promises when he was Minister, he made them before he was a Minister, when he was going for the job, promises now that he does not want the money; £100,000 will not help his department solve the problem. I am sorry, it will be a very, very good start and you should support this. He should not be saying: "We do not want this money." It is not going to ever go to Members pensions. Put it to a good use and put it to the disabled on the Island who want to ride the bus. It is easy.

### **1.5.10 Senator P.F. Routier:**

Members may be aware that I chair the Service Users Forum and we have been working towards ensuring that all people with whatever sort of disability are able to lead an inclusive life, and part of that obviously is being able to get around this Island. The work that has been carried out with regard to the survey, which information is being gathered from around this Island, is in progress right now and we will have that information collated and by the end of November. Obviously, there is the qualitative work as well. Hopefully, we will have a better handle of the numbers. I am told that the responses we are getting are very, very good. The number of responses we are getting is around 40 per cent of what has already been sent out of the 10,000, so we are very pleased with that. But I think approving this amendment would be flying blind. We do not know if that is going to be what is going to be required. The bus pass system, we want to have a full comprehensive system enabling people to get around this Island, and I am obviously very supportive of ensuring that people that are having difficulty getting round the Island are supported in the best possible way. I cannot, hand on heart, say that this amendment is going to be the right answer, so I reluctantly am not going to support this amendment because I want to have the considered approach to achieving what we want to achieve, which I think we all want to achieve, and I will wait for the results of the survey to be known and we can go forward in a structured manner.

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

Just very briefly, there have been some interesting comments made in some speeches. One point that I would like to make is the Minister for Transport and Technical Services has spoken about numbers that could be involved and how much such a scheme would cost. I think the point that the Deputy of Grouville made about how she did not see that there was any actual or perceived cost because the buses will be making those journeys regardless is obviously true but, of course, there will be some administration costs associated with setting up this scheme. The point about this amendment is, though, that if it costs £500,000 or whatever to do it, we are a fifth of the way there if we pass this. So that is less money that will need to be found later on to do it. Surely if it is something we agree with in principle, this is the opportune moment to find some money, if not all at least some of it, to go that way so that when it comes to finding the rest of the money we do not have to cut it from other places, which might be in all sorts of other areas which could inflict harm on other people. This is surely the most practical way forward given that this is £100,000 that we are either going to debate giving to us or giving to disabled Islanders who could probably make much better use of it, frankly. It is a no brainer.

### **The Bailiff:**

Does any other Member wish to speak? If not, then I call on Deputy Tadier to reply.

### 1.5.12 Deputy M. Tadier:

I am not really sure what is going on here. As I said at the beginning, why the resistance? There is £100,000 there. It is not virtual money. You could say that about any of these amendments. This is £100,000 which had been allocated for one purpose, which is being withdrawn, and I am saying just allocate that to something else. I am saying I would quite happily go without my potential future pension pot and anyone else, even though there are strong arguments that can be made and could be made to say that that is the right thing to do, albeit as an uncomfortable argument it is not politically correct with the current zeitgeist.

[16:00]

But I am saying it is a much better use, whatever you think about States Members pensions, the rights and wrongs of it. Just give that money to those who might need it for free bus passes for the disabled because it is what has been committed to. It is what I said in my manifesto and I quote again. I have said that I will fight for improvements in mental health care and better provision for those with disability and their carers. That is what I said. Senator ... Deputy Noel, sorry - he has not been promoted yet; I do not know if it is a promotion, actually - said that he wanted to provide free bus passes for the disabled, so what I am trying to say to Deputy Noel across the usual political divide is I want to help you do this as well because we both agree on this, and here is £100,000 to kick start the initiative. As I have said in my report, I am not saying that this is sufficient necessarily. I am saying it is a starter point, put it in the pot, and it may well be that the Minister, after 2 or 3 or 5 years of deliberation, says: "We think we need £500,000 to do this and we need to find some extra revenues", which could be to do with putting a penny on the parking ticket or a few pence on parking tickets to pay for it, or it could be that the Deputy of Grouville has hit the nail on the head and said: "All these buses are driving around. You provide a public service for which we are subsidising you anyway. Can you not just get on and do that anyway?" That is the conversation. That is the political force, the diplomacy that needs to be taking place behind the scenes, that kind of conversation, and saying: "Look, we have £100,000 here for a start. How about you put on that service for us anyway for a year or so and if it turns out that that money is not sufficient we will have to review that afterwards and we can maybe get some more money for you, but that is £100,000 you are not currently getting." They, I am sure, would appreciate that. The clutching of straws I find, is it just because of where this idea is coming from? We all get into politics, as I said earlier, to try and do the right thing. This is something we should have unanimity on, I think. The former Minister for Health and Social Services said we cannot do this because how do we define who is disabled. You do not walk around with a sticker on your head, obviously. There are some people whose disabilities are not visible. She said an epileptic person, for example, would we give them a free bus pass? I am pretty sure we would give an epileptic person a free bus pass because I would much prefer them to be riding around in the safety of a bus rather than on the road at risk of an imminent seizure. If that is their particular condition I would much prefer them on the bus where there are people who could treat them. The bus driver can pull over rather than having a crash on Victoria Avenue in the middle of the morning, for their own safety and the safety of others around them. Certainly, epileptics would definitely meet the test. Perhaps not somebody with claustrophobia, though, Minister, because they may not be inclined to go on a bus in the first place. So we are not reinventing the wheel here. There are tests that we apply. Somebody, as I said, who does not have a blue badge pass because they cannot drive would obviously be a great candidate. Somebody with carpal tunnel syndrome, for example, who cannot walk vast distances and who lives near a bus might find that particularly useful to limit the amount that they need to walk. I think it was Senator Le Marquand who used to say the only enemy of a good plan is a perfect plan, and that is really the argument that I am hearing from the Minister. He is saying until we know exactly what this disability strategy is going to say we have to sit on our hands. I am

saying simply by all means do that and I want to have some kind of input in that, and that is really where I am coming from with this proposition as much with my Jersey human rights hat on as any other political hat that I might be wearing. I am wearing a guide dog sticker because I met one of our human rights group members in town who does use a guide dog to get around. She is very independent. She has not been asking us for a free bus pass. She said she is supportive of the idea because it is something that she would use and it would be useful for her. She is somebody who clearly is identifiable as needing that. She clearly cannot drive; the blue badge pass is no use to her. She has difficulties in the Island because she gets refused from certain venues. The Chief Minister knows what I am talking about. We have already been having these conversations behind the scenes. I would like to help the Minister for Transport and Technical Services do his job. I am identifying this funding, putting it to a better use, and I ask all Members to support this amendment.

**The Bailiff:**

The appel is called for. The vote is on paragraph 1 of the amendment, which is to substitute the figure “2017” from “2016” and to delete the words: “by £100,000 in 2017.” I ask the Greffier to open the voting.

<b>POUR: 20</b>		<b>CONTRE: 22</b>		<b>ABSTAIN: 0</b>
Connétable of St. Helier		Senator P.F. Routier		
Connétable of St. Brelade		Senator A.J.H. Maclean		
Connétable of Trinity		Senator I.J. Gorst		
Deputy J.A. Martin (H)		Senator L.J. Farnham		
Deputy G.P. Southern (H)		Senator A.K.F. Green		
Deputy of Grouville		Senator Z.A. Cameron		
Deputy J.A. Hilton (H)		Connétable of St. Clement		
Deputy J.A.N. Le Fondré (L)		Connétable of St. Peter		
Deputy K.C. Lewis (S)		Connétable of St. Lawrence		
Deputy M. Tadier (B)		Connétable of St. Mary		
Deputy M.R. Higgins (H)		Connétable of St. Ouen		
Deputy J.M. Maçon (S)		Connétable of St. Martin		
Deputy of St. Martin		Connétable of Grouville		
Deputy S.Y. Mézec (H)		Connétable of St. John		
Deputy A.D. Lewis (H)		Deputy of Trinity		
Deputy L.M.C. Doublet (S)		Deputy E.J. Noel (L)		
Deputy R. Labey (H)		Deputy S.J. Pinel (C)		
Deputy S.M. Bree (C)		Deputy R.G. Bryans (H)		
Deputy T.A. McDonald (S)		Deputy of St. Peter		
Deputy P.D. McLinton (S)		Deputy M.J. Norton (B)		
		Deputy of St. Mary		
		Deputy G.J. Truscott (B)		

**1.6 Medium Term Financial Plan 2016-2019 (P.72/2015): seventh amendment (P.72/2015 Amd.(7)) - resumption**

**The Bailiff:**

We now return to the amendment of the Council of Ministers. Does any Member wish to speak on that amendment? The Connétable of St. Clement.

**1.6.1 Connétable L. Norman of St. Clement:**

I rise in my position as chairman of the Privileges and Procedures Committee and I make no apologies for bringing this issue of a contribution towards States Members’ pension to the States. I

say that because the Privileges and Procedures Committee has a duty, a duty within the constitution of this Assembly, to look after the interests of States Members and if we do not do that, I can assure Members that no one else is going to do so. The issue of States Members pensions has been prominent for many years. The matter first cropped up in 2009 when the recommendations of the States Members Remuneration Review body were published. These included a recommendation that public funds be used to contribute to pension arrangements for Members. P.P.C. of the day noted at the time that there might be a significant cost if pension arrangements were introduced and there is currently no financial provision for that. The committee subsequently invited the Remuneration Board to carry out more research. Their findings were presented to the States in November 2009. This report recommended that a scheme be introduced whereby matched contributions would be made to individual States Members private pension schemes. This report estimated that the cost of the scheme could result in an annual cost to the States of over £400,000, considerably more than we are asking for today. The original recommendation of the board to introduce pensions was revisited by P.P.C. in June 2012 and at that time it was noted that a majority of comparable jurisdictions provided pension schemes for politicians, albeit, strangely, that the States of Guernsey had recently abolished its pension scheme for its members in favour of a £5,000 pay increase. We are not recommending anything like that. **[Laughter]** Perhaps we should. The committee at the time also noted that the terms of reference of the Remuneration Board obligated that body when making recommendations to take into account several particular matters, including that the level of remuneration available to elected Members should be sufficient to ensure that no person would be precluded from serving as a Member of the States by reason of insufficient income and that all elected Members should be able to enjoy a reasonable standard of living so that the broadest spectrum of persons would be able to serve as Members of this Assembly. On the one hand, it was thought that the case providing a modest pension scheme for Members was strong given the terms of reference of the board. On the other, the committee acknowledged that the economic climate remained challenging and that Members might find it difficult to support the establishment of a pension scheme for States Members in such a climate. In August 2014, the board published its recommendations for the period November 2014 to May 2018. Contained within it was the recommendation to introduce pension arrangements for States Members again, including matched contributions from the taxpayer, from 1st January 2016 to coincide with the Medium Term Financial Plan. The current committee considered this recommendation in April of this year and it was recalled that similar suggestions had been made by the board on numerous occasions but that successive committees had opted not to pursue the matter further. Overall, the committee agreed that although the present financial situation of the States remained challenging, there was, in fact, unlikely ever to be a time when it would be easy or uncontroversial to introduce a pension scheme for States Members. The Committee considered that it was unfair on States Members and, indeed, the board to continue to ignore the recommendations, with Members expressing the view that the matter should at least be brought to this Assembly for consideration. It was suggested in committee that the introduction of pension arrangements would be an important step in raising the calibre of candidate attracted to running for office. The point was also made that this improvement of terms would help diversify membership of the Assembly as those who had previously excluded themselves on financial grounds might reconsider standing for election. It was seen as unfair that States Members might leave after several terms of office with no pension and only one month's remuneration as a form of severance payment. The committee, therefore, decided by a majority to include a growth item in the estimates of the Medium Term Financial Plan to cover the additional cost of pension arrangements. What the P.P.C. is proposing is a matched contribution of pound for pound up to £4,000 for each Member. Not the P.E.C.R.S. (Public Employees Contributory Retirement Scheme) scheme but support for individual Members who make an effort to make their own provision. What we did back in April was to canvass States Members to find out how many were likely to avail themselves of this opportunity if it came into



being. Nine Members said they would, 19 said they would not and 21 did not respond. So on that basis the cost, if only 9 Members took it up, would be only about £36,000 per annum, but clearly if 21 did not reply and we extrapolate the numbers, assume a similar sort of yes and no comparison, it would bring up to 16 the number who would avail themselves of the opportunity, with a total cost to the States of just over £60,000. Of course, we also had to take into account that once the scheme was in existence, if it does come into existence, then others might wish to join. That is why we put into the Medium Term Financial Plan a growth bid of £100,000 for each year to cover that possibility. Now, in their amendment the Council of Ministers talk about a wider debate of the 2018 remuneration package. As far as I am concerned and as far as I am aware, there will be no further debate. Today is the day for the debate about pensions because what happens now by convention is the Remuneration Board make their recommendations on income, on the States Members income support or payment or whatever it is called these days, and only if the States Members bring a proposition to change it is the matter then debated. But this has happened twice in the last 6 years and the States have declined to debate it. They have simply accepted what the Remuneration Board has proposed. I see no reason why there would be a change in that, so there will not, as far as I can understand it, unless there is some change in the way we do things, be a major debate on States remuneration in the next couple of years. Today is the day for the debate. If States Members do not want this facility, not just for themselves, not just for ourselves, but for future States Members who might be discouraged from trying to join us because of the lack of pension provision ... and it is not providing a pension, it is just providing financial support for those Members who wish to make their own arrangements for pension provision.

[16:15]

It is to help, support and encourage. I will be voting against the amendment of the Council of Ministers so that Members will from 2016, if this amendment is defeated, be able to enjoy this additional support.

### **1.6.2 Senator P.F. Routier:**

I have been in this House a little while, for a number of years, and over the years I have made suggestions that it would be of benefit for States Members to have access to a pension scheme. But in common with lots of things which we have been debating over the last 2 days, times have changed. We have been debating things which when I was Minister for Social Security I brought in in good faith and thought were the right things to be doing and we could afford and over the last couple of days we have changed those decisions because we have had to match the times that we are in today. I find myself in a position where I can think us debating a pension scheme for ourselves at this particular time is absolutely laughable and I cannot support the suggestion that we will be thinking about having extra benefits for ourselves when we are asking the rest of the Island to face things ... that we are having to make life a little bit tougher for them. So I will not be supporting the possibility of us having a pension scheme.

### **1.6.3 The Connétable of St. John:**

I am asking for clarification as much as anything, but as I understand it we are asking to agree £100,000 deferring or removal from the plan for 2016, 2017 and £41,000 in 2018 because our salary package has been agreed for this term of the Assembly. What this is doing is providing for pensions for those who get re-elected or for the Members who get elected for the first time in 2018 and it will be part of the pay package for the next Assembly, and that is the reason for this. That is why, having agreed among ourselves that this was what we were being elected for and this was the package that was available, it is wrong to vote ourselves during this term of the Assembly any change to that. However, I do have a footnote and that is that if we agree that the States net revenue expenditure is reduced by £100,000, which comes off, as I understand it, in table B from

the States Assembly and its services, it should also come off the very bottom line. So the total States net expenditure allocations will be reduced by £100,000 for 2016, 2017 and by £41,000 ... and I see the Chief Minister is nodding and agreeing with me. Then I shall support the amendment.

#### **1.6.4 Connétable D.W. Mezbourian of St. Lawrence:**

I think it is important as a member of P.P.C. just to make Members aware that although we put this in, it is not a recommendation from P.P.C. that Members make the decision today to vote to allow themselves and future Members to have a pension. As the chairman has said, it was a decision based upon the fact that previous P.P.C.s have not sought to bring it to the Assembly for consideration, although it had been recommended by the States Members Remuneration Review Board that it be considered. Clearly, it is an open decision but it is not a recommendation by P.P.C. that Members vote. We are not recommending either way which way Members vote for this.

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

After the dealings of yesterday and today, I am afraid, although I agree in principle we should be setting up some sort of pension arrangements for future Members of the States in the perhaps forlorn hope that some younger people do come along and decide to take part in the politics or what passes for politics in Jersey, however, after today's events and yesterday's if I were to vote for this I can write the headline. It would be: "States robs the poor to pay themselves" and that would be true, so I cannot vote for this.

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

This is one of those debates where you are damned if you do and damned if you do not, basically.

#### **The Bailiff:**

I am not sure that is parliamentary.

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

Okay, I apologise for that, Sir. The truth of the matter is that it is my intention not to be standing next time, but I do believe a pension ... **[Laughter] [Members: Oh!]** I can see there are a lot of people agree with that sentiment. However, it is a problem and I do believe that States Members should have a pension. As I say, I am not planning on standing. I would not benefit from it from 2018 onwards if I was elected, if I stood. However, I look back at people who have been in this Assembly for many years: former Senator Stuart Syvret, whether you like him or loathe him, for 20 years in this House fighting for what he felt was right and doing his work and received nothing for it. Others Members have spent time in this House - sorry, Assembly, I agree with you on that one - and have left this House ... sorry, this Assembly ... **[Laughter]**. I am tired.

#### **The Bailiff:**

Get your thoughts assembled, Deputy.

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

Okay, have left this Assembly and have ... well, they say there is no future after politics because a lot of people cannot get a job after politics because we have left such an indelible impression on the public that no one wants to have a politician in their employment. Had they had a pension, then they might have been in a better position than they are now. So, as I say, on this particular one, I agree with Deputy Southern, it is a total no win situation no matter what you do, but I do believe that at some point States Members should have a pension, especially if they do serve many, many years in the Assembly, I would say for the public good even though most of the public probably do not agree that what we do is for the good. So I just want to make that clear anyway.

### **1.6.7 Deputy S.Y. Mézec:**

I agree with the previous speakers. I think it would be outrageous given how previous votes have gone to attempt now to allocate a large amount of money to inevitably benefit States Members, even though I agree 100 per cent with the principle. I speak as the youngest Member of the States Assembly who however many years I end up serving is, of course, down to the good people of St. Helier No. 2, but if I ended up serving for a particularly lengthy period of time I would end up leaving and would most likely be disadvantaged compared to all the other people my age who would have spent a large amount of time working in the public sector, private sector or whatever, where they would have pension arrangements. That is certainly a disincentive for people who would want to come into politics, and we do want to attract high-calibre candidates so it would be the right thing to do. One thing that I do not like, though, is this idea that we have heard from some Members, not just in this debate right now but also in previous discussions about this, that we cannot possibly be doing this because of what we are asking the people of Jersey to put up with. I would say to those Members let us not ask the public of Jersey to put up with the harsh measures that are being proposed in this Medium Term Financial Plan anyway. There is another way of doing things. Reform Jersey has proposed looking at our progressive tax system to alleviate the burden on the poorest in our society, so I really do not like this. I think it is hypocritical for States Members to say: “No, we cannot look at this at the moment because we are also doing this, inflicting these cuts on poor people in society.” If it is such a bad thing to be inflicting those cuts on poor people in society, do not do it then, do something different. I just cannot accept that argument and I want to be on record as having pointed that out, but on this occasion I will be supporting the amendment and rejecting the principle for the time being of pensions for States Members, even though I ideally would support it in other circumstances.

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

This is a minor point. If the Constable had gone around at the elections this time last year and spoken to every candidate and said: “Would you still stand next time or even this time if there was a pension?” I do not think they would have said: “I did not know there was not a pension. I am not standing now.” I think if you are going to go into politics you go into politics for lots of different reasons, not necessarily what is available for you. I think currently remuneration is set that attracts quite a wide range of people. I am looking around the room. I think it is fairly wide ranging. I do not believe a pension would make much difference. There are other things that may do. I do not really believe a pension would be one. I would just like to put that on record, so I shall be supporting the amendment.

### **The Bailiff:**

If no other Member wishes to speak, then I call on the Chief Minister to reply.

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

I find that I have a lot in common with Reform Jersey’s view about whether there needs to be a pension or not. I think a number of Members have said that it cannot be fair that younger members of our community are elected to this place and then ultimately when they retire have no pension provision. There is a duty of the P.P.C. to ask the remuneration body to consider what is the appropriate remuneration for Members of this Assembly. Ministers were aware of the replies that Members had given to an email from P.P.C. and there seemed to be overwhelming disagreement with the proposal at this time. I think the whole issue of States Members pay needs to be considered and reconsidered. What this amendment does, just so that Members are clear - and there would have to be a further amendment or addition, albeit that would then affect the bottom line - this amendment takes out the provision from the bottom line for 2016, 2017 and part of 2018 until there is a new Assembly elected. So if we heed the words of the Connétable of St. Clement,

that means that this money will be there for the new Assembly coming in to be used in the way that P.P.C. envisage, so that perhaps is something that Members will want to think of when the addition to the M.T.F.P. is introduced. Just so that Members are not confused, if Members wish to take this money off the bottom line and, therefore, pensions will not be provided in 2016, 2017 and the first part of 2018, they need to vote pour. If they vote contre, against this amendment, then that money will remain in and, as the Constable said, pensions will then be paid. I maintain the amendment.

**The Bailiff:**

Do you call for the appel?

**Senator I.J. Gorst:**

Indeed, sir, why not?

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on the amendment of the Council of Ministers. I ask the Greffier to open the voting.

<b>POUR: 39</b>		<b>CONTRE: 1</b>		<b>ABSTAIN: 0</b>
Senator P.F. Routier		Connétable of St. Clement		
Senator A.J.H. Maclean				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator A.K.F. Green				
Senator Z.A. Cameron				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Martin				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy L.M.C. Doublet (S)				
Deputy R. Labey (H)				
Deputy S.M. Bree (C)				

Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

**1.7 Medium Term Financial Plan 2016-2019 (P.72/2015): sixth amendment (P.72/2015 Amd.(6))**

**The Bailiff:**

We now come to Amendment number 6 of Deputy Martin. You wish to proceed with this, Deputy, do you?

**Deputy J.A. Martin:**

Oh, yes, Sir.

**The Bailiff:**

You do, good, that is fine. **[Laughter]**

[16:30]

I perhaps can give this direction before I ask the Greffier to read out the amendment that it did seem to me that the Assembly has already had quite a considerable debate on the question of television licences for the over-75s. I hope that rather than see a repetition of all those statements, because Members will know where they stand on that, that we may focus on a reduction in the expenditure of the Chief Minister's Department and the Treasury and Resources Department, which is perhaps more to the point as a question of balance rather than the merits or otherwise of free television licences for the over-75s. But, of course, it is entirely a matter for Members. I ask the Greffier to read the amendment.

**The Greffier of the States:**

Sixth amendment, page 2, paragraph (b)(i) - After the words "as set out in Summary Table C" insert the words "except that the net revenue expenditure of the Chief Minister's Department and the Treasury and Resources Department should be reduced in 2016 in the sum of £90,000 and £67,000 respectively and the net revenue expenditure of the Social Security Department be increased by £157,000 to fund the continued provision of means-tested free television licences for the over-75s."

**1.7.1 Deputy J.A. Martin:**

I obviously take note of what you said and I really will only focus on a small part of the T.V. licence. To me it is quite a simple proposition. I will mention a little bit more research on what we have now taken away from pensioners, and these are pensioners over 75. I was checking in the U.K. and if you are a pensioner you get free eye tests, free prescriptions, free bus passes, and over 75 you get a free T.V. licence. Also, on top of that, there is the winter fuel payment, which is not our cold weather payment and it is £200 on application - you only have to apply - for the under-80 pensioner and £300 for the over-80 pensioner. It does not matter if it snows or not; they do not wander around with their thermometer, as I said yesterday. I was looking at how I can preserve this because, as I said yesterday, it was only introduced 9 years ago by Senator Routier, who was then the Minister for Social Security. It went through as stringently means tested for over-75s. There were 2 attempts previous that were not means tested and they did not go through. So to me this fulfils the targeted part, improving the targeting of benefits. Well, you cannot improve a means-

tested benefit any better than the Minister for Social Security's definition. I am concerned about people over the age of 75 ... promoting financial independence. What do you want them to do? They will be on a fixed income and that is what the income is. The last one ... I think this absolutely has to be supported because the other one is minimising the impact on individuals. So you want to take away something they have been having. Deputy Andrew Lewis - I have a Deputy of St. John; I am not sure if he was the Deputy of St. John in disguise in 2006 - voted for it, again like everybody else. He voted for the introduction of the over-75 T.V. licence because this had been called for by the over-75s for fairness because there were millions of people - and they are still getting it in the U.K. - who were getting it. We are not going to turn this into a Sky card. They do not get that in the U.K. This is what Deputy Lewis's argument was yesterday, but he supported it in 2006. To me, I did not want to bring an amendment to the M.T.F.P. without looking at where I could take the money. Now, we did not have a vigorous debate on the pensions, but I am on P.P.C. and we went round to States Members. The furore, the outbursts, the indignation that we dare introduce States Members pensions even ended up with a Deputy on T.V. with real pigs with their noses in the trough from Channel Television. I am looking at BBC but I think it was Channel Television. Because the public were so outraged. Now, I asked a question in the States because I know that there is a lot of ministerial support, big empires being built across the road there, and when I get back the answer to the question: "Yes, it is all about office space, I.T. (information technology), telephone costs, travel costs," I will not go into them because I am going to focus on these 2 that I nearly fell off my chair for. I had to wait 12 weeks for the answer because all the officers were running around putting together a 4-year M.T.F.P. But it clearly says: "I can confirm the Minister for Treasury and Resources and the Chief Minister both have dedicated P.A.s (personal assistants) (who also work for the relevant Assistant Ministers and Assistant Chief Ministers). Their costs amount to an average of £67,000 per annum for the Minister for Treasury and Resources and circa £97,000 for the Chief Minister." It is dedicated support. Now, in the comments the Council say: "The figure of £157,000 referred to in the Deputy's proposition is the cost of personal assistant salaries. These are staff who support Ministers, Assistant Ministers and officers, providing a wide range of administrative support." Did anyone know about this? Did anyone email you and say they need some support? I am not saying they should not. This is another debate because I have another standalone proposition in because I want to know the cost. Because if we had known the cost, some of the amendments might have gone for these monies because it needs to be proven. It goes on to say on page 5 of the Council's comments: "This work is important and so are these staff. Cross-government leadership is essential to reforming and improving the public sector as challenges we face as an Island become more complex. To do this, Government needs people who do essential administrative work, helping co-ordinate day-to-day activities. Without this, we would be less effective overall as a Government." Again, I go back to: who signed up to £157,000 to support the Chief Minister, the Minister for Treasury and Resources and their Assistants? Nobody. I wonder what they do because I have been an Assistant Minister. I know there may be an administrative job keeping diaries, arranging appointments, but £90,000 and £57,000 respectively? No. I then go on to read on page 2 of their comments: "The Council of Ministers believes that every area of government spending should play its part in helping the States to return to a balanced budget." Well, there you go, I have given them £157,000 to put back in the pot and they are strongly against this amendment. This is where you are all in it together. This is when you should give this money back. They go on. I think they finally get it by the end of their comments because it says: "There may need to be a reduction in manpower in the Chief Minister's Department." Well, if you believe that, if you believe they cannot swallow £57,000 out of a budget of £53 million ... and the Treasurer is sitting outside so I hope he is doing the percentages because apparently £10 million of £145 million is 7 per cent. That is the cuts we have just made. So this is probably 0.00 of a per cent. If they cannot work this around ... it is not personal to the people. But then when I say I have to do a bit more research on this, I am going to have a look because people

have phoned me. I have had people on the phone looking for the Minister for Housing or so-and-so on a Sunday. The Ministers are all on page 10 with their chief executives' telephone numbers. Every Senator bar 2 now lives at Cyril Le Marquand House with a double 4 number, and I rang. You cannot get one. The second one: "You have reached the Chief Minister's Department." This is 6.00 a.m. this morning. Then Senator Ozouf, I will get this right: "You have reached" - blah-blah, I will not mention the name - "I am the personal assistant to Philip Ozouf, the Assistant Chief Minister. He is not here. I am not here. Would you like to leave a message?" Sorry, nobody signed up for this. In 2005, we went to ministerial government. The first Chief Minister and the second Chief Minister never had dedicated secretaries. I am telling you now there is an empire being built over the road. We are told we are all in it together, we are tightening our buttons, belts, but I bring this and even if they could not support it going to the cuts on the T.V. licence, they are absolutely trying to defend the indefensible. I think I have covered where I am trying to come from. I cannot believe that this is not being supported. I cannot believe that there was so much furore over £100,000 to support many States Members, which I just did not support in the end there. I wanted it to go to the House but then the Council came back and wanted it back to be put in the pot. But nobody, the media, States Members, ever picked up on this high figure of £157,000 a year for 2016, 2017, 2018 and 2019, over half a million pounds you could do a lot with. It is there. Now, you will hear a lot probably that it is not dedicated. In fact, I think there is probably more dedicated with policymakers and things in departments, but that is for another debate because I am asking that. I know in the name of transparency the comments will come back. In fact, I probably will not get comments, I will probably get a set. The House will be presented with exactly how much it costs us to have a ministerial government. Because it cannot be not supported. I will leave it there. It is quite simple. The money is there for the T.V. licences. It is in 2 departments. I want to take it away from those 2 departments. It is a very small percentage of their overall budget. I think it can be jiggled around and it will be jiggled around. Nobody will lose their jobs over this, except they are already cutting 7,000 public sector workers anyway. Why should I be concerned? Thank you, I leave it there and I look forward to a very good debate.

### **The Bailiff:**

Is the amendment seconded? [**Seconded**] I call on the Minister for Social Security.

### **1.7.2 Deputy S.J. Pinel:**

First of all, I would like to thank Members for supporting the Council of Ministers' position on the T.V. licence benefit as part of Deputy Southern's amendment yesterday. Deputy Martin is also seeking to remove this part of my package of benefit changes, but she has offered a compensation saving rather than looking to raise extra tax. I have set out my arguments in the earlier debate and I will just reiterate the key points. Firstly, under my proposals everyone who already gets a free T.V. licence can claim a free T.V. licence. Their weekly budget will be unaffected. In the same way, everyone who is currently paying for their T.V. licence will continue to meet that regular cost. Their weekly budgets will be unaffected. The vast majority of households own a T.V. and purchase a T.V. licence every year. The BBC provides many payment methods to allow people to spread the cost evenly throughout the year. This cost is met by pensioners who are aged between 65 and 74. Their income is very unlikely to change at the age of 75, yet under the current scheme, having reached the age of 75, this regular household cost is now met by the Government. It is difficult to justify why the 75 year-old needs this extra support compared to their 74 year-old neighbour. By making this small change, which will not remove any benefit from an existing claimant, the taxpayer will reclaim roughly £100,000 a year during this Medium Term Financial Plan, which can be reinvested into health services and other strategic priorities. Secondly, we often talk about targeting benefits and when we do this we are usually referring to targeting support to a specific group of claimants. But it is also important to make sure that benefits are targeted to help with

costs that would be difficult to budget for otherwise. This could be because the cost is regular but high - for example, rental costs covered by income support - or because they are unpredictable; for example, heating costs, which may be higher in a cold winter. These are covered by cold weather payments. The Deputy mentioned in her opening remarks that the cold weather payment is a fixed sum. It is not. It is calculated on the temperatures of the preceding months. In contrast, the T.V. licence benefit supports a low cost, regular expense that is easily incorporated into a household budget. We need to target benefits carefully against a background of rising costs. We need to concentrate our support where it will have the most impact and provide the most help at the time it is needed.

[16:45]

Finally, if we do not make this change now, the taxpayer will need to allocate increasing amounts to this benefit as the number of people aged over 75 increases steadily over the next few decades. The number of people in this age group is increasing even faster than the 65-plus population, again a consequence of the enormous improvements in medical care in recent decades. Today, there are about 7,800 people aged 75 and over and by 2035 we expect there to be 14,200 people, 80 per cent more than the present figure. To sum up, I urge Members to reject this amendment, to maintain the proposed expenditure plans of the Medium Term Financial Plan, and to ensure that the taxpayer will not be faced with the increasing burden of funding the additional cost of T.V. licences as the number of people aged over 75 increases in the future.

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

I thought this debate was a bit of an interesting test because for the last 2 days we have been told that when the 2017, 2018 and 2019 expenditure plans come back that is the point that Members can decide their priorities in those years and that was the really good reason why you should approve the envelope now. Because what we are doing right now is having that debate for 2016. This is about priorities and it is a matter of the priority of the Council of Ministers versus the priorities of this Assembly. At the end of the day, the proposition that Deputy Martin is bringing is saying that the priority of this Assembly should be to do a means-testing exercise to return free T.V. licences to a smaller number of people than presently receive it. So, in other words, there is a saving in there somewhere. She is being fiscally prudent and neutral because she has found a source to fund it, and she is funding it against administration costs. The question is, and obviously I am doing it in accountancy speak, is the priority of this Assembly to pay for administration and bureaucracy or is it to give a bit of pleasure to 75 year-olds, even though it is a slightly less number of 75 year-olds than it was previously? Putting it that way round, I think this should be supported because essentially you are going from administration and bureaucracy, separate P.A.s and, according to the Deputy, at least one specific to one individual, to an Assistant Minister, which is an increase in bureaucracy it would seem. It is going from that as a priority and it is giving it directly as a service to an element of the population. So we are reducing bureaucracy and we are maintaining an element of a service to the population. That should be what it is all about. So, from my point of view, it is about priorities. Does this Assembly put the elderly before or after administration costs? I think one should support this amendment.

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

I was not intending to speak on this subject but seeing as I was singled out in Deputy Martin's opening words I thought I would. Yes, she is correct, I did vote for this in 2006. The reason for it is it was brought to the House I think by Senator Vibert and it was being paid for by, I think, a penny on beer. At the time I was looking very closely at the night-time economy and the risks imposed by excessive drinking and how it was affecting the streets at night and public health, so that was the reason why I voted for it. At the time, priorities were different and a couple of



Members have mentioned that today. I think Senator Routier mentioned it earlier on. He made decisions as the Minister for Social Security that he perhaps would not make today. Life moves on and life is moving on technically significantly, too. I do not believe we will have such a thing as T.V. licences in 5 years' time, so why are we talking about T.V. licences now? Also, between the ages of 65 and 75 people are budgeting for this and paying for it and a lot can afford it and they are affording it. So why the sudden change at 75? I do not see that it is good use of public money. They have budget for it. They have planned it. What they have not planned for is breaking their glasses, putting their back out, having to go to the dentist, and funds are going to be diverted from this money to those sorts of things, much better use of these funds. Life has moved on and people are getting older and they need that type of care, and this is one way of funding it. So I cannot support this amendment. I said as much in an earlier amendment when I voted against it. I have supported bus passes, I have supported long-term disability, I have supported the prospect of keeping Christmas bonuses, but this one, I am sorry, there is no need for it. There is perhaps a need for lots of pensioners that have perhaps less money than they would like and we would like to give them, but this one, I am sorry, I cannot support it. I think the Minister for Social Security explained it very well already. That money needs to be directed and targeted at people that really need it for the things they really need. T.V. licences, yes, it is probably a need now. We all enjoy T.V., particularly when you get older, I have no doubt about that, but the funds that are available can be targeted in a much, much better way. As far as paying for it is concerned, I admire the Deputy for finding a way of funding it. There have been lots of times I have sat in this Assembly and people come up with ideas with no idea how they are going to fund it, so well done to the Deputy. However, I was at the Welsh Assembly recently and I was quite staggered by the amount of administrative support they get in all areas of government, particularly in Scrutiny and Public Accounts. There are dozens of people in the Welsh Audit Office looking after public finances, making sure it all ticks. At the moment, we are very under-resourced in certain areas of administration and quite possibly over-resourced in others. So to cherry pick one particular area I think would be folly because there may well be some scope, from what the Deputy says here. We have merged recently the Home Affairs Office into the centre, into the Chief Minister's Office, effectively, or the Social Policy Group, so I am sure there will be some changes in there soon. I hope there is and I will be looking to see that there are. P.A.C. (Public Accounts Committee) has just done a report on public sector reform. This could be a component that needs that reform, but to do it piecemeal - without the bigger picture of looking at administration and targeting administration where it is really needed so that Ministers, so that scrutiny, so that P.A.C. can be more effective and the public benefit from that - is not what should be happening. To piecemeal take away some administration from one area of government without fully being in possession of all the facts would be, in my view, wrong, albeit I do admire the Deputy for at least finding a source of funding. I do not believe that we should do it in a piecemeal fashion, but I will be watching very closely on public sector reform. This is exactly the sort of area we should be looking more closely at when you merge 2 departments. I see no evidence yet of rationale of administration in that area and I will want to see it. Maybe this could have been the catalyst to do it, but I would like to see it done in a more controlled way.

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

As I sit here listening to people add a little more misery to the world and take a little more joy out of it, I am getting increasingly jaded. What we have here is one of the 2 arguments always used against a Back-Bencher. Either your proposition is piecemeal or you need to add some more details to it, there is not enough detail in there. Those are the 2 classics and I have just heard one of the 2 classics used against Deputy Martin again. Then we have this conflation about what we are doing in this particular Medium Term Financial Plan in the next 4 years, which boils down to a bit of piecemeal. We are deciding on one year of the 4 years and the other 4 years are blank. We are

going to make up and have piecemeal amendments to what we are doing in the other 4 years at some time later down the road, which is one way to run a government and another way to run a wheel stall. But this conflation that what we are doing now is in the context of these old people daring to stay alive and grow even older, how dare they? I forget the year, was it 2045? There will be 14,200 of these over-75s by 2045 and we could not possibly afford free T.V. licences, if they existed then. We could not possibly afford them, so this is just the first cut of many because there are lots of things in a low tax, low spend economy that you cannot afford. Certainly, if those numbers are to go by, one of those will be pensions. That will be next. Sometime down the road we are going to have to cut pensions. We are going to have to cut the number of people who can claim pensions, *et cetera*, because that is the misery that this mentality, this Council of Ministers, is imposing on Jersey. That is the mindset. We cannot afford it because we cannot change our tax rates, and so life will get more and more miserable and less and less joyful. That is the result of this, so I will be backing this because why not? It is a little bit of joy for some.

#### **1.7.6 Deputy M.J. Norton of St. Brelade:**

Thanks to the Deputy for cheering us all up. Just a little bit of clarity with regard to the T.V. licence, if I may, seeing as though it starts this discussion off. The T.V. licence goes to the BBC. It funds their programmes. Now, for many, many years, certainly the last 10, the U.K. Government has been trying to offload the payment of funding over-75s to somebody else because they know where it is going. It is going to cost more and more money, as we have heard, because we are all going to live a lot longer. Because of that, they have managed to broker a deal with the BBC which means that the BBC now picks up the bill for over-75 licences in the U.K. I think it was just important that we realise that when we are pointing at, of course, the U.K. Government can do it so why can we not? Well, it is not, it is the BBC that is doing it. Times do change and people's jobs change. I never thought I would be standing here saying that the BBC should be picking up a bill because they have lots of money. How times change, how jobs change. Apparently, they do not have any. But if for any reason we should be looking for anyone to be picking up the bill for over-75s, surely it must be the parity with the U.K. We pay the same T.V. licence as they do in the U.K. We pay for the same services that they do in the U.K. Surely somewhere down the line the way to solve this is that the BBC should be picking up the bill for the over-75s [**Approbation**] as they do in the U.K. When the British Government negotiated this, what they did not do was include the outlying areas, which they should have done. That is where the fault lies. The bill is by error with this Government. It should not be; it should be with the BBC. If people have a truck of objections to where the payment should come from for the licence that goes to the BBC, it should be with the BBC. But instead of that, what you get in the street is people stopping you and saying: "How can you take away a T.V. licence? How can you stop people having their T.V. licence?" Well, it is the BBC that is charging it and it is the BBC that is giving it away free in the U.K., but they are not doing it here and I think that is unfair. I think that is where we need to be moving in terms of changing that and we are, I know, under way with discussions and those discussions will go further and hopefully that is where the result will come from.

#### **1.7.7 Deputy M. Tadier:**

I am desperately trying to look at the Hansard from I think July 2009 because Deputy Martin is being very cautious with this proposition. I am not going to say it is old territory because it is an important debate. Again, without wanting to bore Members, I stood first of all successfully for election in 2008 and I had written on the yellow *Time for Change* manifesto at the time saying I will fight to give free T.V. licences to all over-75s. Perhaps not surprisingly, within a year or so of the election, or less than a year, I brought a proposition to the States saying how about we give free T.V. licences to all over-75s so it is not means tested. Indeed, those were different days. If we look back at the vote which took place on 13th July, it was a 28/21 split to give free T.V. licences which

were not means tested to all over-75s. We had 3 Senators at the time, Senators Syvret, Shenton and Breckon, who voted for. We had 2 Constables, Constable Crowcroft and the Constable of St. Lawrence, the same one who we have today. In those days, she sometimes used to vote against the Council of Ministers. It will be interesting to see what her position is today. She still has an opportunity to respond.

[17:00]

There is a list of names, including now Senator Green but he was Deputy at the time. I think the Constable of St. Lawrence was probably also Deputy of St. Lawrence at the time, even though it does not appear like that on the vote record, probably a technical issue. So times do change and I think, as other people have said, it is just another nail in the coffin. It is another little bit of disrespect we are showing to our elderly generation, not really treating them like royalty but just saying: "We are going to take a little bit more away from you." Yes, of course we can make the argument that in the U.K., a different jurisdiction, they have negotiated a deal with the BBC and we know it is part of a massive set of reforms to the BBC. They have negotiated that because it is the U.K. Government which is wanting to renegotiate that. Perhaps we can hear from the Council of Ministers whether they are having similar conversations with the BBC in Jersey. We have not been told that, so notwithstanding the valid points that Deputy Norton has been making, it is not really relevant to this current debate because we are not yet at that point. It may well be that we need to do that, but I do not know if we have the same leverage as the U.K. Government given that we do not necessarily have the same relationship with the BBC as a national organisation that they do. I suspect that we do not. So, perhaps I will continue to scroll for comments. I am particularly interested in what the now Senator Green might have said on the issue of giving free T.V. licences to all and seeing whether his position has changed now. I am sure he was banging on the desk saying it is really important that we treat these people with respect because they are our elders, *et cetera*. I will leave that there because I do not need to cover old ground, but it is just simply a further bit of disrespect. Yes, I suppose the last point, which is probably a good one to go out on, is to reiterate the fact that the elderly do take great comfort in being connected now we live in a globalised world. They do not necessarily have all of these gadgets that we have at the age of 75, although some do, they are becoming increasingly more joined up. They are not necessarily joined up to their phones, to their iPads. We often feel overloaded with information but the T.V. is a lifeline for them. The radio similarly is a lifeline for them. One has to question: will this have a knock-on effect? Will there be individuals out there who currently have a T.V. licence who will simply say: "I can no longer afford that £160 a year that it costs me. I am going to have to knock that on the head." Either that or you cough up and that is £160 less that they have to use. It is perhaps quite apt that they take it from the Chief Minister's budget because at the end of the day if they do not have a television how will they be able to watch the propaganda that the Comms Unit and the other staff are putting out in the media. That is clearly an important way to do that on the evening news for them to watch as it is regurgitated by the state media. So I think there are many reasons why we should be supporting this proposition today of Deputy Martin. It does not quite go far enough because, of course, I believe that all over-75s should have that right, but I have been here and tried to get that argument through and was not quite successful. Let us see what the arguments are today from those who have swung their positions since 2009.

### **1.7.8 The Connétable of St. John:**

Over the last couple of days we have heard the Minister for Social Security say that she does not want to take away T.V. licences but she has to make savings. She has also said that payments need to be targeted and she has also said that certain payments need to be means tested. Well, bingo, we have a full house here because this is targeted, it is means tested and it is fulfilling her wish in supplying T.V. licences to the over-75s. I can see no reason whatsoever why this cannot be

supported and I again, as I did I think 2 weeks ago, express surprise. A tax was introduced of a penny a pint to pay for it. If you are going to take it away, will you please give us beer drinkers our money back? [Approbation]

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

It is often said the moral test of Government is how that Government treats those in their twilight years. I think that was Mahatma Gandhi. I will be supporting this amendment. We have many, many senior citizens in Jersey, some in their twilight years, indeed some widowed. Their televisions are a great comfort to them. I will be supporting this amendment.

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

This seems like an excellent initiative by Deputy Martin to incentivise the Assistant Chief Minister as he goes into negotiations with the BBC. We take away his P.A. now and if those negotiations are successful he can get his P.A. back. [Laughter] I think this is just the sort of reward initiative that Senator Ozouf, were he here, would approve of. [Laughter]

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

I thought I should say just a few words. Clearly, Deputy Martin has done in one respect the right thing in terms of identifying from her perspective a funding source, which is a good thing. I just want to clarify one point. Obviously, the reform agenda is one that I feel particularly strongly about and I would let the Deputy know, and Members, that since I took on my role at Treasury and Resources, in fact, the cost of this particular Minister has reduced somewhat. No longer do I have a dedicated P.A. but, in fact, share with the Treasurer. I think it is very important that you look at resources on an ongoing basis and make sure they are appropriate for the needs, but I would say that it is important that Ministers do have support. I am sure that Members would accept that. We cannot possibly undertake our functions unless we do have appropriate support, but it is equally important that we make sure that that is at the right price. I also picked up the point in the table that was supplied to the Deputy there was space allocation and I think it is quite interesting when you look at that in relation to the amount of space which is utilised in support of not just Ministers but within departments. That is why the office modernisation programme or, as I like to describe it, the office consolidation programme as it should be, is so relevant. In fact, the Deputy herself made the point that a number of Ministers are now located in Cyril Le Marquand House. There is a reason for that. Clearly, having Ministers together is more constructive. It ensures that there is greater collaboration and understanding as to what Ministers and departments are doing, but it also reduces down the amount of space that is needed. I think that is a positive thing. What we need to do is make certain that we move from the current 23 offices and places that the public sector operate from and consolidate that down considerably because that will certainly help the argument in terms of ensuring value for money, which I am sure is at the very heart of what the Deputy is suggesting when she has identified her funding source. Deputy Martin also raised the point when she was speaking or more she asked the question what did she have to do with allocating this particular support to Ministers. She felt, I detected from her jumping up and down when she was speaking, somewhat aggrieved at the fact that she had not had a say as to how much support the former Minister for Treasury and Resources got or the current Minister for Treasury and Resources got or, indeed, the Chief Minister. In fact, the Deputy did have a say. It was contained not in granular detail to that level, I do concede, but nevertheless the departmental annexes in the Medium Term Financial Plan, the previous one, do contain details of departmental spend. That is absolutely right and I believe the Deputy, in fact, has asked for a further breakdown for the current Medium Term Financial Plan to include this particular line of detail, which, of course, will help inform Members in the future and indeed, I might add, ensure that Ministers and departments focus very closely on their costs, which I can assure Members is happening now. To a certain extent, we can see it. I for

one was very keen some while ago to ensure that we had effective vacancy management across the public sector; in other words, when people left roles that the role was not automatically replaced. We have seen over many years the number of people working in the public sector increase year on year and controlling those costs is clearly very important. In fact, I would go so far as to say in the future it is going to be essential to ensure we keep our costs under control. So the figures that have recently come out identified that since February of this year, between February and August, in fact, we have seen a clear application of vacancy management with the headcount reducing by 122. This is nothing to do, by the way, with the redundancy programme. This is the proper management of vacancies as they have come about, so we are seeing the numbers fall and that is absolutely as it should be. Deputy Norton mentioned the BBC and he mentioned the fact that it is really a cost with regard to T.V. licences that they should be undertaking, and I tend to agree with him. I know that the Assistant Chief Minister is going to be working and is, in fact, working on this matter, but Members do also need to be aware that this cost of the T.V. licence has been passed by the U.K. Government to the BBC. I do not think that the BBC were exactly jubilant recipients of that particular cost and I understand there is a caveat, if I can put it that way, within the agreement - and I am not entirely sure of the date but it is not that far into the future; it might be something like 2020 or 2021 - where the BBC will have the option to withdraw from that particular agreement. So I do not think there is necessarily a long-term certainty with regard to the U.K. a T.V. licence for the over 75s but nevertheless there is an option in the short term and that will be pursued with some vigour. That is clearly the route that we should pursue and, as I have said, the Assistant Chief Minister is doing that at this moment, not at this very moment he is somewhere else, but certainly he is taking that matter quite seriously. The Minister for Social Security has laid out very clearly the arguments with regard to this particular amendment and I would ask Members to support the Minister and the Council of Ministers with continuing the theme that we have. It is the right decision to take. It is a difficult decision to take. It is not taking T.V. licences away from those that have already got it. It is seeking to ensure that the rising cost does not continue and therefore closing the programme to new entrants as the Minister has already pointed out, and I would hope that Members would support that. One final comment, if I may, to my good friend, the Connétable of St. John. I say my good friend; he recently gave me a pen which has St. John on it so I have to be friendly. **[Laughter]** I am not sure about the quality of the pen. It was not this pen. It was a green pen, no doubt the appropriate colours for the Parish. We have heard a lot from the Connétable today about his food shopping habits and other things. We also have an inkling that he is a keen beer drinker and he was concerned about the duty with regard to T.V. licences. There was indeed a debate in this Assembly about duty and using that to fund the T.V. licences some years ago and he is absolutely right. What the Connétable was overlooking was in the intervening period of course there have been on a number of occasions where the duty levels have been either frozen or reduced at levels below R.P.I. Consequently I do not think the Connétable or anybody else who is a keen beer drinker has been inconvenienced by the particular cost. In fact they found the duty levels have not been increased at the rates that perhaps they would have been if R.P.I. had been applied across the period since that decision was taken. I would urge Members to reject this amendment.

**Deputy J.A.N. Le Fondré:**

Can I ask for clarification from the last speaker? The last speaker, and is the only speaker, has made reference to these negotiations with the BBC as being the panacea for not supporting this proposition. What is the timeframe? Are we talking one year, 2 years away or is it within the life of the M.T.F.P., is it 6 months? Can he give some clarification please?

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

At this stage we do not know but I certainly would not imagine it is going to be ... we will get an answer. Whether that is the right answer from our perspective is another matter but I am sure that an answer will be forthcoming in relatively short order but I would not like to put a timeframe on it at this particular stage. Indeed as the Assistant Chief Minister is dealing with the matter, he is the one who has the latest detail. I am sure he will be prepared to circulate Members with an update in short order.

**The Bailiff:**

Does any other Member wish to speak? If not, I call on Deputy Martin ... I am sorry, Chief Minister.

[17:15]

**1.7.12 Senator I.J. Gorst:**

I do not want to speak for too long but I really ought to considering the number proposed is based on the removal of my P.A., a rather interesting position. The first thing I ought to clarify as it has been rather confusing, and I am not sure whether it has been upsetting her or not, is that the £90,000 allocated to ministerial support or calculated as ministerial support in the department is not salary. Having said that of course if we were in the private sector and either the C.E.O. (Chief Executive Officer) or the chairman of a private sector company their P.A. would expect to receive probably something around about that amount if not slightly less but in the public sector they do not receive such amounts. The other thing I wanted to say: I know that no Member in their comments of removing such amounts are passing comment on her ability or her work. She does a first class job. **[Approbation]** I could not do half the things I do without her. I fear that might encourage some Members to vote for the amendment but it is absolutely true. In a fast moving world Ministers and certainly the Chief Minister rely 100 per cent on P.A. support just to simply be in the right place at the right time hopefully with the right speech to be given. The other thing I wanted to say is that both the Treasury Department and the Chief Minister's Department are already making substantial savings. Other Members have suggested that they think they are too challenging and yet it is being suggested that extra savings will be added to those targets of savings. They are in the financial implications on the Council of Ministers' comments and for those reasons together with the reasons that the Minister for Social Security has outlined I would ask that Members do not support this amendment.

**The Bailiff:**

Does any other Member wish to speak? I call on Deputy Martin to reply.

**1.7.13 Deputy J.A. Martin:**

Thank you. I totally agree with the last speaker, the Chief Minister. This is no reflection on the people who support him. It is about whether I think that money is, he said, getting into the right place at the right time. I know he is a grown up person. He is not the C.E.O. of a company, took the job on at the salary it was and my problem is that we now find out there is £157,000; the Ministers disagree with their Treasurer that this is not dedicated money. The answer to the question: it is dedicated to the 2 Ministers and their assistants. We have to agree to disagree with that one. Deputy Tadier has passed me some Hansard very interestingly from the debate in 2009 where we were going to do away with the means testing over 75 and there is a comment from a Deputy Green saying: "I am staggered we are talking about wasting money. I do not see it as a waste of money to support our elderly folk." I will not read it all but it does say: "I will be supporting the proposition. I know that there will be a few people getting it that perhaps could afford to buy it and could well afford to pay for it. I will tell you how we will pay for it. We will pay for it by some of the money being put aside for the pay awards for the public sector that we are

going to use. Really? I have to leave it there but what I am saying is we have flip flopped. You were a Deputy, you are now a Senator, you are now a Minister. This is one of the benefits that is targeted. It fulfils the 3 criteria. I just have a few comments for the Minister for Social Security. She, as the people have said, should have been biting my hand off for this money if it is breaking her heart to take T.V. licences targeted to the over-75s, then I notice every comment comes from the Council of Ministers. I forgot we are all in it together. She did not bite my hand off. We have the example again that if you are 74 you are budgeting it for the £2.40. What is the percentage of £2.40 to your not even full pension of probably £150 a week? In the scheme of things it is a big percentage of a very small amount but expect the people to carry on paying it. I have found a good way to keep going. I even say in my report, I give it for the next 3 years so the Minister can do a bit more research. She can target it better. She can maybe target it to people who are housebound who use the T.V. for one of their lifelines but no, she did not bite my hand off. We had similar comments, they do not want it either. Deputy Le Fondré, I agree with everything he said and he said it very well. Deputy Andrew Lewis, when he was the Deputy of St. John did support this but he does not think there will be T.V. licences in 5 years' time so you do not support it now. Do not keep it for 5 years and let us see where it goes. His whole reasoning for not supporting did not seem to stand up to me. It did not stand up at all. Deputy Norton, do not worry about it because our Government is probably talking to the BBC now anyway that the BBC should be paying. We are a Crown Dependency, we are not the U.K. Government. Do you think when the U.K. Government said to the BBC: "We are fed up funding this. You fund it from within with the other people who are paying the licence", they went: "Should we do Jersey as well?" No, they never and we were not even round that table. In fact we are not in the same building unless somebody tells me Senator Ozouf is there now probably. **[Laughter]** He is there 5 days a week doing something on States business but his assistant is here picking up the phone at whatever time because he is the Assistant Chief Minister and he has a dedicated P.A. because the lady on the phone tells me she is his dedicated P.A. I am sorry, I really cannot get this. I thought I had found a good solution. It was only a small win and it was to a small section of society who as I said yesterday started work at 15 because that was the law then. They will be coming up 75 next year when you are taking away. They were born at the beginning of the Occupation. Sorry, that is a remark made in Deputy Green's speech in 2009 who is now Senator Green. This was very small and I thought: "They will accept this. I have found the money", and the Chief Minister stood up and said: "I had better stand up because they will be taking away ... this will take away my P.A. or some of my administrative support". As I said in my opening speech and I reiterate this in the Treasury Department the budget revenue alone is over £53 million. What is £57,000 of that in a percentage? It is about what you are asking the pensioners to pay out of their budget for the T.V. licence that they will not miss. Surely you are not going to miss it, and it is exactly the same with the Chief Minister but I will finish on this. You heard it first here, the Minister for Treasury and Resources said: "Let us not leave it at this. Let us look at offices." You heard it today, the first bid to occupy the first building built on the water front so we amalgamate all the States offices and save thousands of pounds.

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

Can I ...

**Deputy J.A. Martin:**

No, I am not giving way.

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

Point of order.

**Deputy J.A. Martin:**

Go on then. [Laughter]

**The Bailiff:**

Is it really ...

**Deputy J.A. Martin:**

Is it what?

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

It perhaps might not be a point of order actually. [Laughter]

**Deputy J.A. Martin:**

I am not giving way then, no. As I interpret his words he did not say: “We will save hundreds of thousands of pounds when we start amalgamating office space, and look how much we take up all over different venues.” Where will there be a nice new office space that we are building? Very interesting. I leave it at that. [Laughter] I will just say you have one last chance, third day of the M.T.F.P. to tell those out there over 75, a means-tested benefit: “We really are all in this together”, because it will not take anything to find those savings in those 2 departments, to carry on having their highly paid administrative support but it will these 2 or 3 ... and you are talking thousands of people here, at least 2,000 or 3,000 who are in that means tested bracket who get the T.V. licence, and yes they will carry on. This gives the Minister for Social Security a bit of breathing for the next 4 years to really do her homework and we should be affording this to the over-75s and not to support for 2 or 3 Ministers in the Chief Minister’s Department which they will find and they will keep and they can really ... on the percentage of their budget they will not even blink when it goes. Thank you, I maintain the amendment and ask for the appel. [Approbation]

**The Bailiff:**

The appel is called for. The vote is on the sixth amendment lodged by Deputy Martin and I ask the Greffier to open the voting. If all the Members have had the opportunity of voting I ask the Greffier to close the voting.

<b>POUR: 21</b>		<b>CONTRE: 20</b>		<b>ABSTAIN: 0</b>
Senator Z.A. Cameron		Senator P.F. Routier		
Connétable of St. Helier		Senator A.J.H. Maclean		
Connétable of Grouville		Senator I.J. Gorst		
Connétable of St. John		Senator L.J. Farnham		
Connétable of Trinity		Senator P.M. Bailhache		
Deputy J.A. Martin (H)		Senator A.K.F. Green		
Deputy G.P. Southern (H)		Connétable of St. Clement		
Deputy of Grouville		Connétable of St. Lawrence		
Deputy J.A. Hilton (H)		Connétable of St. Martin		
Deputy J.A.N. Le Fondré (L)		Deputy of Trinity		
Deputy K.C. Lewis (S)		Deputy E.J. Noel (L)		
Deputy M. Tadier (B)		Deputy S.J. Pinel (C)		
Deputy of St. John		Deputy of St. Martin		
Deputy M.R. Higgins (H)		Deputy R.G. Bryans (H)		
Deputy J.M. Maçon (S)		Deputy of St. Peter		
Deputy S.Y. Mézec (H)		Deputy A.D. Lewis (H)		
Deputy L.M.C. Doublet (S)		Deputy S.M. Wickenden (H)		
Deputy R. Labey (H)		Deputy M.J. Norton (B)		
Deputy S.M. Bree (C)		Deputy of St. Mary		
Deputy T.A. McDonald (S)		Deputy G.J. Truscott (B)		



Deputy P.D. McLinton (S)				
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**Deputy M. Tadier:**

I do not know if it is in order to ask this but would it be possible for Deputy Martin to present my amendment tomorrow? **[Laughter]**

**Senator P.F. Routier:**

I was going to test the Assembly to see if they wanted to do another item or not but I do not know whether ...

**The Bailiff:**

It appears that is a no.

**Senator P.F. Routier:**

I propose adjournment. **[Laughter]**

**The Bailiff:**

The States now stands adjourned until 9.30 a.m. tomorrow morning.

**ADJOURNMENT**

[17:27]