

# **STATES OF JERSEY**



## **EQUALISATION OF WELFARE (P.57/2004): COMMENTS**

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**Presented to the States on 25th May 2004  
by the Policy and Resources Committee**

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**STATES GREFFE**

## COMMENTS

The Policy and Resources Committee's proposals in respect of the costs of 'native' welfare and residential care are described in its report and proposition on the 'Machinery of Government: Relationship between the Parishes and the Executive' (P.40/2004). These proposals take into account developments that have been taking place in recent years, including the work of the Steering Group that was appointed to carry out a review of the relationship between the Parishes and the Executive.

Deputy Baudains' proposition on the 'Equalisation of Welfare' is identical in content to a proposition of the same name that was lodged 'au Greffe' in September 2000 by the Connétable of St. Peter and which was subsequently withdrawn (P.164/2000). In the Committee's view, Deputy Baudains' proposition does not take into account the full extent of developments over the last three or four years, not least of which has been the steep increase in the cost of native welfare and residential care. It should be noted that the figures quoted in the report accompanying P.57/2004 date back to 1998/1999, and do not take into account the major increases in expenditure on welfare and residential care that have taken place since that time. It also needs to be acknowledged that the parishes, and particularly the more 'urban' parishes, will have great difficulty in meeting this burden, especially as costs are forecast to increase for the foreseeable future.

In the Committee's view, Deputy Baudains' proposition should be rejected for the following reasons –

- The rising costs of native welfare and residential care: The Committee is proposing in P.40/2004 that the costs of native welfare and residential care should be met from the general revenues of the States. Expenditure on welfare has risen very significantly over the last three or four years, and it is generally agreed that there will continue to be significant increases in the levels of expenditure for the foreseeable future. The Committee believes that these increases can be more readily accommodated if the welfare is transferred to the States, as there are a greater variety of means open to the States for meeting increases in expenditure.
  - The proposition will perpetuate the distinction between 'natives' and 'non-natives', which the Committee believes to be discriminatory and inappropriate. Funding all welfare and residential care from one source, as proposed by the Committee in P.40/2004, would enable this terminology to cease.
  - The distribution of the welfare burden: Deputy Baudains has argued in P.57/2004 that the welfare burden is unfairly distributed between the parishes, and that some parishes bear a disproportionate share of expenditure. This point is accepted by the Committee, but it believes that it would be more appropriate for this responsibility to be transferred to the States, for it will then become a responsibility of the Island as a whole.
- In exchange, the Committee is proposing in P.40 that a range of services currently provided by the Environment and Public Services Committee should be transferred to the parishes. This transfer will enable better co-ordination of services that are currently provided by both the States and the parishes, and should lead to improvements in services to the public.

The Committee would also like to comment on the assertion made by Deputy Baudains that it has not been clear in its own report and proposition P.40/2004 as to how funding will be provided for capital investment in main roads. The Committee believes that its proposals are in fact clear in this respect, for it is proposed in paragraph (a) (iii) of P.40 that '*capital investment in the infrastructure of the Island's main road network ... should be met from the General Revenues of the States*'.

In conclusion, therefore, the Committee considers that Deputy Baudains' proposals would run totally counter to its own proposals for improvements to the welfare system, as set out in P.40 and developed over the last two to three years in close consultation with the Comité des Connétables. The Committee accordingly recommends that the proposition be rejected.