STATES OF JERSEY

OFFICIAL REPORT

TUESDAY, 19th MAY 2009

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

PETITIONS

1. The Connétable of St. Saviour presented a petition on behalf of the Jersey Mutual Insurance Society Incorporated.

The Bailiff:

I have noticed that the Connétable of St. Saviour will present a petition. This is a petition on behalf of the Jersey Mutual Insurance Society Incorporated.

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

I am presenting this petition on behalf of the Jersey Mutual Insurance Society asking the States to agree to make changes to the fundamental rules of the Society. The fundamental rules are set out in legislation and changes to that legislation have always been made in the past following a petition to the States. I have today lodged a proposition as required by Standing Orders asking the States to grant the prayer of the petition. Standing Orders provide that a petition must be referred to the relevant Minister for a report and I would therefore ask that the petition and associated proposition be referred to the Minister for Economic Development. I am very grateful to the Minister who assures me that he will report back as swiftly as possible and I hope the report is presented to the Assembly in time for a debate perhaps on 13th June.

The Bailiff:

Thank you, Connétable. I am sure the Assembly will note that the matter is referred to the Minister for Economic Development.

QUESTIONS

2. Written Ouestions

2.1 Senator J.L. Perchard of the Chief Minister regarding the Public Employees Contributory Retirement Scheme:

Ouestion

How many retired public sector workers are in receipt of annual pensions paid from the Public Employees Contributory Retirement Scheme in the following categories –

- (a) under £10,000 per annum
- (b) between £10,000 and £20,000 per annum
- (c) between £20,000 and £30,000 per annum
- (d) between £30,000 and £40,000 per annum
- (e) between £40,000 and £50,000 per annum
- (f) over £50,000 per annum?

Answer

The number of retired public sector workers who are in receipt of an annual pension paid from the Public Employees Contributory Retirement Scheme in the above categories is detailed below:-

(a) under £10,000 per annum	1417
(b) between £10,000 and £20,000 per annum	639
(c) between £20,000 and £30,000 per annum	309
(d) between £30,000 and £40,000 per annum	158
(e) between £40,000 and £50,000 per annum	79
(f) over £50,000 per annum	56
Total	2658

2.2. Deputy P.V.F. Le Claire of the Minister for Health and Social Services regarding the treatment of vulnerable children:

Question

Is the Minister aware that the failure by the States to intervene in the lives of the X children by removing them from their parents is also repeated in a number of other cases now coming before the Courts such as the recently reported case No. [2009] JRC 076 where the Royal Court refers at paragraph 17 to the following "The guardian is critical of certain decisions of the Children's Service in the past. She clearly finds it difficult to understand how it was thought appropriate for the children to be left in the sole care of the father ... notwithstanding the previous allegations of sexual and physical abuse by the father and the report of the psychologist ... in 2005 to the effect that the father presented a risk to persons under the age of 18 and should not reside with children." and, if so, what action, if any, will she be taking to address the concerns?

Answer

I am fully aware of the concern expressed by the Assembly in and around Family X. While it is right that the public interest is best served by matters of policy being discussed in an open and transparent way within our political system, it cannot be right for facts about individual children to be the subject of debate and speculation. I do not therefore consider it appropriate to discuss the particular case referred to in the question.

By taking these cases into the Court arena my officers will be acutely aware that previous practice and decision making will usually be scrutinised by not only lawyers acting for any parents in the proceedings, but now, under the new Children's Law introduced at the end of 2005, by an independent 'Guardian' who is appointed to represent the interests of the children 'exclusive of any other considerations' and lawyers specifically acting for the children. The Court will also be able to instruct any independent specialist witnesses to complete reports that it feels will be of assistance to the Court in determining the most appropriate outcome – often psychological or psychiatric reports but not exclusively so.

Given the high number of experts present in these cases it should be no surprise to anyone that opinions may sometimes vary concerning the best and most appropriate course of action in these

very difficult and complex cases. It is surely fundamental to the rule of law that it is the Court who should decide on the appropriate outcome and I (through my officers) am then accountable for those cases.

There is no doubt that there has been a history of under investment in Children's Services and a failure to properly fund the Kathy Bull recommendations in the past and we seem to face an increasingly complex society.

I hope and trust that the interest this House has shown in children's issues over recent times will lead to unanimous support for the whole raft of measures that will be coming before the House at the end of June when we debate the Williamson Implementation Plan. All of those recommendations were independently proposed to address some of the very issues that Deputy Le Claire is seeking to highlight in this question.

2.3 The Deputy of St. Mary of the Minister for Transport and Technical Services regarding non-inert waste:

Question

Can the Minister inform the Assembly how much non-inert waste the Transport and Technical Services Department dealt with in 2008, with the detail of the different types of waste, and the comparable figures for the previous year?

Answer

The total amount of non-inert waste that the Transport and Technical Services Department dealt with in 2008 was 103,231 tonnes compared to 106,587 tonnes in 2007 as detailed below:

Total annual non-inert waste (tonnes) processed.	2007	2008	
	Tonnes	Tonnes	
Waste recycled			
Paper and cardboard	7,654	7,985	
Packaging Wood	1,000	1,000	
Aluminium cans	16	29	
Textiles	507	499	
Plastic	484	503	
Glass	7,719	8,490	
Green Waste Received	14,997	11,239	
Household Metals	-	849	
Electrical and Electronic Equipment	-	148	
Batteries	-	5	
Total Waste recycled	32,377	30,747	
Non-recyclable waste			
Parish deliveries to Energy From Waste (EFW)	42,775	41,163	

Miscellaneous deliveries to EFW	7,718	7,147
Bulky waste deliveries for shredding	23,158	23,577
Dried sewage sludge to EFW	5	2
Grit and rags from Sewage Treatment Work to EFW	554	595
Total Non-recyclable Waste	74,210	72,484
Total Non-inert waste	106,587	103,231

2.4 Deputy R.G. Le Hérissier of St. Saviour of the Chief Minister regarding the introduction of a whistle blower system:

Question

Following its long gestation, when will the whistle-blower system be introduced?

Answer

The revised Policy on Serious Concerns (the 'Whistleblowing' Policy) has been the subject of extensive consultation and discussion and has now been agreed and implemented with effect from 29th April 2009. It is available on the States Intranet system under Section H4 of the Human Resources Policy Manual.

I have circulated the relevant revised policy, which has been left on Members desks this morning.

2.5 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Home Affairs regarding measuring the effectiveness of H.M.P. La Moye:

Ouestion

How is the effectiveness of the Prison measured and is it intended to report on these measures in forthcoming Annual reports?

Answer

The Prison Governor reports to the Chief Officer and to myself on a monthly basis at a formal Ministerial meeting on all matters related to the operational management of the Prison.

The Chief Officer for Home Affairs closely monitors the following areas:

- progress with the Prison Improvement Plan
- the level of mis-conduct reports (particularly acts of violence)
- acts of self harm
- breaches of licence
- management of resources
- regime developments
- escapes

All of the above are reported on in the Prison's Annual Report.

However, as the Prison's resources are now more in alignment with requirements and there has been a significant improvement in the conditions and breadth of regime, I am minded to consider setting more formal Key Performance Indicators next year. They would, of course, be reported on in subsequent Annual Reports.

Probation conducts periodic reviews of reconviction rates and a further study will be available later this year which will be incorporated into the Annual Report.

2.6 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Planning and Environment regarding the average cost of processing applications for sign installations:

Question

What is the average cost of processing each application for the installation of a sign?

Answer

The installation of a sign does not always require an application and many of the signs used by businesses and organisations can be erected without any reference to the Planning Department by virtue of the Planning and Building (Display of Advertisements) (Jersey) Order 2006. Details of these adverts have been circulated under separate cover on Members desks this morning.

It is essential however, that there is a degree of control as a proliferation of adverts can quickly have a serious and harmful effect on the character of the Island. When an application is required my officers give careful consideration to the overall impact it might have. The implications over an advert from its size, scale and design down to how it is proposed to be fixed to a building are all issues of design that can have profound impacts on the visual amenity of an area. Indeed I was closely involved in the applications for adverts on car parks for precisely this reason as I would only accept the highest quality of signs.

The costs of processing a sign application varies from case-to-case. A simple non-contentious application where all the appropriate information has been provided with the application – which is often not the case – is on average around £110. This includes the administration costs and the Officer time to visit the site, assess the application, collate consultation responses and prepare a recommendation and decision.

Unfortunately many applications for advertisements are not straight forward and my Officers have to deal with a variety of issues such as impact on registered buildings, concerns over interference with CCTV coverage, inappropriate design and relationship with existing signs in the vicinity. Addressing these issues and other concerns raised by the Parishes, statutory consultees or members of public means that processing an application can take much longer and hence cost far more.

The current fees for advertisement applications vary between £41 and £164 depending on the number of signs involved. The average fee for advertisement applications – bearing in mind that an application can be for a number of signs - in the period 2007 & 2008 was £93.

APPROVED ADVERTISEMENTS

PART 1

OFFICIAL ADVERTISEMENTS		
Class A		
Approved advertisement	A. An advertisement employed wholly for the purpose of announcement or direction in relation to a function of the States, a Minister or a parochial authority, being an advertisement that is reasonably required to be displayed in the manner in which it is displayed in order to secure the safe or efficient performance of that function.	
Conditions	A.1 The advertisement must be maintained in a clean and tidy condition.	
	A.2 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.	
	A.3 The advertisement must not be sited or displayed so as –	
	(a) to obscure or hinder the ready interpretation of a road traffic sign or an aid to navigation by water or air; or	
	(b) to render hazardous the use of a road or airfield.	
	A.4 The advertisement must not be illuminated except to achieve the purpose of the advertisement.	
Class B		
Approved advertisement	B. An advertisement employed wholly for the purpose of announcement or direction in relation to the operation of the provider of a public service, being an advertisement that is reasonably required to be displayed in the manner in which it is displayed in order to secure the safe or efficient performance of that operation.	
Conditions	B.1 The advertisement must be maintained in a clean and tidy condition.	
	B.2 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.	
	B.3 The advertisement must not be sited or displayed so as –	
	(a) to obscure or hinder the ready interpretation of a road traffic sign or an aid to navigation by water or air; or	
	(b) to render hazardous the use of a road or airfield.	
	B.4 The advertisement must not be illuminated except to achieve the purpose of the advertisement.	

Interpretation of Class B	B.5 For the purpose of Class B "provider of a public service" means person who provides sewerage, gas, water or electricity to the public or a portion of the public.
Class C	
Approved advertisement	An advertisement required to be displayed by virtue of an enactme (including an advertisement that is required by an enactment to displayed as a condition of the valid exercise of a power, or t proper performance of a function).
Conditions	C.1 The advertisement must be maintained in a clean and tidy condition.
	C.2 Any hoarding or similar structure used to display the advertiseme must be maintained in a safe condition.
	C.3 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffic sign an aid to navigation by water or air; or
	(b) to render hazardous the use of a road or airfield.
	C.4 The advertisement must not be illuminated except to achieve to purpose of the advertisement.
Class D	
Approved advertisement	An advertisement in the nature of a traffic sign employed wholly f the control, guidance or safety of traffic.
Conditions	D.1 The advertisement must be maintained in a clean and tidy condition
	D.2 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.
	D.3 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffic sign an aid to navigation by water or air; or
	(b) to render hazardous the use of a road or airfield.
	PART 2
	RELATING TO PREMISES ON WHICH THEY ARE DISPLAYED
Class A	
Approved advertisement	A. An advertisement –
	(a) for the purpose of identification, direction or warning wi respect to the land or building on which it is displayed;

	profession, business or trade on the land or building on which the advertisement is displayed;
	(c) relating to an institution of a religious, educational, cultural, recreational or medical or similar character, situate on the land on which the advertisement is displayed.
Advertisement not approved	A.1 An advertisement is not approved by Class A if it has an area exceeding 2 square metres.
	A.2 An advertisement is not approved by Class A if there is already on the land or building an advertisement to the same effect.
Conditions	A.3 The advertisement must be maintained in a clean and tidy condition.
	A.4 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.
	A.5 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffic sign or an aid to navigation by water or air; or
	(b) to render hazardous the use of a road or airfield.
	A.6 The advertisement must not contain letters, figures, symbols, emblems or devices of a height exceeding 400mm.
	A.7 The advertisement must not be displayed so that the highest part of it is above 4 metres from ground level.
	A.8 The advertisement must not be illuminated except to indicate that medical or similar services or supplies are available at the premises on which it is displayed, when it may be illuminated in a manner reasonably required for that purpose.
Interpretation of Class A	A.9 For the purpose of Class A "ground level", in relation to the display of an advertisement on a building, means, where the ground-floor level of the building is the same as the adjoining road, the ground floor level of the building.
Class B	
Approved advertisement	B. An advertisement incorporated in, and forming part of, the fabric of a building.
Advertisement not approved	B.1 An advertisement is not approved by Class B if the building is used principally for the display of advertisements or is a hoarding or similar structure.
	B.2 An advertisement is not approved by Class B if it has an area exceeding 2 square metres.
	B. 3 An advertisement is not approved by Class B if there is already

	an advertisement incorporated in, and forming part of, the fabric of the building.
Conditions	B.4 The advertisement must be maintained in a clean and tidy condition.
	B.5 The advertisement must not be illuminated except to indicate that medical or similar services or supplies are available at the premises of which it is displayed, when it may be illuminated in a manner reasonably required for that purpose.
Interpretation of Class B	B.6 For the purpose of Class B an advertisement is not to be taken to form part of the fabric of a building by reason only of being affixed to or painted on, the building.
	PART 3
ADVE	RTISEMENTS OF A TEMPORARY NATURE
Class A	
Approved advertisement	An advertisement relating to the sale or letting of the building of land on which it is displayed.
Advertisement not approved	A.1 An advertisement is not approved by Class A if it has an are exceeding 2 square metres.
	A.2 An advertisement is not approved by Class A if there is already on the land or building an advertisement in respect of the sale of letting (whether or not attached to a building).
Conditions	A.3 The advertisement must be maintained in a clean and tide condition.
	A.4 Any hoarding or similar structure used to display th advertisement must be maintained in a safe condition.
	A.5 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffi sign or an aid to navigation by water or air; or
	(b) to render hazardous the use of a road or airfield.
	A.6 The advertisement must not contain letters, figures, symbols
	emblems or devices of a height exceeding 400mm.
	A.7 The advertisement must not be displayed so that the highest par of it is above 4 metres from ground level except that an advertisement relating to the sale or letting of a building higher than that height limit may be displayed above that limit at the lowes level at which it is reasonably practicable to display the advertisement.

	A.9 The advertisement must be removed within 14 days after the building or land is sold or let, as the case may be.				
Interpretation of Class A	A.10 For the purpose of Class A "ground level", in relation to the display of an advertisement on a building, means the ground-floor level of the building.				
Class B					
Approved advertisement	B. An advertisement by a contractor or sub-contractor, or firm of contractors or sub-contractors relating to the carrying out by them of building or similar work on land on which the advertisement is displayed.				
Advertisement not approved	B.1 An advertisement is not approved by Class B if it has an area exceeding 2 square metres.				
	B.2 An advertisement is not approved by Class B on the frontage of premises if there is already an advertisement in respect of the contractor or sub-contractor, or firm of contractors or sub-contractors on that frontage.				
	B.3 An advertisement is not approved by Class B if it is displayed on land normally used, whether at regular intervals or otherwise, for the purpose of carrying out building or similar work.				
Conditions	B.4 The advertisement must be maintained in a clean and tidy condition.				
	B.5 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.				
	B.6 The advertisement must not be sited or displayed so as –				
	(a) to obscure or hinder the ready interpretation of a road traffic sign or an aid to navigation by water or air; or				
	(b) to render hazardous the use of a road or airfield.				
	B.7 The advertisement must not contain letters, figures, symbols, emblems or devices of a height exceeding 400mm.				
	B.8 The advertisement must not be illuminated.				
	B.9 The advertisement must not be displayed except while building or similar work is in progress on the land.				
Interpretation of Class B	B. 10 For the purpose of Class B "ground level", in relation to the display of an advertisement on or in respect of a building, means the ground-floor level or proposed ground floor level of the building.				
Class C					

Approved advertisement	C An advertisement announcing a local event of a religious, educational, cultural, political, social or recreational character (including an advertisement relating to a temporary matter in connection with such an event).
Advertisement not approved	C.1 An advertisement is not approved by Class C if it has an area exceeding 2 square metres.
	C.2 An advertisement is not approved by Class D if it relates to an event promoted or carried on for a commercial purpose.
Conditions	C.3 The advertisement must be maintained in a clean and tidy condition.
	C.4 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.
	C.5 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffic sign or an aid to navigation by water or air; or
	(b) to render hazardous the use of a road or airfield.
	C.6 The advertisement must not contain letters, figures, symbols, emblems or devices of a height exceeding 400mm.
	C.7 The advertisement must not be displayed so that the highest part of it is above 4 metres from ground level.
	C.8 The advertisement must not be illuminated.
	C.9 The advertisement must not be displayed earlier than 28 days before the date of the event and must be removed within 14 days after its conclusion.
Interpretation of Class C	C.10 For the purpose of Class C "ground level", in relation to the display of an advertisement on a building, means the ground-floor level of the building.
Class D	
Approved advertisement	D. A free standing 1 or 2 sided advertisement stationed on a public road in front of the premises or business it is advertising.
Advertisement not approved	D.1 An advertisement is not approved by Class D if it has an area exceeding 1 square metre.
	D.2 An advertisement is not approved by Class D if its placement on the road has not been approved by the highway authority with responsibility for the road.
Conditions	D.3 The advertisement must be maintained in a clean and tidy

	condition.
	D.4 The advertisement must not be sited or displayed so as –
	(a) to obscure or hinder the ready interpretation of a road traffic sign; or
	(b) to render hazardous the use of a road.
	PART 4
AD	VERTISEMENTS IN ENCLOSED AREAS
Class A	
Approved advertisement	A. An advertisement displayed on enclosed land.
Advertisement not approved	A.1 An advertisement is not approved by Class A if it readily visible –
	(a) from land outside the enclosure in which it is displayed; or
	(b) from a part of that enclosure over which there is a public right of way or to which the public has a right of access.
	A.2 An advertisement is not approved by Class A if the enclosed land is or is part of a site of special interest.
Conditions	A.3 The advertisement must be maintained in a clean and tidy condition.
	A.4 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.
	A.5 The advertisement must not be illuminated.
Interpretation of Class A	A.6 For the purpose of Class A "enclosed land" means land that is wholly or mainly enclosed by a hedge, fence, wall or similar screen or structure, but does not include a public park, public garden or other land held for the use or enjoyment of the public.
Class B	
Approved advertisement	B. An advertisement displayed within a building.
Advertisement not approved	B.1 An advertisement is not approved by Class B if it can be readily seen from outside the building.
Conditions	B.2 The advertisement must be maintained in a clean and tidy condition.
	B.3 Any hoarding or similar structure used to display the advertisement must be maintained in a safe condition.

2.7 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Transport and Technical Services regarding capacity for luggage on the Airport Bus:

Ouestion

Given an earlier answer to my question regarding luggage provision on the Airport Bus, when will improved provision be introduced?

Answer

In my previous answer to the Deputy on 3rd February 2009, I stated that Transport and Technical Services were working with Connex to provide luggage facilities on the Route 15 and that I had requested both a short term fix in time for the summer season and a longer term solution.

I am now delighted to advise the Deputy that three buses have been adapted to provide luggage space and that these will be operating on the service from the start of the summer schedule on Sunday 24th May.

This will mean that half of the buses serving the airport will provide luggage facilities and I am continuing to work with Connex to ensure that all airport buses will have such facilities. The adaptation includes a specific area for luggage but also an increased standing area with two flip-up seats which can also accommodate pushchairs.

2.8 The Deputy of St. Mary of the Minister for Treasury and Resources regarding GDP in respect of government expenditure for 2008:

Question

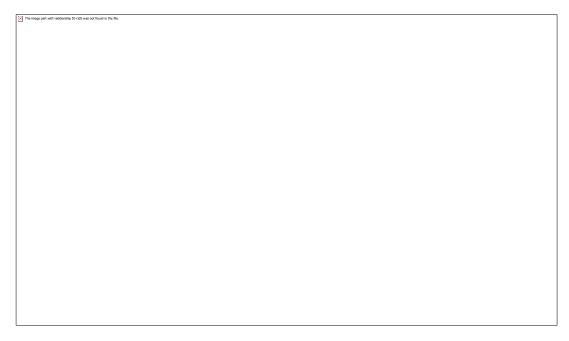
In the interests of transparency before the Strategic Plan debate, will the Minister –

- (a) advise on the proportion of GDP (or other measure of overall wealth) which consisted of government expenditure of all kinds in the last year for which full figures are available and for which the comparisons in b) below are available, and how that is funded tax receipts, social security, borrowing, etc?; and;
- (b) advise whether the Treasury has figures for some comparable European jurisdictions, ensuring that they are, as far as possible, comparing like for like, and, if so, would the Minister set out those figures, giving clear details to members on the difficulties inherent in making such comparisons and of the caveats of which members should be aware, such as expenditure on defence (which does not apply to Jersey) how social security and health are dealt with and paid for, and so on?

Answer

The latest information as on government expenditure as a proportion of GNI was published by the Statistics Unit in the September 2007 release on GVA and GNI. The information from that report is reproduced below.

The breakdown of States income is shown in the chart below:



Source: States of Jersey Treasury and Resources Department.

Extracts from Statistics Unit report

An internationally comparable benchmark for governments worldwide is the proportion that government expenditure represents of GNI. Using the GNI figures for Jersey shown in Table 2 it is possible to compare government expenditure in total and separately on education, public health and social benefits as a percentage of GNI with that of OECD member states. This has been done for the latest year for which comparable data are available: comparison with OECD averages is shown in Table 7 and with individual states in the Appendix (Table A1 and Figures A1 and A2). The percentages for Jersey for the period 2001 to 2006 are also shown in Table A2.

Table 7 – Government expenditure as a percentage of GNI for Jersey and the OECD

	General Government Expenditure (GGE), 2005	Education 2003	Public Health 2004	Social benefits 2005
Jersey	26%	3.3%	5.1%	6.9%
OECD average	44%	5.3%	6.4%	13%

Percentages are shown to two significant figures. For definitions of expenditure categories see Appendix.

As a result of Jersey's relatively large GNI per capita, government expenditure in the Island, expressed as a percentage of GNI, is considerably less than that of most OECD states, ranging from about half of the OECD average percentage level in the case of social benefits to about four-fifths for public health. Total government expenditure in Jersey in 2005 was about three-fifths of the OECD average, as a percentage of GNI.

Table A1 - International comparison of government expenditure.

	General Government Expenditure (GGE) 2005		Public health 2004	Social benefits 2005	
Jersey	26%	3.3%	5.1%	6.9%	
Australia * &	35%	4.5%	6.7%	8.5%	
Austria	49%	5.1%	6.7%	18.5%	
Belgium	50%	5.6%	6.8%	15.8%	
Canada * ^ &	41%	5.1%	7.0%	10.3%	
Czech Republic * &	45%	4.4%	6.6%	12.2%	
Denmark $^{\infty}$	53%	8.1%	7.2%	16.3%	
Finland	51%	6.3%	5.6%	16.6%	
France	53%	5.7%	8.5%	17.7%	
Germany	47%	4.5%	8.1%	19.1%	
Greece	37%	3.2%	4.2%	13.2%	
Hungary	53%	5.8%	5.9%	15.4%	
Iceland	46%	7.7%	8.7%	9.3%	
Ireland * &	40%	5.0%	6.6%	10.6%	
Italy	49%	4.7%	6.7%	17.4%	
Japan * # &	-	3.6%	6.2%	10.9%	
Korea * &	28%	4.8%	2.8%	2.5%	
Luxembourg ^	51%	3.8%	8.6%	17.3%	
Mexico ^{&}	-	5.8%	3.1%	1.8%	
Netherlands	44%	4.6%	5.5%	10.8%	
New Zealand **	39%	6.8%	6.9%	11.0%	
Norway	39%	7.1%	7.9%	12.4%	
Poland *	43%	5.6%	4.4%	16.0%	
Portugal	48%	5.9%	7.0%	15.0%	
Slovak Republic * * &	39%	4.2%	4.7%	10.1%	
Spain	39%	4.0%	5.8%	11.8%	
Sweden	58%	7.0%	7.7%	17.8%	
Switzerland * &	34%	5.1%	6.3%	11.2%	
Turkey	-	3.8%	5.8%		

U	nited Kingdom	43%	5.1%	6.7%	12.8%	
U	nited States * &	37%	5.7%	6.9%	12.0%	
О	ECD average	44%	5.3%	6.4%	12.9%	

^{*} Total general government expenditure for Australia, Canada, Czech Republic, Ireland, Japan, Korea, Poland, Slovak Republic, United States is for 2004, Switzerland for 2003 and New Zealand 2002.

Sources: The Treasurer of the States Financial Report and Accounts, 2000-2005; GVA and GNI 1998-2005, Statistics Unit, States of Jersey; OECD in Figures 2006-2007.

Figure A1 -Government Expenditure: in Total and on Social Benefits, 2005: % of GNI.

[#]Health Expenditure for Japan and Slovak Republic is 2003 data.

[^] Education expenditure for Canada is for 2002, and Luxembourg for 2001.

[&]amp; Social benefits expenditure for Australia, Canada, Czech Republic, Ireland, Japan, Korea, Slovak Republic and the United States is for 2004, Switzerland for 2003 and Mexico and New Zealand for 2002.

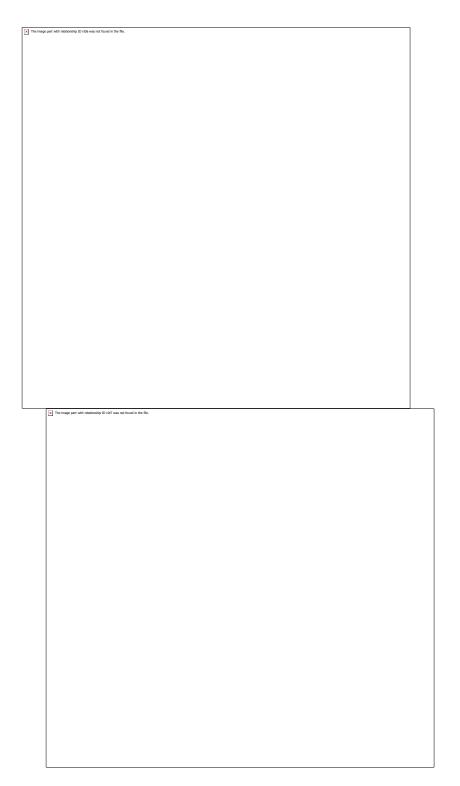


Figure A2 - Government expenditure on Education (2003) and Health (2004): % of GNI.

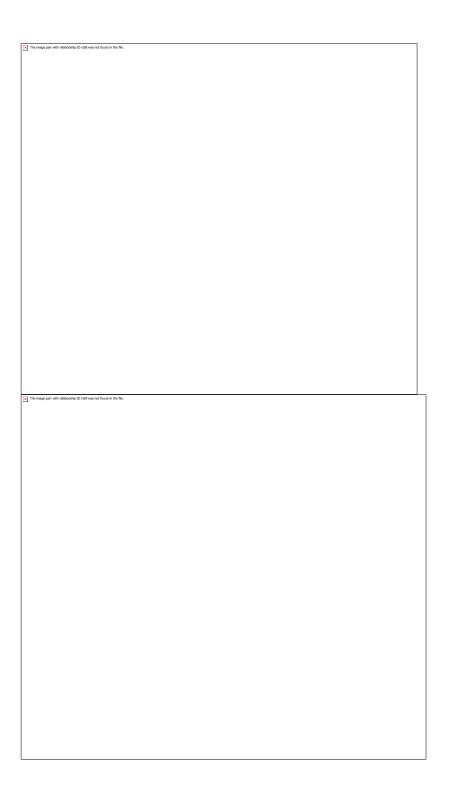


Table A2 - Government expenditure as a % of GNI in Jersey: 2001 – 2006 (current year values)

		<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
GNI	(£ million)	2,900	2,930	2,970	3,030	3,180	3,440
GGE	% GNI	27%	27%	26%	27%	26%	25%.
Education	% GNI	2.8%	3.2%	3.3%	3.5%	3.4%	2.8%
Health	% GNI	4.2%	4.6%	5.0%	5.1%	5.1%	4.8%

Social Benefits	% GNI	6.0%	6.5%	6.8%	7.1%	6.9%	6.7%	I
								П

Percentages are shown to two significant figures.

Definitions

- **1. The Organisation for Economic Co-operation and Development** (OECD) is an international organisation with 30 member states. All OECD averages shown are unweighted mean averages of numbers presented in the tables of this Appendix.
- **2. General Government Expenditure** (GGE) for OECD member states includes central, state/regional and local government authorities. For Jersey, general government expenditure is taken to be the sum of: total expenditure shown in the Total Income and Expenditure Account of the Financial Report and Accounts published by the Treasury and Resources Department; capital expenditure; and all social benefits paid (tax-funded, paid from social security and health insurance funds, Parish welfare, rent rebate and rent abatement).
- **3. Government expenditure on Education** in OECD countries includes current and capital expenditure on primary, secondary, post-secondary non-tertiary and tertiary education institutions for the purchase of education resources, payments of teachers' salaries and maintenance of buildings. Expenditure on education also includes public subsidies to households comprising grants/scholarships and student loans. Ancillary services are services provided by educational institutions that are peripheral to the main educational mission and are incorporated in expenditure. Ancillary services consist of, for example, meals, counselling, transportation, halls of residence, dining halls, health care, museums, broadcasting, sports and cultural programmes which are provided by the educational institutions. Public funds capital formation on education, e.g. investment in building new institutions plus capita transfers for construction and equipment, is included in general government expenditure on education. For Jersey, estimates have been calculated to match the OECD definition of government expenditure for the Education component of the Education, sport and culture department.
- **4. General government expenditure on Health** refers to health expenditure on non-market, non-profit institutions incurred by public funds. Public expenditure includes services of curative, rehabilitation and long term care also ancillary services such as administration, emergency rescue, prevention and public health. Current expenditure on public health excludes social security schemes, cash benefits, environmental health, research and training. Public funds capital formation on health, e.g. investment in health facilities plus capita transfers for hospital construction and equipment, is included in general government expenditure on health.

To correspond with the OECD definition, government expenditure on health in Jersey includes public health, medical, surgical, mental health, ambulance and social services.

5. Expenditure on **Social benefits** covers government spending for risks or needs such as sickness, disability, old age and unemployment. For OECD states such spending is classified in the national accounting framework as "social benefits other than social transfers in kind" and "social transfers in kind related to expenditure on products supplied to households via market producers". The UK records a negligible amount under the latter category whilst the Netherlands, for example, records a high amount (18% of total government expenditure in 2005).

For Jersey, social benefits paid by government include those from tax-funded sources, social security and health insurance funds, Parish welfare, rent rebate and rent abatement.

2.9 The Deputy of St. Mary of the Minister for Transport and Technical Services regarding testing sea water at the Castle Quays site:

Question

Following the response given by the Minister for Planning and Environment on 28th April 2009, would the Minister inform the Assembly whether tests have been undertaken by his Department on the sea-water which has been flooding the excavation pit at the Castle Quays site on the higher tides, and if so, would he give the Assembly full details of the chemical composition of this water and of any variations in the test results and of the causes of these variations?

Answer

The response from the Minister for Planning and Environment to the Deputy's question of the 28th April stands and I would inform the Assembly that, as it is not the responsibility of the Transport and Technical Services Department to police or monitor the excavation pit at Castle Quays, the Department has not undertaken any testing of the sea-water at this site.

3. Oral Questions

3.1 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Transport and Technical Services regarding the employment of local labour on the incinerator project:

What policies, if any, are in place to ensure that as high a proportion as possible of the labour force employed on the incinerator project is locally based?

Connétable M.K. Jackson of St. Brelade (The Minister for Transport and Technical Services):

The engineering procurement and construction contractor, CSBC (Jersey) Limited, is required under the contract with my department to comply fully with the requirements of the Regulations of Undertakings legislation. Applications have been awarded to Spie Batignolles Camerons Limited, the Jersey-registered company subcontracted by CSBC (Jersey) Limited for 6 foreign workers to lead the construction management and for up to 40 French and Portuguese workers working on the construction of the specialist concrete structure that forms the core of the building. While these 40 workers will be peak numbers of imported labour requirements for this element of the works, for example, prior to the arrival of the specialist French process plant engineers on site in the autumn of 2009 when the numbers of specialist foreign workers will increase again, CSBC (Jersey) Limited have endeavoured to ensure that locally qualified, appropriately experienced labour were given the opportunity to work on the project by the placement of an advertisement in the J.E.P. (Jersey Evening Post) from 26th to 31st March this year inclusive. It should also be noted that the construction activities associated with excavation, piling and de-watering have been carried out by local Jersey-based companies, namely AA Langlois Haulage Limited, Amplus Limited and Geomarine Limited, and a number of key Jersey-based staff have been seconded to the Spie Batignolles Camerons Limited team from Camerons Limited. In addition, my officers are in discussion with officers from Economic Development and CSBC (Jersey) Limited with a view to the suitability of operating a meet-the-buyer event especially for the Energy from Waste Project.

3.1.1 Deputy R.G. Le Hérissier:

Would the Minister confirm when the advertisement was placed and when the company showed its apparent willingness to recruit local labour were the terms defined so that people who had general experience could come along and, with appropriate training, form part of this labour force or was it as with the building of British oil terminals recently, they were simply a ready-made labour force which was imported as a whole and no real attempt was made otherwise?

The Connétable of St. Brelade:

I would like to think not, but I do not have the content of the advertisement with me. I am quite happy to let the Deputy and States Members have that during the course of the day.

3.1.2 Deputy R.G. Le Hérissier:

If I could continue. Would the Minister not acknowledge that it looks rather odd that 40 people are apparently specialists in this kind of concrete work and that no one of this skill could be found on the Island? Again, I ask the question, did the 40 people come with skills which were absolutely impossible to find or is it simply the transfer of an existing labour force from one site to another for this particular company?

The Connétable of St. Brelade:

I did ask that question of my officers and was assured that this was certainly not the case, that these people are specialist labour which was unavailable on the Island for this particular project.

3.1.3 Senator S. Syvret:

Would the Minister for Transport and Technical Services consider supporting the proposition I am planning to bring to the States fairly shortly, to ask the Assembly to re-examine the possibility of introducing work permits for the purposes of protecting employment opportunities for people already resident in Jersey?

The Connétable of St. Brelade:

In effect the Regulations of Undertakings law does that job and I cannot see the necessity of introducing work permits in parallel with this scheme. If there is any tweaking to this scheme that needs to be done I think it would be a far simpler method.

3.1.4 Deputy R.G. Le Hérissier:

A final question. Would the Minister confirm whether or not he asked what training was required in order that locally-based people could have moved into this particular work? Did he assess the kind of training?

The Connétable of St. Brelade:

No, I do not think that is possible. I would suggest that I emphasise entirely what the Deputy is suggesting, that local staff be employed as far as possible on not only this project, but any project in the Island. I am as concerned as he is on the importation of labour where local staff can do it. I would suggest that I will encourage my department as far as possible to use local staff wherever this can be done.

3.2 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding the future of the Plémont headland:

I declare an interest as a Member of the National Trust Council. In the light of his answer on 28th April 2009, would the Minister outline the outcome of the meeting announced for early May between himself and the architects from Northern Trust, the developers of the Plémont headland.

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

Can I ask the Assistant Minister with responsibility for property, Deputy Le Fondré, to answer the question?

Deputy J.A.N. Le Fondré of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

A fairly short answer. Following an exchange of letters between the architects acting for Northern Trust and my department, and because of various commitments of the time, the meeting has been rescheduled for 28th May.

3.2.1 Deputy R.G. Le Hérissier:

Would the Assistant Minister not acknowledge that the meeting, according to the Minister for Treasury and Resources's answer to me of a couple of weeks ago, was scheduled for 6th or 7th, or was going to be scheduled for 6th or 7th May? Would he give his definition, given the terms of the Constable of St. Ouen's proposition of 22nd October 2008, of "active negotiations"?

Deputy J.A.N. Le Fondré:

The meeting was originally scheduled for 6th or 7th May, but as these things happen from time to time there were various problems, I believe, on both sides in terms of trying to get everybody together on the right day which is why it has been rescheduled. Speaking personally, anyone trying to get bookings in at relatively short notice for certain individuals will find how full their diaries are because of the very urgent and pressing commitments we all have. In terms of the nature of negotiations, I am afraid negotiations of this type do take time and do take careful consideration and it does require a willingness on both sides of the platform to negotiate.

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

Could the Assistant Minister give an assurance that even under the words of the proposition of the Constable of St. Ouen these negotiations do not involve millions of tax-payer's money to buy Plémont headland?

Deputy J.A.N. Le Fondré:

No, you are not going to get Plémont headland for a pound.

3.2.3 Deputy R.G. Le Hérissier:

In terms of the Assistant Minister's definition of active negotiations will he say when the first approach was made after the Constable of St. Ouen's proposition was approved on 22nd October 2008? When was the active part of the negotiations initiated?

Deputy J.A.N. Le Fondré:

I am just trying to look at a reference. I believe there was a meeting in early January and it was subsequent to that, that further correspondence was received in, I will say, April or May to be general which has then resulted in the further meeting that is being planned.

3.2.4 Deputy R.G. Le Hérissier:

Just a final question. Would the Assistant Minister comment on a proposal that has been made to the Minister for Treasury and Resources as a way of perhaps dealing with the kind of concern implicit in Deputy Martin's question? Would he comment on a proposal that has been made for the use, for example, of dormant bank account monies as one of the approaches to this particular project?

Deputy J.A.N. Le Fondré:

Unfortunately, I cannot comment because I am purely responsible for property and that is definitely a matter for the Minister.

3.2.5 Deputy K.C. Lewis of St. Saviour:

It was suggested some time ago the possibility of a land swap. Is this possibility still on the table?

Deputy J.A.N. Le Fondré:

I think it says that all possibilities will be considered and if we get to the point that a deal that is reasonable can be negotiated and allows for that as part of that then obviously we will consider those matters, but that, I think, is a little way off.

3.3 Deputy D.J.A. Wimberley of St. Mary of the Chief Minister regarding the update of the States websites:

Given that the States website and the States Assembly website are undergoing a much needed update would the Chief Minister advise the Assembly of progress with the new website, what steps if any are being taken to consult with users, and when is the likely completion date?

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

After a thorough selection process the States of Jersey appointed local company C5 Alliance as prime contractor to host, maintain and develop States of Jersey web services. The company will work with departments and customers to improve the States websites and make them more customer-focused, accessible and efficient. The first phase of this work started in January 2009 and local web consultants have started a programme of research to inform the development process of the gov.je website. On Monday, 11th May, 2,000 Jersey citizens were invited to participate in an online survey asking for feedback about the gov.je website. The deadline for this survey is 5.00 p.m. this coming Friday, 22nd May. The recipients of this invitation represent a demographically balanced sample of the Island population who volunteered to take part in online surveys. In addition to this survey, 2 focus group meetings will be held on Monday, 8th and Tuesday, 9th June to acquire more in-depth data about public perceptions of gov.je, typical user behaviour and future functional requirements. The volunteers who will take part in these 2 focus groups have been recruited through approaches to a variety of organisations and businesses in the Island so as to achieve representative democratic balance. The findings from the survey and the focus groups will be analysed and considered against research work undertaken in recent months into best practice in other jurisdictions in order to make the best informed decisions on the functionality and usability of the new gov.je website. A consultation process has started with key stakeholders, including States Members, and the target is to launch a new and resilient gov.je website by the end of 2009, hosted by a local company to ensure a resilient and uninterrupted service.

3.4 Deputy P.J. Rondel of St. John of the Minister for Economic Development regarding the Tourism Visitor Map:

Could Members be told of the costs involved in printing and distributing the tourist visitor's map (Carte Touristique) and given that the Island map is flawed as the wording "St. Saviour" has been omitted, what are the re-print costs and have those responsible for this error been disciplined?

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

This free map has been in circulation since the beginning of last summer at a cost of £22,000 to produce 150,000 copies. These have been distributed by staff at key tourist locations since then. We are virtually at the end of the distribution and a new edition will be published shortly by a commercial publisher. The question of a re-print does not apply as we have outsourced the publication. The St. Saviour reference should of course have appeared on the overlay as do the other Parish references. This had been removed some time ago with the rationale that it obscured details of hotels and other facilities in what is a congested area of the map, a map which is intended to indicate tourist attractions. Disciplinary action would not be appropriate in this instance as no unplanned costs have been incurred. I should add that the department has also received no complaints in this regard. [Laughter]

3.4.1 The Deputy of St. John:

Given that the answer is it may remove or obstruct the visual aspects of hotels, etcetera, does that mean the philosophy of the Minister is that we should remove the representatives from this Chamber, given that they are not part and parcel of being able to be presented properly on a map? Furthermore, why after this error was found nearly 18 months ago did we allow it to continue

showing only 11 out of our 12 Parishes? Surely that kind of error should not be permitted to continue? When a mistake is identified it should be withdrawn and the proper document printed.

Senator A.J.H. Maclean:

Firstly, I obviously would not like to see the Deputy of St. John leaving this Chamber. His contributions are valuable for all concerned. **[Laughter]** I would like to concentrate on the fact that we are now out-sourcing this particular publication, and another publication indeed, at a cost saving of £150,000. We have come to the end of this particular print run. I think we should concentrate on where the savings are. Yes, a mistake was made. It was not deemed to be a serious mistake. The map is in fact indicative of tourist attractions. It is not there as a guidance for anything more than that and there are indeed many other further maps, one of which I have here, which shows very clearly St. Saviour and all other Parishes so there are many choices. I would also like to concentrate on some positive news. We have just this morning received news that Jersey at the Chelsea Flower Show received a gold award. **[Approbation]** I think that is positive.

3.4.2 The Connétable of St. Saviour:

I am sure we are all delighted by that news from the Chelsea Flower Show; that is good for the Island. On a serious note this was a map for visitors. It left out the name of the Parish that included the 2 largest hotels in the Island and I cannot help feeling that might well have been confusing for those visitors. It is going against the very thing it is trying to do. While it is good to hear that they are making savings I am concerned that if out-sourcing is done, if perhaps this work is done locally, there is less likely to be this sort of mistake because it becomes more obvious to someone who knows the Island. If that is the case perhaps the Minister could explain how he thinks the savings are worthwhile if the mistakes are still made?

Senator A.J.H. Maclean:

Yes, I thank the Constable and clearly I do apologise bearing in mind it is, of course, his Parish that was omitted from the said map. The map itself, as I mentioned earlier, was indicative of tourist attractions, not of hotels and clear guidance is given to the location of hotels by the very excellent staff at Jersey Tourism. I can also assure the Constable that in the future this publication has just been out-sourced. They have not done the next re-run of this particular map. This error will be corrected and I think it is a very positive move, but it is going to be self-financing and the department and the States are demonstrating genuine cost savings particularly in this current economic climate.

The Deputy of St. John:

A final supplementary.

The Bailiff:

No, I am sorry, Deputy.

The Deputy of St. John:

It is usual that the Member who asked the question has the final supplementary.

The Bailiff:

Not always. It is a matter for the Chair, Deputy. **[Laughter]** The Deputy who asks the question is generally permitted to have a supplementary, that is perfectly true, but you have had your supplementary.

3.5 Deputy M. Tadier of St. Brelade of the Minister for Economic Development regarding the cash machine facility at Jersey Airport:

Does the Minister consider that it is satisfactory that the airport is now without any landside cash machine and will he inform Members of progress in negotiations to find a new operator for the facility?

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

No, I do not. I am both saddened and disappointed by HSBC's decision to remove the cash dispenser in the arrivals hall at Jersey Airport and I share the disappointment felt by some users in this regard. The circumstances that led the bank to make the decision were based on the levels of use that made it no longer viable for them to operate it. It has never been the intention of Jersey Airport to lose this facility, but we have no other option but to accept the bank's decision, a decision that is understandable in the current economic climate where all businesses are looking to trim unnecessary costs. I can confirm that Jersey Airport is talking with alternative suppliers in the hope that a suitable landside site can be identified and a new facility reinstated in due course. However, while we would like an immediate resolve to this issue we cannot realistically expect a quick decision as this site gets low usage compared to comparative cash dispensing locations.

3.5.1 Deputy M. Tadier:

Once again we see that economic climate excuse being used to cover a multitude of sins. I would ask the Minister respectfully whether he would consider when the contract for the internal cash machines, i.e. the machines which are airside, come up for renewal, whether there could be a specific clause, a service level agreement, so that anyone who takes on the more lucrative cash machines within the building are obliged to provide facilities on the landside. Would he consider this?

Senator A.J.H. Maclean:

It is a commercial decision. First of all, I should say to the Deputy that the bank providing the facility airside would not describe those particular facilities as lucrative. They are there as a facility. They do wash their face, but they are certainly not overly profitable. We will continue to work hard. I can assure the Deputy that my department is not sleeping on the job in this regard. We will continue to work hard [Laughter] in what is a serious issue. I do appreciate the Deputy's concerns and indeed some Islanders who have concerns in this regard, but it is not an easy solution to rectify it.

3.5.2 Deputy M. Tadier:

Notwithstanding the Minister's very brave attempts at a joke there, which I **[Laughter]** will concede did raise certain levels of mirth, I think this is only further indicative of the flippancy of the situation. I have received the flippancy of attitude right through when I have been trying to deal with this. Does he not accept that not only are we a tourist destination - certainly we have been - we are an international finance centre *par exellence*, so we say, and we cannot even manage a cash machine to welcome people when they come into the Island. Places like Anguilla and Tobago, when I have been there, certainly have all had cash machines - Jersey cannot even manage one so I would suggest respectfully that we do not make light of this. Does the Minister agree with those sentiments?

Senator A.J.H. Maclean:

I would point out to the Deputy that first of all, we are not making light of these issues at all, but it is a commercial matter. It is not Jersey Airport who runs the cash machine; it is the bank that runs and operates it at some considerable cost. Do you expect a commercial operation, a bank, to lose money running and operating a facility? It is as simple as that. It is not viable. We will continue to try and find alternative operators of these facilities, but because of the low usage it is not easy.

3.5.3 Deputy J.A. Martin:

Given the size of Jersey Airport is there any clear signage for arriving passengers to tell them that at least 100 yards away there is a cash machine?

Deputy M. Tadier:

There is no cash machine. That is the point.

Deputy J.A. Martin:

I am sorry; it was there the last time I left the Island. [Laughter]

Senator A.J.H. Maclean:

Perhaps I could just clarify for the Deputy. The cash machine is on the airside so it is there for passengers as a facility and a service. There are remaining cash machines for passengers who are about to travel. It is not available, clearly, to those who have just arrived.

3.5.4 Deputy M. Tadier:

Would the Minister consider putting up a sign saying that Jersey is closed for business at the airport for tourists and that we do not want them coming over?

Senator A.J.H. Maclean:

It hardly deserves an answer. I am afraid the Deputy was talking about flippancy earlier on; this particular question is descending to a farcical level.

3.5.5 Deputy C.F. Labey of Grouville:

Would the Minister not agree that the general welcome in brochures, posters, general merchandise at the airport is utterly dismal?

Senator A.J.H. Maclean:

No, I would not say it is utterly dismal. There is always room for improvement. There are various improvements that have been made and more that will be, but the constraints as always - and particularly at the moment - are with regard to the cost of making such improvements. We have to remember in the current economic climate the airport is seeing passenger numbers falling by 11 per cent. That has a significant on costs. We are demanding from the airport management team that they find savings. It is not an easy task. They also have to try and drive additional revenue. We will continue to improve as and when it is affordable.

3.6 Deputy G.P. Southern of St. Helier of the Minister for Health and Social Services regarding the future of Brig-y-Don:

What progress, if any, has the Minister made in resolving the issues surrounding the future of Brigy-Don and, if none, what plans does she have to do so?

Deputy A.E. Pryke of Trinity (The Minister for Health and Social Services):

I am very pleased to be able to give the Deputy and this Assembly an update. Since the last sitting last week I have met with the patron of the trust, the Lieutenant Governor, and the chair of the Brigy-Don committee as well as the head of house to resolve the outstanding issues regarding the future of Brigy-Don Children's Home. From the meeting yesterday, I believe a way forward has now been found and I hope to bring this to the States in the not too distant future. The home will still be closing at the end of August so that necessary refurbishment can take place. Plans are in place to ensure appropriate placement is going to be found for all the children over the coming weeks and months. Arrangements have also been in place to provide employment within the department for staff wishing to continue their careers within Health and Social Services. The charity has worked extremely hard to maintain good communication with their staff while plans are being developed

and the charity has sufficient funds to meet any obligations regarding redundancy arrangements for any staff remaining with them when the home closes.

3.6.1 Deputy G.P. Southern:

Can the Minister indicate to Members now whether Brig-y-Don will be reopening and under what conditions will it do so? Has she made any progress in achieving an acceptable service level agreement between her department and the trustees of Brig-y-Don?

The Deputy of Trinity:

Yes, I have said we are in the process of just finalising it. It is very positive, but I said the home will still be closing for refurbishment and it will be reopening in mid-2010 as a 6-bedded unit which will look after vulnerable children.

3.6.2 Deputy G.P. Southern:

Is the Minister aware whether there will be any redundancies as a result of this process and if so at what level they will be?

The Deputy of Trinity:

I do not have that information. I know that the H.R. (Human Resources) Department of Health and Social Services have been down to work very closely with the head of house and that process is going through. Some of them may wish to stay within Health and Social Services and some staff who have been there, I know, for a long number of years - 30 to 40 years in some cases - may choose not to. I do not have the figures.

3.6.3 Senator S.C. Ferguson:

With regard to all the toing and froing about Brig-y-Don would the Minister like to confirm that it will not end up with Brig-y-Don being in effect absorbed by the Health Department?

The Deputy of Trinity:

The plans are that the staff will be employed by Health and Social Services and the building will still be owned by the charity of which there will be a head of home. There will be some details within the service level agreement and once that is finalised between the charity and the department and myself those issues will be addressed.

Senator S.C. Ferguson:

So in effect it is a takeover of Brig-y-Don by the Health Department?

The Deputy of Trinity:

We are in a situation that the charity at the end of August did not have sufficient funds to continue as they were. They had sufficient funds to continue until the end of August and that is why they had to give redundancy notices to the staff at the beginning of this month. They will still own the building and they will still be part of the overall ethos of the way forward for the home.

3.6.4 Senator S.C. Ferguson:

Four years ago Brig-y-Don had a considerable amount of money in reserves. I fail to see how it has got to the point where they can no longer afford to run.

The Deputy of Trinity:

Things have changed. The trust has said to us they do not have any money. The department has looked into that and they had sufficient funds to be able to work until the end of August.

3.6.5 The Deputy of St. John:

Given that the Health Department are to take over the workforce could we be told the numbers of staff, the increase in numbers that will be within your department when this workforce is taken on?

Has the Minister taken this to the Council of Ministers and are they in agreement that we should be increasing our workforce at this time?

The Deputy of Trinity:

As I said, there are about 17 staff; some of them are full-time and some of them are part-time. The actual number is yet unsure because some of them will stay within Health and Social Services and some may wish to retire.

3.6.6 Senator S. Syvret:

Could the Minister inform the Assembly what is the preferred option of the Brig-y-Don management committee: that they de facto be taken over by Health and Social Services or that they remain a completely independent organisation, but sufficiently supported with adequate grant aid from the States? Which of those 2 options do the management committee themselves prefer?

The Deputy of Trinity:

The chair of the trust and the committee wish to still own the home and wish it to still be used for vulnerable children. As a way forward, the trust was set up about 89 years ago, something like that, and it has evolved over the years. The main aim is still to look after vulnerable children.

3.6.7 Senator S. Syvret:

With respect, I do not think the Minister answered my question. Would the management committee prefer to remain an independent organisation running Brig-y-Don themselves as opposed to being partly taken over by H.S.S. (Health and Social Security) and having staff employed by H.S.S?

The Deputy of Trinity:

No, they are very keen that Health and Social Services take over the running of the home.

3.6.8 The Connétable of St. Saviour:

Given that the home had a very good track record with the children and was highly praised in the report, there were problems in the past with, shall we say, difficult problem children being required by Health to stay at the home. This did cause problems with the children that were at the home. Can the Minister give us some assurance that a very careful watch will be put to make sure that the appropriate children are placed in care there because with the small number involved one older child I believe has caused considerable problems in the past?

The Deputy of Trinity:

Yes, I am very much aware of that issue and that was a very important issue that the chair of the home discussed with me, as well as the patron. Those issues are going to be addressed within the service level agreement and we will look at those issues.

3.6.9 Connétable L. Norman of St. Clement:

As the department will be operating the business out of private accommodation will the department be paying rent to the Brig-y-Don Trust? Who will be responsible for the maintenance and upkeep of the building? If the department is not paying rent and the trust has no money how will the trust be able to survive?

The Deputy of Trinity:

The rent is a peppercorn rent and that still has to be finalised, as to exactly what peppercorn rent means and the ongoing management, there are still those issues to be finalised. How the trust goes with the money, that is for the trust to look at.

3.6.10 Deputy G.P. Southern:

Would the Minister confirm that in the service level agreement control of who is treated in the home, who is accepted in the home, remains to a certain extent with the management of the home and if she cannot say that will she say whether her department is negotiating to make sure that it has sole control?

The Deputy of Trinity:

As I said, that area was a very big issue for the charity and I fully appreciate that. Those are the finer details which we are working out and we will come to a good agreement fairly soon.

Deputy G.P. Southern:

The second half of the question has not been answered. Is it the intention of her department to negotiate that her department has sole control over who is placed in the home?

The Deputy of Trinity:

There will be a process still very much to be finalised, but if there is a child there that the charity does not wish to have there, there will be a process put in place to look at the reasons why and move forward from that. Those are the finer details which, when they are finalised, I will let the Deputy have a copy of, as well as States Members if I can.

3.7 The Deputy of St. John of the Chief Minister regarding the reimbursement of the Chief Executive, Health and Social Services Department for a course of guitar lessons:

Can the Minister advise Members whether the Chief Executive claimed reimbursement for a course of guitar lessons that he missed while working on the department's response to the Haut de la Garenne inquiry and if so, was the reimbursement claim authorised and how much was repaid to the Chief Executive? In fact, this question originally was to go to the Minister for Health, but the Chief Minister rang me at the weekend and asked me if he could answer it due to him being in charge of employment.

The Bailiff:

Is the question accurate? I think the question now should read: "Chief Executive of the Health Department", should it not?

The Deputy of St. John:

It should, but I am reading off the States document that I have in front of me and, therefore, I can amend it. "The Chief Executive of the Health and Social Services Department", if I can put that amendment in.

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

Yes, the Chief Officer, Health and Social Services Department did claim for reimbursement of missed guitar lessons totalling £252. As is normal procedure the claims were authorised by another senior officer in Health and Social Services. They were verified by the guitar teacher and checked against specific work commitments to ensure that they were justified. While the claim was fully justifiable under the Code of Conduct, I have no doubt that it was an error of judgment by the officer concerned and in hindsight he now accepts this. Accordingly, he has not only agreed to refund the money claimed, but also by way of apology agreed to donate a similar some to a health-related charity.

3.7.1 The Deputy of St. John:

Given the Minister's reply can the Minister confirm that the reimbursement was authorised by the Director of Finance and also confirm that the Director of Finance is a subordinate of the Chief Executive and who, if anyone else, scrutinised the claim and concurred it should be paid? Can the Minister advise if he believes the claim was justifiable? He has done that bit of it, but I have

concerns. Can the Minister further advise whether such a claim would be acceptable under the rules of executive expenses in force in the United Kingdom health service?

Senator T.A. Le Sueur:

Firstly, yes, I can confirm that it was authorised by the Director of Finance at Health, but I should add that following this incident I have reviewed the procedures in place for authorising such expense claims. While I am satisfied that the procedures are clear I have asked that they be made more explicit and that any claims of an unusual nature must be referred to the Chief Executive of the States or his deputy. This instruction has now been given to all parties involved. As to the U.K. (United Kingdom) I have no knowledge of what the U.K. code of conduct would say in this particular case.

3.7.2 The Deputy of St. John:

A supplementary on that one, if I may; a continuation. Can he confirm the accountant or accounting officer is a subordinate of the Chief Officer and that being the case what other steps have been in place until now to double-check expenses of the Chief Officer?

Senator T.A. Le Sueur:

Clearly the Director of Finance is subordinate to the Chief Officer. The Chief Officer by definition is the superior officer. The procedure was set out in financial directions set out in the Treasury Code of Directions and applies in the normal case to all expenses of a general nature. As I have indicated, for unusual situations - and this one is clearly more unusual than most - it is now clear that such decisions should not be made by a subordinate officer, but should be referred to the Chief Executive of the States.

3.7.3 Deputy R.G. Le Hérissier:

Would the Chief Minister not accept that this approach is out of tune with current public thinking and will he promise that all the rules will be recast, rewritten and shown to the States?

Senator T.A. Le Sueur:

I do not think there is a need to recast every single rule. Certainly one can and should review the code of conduct for officers and for States Members and we will be doing that. I think what I have indicated here is we acknowledge that this matter does need to be dealt with at a high level and that is now being ensured, that all people are aware of that rule.

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

Will the Chief Minister give his definition of what claims of an "unusual nature" are?

Senator T.A. Le Sueur:

I think the normal claims one would expect an officer to be putting in would be for routine travel or entertaining or costs of that nature, and those would quite clearly be appropriately dealt with by the Director of Finance or whoever concerned. Where there are matters which the accounting officer considers would not be routine in terms of things like travel and entertainment then if he or she is in any doubt whatsoever he should refer the situation to the Chief Executive. I have no doubt that in the interests of caution any accounting officer will make sure that if he has any doubt whatsoever he will err on the side of that caution and refer it to the Chief Executive.

3.7.5 Senator S. Syvret:

I was not aware it was the taxpayer's duty to fund mid-life crises, but there you go. Will the Chief Minister recognise the issues that arise out of this in terms of accountability and power? I have had to work for 2 months in the summer of 2007 without taking as much as one whole morning or one whole afternoon off. On several occasions I had to work literally 24-hour days. Some of the work I was doing during that was to identify, make contact with and recruit Professor June Thoburn and I

then had to strike an agreement with her that was an absurdly cheap agreement. I could not agree to pay her the monies she deserved because to do so would have required going through all kinds of hoops and hurdles via the financial planning of the department. Has not something gone badly wrong with the system when a Minister cannot employ an internationally renowned child protection expert and the Chief Executive of the department, who incidentally was trying to obstruct that process, gets his guitar lessons funded?

Senator T.A. Le Sueur:

I think that is a totally irrelevant *non sequitur* and I refute it completely. I do appreciate that the Senator worked hard in that respect and indeed the Chief Executive, Health and Social Services Department has worked tirelessly for the last 18 months and well over and above the course of duty, but that is perhaps not the issue at hand **[interruption]**. I ask the Senator to withdraw that remark

The Bailiff:

I'm sorry, I did not hear it. What was the remark?

Senator T.A. Le Sueur:

He was talking about bribery.

The Bailiff:

Senator Syvret, did you make such a remark?

Senator S. Syvret:

I did, yes.

The Bailiff:

Will you please withdraw it?

Senator S. Syvret:

For the interests of the Assembly I will withdraw it. I shall put it on my blog and it does concern bribery.

Senator T.A. Le Sueur:

I do not think there is much more that I can usefully add to the fact that the Senator clearly has a different point of view from the majority of us about the ability of States to spend money. As we have seen, Professor Thoburn was indeed appointed by the States. She no doubt accepted the terms and conditions of that contract and I believe that we had an excellent outcome as a result. I do not think it is relevant to the question of guitar lessons.

3.7.6 Deputy M. Tadier:

While it is not my place to defend the Chief Officer in any way I believe we are focusing on the wrong area here. Will the Chief Minister confirm to the Assembly that in fact a decision has already been made behind closed doors to get rid of the Chief Officer and that the *J.E.P.* headlines are simply the first wave of propaganda against the Chief Officer emanating from his department? Would he also confirm what the relationship is between his department and the *J.E.P.*?

Senator T.A. Le Sueur:

No, I do not know where the Deputy gets his information from. I believe he is totally misled. My relationship to the J.E.P. and that of other States Members is that of trying to help them provide correct information to the public.

3.7.7 Deputy S. Pitman of St. Helier:

The Chief Minister has spoken of officers' expenses. Would he consider publishing a list of such claims to put taxpayers' minds at rest that their money is being well spent?

Senator T.A. Le Sueur:

Yes, a request has already been made for those expenses to be published and that information is now being collated.

3.8 The Deputy of St. Mary of the Minister for Transport and Technical Services regarding the £3.62 million rise in the project cost for the new incinerator:

For the avoidance of possible confusion I would point out before I ask this question that the £3.62 million I am talking about is not the £3 million that the P.A.C. (Public Accounts Committee) have been looking at in relation to the failure to hedge the euro at the time of the contract. It is a different £3.62 million. Further to the answer given on 28th April 2009, can the Minister explain the precise reasons why the £3.62 million rise in the project cost for the new incinerator between the lodging date of P.72/2008 and P.73/ 2008 and the date of the debate was not reported to the States.

The Connétable of St. Brelade (The Minister for Transport and Technical Services):

At the time of the debate of P.72 and P.73 the lone cost of the La Collette Energy from Waste facility was the same as that indicated within the report and proposition. I do not recognise the £3.62 million the Deputy is referring to. It may be that the Deputy is referring to the nominal increases in cost of the project due to currency movements as indicated within the Comptroller and Auditor General's report on management of foreign currency exchange risks. If so, it should be made clear that at the time of the debate the intent of the Treasury and Resources Department was as set out in P.73 to close off the currency risk at contract close and, therefore, the currency impact was not known and indeed could have been a positive figure. Similarly, if the Deputy is referring to the costs of ensuring that the building was of a sufficiently high quality design to meet detailed planning consent, then there were no further confirmed costs that were known to the department at the time of the debate of P.72 and, therefore, there was nothing further to report to the States during the debate.

3.8.1 The Deputy of St. Mary:

Can I ask a supplementary? Yes, the Minister refers to a nominal increase. I do not know what is nominal about an increase of £3.62 million. The fact is that the Comptroller and Auditor General's report which he now does refer us to on page 10 quite clearly says that if the euros had been bought immediately the States approved the procurement, that is on 10th July, the project would have cost £109.63 million, which is £3.62 million more than what they voted for and I would like the Minister to say whether he agrees with his Chief Officer who told the P.A.C. a couple of weeks ago that he accepted responsibility as accounting officer for the management of the project and he made it clear during the course of the hearing that included costs. So, we are not talking about how the money is found, we are not talking about whether the Treasury go away and do this or that.

The Bailiff:

Could you come to the question please?

The Deputy of St. Mary:

Could he say whether he agrees with his Chief Officer that the Chief Officer is responsible for costs and should have told the House that, in the intervening 6 weeks, the cost had risen?

The Connétable of St. Brelade:

I agree with the Deputy that the Chief Officer is responsible for costs as accounting officer for the department, but I cannot agree with his contention over the figure submitted. If I may refer to the

written question that the Deputy mentioned, £109.93 million, which is referred to on page 10 on the Comptroller and Auditor General's report, the figure relates to a nominal total project cost created by the Comptroller and Auditor General for 10th July 2008, the day following the States approval of the procurement, assuming that all euros had been bought immediately the States approved the procurement. This figure, therefore, is a theoretical figure that it might have been possible for the Treasury and Resources Department to secure had they ignored the wording of P.73 which required to fix the currency at the contract approval, a secured currency at the going rate on 10th July. I cannot do much more than that I am afraid.

The Bailiff:

Very well. We come next to Question 9. Question 9, Deputy Tadier, is to be deferred for 2 weeks, I understand. The next question is the name of Deputy Higgins of the Minister for Treasury and Resources.

3.9 Deputy M.R. Higgins of St. Helier of the Minister for Treasury and Resources regarding the extent of all borrowing by the States, States-owned entities, States-controlled entities, Parishes and other bodies whose loans are guaranteed by the States:

Would the Minister advise the Assembly of the extent of all borrowing from whatever sources by the States, State owned entities, State controlled entities, Parishes and other bodies, whose loans are guaranteed by the States giving details of the projects, timescales, rates of interest and most importantly, total States liabilities to these loans?

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

I would hope that the Deputy would agree and the Assembly that this is probably a question more appropriately directed as a written question. [Approbation] I also will say to the Deputy that the States accounts presented to the Assembly each year provide details of States borrowing and liabilities and the 2008 accounts are to be published very shortly. What I can say, and I will do this as quickly as I can, the States does not have any traditional borrowing. There are a number of guarantees, as Members will be aware, in place for a number of issues. One example is a guarantee to HSBC of up to £14.9 million for amounts outstanding in respect of the Jersey New Waterworks Company. Secondly, there is a guarantee to Barclays Bank for a maximum of £4.7 million for amounts in respect of loans to the Jersey Arts Trust in connection with the renovation of the Opera House. The States also provide guarantees in respect of 2 particular schemes, the small loans guarantees scheme where the States guarantee up to 75 per cent of loans, total £641,000. There are also loans for students in higher education which total £418,000. In the past the States has, and these are a number of years ago, entered finance lease arrangements for certain capital projects, Morier House, Maritime House, at the John La Fondré Departure Hall at the airport and the airport alpha taxiway. These last 2 examples, of course, being slightly different as they relate to the commercial undertakings of the airport. In essence, this information is into the public domain. Jersey has virtually no debt, some guarantees but all of which are, of course, substantially offset by the significant cash resources that the States has, unlike most other jurisdictions of other governments in the world.

3.9.1 Senator S. Syvret:

Could the Minister inform the Assembly what potential liabilities exist for the various States pension funds and will these be included in the accounts when they are published?

Senator P.F.C. Ozouf:

There is some, and I am increasingly recognising the need for us to communicate far better exactly what the liability for State pensions are. The fact is, that unlike again other governments, changes were made to our public sector employment pension, that the liability legally for any deficits

remains with pensioners and the current active members and past pensioners. If there was a deficit then there are effectively the regulations set out that benefits would be adjusted and that is accepted by the States auditors who do not make a contingent liability in terms of the public sector deficit. I recognise, however, that the Senator and others may not fully understand the scheme and the public sector scheme and I undertake further to perhaps give a presentation to States Members on behalf of the States Employment Board with the Chief Minister to better explain it because clearly there are some hares running around here.

3.9.2 Senator S. Syvret:

The question is that while there may be no strict legal liability for these debts, is it not the political reality and the social reality that if the funds do hit serious difficulties, people are going to look to the States to meet the deficits?

Senator P.F.C. Ozouf:

One thing I have learned with Senator Syvret is everything is a crisis and everything is a major problem. Let me be clear. Our public sector employment's pension scheme has had a number of changes made to it that this Assembly have debated in recent years, most recently in dealing with the past service liability. There are issues with the States pension scheme, but they are minor in nature and let nobody in this Assembly believe that there is some yawning black hole which taxpayers will have to fund. The liability is for pension holders and the current contributors, not this Assembly.

3.9.3 Senator A. Breckon:

I wonder if the Minister could explain where the letters of comfort that were given housing associations and trusts sits with States guarantees?

Senator P.F.C. Ozouf:

That is a very good question, and certainly the States in the past have given some letters of comfort in order to facilitate and to assist housing associations to build some 800 units of social rented accommodation. They vary in different degrees and they have been tightened and loosened as the requirements of markets. Currently I am in discussions with the potential issuing of some further letters of comfort. They fall short of a guarantee in respect of some social housing schemes to make social housing schemes happen and particularly I am very keen to see social housing schemes for the Parishes develop for our senior citizens. But if the Senator wishes more information on that, I am happy to disclose that in a written question, if that is of assistance to him.

3.9.4 Deputy R.G. Le Hérissier:

In terms of the general principle, would the Minister not concede that if a project like the incinerator is built to serve future generations, then its financing should be spread over the period of its service to those generations?

Senator P.F.C. Ozouf:

My answer to that is very simple. If there is a revenue stream that one can put against the repayment, then there would be a case potentially of borrowing because effectively then you could allocate it. I am afraid that there is no appetite in this Assembly, despite some strong environmental arguments, in favour to introduce a black bag tax that would pay for the incinerator. I am not suggesting that one should be done. I am not suggesting that that is the case. There is no revenue stream for the incinerator and that is the reason why it should be taken in whole at once and paid for. We meet our liabilities in the year they are expenses. Not many governments do that.

3.9.5 Senator J.L. Perchard:

Will the Minister for Treasury and Resources, who says that hares have been set running by concerns over the debts that now exist in the public employment retirement scheme, undertake to

seek up-to-date legal advice on whether the liability for the deficits clearly falls with pensioners that are recipients of pensions, present members of the scheme and future members of the scheme and report back to the States of Jersey to confirm that the liability stands with those that enjoy the benefits of the scheme and not with the taxpayer?

Senator P.F.C. Ozouf:

I am happy to do so. The Senator, who was a Member of the States Employment Board, will be aware of the formal process of the publication of the actual variation. The actual variation for 2007 is going to be released, as I understand it, very shortly and certainly as far as the legal advice, of course, the S.E.B. (States Employment Board) takes advice in relation to its obligations. Let there be no doubt while there is not a crisis in terms of pensions there are, in good planning sense, in forward looking, in prudent assumptions of future employment, et cetera, there will be needing to be some changes inevitably made to pension contributions going forward. That is not a surprise and it is certainly nothing that other governments in other public sectors are not having to deal with.

3.9.6 Senator J.L. Perchard:

The Minister, thank you for his answer, but did not answer the detail, and that is I asked him to get up-to-date current legal advice on the scheme and who is liable for the deficit and report back to this Assembly. Will he do that and when will he do it?

Senator P.F.C. Ozouf:

I will do so. That is an issue for the States Employment Board which is chaired by the Chief Minister. I will consult with him. Clearly there is an issue which is of concern to Members. We need to explain it. I can say to Members that yesterday the S.E.B. met for 2 hours discussing exactly what the issues are in relation to the public sector schemes and other pension arrangements. As we do normally, we act upon advice, but I give that undertaking.

3.9.7 Senator B.E. Shenton:

Will the Minister confirm that the liability already taken by the States for the pre-1987 debt is now in excess of £200 million and at the meeting yesterday it was rather an emergency meeting because the past service deficit, which should only be attributable to pensioners and members of the scheme is now in excess of £70 million?

Senator P.F.C. Ozouf:

The Senator really must, I think, take some responsibility for ensuring that hares are not running. That is absolutely not the case and the Senator would not expect me to discuss the details of a States Employment Board discussion. What he says is absolutely wrong.

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

Would the Minister not agree when these sorts of questions arise in the States it sets grave concerns among the community, among the retired ex-employees and the current employees? Would he undertake today to issue a statement this afternoon to reassure those members because I know from having been on this committee of management for a number of years anything like this raised under these sorts of conditions, there are serious concerns from people that are in retirement, quite possibly ill health retirement, that have serious issues about these sorts of worries and I think we need to stop some of these hares that have just been set running. Would the Minister undertake to reassure probably now some concerned members of our community?

Senator P.F.C. Ozouf:

I would hope that some remarks by a Senator in asking questions should not be taken and extrapolated into any sort of issue. These are issues which have been in discussion in relation to the public sector pension scheme for a long time. I am learning about these issues, I am asking questions so that I can understand it. In relation to the past service liability, the Senator is well

aware that this Assembly made a decision to make a contribution on an annual basis, I think £1 million or £2 million a year, to deal with that issue. There are actuarial valuations that are carried out on schemes and they will be dealt with, but there is certainly no issue. There are going to have to be some changes made to the scheme. That is the same in other places and we have been well served and well funded in terms of our schemes. I am not going to rush into any announcements. That would be wrong, that would be the responsibility of the Committee of Management and others to do so, but I will discuss with the Chief Minister to make appropriate statements that could certainly give people confidence about the schemes that we have which is the truth.

3.10 Deputy A.K.F. Green of St. Helier of the Minister for Transport and Technical Services regarding the disposal of green waste at Warwick Farm:

Given that on 23rd January 2009 residents were told that the proposed disposal of green waste site at Warwick Farm was to be a temporary arrangement, will the Minister explain why residents have now been advised that this could become permanent and why assurances regarding skip movements at weekends are not to be kept? Could he also advise the estimated costs of the new green waste infrastructure at Warwick Farm including the management of traffic?

The Connétable of St. Brelade (The Minister for Transport and Technical Services):

I attended a meeting with local residents on 23rd January 2009, and indeed yesterday morning, where they were advised that the planning application for the proposed public green waste reception site at Warwick Farm was for 3 years and this remains the case. The reason for this temporary application was to enable the consideration of 4 short-listed locations for a permanent site linked to the capital allocation of £1.4 million in 2010 for a permanent reuse and recycling centre. One of these 4 remaining locations is Warwick Farm, the others being the current Bellozanne site, a site at Howard Davis Farm and the former green waste reception site in St. Peter. The outcome of this short-listing process was the subject of a public ministerial decision by my predecessor, as Minister for Transport and Technical Services, on 11th December 2007. The ministerial decision T2007/0113 refers. The requirement for movements of green waste containers at the weekends has always been made clear. My department undertook to ensure that such movements did not take place before 9.00 a.m. on weekends and this undertaking has been, and will continue to be, respected. The estimated capital cost of the temporary green waste site at Warwick Farm is in the region of £200,000. The estimated revenue cost including the management of traffic is £180,000 per annum.

3.10.1 Senator J.L. Perchard:

Could I just be clear? Did the Minister say that this was an arrangement for 3 years and then went onto say: "this temporary arrangement" or "this would be possibly one of a number of sites on a permanent basis"? I am not quite clear about that. Could the Minister clarify?

The Connétable of St. Brelade:

This application was on a 3 year basis. I think it is fair to say that the department will have to review the situation during this period. There are a lot of permutations in that we have changes going on, certainly we will have changes going on in Bellozanne Valley due to the relocation of the E.f.W. (Energy from Waste) plant when the new one is completed. That may bring about different issues and it may give different opportunities which we may take advantage of. So, in terms of practicality, it seems to me that the ideal way forward is to have a 3 year arrangement there and review it at the end of that period.

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

I met with residents, officers of T.T.S. (Transport and Technical Services) and the Ministers yesterday to discuss the transfer of the domestic green waste facility from La Collette to Warwick

Farm. Among the many issues discussed yesterday was the impact on residents of Sunday working. Would the Minister please consider no Sunday working or if he feels this is not possible, a later starting time in order to give the residents some peace and quiet which surely they are entitled to on a Sunday?

The Connétable of St. Brelade:

While I respect the needs of residents in all these situations, it must not go unnoticed that Warwick Farm is a commercial site belonging to the States and it must be used to its full potential. It is almost languishing in a state of unuse at the moment and the nearby residents did bring up several important points yesterday, and I think the most important was that of traffic management on the main road and also pedestrian crossing on the main road as well as circulation issues. I find it difficult to reconcile a situation where neighbours have a field in front of them and they are trying to control the use of this site which is an important commercial site. I cannot agree that it should be closed on Sundays. The public have a requirement to deposit their waste from a reasonable time on a Sunday morning. Many people are morning people as opposed to night people and I do not see that we can possibly put any restriction in place. While I respect the needs of neighbours, and we will put up suitable screening so that any views are not spoilt in any way, I think they have to understand this is a commercial site and it needs to be used sensibly.

3.10.3 Deputy J.A. Hilton:

Yes, I accept that is a commercial site but it has not had the usage that it is going to have in weekends when the facility transfers, and all I am asking is that surely people are entitled to some peace and quiet on at least one day of the week. The proposal is to open this facility at 8.00 a.m. on a Sunday morning. If the Minister cannot see his way to closing the facility on a Sunday, would he please consider opening the facility a little bit later in the morning? Thank you. [Approbation].

The Connétable of St. Brelade:

We have agreed that skip movements will be restricted, certainly in the early hours, but I would be one for taking my waste to a site on a Sunday morning at 8.00 a.m. and I see nothing wrong with that during the growing period. This does not happen during the winter period and I think that during the busy times of weekends and such, it is very restrictive and I do not think it is a great encroachment on the neighbours.

Deputy J.A. Hilton:

I am sure the Minister would not agree to that if the facility was 10 yards away from his house. [Approbation]

3.11 Deputy K.C. Lewis of the Minister for Health and Social Services regarding efforts to prevent outbreaks of M.R.S.A:

Further to reports of more outbreaks of M.R.S.A. (Methicillin-resistant staphylococcus aureus) will the Minister be taking steps to ensure that medical staff do not wear their uniforms home and have adequate changing facilities and if not, why not?

The Deputy of Trinity (The Minister for Health and Social Services):

The hospital operates a search and destroy policy with regard to M.R.S.A. infection and this ensures that the incident of infection remains very low in comparison to the U.K. The hospital has not had recent M.R.S.A. outbreaks but our ability to isolate patients with M.R.S.A. in single rooms is not always practical or possible and, in such instance, such patients may be nursed in one area. This is accepted practice and, as such, does not imply an outbreak. In general, medical and surgical ward staff are allocated dedicated uniforms and, in some clinical areas, changing facilities may be limited, therefore, some staff travel to and from work in their uniforms which should be covered.

These uniforms are laundered at home which is standard practice in the U.K. trusts so as not to overwhelm the hospital laundry facility. It is hoped to incorporate better changing facilities within any new refurbishment of the hospital infrastructure. Also the staff in some high risk areas, such as the renal unit, accident and emergency, theatres and intensive care, do wear scrubs and the staff change in and out of scrubs at the beginning and end of each shift.

The Bailiff:

Your time has expired, Minister.

3.11.1 Deputy P.V.F. Le Claire:

Could the Minister please inform us, if not today, quite succinctly in the future, whether or not our staff in Jersey as nurses and doctors are tested for M.R.S.A. and whether or not U.K. doctors and nurses are tested for M.R.S.A.? If they are, how often does that occur?

The Deputy of Trinity:

I do not have that information but I can get it to the Deputy and States Members.

3.11.2 Deputy K.C. Lewis:

I wish to emphasise that I have the utmost admiration and respect for health care personnel in Jersey. They face huge challenges in the every day battle against health care associated infections like M.R.S.A. and C. difficile, but the simple precautions should be enforced such as uniform cleaning facilities and ...

The Bailiff:

This is the time for supplementary questions, not speeches. Come to the question please.

Deputy K.C. Lewis:

This is the question, Sir. Visiting relatives should also be required to use antibacterial hand cleaning gel before and after entering wards and be requested not to sit on the beds. Does the Minister not agree?

The Deputy of Trinity:

Infection control is very important not only for the staff, the doctors, but also for visitors and as I am sure you are aware, if you go into wards, there are a lot of surgical gel appliances around each ward and the relatives are encouraged to use it sensibly and to use it as they go in and as they out of the ward.

3.12 Deputy T.A. Vallois of St. Saviour of the Minister for Treasury and Resources regarding possible job losses in the finance sector:

In order to inform the debate on the economic stimulation package and clarify the widely varying reports as to potential job losses, will the Minister release to the Assembly the Jersey Finance reports taken over the last 6 months regarding possible job losses in the finance sector that may result from the world financial crisis and economic recession?

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

In the course of preparing our economic projections in general and our specific proposals for the economic stimulus package, extensive research was carried out inside and outside of the States. The Assembly will be, in particular, familiar with the work of the Fiscal Policy Panel. As Members would expect with responsibility for our leading industry finance, Jersey Finance carried out extensive research of their own with their members and prepared, as I understand it, their own possible scenarios. This highly sensitive and obviously commercially sensitive information has been reviewed. They were, in fact, made at the time in the run up of the G-20 Summit when there

was a particular concern to stress test our financial services industry. We have taken on board a wide range of information and based the information on the best that we have to prepare a concrete set of forecasts and proposals. Not surprisingly, such conclusions will differ from some of the more extreme scenarios put in the public domain by some. We have taken a balanced view, but what I can say is that the one individual that made comments about extreme job losses in finance, I spoke to him over the weekend and he has confirmed that he is happy with our central forecasts.

3.12.1 Deputy M.R. Higgins:

Referring to the individual that the Minister has just spoken to, at the Corporate Services Panel he publicly stated that one report, and I accept that we have to have wide ranging and sort of worse case scenarios, was that 30 to 40 per cent of the finance industry jobs could be lost, and the one sector that was particularly vulnerable of finance was banking. Now, I know he has subsequently said in the *Jersey Evening Post* 10 per cent. Can I ask the Minister what the latest projections are from the department as to the possible job losses caused by restructuring of finance, not only the regulatory changes, but also the fact that mergers and acquisitions that are going to take place ...

The Bailiff:

Deputy, I think you have put your question.

Deputy M.R. Higgins:

I will leave it at that then.

Senator P.F.C. Ozouf:

Members would expect us to have done stress testing of our financial services industry to a great extent in the light of the global contagion. We are going on later this morning to discuss the economic stimulus package and I am in no illusion that there are going to be inevitably some restructurings in businesses across the Island and in financial services too. What is important is that we step up our activities in terms of promotion to ensure that if there are job losses in some areas, we have got new businesses, new arrivals, new quality business, available to soak up and to take up those employment people that cannot find work or are seeking work. That is the most important thing. Doing nothing is not an action.

3.13 Deputy P.V.F. Le Claire of the Minister for Health and Social Services regarding the number of children on the Child Protection Register:

How many children are currently on the Child Protection Register, how many of those have child protection plans and how many of those include ongoing police involvement?

The Deputy of Trinity (The Minister for Health and Social Services):

I will ask the Assistant Minister who has special responsibility for children's services to answer Deputy Le Claire's question.

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

As of yesterday there were 32 children on the Child Protection Register, all have active child protection plans and there are 10 that include ongoing police involvement.

3.13.1 Deputy P.V.F. Le Claire:

I looked through my files when I was doing the X children report and I came across a file I received from the Health Committee in 2000 which were Jersey Child Care Protection Committee, Child Protection Guidelines and Priorities. It identify the priorities of the Honorary Police, the children's police, the Jersey Police, the nursing home service, the probation service and a range of other departments in relation to their duties and responsibilities. As part of this folder, it says that the duties and responsibilities of the police are to attend the initial child protection case conferences

and share information and views and work co-operatively with other agencies to ensure the short and long term safety and welfare of the child and families involved. How is it that only 10 cases are involving the police, this document would seem to indicate that all of such cases should involve the police.

Deputy J.A. Martin:

The Deputy's question was ongoing police involvement. In fact I was shocked to learn today that the increase from the Public Protection Unit from the police has risen from 147 cases last year to 411 cases this year. This I would say, and I have asked the department, goes to show that the police are actively involved. There are other agencies all going through the police now that would not and, after initial and a lot of extra work that is put in, there are still only 32 children needing child protection and active plans and 10 of these are ongoing with the police involvement, so the work is being done. There seem to be a lot more agencies involved but, as I say, to date we still only have 10 that are ongoing with police involvement.

3.13.2 Deputy R.G. Le Hérissier:

I wonder, although not strictly within the question, could the Assistant Minister outline whether the number of children on the protection register is increasing and could she indicate who vets and approves and, if necessary, countermands the child protection plan?

Deputy J.A. Martin:

The child protection plan is signed up by many people; the social worker, the family, the child even signs up. Sometimes it will involve Education and many other players. The increase; are the numbers on the increase? On an average, no; the highest figure in January 2004 was 54 cases on the child protection register and, as I say, at the moment there are 32. These are not, of course, including children that are looked after by the department; these are children for whom there is a concern out in the community.

3.13.3 Deputy R.G. Le Hérissier:

Just a supplementary; I wonder, could the Assistant Minister confirm, she mentioned Education was sometimes involved. Is she aware of the very worthwhile experiment of having social workers in school, in fact, there was one in one school and this post has now been removed? Could she comment on whether the removal of social workers from schools is having an impact on the kind of feedback necessary for running child protection?

Deputy J.A. Martin:

There are many ways that social workers can help and we at Social Services, or me as the Assistant Minister for Health and Social Services, would like to see a social worker not just called in when there is a problem with a child. But, obviously, yes, I thought the social worker at the particular school was doing a good job. This has been rolled out in the U.K. and it is also now being rolled back so we are sort of following along the lines but we only have a few schools. We have a really good network if it is working correctly and if it is staffed correctly. We are under-staffed in child care officers and we are under-staffed in social workers but, to answer the question, in my own opinion, I think of course, a social worker who is a direct connection with the secondary schools with children, early intervention and before there is any physical or mental or sexual abuse, will always be a good thing, thank you.

3.13.4 Deputy G.P. Southern:

Has the department investigated, and if so, does it have any evidence that, at a time of rising demand and with social worker shortages, that the threshold level of reporting has been rising over recent years, in order to put somebody on a protection register?

Deputy J.A. Martin:

Yes, I do not know if the Deputy was listening when I said that last year, through the police alone there were 147 cases referred and this year there were 411, so I would say the threshold is very, very high. What I am saying is things that maybe would have not been reported before the new Children's Law and the new protocol that was put in by the police and other agencies 2 years ago may have never got reported to Social Services. The fact that these have gone up I say is a good thing because then they are all investigated. Some will be dismissed and if there is ongoing work that needs to be done, it should be done.

3.13.5 Senator S. Syvret:

Will the Assistant Minister recognise the fact that merely because a child is on the at risk register this does not guarantee necessarily the safety and protection of that child, given many horrific failings that are well documented in the United Kingdom, and would she also accept that it is entirely feasible, indeed it most certainly has happened in the past, as we have discovered all too tragically in the last 2 or 3 years, that children can in fact be in States of Jersey care, States of Jersey homes and most definitely be at risk in those circumstances?

Deputy J.A. Martin:

I thank the Senator for his question. Of course Professor Thoburn said there will be cases where children will slip through the net, at risk. In the system as we have it at present, and the Senator well knows, we had too many children's homes that are too large, staff working with the children at risk are under severe pressure, the children are not getting the one-to-one with the key workers, which is frustrating absolutely for the children and we are just passing them on through the system. The age groups that are most vulnerable and in care are between 10 and 17 and then after that, basically, they are out on their ear, and I do not think that is a very good advertisement for Jersey. If anybody would like to come with me to see the children's homes, to see the adolescent centre which is for care leavers, please ring me or contact me and I will take you there because, if anything really does need to be improved and to be implemented after Scrutiny, of course, and hopefully with even more radical changes, it is Williamson or something very similar.

3.14 Deputy G.P. Southern of the Minister for Social Security regarding the delivery of timely assistance of redundant workers:

Has the Minister held discussions with the Viscount to resolve the issue of the lack of progress in the insolvency of Collas & Le Sueur and the consequential delay in delivering timely assistance to the redundant workers concerned and would he advise what plans, if any, he has under consideration to assist redundant workers with mortgage payments?

Deputy I.J. Gorst of St. Clement (The Minister for Social Security):

Insolvency proceedings in the courts are a last resort and generally take time. Officers of my department continue to liaise with the Viscount for confirmation that Collas & Le Sueur is formally insolvent. However, interaction between myself as Minister and the Viscount must respect the independence of the judicial branch. When insolvency is declared, any payments due to the former employees will be processed rapidly. My department has submitted a bid under the economic stimulus package that would deliver short-term temporary support for those having difficulty in paying their mortgage, following redundancy. Anyone who is experiencing or who thinks they may in the future experience difficulties in paying their mortgage should approach their lender as soon as possible because the earlier contact is made, the more options there are likely to be to resolve the problem. The Citizen's Advice Bureau as well is also available to provide independent advice.

3.14.1 Deputy G.P. Southern:

In the case of redundancy through insolvency, does the Minister not accept that, given his aim to ensure that payments reached those made redundant within 4 weeks, that aim is not being met currently, in this particular case and is unlikely to be met in many other cases and further, will he outline the period of support he is prepared to give to redundant workers with mortgage payments? Is it as little as 3 months or as much as 12?

Deputy I.J. Gorst:

I did answer this question last week. The Deputy contests that my scheme does not deliver timely support. I refute that. Once a firm or company is insolvent then my scheme gives timely support. As he just explained, that is the reason why I created an off-set of the first 4 weeks so that payment for those first 4 weeks could be paid in a timely manner once, and I reiterate this, once the company is made insolvent. It is not for me; insolvency proceedings take time and that unfortunately is where the time is taking in this particular instance. Once that court action is in place then my officers, my department, will make those payments in a very speedy manner. I should say to the Assembly and to the Deputy that this situation is changing daily. It is not appropriate for me to say exactly when it might happen but I am confident that it may now happen sooner rather than later.

Deputy G.P. Southern:

There was no attempt to answer the second part of my question about mortgage payments; for how long?

Deputy I.J. Gorst:

Yes, sorry, the second question rolled into one. Mortgages payments; we perhaps will discuss this later under the economic stimulus package. It is a bid, as I said, that my department have put forward. It will however require tri-annual regulations to this Assembly should it be approved through those processes. Initially I would expect individuals to follow something similar to the U.K. pre-action protocol, as I said in my initial answer, in that they would go to their mortgage provider and request a payment holiday. After that point, in consultation with the department, it would be proposed that there will possibly be an initial period of 6 months for interest only, which could be reviewed after those initial 6 months. But it is a process and it is not something that would happen automatically.

The Bailiff:

Deputy Higgins, you can put your supplementary question or you can put your question to the Minister for Economic Development.

3.15 Deputy M.R. Higgins of the Minister for Economic Development regarding restructuring plans for the Air Traffic Control and Meteorology Sections at Jersey Airport:

Would the Minister advise the Assembly of the restructuring plans for the air traffic control and meteorological sections at Jersey Airport and explain what restructuring is taking place, the rationale behind it and the impact on employment at the airport?

Senator P.F. Routier (Assistant Minister for Economic Development - rapporteur):

In preparation for the forthcoming relocation of air traffic services into the new purpose-built air traffic control building and tower, Jersey Airport is currently undergoing a review process within that department. This includes evaluating the future technical systems requirements and determining the future level of support and services required in this important new operational setting. This will identify future working practices consistent with modern standards across the industry. I can confirm at this stage of the review process that officers have not briefed, as yet, Jersey Met who are like many other companies located at Jersey Airport who are the service

providers to the airport. The review process has yet to be completed therefore it is not appropriate to speculate on its outcome, however once the review is completed I will be fully briefed.

The Bailiff:

That concludes the time allowed for oral questions with notice.

The Deputy of St. John:

May we lift Standing Orders so we may just finish this particular question?

The Bailiff:

Standing Orders ought not to be treated trivially, Deputy. If you wish to make a proposition of that kind, it is open to you to make a proposition.

The Deputy of St. John:

Yes, Sir, I would propose that we lift Standing Orders so we may finish this particular question, Sir.

The Bailiff:

Is the proposition of the Deputy of St. John seconded? [Seconded]. I put the proposition on to an appel. Deputy, there is a Standing Order which limits the amount of questions in Oral Questions to 90 minutes and I assume that is Standing Order 63(1), which says that up to 90 minutes shall be allowed during a meeting for questions of which notice has been given to be asked and answered. You are moving that the Standing Order 63(1) be lifted to allow questions without limited time on this question of Deputy Higgins?

The Deputy of St. John:

Correct, Sir.

The Bailiff:

That is seconded by Deputy Tadier and we now proceed to a vote.

The Connétable of St. Mary:

Could I ask a question, procedurally? I had understood that it was not possible to lift part of the Standing Order, Sir and that the Standing Orders were lifted in their entirety, in which case would we not also be lifting the part which allows for supplementary questions to be asked?

The Bailiff:

That is a very good question, but I understood it was under consideration by your Committee. It certainly, on the face of it, is the case that a Standing Order rather than a part of a Standing Order can be lifted under Standing Order 80 but the difficulty is that the practice has been, in the past, to allow a part of a Standing Order to be lifted and I understood that your Committee was considering whether or not to make that clearer.

The Connétable of St. Mary:

Yes, Sir, indeed we are but I am dealing with the Standing Orders as they are tabled today, Sir.

The Bailiff:

Are you asking the Chair to enforce the Standing Orders as they are written?

The Connétable of St. Mary:

I just raised the point, Sir, because I think, as you have already indicated, Standing Orders are not to be treated trivially, in which case we really ought to understand what we are doing when we try to lift them.

The Deputy of St. Mary:

May I clarify by mentioning Standing Order 80 and the actual wording of Standing Order 80?

The Bailiff:

Yes, Standing Order 80, if I am asked to rule on this, I will rule; Standing Order 80 provides that a Member of the States may propose, without notice, that one or more Standing Orders be suspended for a specified purpose. It is open, I suppose, the question that was put to me by the Connétable of St. Mary as to whether it is possible, under the Standing Orders as they stand at the moment, to lift a part of a Standing Order, a literal and lateral reading of Standing Order 80 does not permit part of a Standing Order to be lifted. It is open to you, Deputy, to propose the lifting of the whole of Standing Order 63, which deals with the questions with notice to be answered orally but, as the Constable has said, that would have a rather deleterious effect upon your purpose, I think.

The Deputy of St. John:

I think you are right, Sir, but historically ... well, since I am back in the Chamber, when we have lifted Standing Order 63, we go on to answer supplementaries and finish the business on the questions and this is the last question, Sir, this morning, so I am asking that the House allow us to lift Standing Order 63 in its entirety and allow supplementary questions of the required period of time.

The Bailiff:

You cannot have your cake and eat it, Deputy. I think you are really asking for Standing Order 63(1) to be lifted and, driven into a corner, as I am, by the Connétable of St. Mary, I rule that the proposition is out of order. Now we proceed to questions without notice.

4. Questions to Ministers Without Notice - The Minister for Home Affairs

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

Is the Minister aware that the Chief of Police who has now been suspended on full pay for over 6 months has learnt second-hand of the intention of the Chief Constable of Wiltshire to interview him for at least a week the day after he returns from leave in 7 days' time and that he has yet to receive any disclosure or representation in relation to this interview?

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

I am aware that the Chief Officer of Police has been suspended now for more than 6 months but I am not aware of any precise arrangements in relation to his questioning. I am aware that it is proposed to question him fairly shortly. This is not a matter for me to get involved with because this is an investigation.

4.1.1 The Connétable of St. Helier:

A supplementary; would the Minister explain why the Chief of Police is not entitled to legal representation which every other States employee seems to be?

Senator B.I. Le Marquand:

There is a clear differentiation between a situation in which perhaps he would be being sued by an outside party by virtue of his office on the one hand and a disciplinary matter on the other hand.

4.2 Deputy K.C. Lewis:

In the United Kingdom the police can quite legally, if they find somebody knowingly driving a vehicle without insurance, can take the car away and have it crushed. Does the Minister think that is something suitable for Jersey?

Senator B.I. Le Marquand:

That is a matter that I would need some time to consider. It is an interesting idea [Laughter] but I think it is a power which would have to be used most circumspectly, even if it existed.

4.3 The Deputy of St. John:

There are a number of clamping companies within the Island who are going around clamping vehicles, some on private property but some on publicly owned land and then demanding a payment of up to £90 to have the vehicle released. How does the Minister feel and will he be bringing in a law to control clampers, to the House? How does he feel about these clampers operating on publicly owned land?

Senator B.I. Le Marquand:

There are in fact some statutory provisions in relation to the Housing Department having the right to do things in relation to people who are parking unlawfully. This area is a very difficult area. I am aware that work has been done on it already. I happened to have done studies on it myself in the past and I am well aware that the approach taken in England is entirely different to the approach taken in Scotland, for example. It would require a statute of some sort but it is very complicated.

4.3.1 The Deputy of St. John:

A supplementary on that, if I may? Given that W.E.B. (Waterfront Enterprise Board) administer some of our land in the Weighbridge area, which until recently, and I do not know even now if the land has been transferred from States administration to W.E.B., and I am thinking of the road directly in front that was covered over in front of the former Great Western Hotel and the former bus station offices; I think it was called Caledonia Place, I am given to understand that this probably still has not been transferred into W.E.B.'s administration. Can it be right that these contractors or these clampers are demanding money, I would say with menace because you cannot get your vehicle back unless you pay the sum; can it be right and will your department be looking at this?

Senator B.I. Le Marquand:

I accept the current position is not entirely satisfactory and my department has been looking at this for some time but it is a fairly major project which I would have to give a great deal of personal attention to and, frankly, I have a lot of other major projects which currently require my personal attention and I need to finalise some of those first.

4.4 Deputy T.M. Pitman of St. Helier:

I ask this question in response to our constituents. I fully support the Minister's view that criminalising young people is a last resort, nevertheless could the Minister clarify where he stands on the possibility of naming and shaming young people who repeat offend with anti-social behaviour?

Senator B.I. Le Marquand:

The current position in relation to naming and shaming of youth is it is discretionary in the courts. The courts have the power to lift the restrictions if they so wish. I am perfectly happy with that arrangement.

4.5 Senator B.E. Shenton:

Recently a drug dealer who has admitted supplying 695 tablets of ecstasy and 9 tablet of diazepam was given just community service. A number of parents have expressed complete and utter horror that such a light sentence should be given. Are we sending out the wrong messages to drug dealers?

Senator B.I. Le Marquand:

Sentencing is a matter for the courts and not a matter for the Minister for Home Affairs. I know that only too well because of my former role and even if I were, hypothetically, critical of a particular sentence I would not be able to say that.

4.6 Deputy M.R. Higgins:

Is the Minister aware of allegations that the Territorial Army has in the past falsified their establishment figures by including on their rolls people who have left the unit for some period of time and, if he is not aware of the allegation, would he investigate the allegations by comparing their unit pay book which shows the number of members of the unit that have been paid for attendance with those reported on the unit's strength figures and report the actual unit strength back to this Assembly, breaking down the figures between permanent and volunteer members?

Senator B.I. Le Marquand:

I think that, if Deputy Higgins has a real concern on this, it would be right for him to pose a written question so that I can provide meaningful statistics in relation to that. I am aware in general terms that such a general allocation has been made but I do not think there is any truth in it.

4.6.1 Deputy M.R. Higgins:

Can I just ask if the Minister - I accept his point about a written question but if whether he will take on the investigation and look into the matter and report a figure back to the States?

Senator B.I. Le Marquand:

I am not quite sure precisely what the allocation is because if it is an allocation that the total number of people on the books is being falsified because people are not active, the real meaningful figure is the number of people who are regularly attending, in any eventuality. That is the really meaningful figure.

4.6.2 Deputy M.R. Higgins:

If I can just say that what it is is obviously the unit strength is reported to many people and many people believe that the Territorial Army unit is much stronger than it actually is. It is a question of clarifying the figures so that we know what the States are paying for in their contribution to the defence budget.

Senator B.I. Le Marquand:

The States are paying for the number of people who attend, if we are talking about members who are in training. It is the actual number of attendances that people get paid for; not the number of people who are theoretically on the books. The fact is that people may not attend for a good reason and then may come back again.

4.7 Deputy M. Tadier:

Following on from a question last week to the Attorney General about the interception of communications, would the Minister for Home Affairs give an undertaking to review all phones which are currently being tapped or bugged, including specially States Members and report back to the House with assurances that good practice is being maintained?

The Bailiff:

Deputy, that question is out of order, I am afraid because it does not fall within the remit of the Minister for Home affairs. Deputy Shona Pitman.

4.8 Deputy S. Pitman:

Could the Minister give an opinion as to whether he believes the Customs and Immigration Department is adequately staffed to cope with the demands within its remit and, if not, in what areas?

Senator B.I. Le Marquand:

The Customs and Immigration Department really should have one additional person per shift. I mean, that has been looked at objectively in the past and that is the situation but it is able to function with the one less, which it currently has, and particularly this summer where there are slightly less pressures caused by there being only one boat coming from France carrying cars and so on. The demise of HD Ferries has slightly simplified things this year. I mean, virtually every department within Home Affairs is under-staffed; virtually every department. Possibly the only one that is not is the T.A.(Territorial Army) and the prison numbers are now moving up towards a level that they would be. It is not unusual in the States for departments to have less staff than have been approved because the money simply is not there to pay for them. I have this difficulty in every single major department apart from the T.A.

4.8.1 Deputy S. Pitman:

A supplementary; is he satisfied then, the Minister says that there is one staff short; could he first say what he is undertaking to try and gain that member of staff and also, with that in consideration, is the department meeting its remits?

Senator B.I. Le Marquand:

Yes, the department is meeting its statutory remit. There have been occasions in the past when in order to comply with the common travel area matters, that is immigration matters, where temporarily the Customs side has not been manned. That does happen occasionally and that is a risk that we have to take. But the reality is this Island is facing major future financing problems. I am quite determined to run an efficient Home Affairs Department and I am going to seek to run that within our existing budget if I can.

4.9 Deputy S. Power of St. Brelade:

The Minister may or may not be able to answer this because it relates to the definition of headwear. Can the Minister for Home Affairs comment on the phenomenon of drivers wearing a hood while driving a car? Is he aware of any concerns by the States of Jersey police in the reduction in visibility splays caused to the driver by the wearing of hoods?

Senator B.I. Le Marquand:

Any person who is driving has a duty to be able to see where they are going. So if they are wearing a hood or a large hat or crash helmet which impinges on their visibility, they could be driving without due care and attention. But it is difficult to prove in reality what a person can see or cannot see. I am aware anecdotally of occasions in which people have been obscured and arguably they were driving without due care and attention. But to prove that in a court would be very difficult.

4.10 Deputy R.G. Le Hérissier:

Several times the Minister has stated that the major new laws which he inherited have got major issues and problems. Could he outline to the Assembly whether he has now made progress with these issues and problems around the Discrimination Law, the Police Authority Law, et cetera and when he will be bringing these laws to the Assembly?

Senator B.I. Le Marquand:

We are working very hard on the Sex Offenders Law and think we have now solved most of the problems which were there. There are issues in relation to a proper assessment of what it is going to cost but we are fairly close to being able to bring that back to the House. In relation to discrimination, progress has been made in terms of trying to run this but much more cheaply than was previously envisaged, utilising an expanded form of the existing Employment Tribunal. My excellent colleague, Deputy Hilton, is working particularly in relation to this area. Sorry, I have forgotten what ...

Deputy R.G. Le Hérissier:

Police Authority.

Senator B.I. Le Marquand:

Police Authority. In relation to police authority, I have taken a decision that until the dust has settled in relation to a number of current matters it will be very difficult to take forward any sensible proposals. I am, therefore, leaving that over for consideration towards the end of the year. I have been doing some thinking on that and my own thinking is moving towards the formation of some sort of police authority committee which would include States Members and non-States Members. I think we need something which is going to have more oomph as it were - more power, more clout - than the previous arrangements.

4.11 The Connétable of St. Helier:

The Minister I think was unintentionally misleading when he said in his answer to my previous question that legal representation was not supplied for people under disciplinary matters. Surely it is the case that every other police officer facing an internal disciplinary inquiry would be receiving legal representation.

Senator B.I. Le Marquand:

If the implication of the question is legal representation paid for by the States then I do not think that is right. I think the position is that they work through - I am trying to remember the name of the police officers' union - through the Police Association. It so happens that my understanding is the Chief Officer of Police opted out of the equivalent arrangements by his own decision when he was appointed. I understood the question to be legal representation paid for by the States. That was the context of my answer.

4.12 The Connétable of St. Lawrence:

A working group is reviewing speed limits in the Island. If they recommend the introduction of speed cameras will the Minister support that and, if not, why not?

Senator B.I. Le Marquand:

It is not strictly in my area because it will fall, as I understand it, within Transport and Technical Services. I have mixed feelings about speed cameras, I have to say. They can operate well in certain areas. In other areas I think they can simply operate as a method of generating revenue and annoying the general public [Approbation] so the placement of them if we use them would have to be very carefully thought through. I am undecided at the moment.

The Bailiff:

Thank you, Minister. That concludes the time allowed for questioning the Minister for Home Affairs. We come now to the second question period of the Chief Minister.

5. Questions to Ministers Without Notice - The Chief Minister

5.1 Deputy S. Pitman:

I believe it was about 3 weeks ago that I asked the Chief Minister if he would furnish me with the research undertaken into 1(1)(k)s tax and land development tax. I have yet to see this. I have also since sent the Chief Minister an email with no response. Could he give me a confirmation that he will send this information to me as quickly as possible?

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

Yes, I apologise to the Deputy if I have overlooked an email from her. I do not recall seeing it but certainly I thank her for the reminder and I will make sure it gets done in the next 48 hours.

5.2 Deputy T.M. Pitman:

Is the Chief Minister aware of growing concern among members of the general public and indeed employees as to his Education Minister's failure to clarify the situation around allegations that senior members within the department are being investigated by the police? If he is aware, what will he do to try and alleviate this concern?

Senator T.A. Le Sueur:

I believe any concern that does exist is confined to a minority of people. It is a matter which comes under the ambit of the police and while those inquiries are ongoing it would be improper for me to make any further comments.

5.2.1 Deputy T.M. Pitman:

Can I have a supplementary to that? I was contacted by 3 members of the Education Department over this very weekend so I think the concern is very real and I think perhaps the Minister does not appear to be taking it quite as serious as we should.

Senator T.A. Le Sueur:

I note the Deputy's comments and I shall give them an extra degree of concern and note it.

5.3 The Deputy of St. John:

Will the Chief Minister advise us when the old abattoir site and the drop-off centre which is within it will be completed, as it is currently running well over time and given that work has stopped on that particular site - and all I can understand is possibly because the contractors may not have been getting reimbursed for the work they have done - will the Minister please advise us when is this going to be up and running and also did he see the press reports at the weekend in the Irish press reference Harcourt?

Senator T.A. Le Sueur:

Yes, there is a dispute at the moment between the developer and the employer about the abattoir site and in the nature of all these disputes one aims to resolve it as quickly as possible. But I cannot at the moment give any particular timescale. Certainly from my point of view I am anxious, particularly for some of the activities within that site, that that be done as soon as possible. I am also concerned that the delay is detrimental to the Island's activities. As far as the comments in the Irish press are concerned, yes, I did see the comment in the press over the weekend. I am not sure how complete that comment was but I did note it.

5.3.1 The Deputy of St. John:

A supplementary. Given that there is a dispute and it appears to have been going on now for some months, has the Chief Minister's Department tried to intervene so that this gets resolved?

Senator T.A. Le Sueur:

Yes, I have intervened through the medium of the Waterfront Enterprise Board who are the employer of the contractor in this particular case, and they are as anxious as I am to ensure that this is resolved as soon as possible.

5.4 Deputy J.M. Maçon of St. Saviour:

I am grateful to the Minister for submitting the policy on reporting serious concerns. If I can highlight page 7 on the policy, 7.37: "If the concern is about a chief officer, the employee may raise the matter with the chief executive." What happens if there is a concern with indeed the chief executive?

Senator T.A. Le Sueur:

In that particular case I think the appropriate person to contact would probably be myself.

5.5 The Deputy of Grouville:

As the minutes of the Chief Officer's Board are at this present time inaccessible to States Members, can the Chief Minister confirm if expense claims of chief officers can be made available, just as States Members claims are and as they are paid for by the public?

Senator T.A. Le Sueur:

Firstly, I must apologise that on some Members' computers that particular area is inaccessible. I am told it is accessible downstairs and I am making arrangements for ordinary Members remote access also to be able to access that particular section. As for the publication of claims, yes, those claims will be published in the same way as Members claims are published. That work is in hand as I said earlier this morning.

5.6 Deputy S. Power:

I wonder could the Chief Minister confirm whether all payments due on the old abattoir site and on the annexe site, which is the site adjacent to the old abattoir site, by the developer to the Waterfront Enterprise Board are up-to-date?

Senator T.A. Le Sueur:

I cannot confirm or deny that at this stage. I would need to have notice of that and I can endeavour to find out for the Deputy and respond to him in due course.

5.7 The Connétable of St. Helier:

Could the Chief Minister indicate how successful his recent trip to Madeira was and is he confident that links between the 2 islands are going to be developed in the course of his time in office?

Senator T.A. Le Sueur:

Yes, I am very confident that the excellent relationship that we have with the island of Madeira and the officials in that island will continue. We had fruitful discussions both with the president of Madeira and effectively the Constable or ...

The Connétable of St. Helier:

The mayor of Funchal.

Senator T.A. Le Sueur:

... the Mayor of Funchal who is I know anxious, as is the Constable of St. Helier, that we proceed with fitting arrangements between the 2 islands. There is a lot we have in common and I was very heartened by the support and the amount of time devoted to us by officials in that island when we visited last week.

5.8 The Deputy of St. Mary:

I was surprised to hear at the briefing on population that took place at St. Paul's Centre recently, I heard the Chief Minister say - and I took notes - that on the matter that there was consultation and a key message from the consultation was that the population should not go over 100,000. I would just invite the Chief Minister to tell us what that consultation consisted of.

Senator T.A. Le Sueur:

I think that consultation was founded on the discussions we had last year in the Imagine Jersey 2035 which was a wide-ranging discussion with a cross-section of the Island community. After discussion of various options there, that was a consensus view. That is also I think the view which I picked up from general listening to views of the public.

5.8.1 The Deputy of St. Mary:

Can I have a supplementary? I have the report of Involve here about Imagine Jersey 2035 and I have read it quite carefully. I do not remember the matter of the population ending up over or under 100,000 being a topic for discussion, either in the survey or in the event at the Royal Yacht. Could the Chief Minister advise us on exactly how this 100,000 ... where it has come from and in what way he can realistically say there was consultation involved?

Senator T.A. Le Sueur:

Because I think one must not look at these things in isolation; what was being looked at was also the impact which a larger population would have on the greenfields sites and the countryside and the environment generally. It was felt that while there was some scope for further growth in population, that scope was limited by the constraints of the Island and that a figure of 100,000 people should not be exceeded without much greater research into the effects that that would have. It is to some extent a hit or miss figure but based on the Housing Needs Survey, which that has projected, I certainly believe that that figure is justifiable and realistic. In relation to the Housing Needs Survey and the figures which are shown in the population part of the Strategic Plan which demonstrate the effect of that population figure on the demand for the greenfields sites.

5.9 Senator J.L. Perchard:

Does the Chief Minister know why his Minister for Treasury and Resources felt it necessary to advise the public via the media that he was about to give Harcourt Development Limited one month in which to prove their financial capacity in order to deliver the Esplanade Quarter?

Senator T.A. Le Sueur:

I do not think that the Minister for Treasury and Resources, who I cannot speak for, chose to use the media as the vehicle for explaining that. I believe that the media asked a question of the Minister for Treasury and Resources and quite rightly he gave an answer to the question.

5.9.1 Senator J.L. Perchard:

Supplementary. Does the Chief Minister share the view of the Minister for Treasury and Resources that Harcourt Development Limited must be given only one month in order to prove their financial capacity to deliver the Esplanade Quarter site?

Senator T.A. Le Sueur:

I believe the time limit in question was in fact 2 months rather than one month. I believe it is realistic. The discussions have been, in my view, protracted and we need to resolve this issue without undue delay. I think that timescale is quite sufficient for any developer to come up or be unable to come up with the required information.

5.10 Deputy M. Tadier:

Can the Chief Minister inform the House what steps are being taken to ensure consistency of policy is achieved when it comes to the suspension of civil servants?

Senator T.A. Le Sueur:

I think the policy is quite clear and it will be adopted, I am sure, on a consistent basis. But suspensions for any long period are a very rare occurrence. Suspensions of a straightforward nature are generally simple and dealt with quite quickly. Where you have complicated matters which will require an ongoing suspension because of legal involvement each case will be different and although they are done on consistent principles, there may be different requirements for any particular situation. The general policy of consistency does remain and I would ensure through the States Employment Board that that policy is adhered to. I have no reason to doubt that it is being adhered to.

5.11 Deputy R.G. Le Hérissier:

If - and let us hope it is only if - the Waterfront project were to not go ahead because of the inability of Harcourt to come up with a guarantee, what is the Chief Minister's plan B?

Senator T.A. Le Sueur:

Should the proposed developer fail to deliver the satisfactory responses required, we will then have to consider whether anybody else could deliver it in the same way and at what cost. The masterplan itself has already been agreed by this House and that remains in agreement irrespective of the developer. It will be up to the Council of Ministers generally but particularly the Minister for Planning and Environment and the Minister for Treasury and Resources to work with me to ensure that the objectives of the States agreed in the masterplan can be delivered, either wholly or in sections.

5.11.1 Deputy R.G. Le Hérissier:

A supplementary. Would the Chief Minister comment on, given the very changed financial and economic environment in which we now find ourselves, that that approach is not realistic at the present time?

Senator T.A. Le Sueur:

That would entirely depend on the appetite of investors and developers. This is a long term project and it may well be that some people will consider that this a very opportune time to invest while interest rates are low and while building costs are cheap. I cannot speak for any individual developer. I do understand and appreciate the economic constraints within which we live.

5.12 The Connétable of St. Lawrence:

Does the Chief Minister feel that Members using their Blackberries in the House shows a lack of respect **[Approbation]** towards other Members and I refer particularly to Ministers? If he does, what steps is he taking to prevent this?

Senator T.A. Le Sueur:

This is a matter of judgment. I would ask Ministers and indeed all Members to attend sittings of the House diligently and be here at all times whenever possible. Given a choice between needing to deal with an urgent message within the Chamber or having to leave the Chamber and go elsewhere to do that, it is a balance to be struck. I believe that Ministers will strike an appropriate balance and I would like to see Ministers in the Chamber as often and for as long as possible.

5.13 The Connétable of St. Helier:

Does the Chief Minister believe that his Draft Strategic Plan is an improvement on his predecessor's?

Senator T.A. Le Sueur:

The answer is, yes, I do but we shall see in 2 weeks' time whether that confidence is justified.

The Bailiff:

That concludes the time allowed for questioning the Chief Minister. Returning to the Order Paper, there are no matters under J. Under K, I have notice of a statement on a matter of official responsibility from the Minister for Transport and Technical Services.

STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY

- 6. The Minister for Transport and Technical Services will make a statement regarding a review of Speed Limits in the Island
- 6.1 The Connétable of St. Brelade (The Minister for Transport and Technical Services):

On 2nd December 2008, the States approved P.166, lodged by Deputy Gorst, which tasked the Minister for Transport and Technical Services to establish a review working group to review the implementation, operation and suitability of the current speed limits policy, P.1/2004, as approved by the States on 15th March 2005. In accordance with part (b) of the proposition, I have appointed the Connétables of St. John and St. Saviour, together with Deputy Fox, to serve on the working group and my assistant, Deputy Lewis, will also assist in the process. The Connétable of St. John has agreed to chair this group. The group has met and agreed to seek the views of all Parishes through their Connétables and also members of the public. Although much work was undertaken when the original policy was drafted and approved, the group felt it appropriate that as the speed limits are an emotive subject, the public be allowed the opportunity to contribute their views. This being the case, a short consultation exercise will be undertaken in June with the resulting submissions being collated into a report for consideration by the Review Group by the end of August. My main reason for advising the States of this process is that I will not achieve the timescale approved in part (c) of P.166 for which I apologise and hope Members will understand that as a new Minister I had conflicting priorities in the first few months of office. I will give my commitment that a report which outlines the conclusions of this review will be laid before the States before the end of September 2009. I appreciate that there are requests for speed limit changes pending consideration of this working group's report but feel strongly that the views of as many people as possible should be sought in this process.

6.1.1 The Connétable of St. Helier:

Does the Minister not feel that once again matters relating to transport policy are being dealt with in an ad hoc way or is he proposing to delay the introduction and the bringing forward of the sustainable transport policy until after the work on speed limits has been completed?

The Connétable of St. Brelade:

No, my department has no wish to delay the introduction of the transport policy any longer but we wish to get it right and will endeavour to do so.

6.1.2 The Deputy of Grouville:

Could the Minister please explain why it has taken over 3 years since the States decision on 15th March 2005 to bring this back to the States? It was only because of a proposition brought forward by Deputy Gorst that any action has been taken.

The Connétable of St. Brelade:

I am not aware that the proposition of 2005 recommended change. However, I am aware that the Connétable who reviewed the situation during the early part of 2008 ... and consultation was undertaken with the various Parishes through their road committees and those findings went back to the Comité and action was taken where it was considered necessary. The review suggested by Deputy Gorst is really an update of the present situation. I agree that that is necessary. We have changed buildings. We have changes in construction, we have got added habitations on different roads and the time has come for a review and I am keen that it will take place.

6.1.3 Senator A. Breckon:

Does the Minister believe that the review should include the use of speed cameras in policing speed limits?

The Connétable of St. Brelade:

No, I do not. I think the Parishes have use of laser guns which are distributed throughout the Island and I understand make good use of them. I think better use of them could be made and certain areas targeted. Speed cameras have had a particularly bad press in England and are seen as a way for local government just to bolster their coffers. I do not think that is a philosophy which I wish to

agree with. So I think that proper policing is essential. I think it needs to be encouraged and developed. I think hopefully that will answer the Deputy's requirement.

6.1.4 The Connétable of St. Lawrence:

In the words of the Minister himself, speed limits are an emotive subject and they are something on which I am regularly contracted by Parishioners. I would like to know in what format the short consultation exercise with the public will be carried out.

The Connétable of St. Brelade:

I thank the Connétable for her comments. I think the consultation will be taken by the group set up for the purpose and no doubt they will be placing advertisements to glean as much public knowledge as possible.

The Connétable of St. Lawrence:

A supplementary, may I extend an invitation to the group to hold a public meeting in St. Lawrence for this purpose? Does the Minister accept that?

The Connétable of St. Brelade:

I shall direct that request to the chairman of the committee set up to attend to that.

6.1.5 The Deputy of St. Mary:

Can I ask the Minister about his consultation report? Will it state clearly how many of the respondents hold which views and will it also state what views are held by all the official bodies who respond to that consultation, body by body?

The Connétable of St. Brelade:

I think once again this is a question which needs to be directed to the group set up for the purpose and I shall do exactly that.

6.1.6 Deputy M. Tadier:

I am sure that the Minister will agree that the speed limits are not always the problem; rather the observing of the speed limits. As a consequence, will the Minister also be looking to introduce traffic calming measures in the States like Les Quennevais Park and Clos des Sables which have long needed and long demanded traffic calming measures when speed limits are in place but simply not being observed?

The Connétable of St. Brelade:

The Deputy is absolutely correct in saying that there is a large public perception issue when it comes to speeding. With regard to Les Quennevais Park, that is a matter for the Parish and the roads committee to discuss. No doubt they will happily receive any comments from him to address that matter.

Deputy M. Tadier:

Can I ask one more totally related to the previous question?

The Bailiff:

Yes.

6.1.7 Deputy M. Tadier:

Can the Minister confirm that the review will include enforcement measures and the sort of pattern of enforcement to ensure that speed limits are adhered to?

The Connétable of St. Brelade:

That is not strictly within the remit but I take the Deputy's point, and I think it would be probably for the panel set up for the purpose to make recommendations for that to take place and perhaps make recommendations to the Minister for Home Affairs with regard to the policing issues.

6.1.8 The Deputy of St. John:

Will the speeding issue be part of the I.T.T.P. (Integrated Travel and Transport Policy) and, if so, could he tell us how that I.T.T.P. is progressing within his department?

The Connétable of St. Brelade:

There is no doubt that speeding issues will have an influence on the policy or vice versa. The Deputy is well aware that the policy was referred to his panel some weeks ago. The panel came back last week to suggest that further research was necessary and, yes, the department is working on this at present and is keen that the policy comes back to the States as soon as possible.

6.1.9 Deputy R.G. Le Hérissier:

Could either the Minister or the Deputy of St. John define I.T.T.P. as acronyms mislead some of us? Secondly, could the Minister remind us whether the green lane policy will be reviewed as there are currently 2 perhaps understandable holdouts, one of whom does not appear at present on a map of Jersey?

The Connétable of St. Brelade:

The Integrated Travel and Transport Policy. I have to say I am not terribly keen on the name for one and may consider changing that. In terms of the green lanes, certainly the group I am sure will be reviewing the 15 mile an hour limit on these lanes and the network and how they wish to deal with it.

6.1.10 Deputy I.J. Gorst:

I would like to thank the Minister for his statement and to thank him that the review group has been set up and will start its work. Like the Connétable of St. Lawrence, I wonder if the Minister could just confirm whether individuals and Parishes will be able to make submissions in person, whether the group will be prepared ... I do not believe that a Parish meeting will necessarily be helpful but I believe that if the group were prepared to visit some of the areas and roads where Parishioners have got concerns that would be very useful. Finally, if submissions once made will be made public as part of the final report.

The Connétable of St. Brelade:

I can start at the end and suggest that I think, yes, submissions ought to form part of the report. For me the ideal channel of communication would be for Parishioners to address their roads committees who are well versed with the dangers on the roads in particular Parishes. But notwithstanding that, I am sure the panel would be quite happy to receive comment from any member of the public.

The Bailiff:

Sorry, Connétable, I think the Greffier has told me that time has expired for asking questions. So that concludes the matter of the statement.

PUBLIC BUSINESS

7. Draft Shipping (Safety of Navigation) (Jersey) Regulations 200- (P.48/2009)

The Bailiff:

We come now to Public Business. The first item of Public Business is Projet 48, Draft Shipping (Safety of Navigation) (Jersey) Regulations. I ask the Greffier to read the citation of the draft.

The Deputy Greffier of the States:

Draft Shipping (Safety of Navigation) (Jersey) Regulations: the States in pursuance of Articles 50 and 196 of the Shipping (Jersey) Law 2002 have made the following regulations.

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

These regulations underpin and support the order, Shipping (Safety of Navigation) (Jersey) Order, which was made on 2nd April 2009. This comes into force on 1st July 2009. Considerable consultation occurred prior to the making of the order with a special working party making recommendations in 2005 and an extended consultation period taking place last year. Perhaps inevitably when considering the balance to be struck between an unnecessary regulatory burden and safety at sea, not all parties involved were satisfied with the final outcome. However, many were very supportive. This support ranged from large commercial ferry operators to small local associations and private businesses involved in leisure, diving and fishing. Indeed some of those consulted would like the regulations to go much further and introduce a compulsory driving license for those that go out boating. I have to say that I am not inclined to go that far. To help those who sought clarification and guidance, my department has written guidance notes and Jersey Harbours have provided further advice. Additionally, a surgery was held during the recent boat show and this was led by the Legal and Government Affairs Manager of the Royal Yachting Association. Now that the order has been made, Jersey will at last be compliant with a key aspect of the Safety of Life at Sea Convention and will have taken an important step closer to full compliance with the convention. These regulations have been drafted to address 2 key consequential aspects of bringing in the order. The first, they will rectify in Jersey law a possible gap or get out clause that has become apparent as a result of an important legal judgment in England and, secondly, they will also remove a conflict between a specific standard laid down by our shipping law and a similar but not identical requirement in the convention. I shall explain these in more detail shortly and at this stage would ask for the principles to be accepted by the House.

The Bailiff:

Are the principles of the bill seconded? [Seconded] Does any Member wish to speak?

7.1.1 Deputy J.A. Hilton:

The Minister mentioned some organisations would like to see a compulsory driving license for all those who go out boating. My question is generally around a compulsory certificate of competence. Can the Minister explain exactly what qualification is needed for a private individual to take out some of the rather large vessels that we see down at the marina; whether they do need some sort of qualification to do that?

7.1.2 The Deputy of St. John:

May I firstly declare an indirect interest and also notify the House that I have a commercial license for taking out craft up to 24 feet and 200 gross tonnes commercial craft? Secondly, can I also confirm that the Minister confirm that he has received my letter on S.O.L.A.S. (Safety of Life at Sea) 5 and that a marine lawyer of somebody from the R.Y.A. (Royal Yachting Association) should look at all of the S.O.L.A.S. regulations and not just solely rely on in-house scrutiny of these particular laws? Furthermore, on these particular 2 items today, I have done a little bit of research. Will the Minister confirm that all parties have been consulted and, in particular, the marine traders because I am given to understand they have not been consulted on this particular law? If they have not, I think it is one area that his department have been very remiss in. But as long as he can confirm that they have been consulted on this particular law then I will accept it. Further to this, there are 2 or 3 little items on this one. I think we will be coming into this when we go down into the details so I will come back into this afterwards.

7.1.3 Deputy M. Tadier:

My question follows on from that of Deputy Hilton. Really I would ask the Minister how the decision was arrived at that licenses are not necessary or even basic training for boats and large vessels, and whether any consideration was given perhaps to the French system or the European system where motors, unless they are very small, you do need a license for them. Also in the context, for example, of motorcycles where you do need basic training to even ride a very small motorbike.

7.1.4 The Connétable of St. Brelade:

Would the Minister confirm that his department supports the issue of the International Certificate of Competence which is widely held by many boat owners in the Island and is an important part of the training structure? Could he confirm that it is a requirement for boat owners who go to France to hold this certification as issued by the R.Y.A.?

7.1.5 Senator S.C. Ferguson:

For the sake of those of us who are perhaps so nautically inclined, I wonder if the Minister will be kind enough just to cover what topics the supporting orders are going to cover?

7.1.6 The Connétable of St. Saviour:

Following on from the questions regarding qualifications; perhaps the Minister could confirm that he is aware that the R.Y.A. has always pursued a policy of education rather than compulsory licensing and that this has resulted in better and greater safety in Britain, showing in the results of accidents compared to other countries that have used the compulsory license?

The Bailiff:

I call upon the Minister to reply.

7.1.7 Senator A.J.H. Maclean:

I will try and briefly cover the questions raised by Members. Deputy Hilton talked about qualifications. Obviously the States adopted the principles of S.O.L.A.S. Chapter 5 in 2003. I think it was November 2003. At that time the intention was S.O.L.A.S.'s Safety of Life at Sea. It is all about improving safety. What we clearly need to ensure that we do as we move forward with adopting these conventions ... this is the second of 12. There is more work to be done and it is a continual process of improvement. You have got to get the regulatory element right and proportional, bearing in mind we are an Island and boating is important. It is important both to locals. It is also important to our leisure boating industry. So in terms of licenses for small boats, no, they are not applicable. There is no license as such for a small boat but there are clearly guidelines and those will developed as S.O.L.A.S. develops through the different various stages to eventually adopting all 12. The Deputy of St. John has been in communication, both with the department and indeed with myself. He has written to me, I am more than happy to confirm, and we have responded and answered a number of his questions. He has raised some more. He has raised the point about additional advice with regard to various elements of the order. I am more than happy to continue, as indeed the department is, answering the questions that he has raised, seeking appropriate compromises where necessary and clarifying points that perhaps have not been understood. I have indeed just today received a letter from the St. Helier Boat Owners Association with a number of further clarificatory points with regard to the order, and those as well will be answered. It is an ongoing process. We can if necessary, if we find that there are areas that need amendment in due course, we can of course do that by way of an order. I am more than happy to consider any sensible adjustments that may become necessary. Deputy Tadier, I think I have hopefully covered the points with regard to Deputy Hilton on licensing of vessels.

Deputy M. Tadier:

So there is just one area of basic training - compulsory training - which would not necessarily involve licensing as such?

Senator A.J.H. Maclean:

Yes, I mean there is nothing compulsory in that regard. The yacht clubs do tend to run various educational courses with boating and indeed we encourage and the Jersey Coastguard in particular ... we have seen the number of incidents, for example, around our coast increase in the last year. That is not very satisfactory so education, which again I think was a point that the Constable of St. Saviour raised, the R.Y.A. encourages basically education of sea related matters as opposed to dealing with it through regulation. It is a sensible, pragmatic approach which I agree with. The Constable of St. Brelade talked about International Certificates of Competency. The answer is yes and yes. I hope that understandably similar vein of safety, I think we all agree that safety is of paramount importance when we are dealing with matters and specifically when we are living on the Island with regard to the sea. Senator Ferguson pointed out that for those of us who are not nautically minded, would I give some more details of the 33 points covered in the original order? I would suggest rather than going through all those, I would be more than happy to let the Senator have the details that she can consider. But essentially they are to do with safety matters, aligning ourselves with the convention and bringing ourselves into line with international standards which I think is quite appropriate. I hope I have covered also the Constable of St. Saviour's point with regard to education. Yes, I do agree with him. Education is the answer and that is what the R.Y.A. also maintain. If I may, I would like to maintain the principles.

The Deputy of St. John:

Sir, the Minister never answered my question whether or not the marine traders were approached and contributed towards this. Also, whether he would get these laws passed through a marine lawyer from either the R.Y.A. or some other competent body before they come into force.

Senator A.J.H. Maclean:

My apologies to the Deputy of St. John for not fully answering his question. I have a list here of all those that were involved in the consultation. There was something like 27 different organisations and groups. I think the Deputy was referring to marine traders. I cannot immediately see them on the list but there are 27 organisations. I am more than happy to ensure that they get the documentation and are included with ongoing discussions as they evolve. As I have said, the order can be changed. There can be adjustments made in due course. I am also prepared to ensure that once the guidance notes have been finalised - and they are obviously of significant relevance in this matter - that those are passed before an appropriate legal mind within the maritime field - and that may well be the R.Y.A. or it may be somebody else who is appropriate to get an opinion.

Deputy M. Tadier:

Could I just thank the Minister for his response and that with regards to safety it does at least supply Members with a quantum of S.O.L.A.S.

The Bailiff:

The principles of the regulations; those Members in favour of adopting them, kindly show. Those against? The principles are adopted. Deputy Higgins, do you wish to scrutinise these regulations?

Deputy M.R. Higgins (Chairman, Economic Affairs Scrutiny Panel):

No, Sir, we do not.

The Bailiff:

Do you wish to move the Articles of the regulation en bloc, Minister?

Senator A.J.H. Maclean:

Yes, Sir, I do. Could I just also clarify for the Deputy of St. John, I have just noticed on the list here - I had missed it when I read it briefly then - that the marine traders were in fact included. Just for his information, Sir.

The Bailiff:

I call upon the Minister to propose the regulations.

7.2 Senator A.J.H. Maclean:

Regulation 1 amends Article 49 of the main shipping law by inserting a new definition of ship. The definition of a vessel used in navigation is changed and replaced by a more comprehensive definition covering every type of watercraft used as a means of transportation on or under water. This change became necessary as a result of an attempted U.K. prosecution of a person following a collision between his personal watercraft of jet-ski and another personal watercraft causing serious injury. The defendant was found guilty but appealed. His appeal was upheld. The Appeal Court judgment that a jet-ski is not a vessel used in navigation thus stands. Although Jersey law is not bound by English Appeal Court precedents it is clearly unwise to continue to use a definition that might mean owners could escape prosecution by arguing whether or not their boat was being used in navigation. Closing this loophole will stop people thinking they can go afloat without proper planning or the right lights or a compass or other equipment. The change of definition and inclusion of the reference Wing in Ground craft also brings the definition in line with the convention or International Regulations for Preventing Collision at Sea which already applies to the Island. The second regulation, Regulation 2, repeals Article 54 of the law regarding the duty to assist a ship in distress. It is replaced by Regulation 33 in Chapter 5 of the S.O.L.A.S. Convention and this takes account of the fact that Regulation 33 is more comprehensive. Among other differences, it provides for the master of the ship who receives the distress message to contact the rescue services and tell them that he is going to assist as well as informing the ship in distress itself. Crucially, the new requirement makes it mandatory for the master to enter any reason for not offering assistance in the ship's logbook. Without these additional requirements, Jersey legislation would not be fully compliant with Chapter 5 of the convention. Sir, I would like to move the regulations en bloc.

The Bailiff:

The regulations are moved in second reading. Are they seconded? [Seconded] Does any Member wish to speak on the regulations?

7.2.1 The Deputy of St. John:

I would like clarification because personal watercraft ... in fact within the gambit of the law we are looking at exempting vessels under 7 metres in length. Given personal watercraft are 2 to 3 metres in length, they would be generally exempt in the first instance from within the law. So going to all this trouble of amending the law, why have you set a minimum level of 7 metres; that part of it? Further along I note that adjustment of magnetic compasses and properly adjusted magnetic compasses are part and parcel within this law. Given that Jersey do not have a compass adjuster on Island and the answers are not being given from within the department to date that you can check your compass against a G.P.S. (Global Positioning System), et cetera, et cetera. Historically, a compass adjuster has to adjust magnets, et cetera, within the compass or adjacent to the compass. Can it be right for the advice that I have been given by the officers from the department to, say, check it against an electronic piece of equipment? That is fine but what happens if your batteries on your G.P.S. are flat or some other problem arises with your electronics? Your compass would not be correct. You are just relying on other pieces of equipment. If you have got a compass on board your vessel it is the most important piece of equipment on the boat, believe it or not. You can forget about all your electronics. Your compass will get you home if you are a competent navigator. Therefore, I would like to know why the Minister is including the compass within this law when we have not a compass adjustor on Island? How is he going to resolve that, please?

7.2.2 Senator B.E. Shenton:

Just a minor point. The Minister in his speech said that Regulation 2 repeals Article 54. Did he in fact mean Article 56?

7.2.3 Deputy J.A. Hilton:

I thank the Minister for his answer to my question, although I must say I still feel rather uneasy. If I understand correctly there is nothing in law to stop anybody taking a vessel of 20, 30, 40 or 50 feet out on the water. I do have concerns about large vessels being driven. In fact the Minister did mention that there has been an increase in incidents around coastal waters. I still have concern about large vessels being driven by people who are not competent to do so. I would like to point out I am not referring to small fishing boats or pleasure craft used by lots of Islanders. But it is a concern of mine so I just really wanted to make that point to the Minister.

7.2.4 The Deputy of St. Mary:

It seems to me the purpose of putting these regulations through - and the Minister can correct me if I am wrong - is to enable progress on a third chapter of the 12 of S.O.L.A.S. We are working our way through 12 chapters. We agreed to Safety of Life at Sea in November 2003 and so far 2 chapters out of the 12 have been ratified and we are working on the third. These regulations are part of removing an obstacle to getting on and finishing with the third. I just wanted to raise a point and have it on the record and see if the Minister has a response as to how long he thinks it is going to take to work through the 12 chapters, and whether this delay has any significant impact on safety at sea and what is the effect on perception from elsewhere? I know I am cheating a little bit and perhaps I should have made these remarks in the earlier debate but I hope the Minister can answer them now.

7.2.5 The Connétable of St. Brelade:

Would the Minister confirm that he will suggest to the Deputy of St. John the traditional way of checking one's compass is by verifying it on known bearings?

7.2.6 Deputy P.V.F. Le Claire:

I just wondered as an aside if this is something that will also help us increase our ability to expand the shipping register and increase our economy by having these legislations? That is terribly wrong. By having these regulations in place, will we be able to add another bow to our ... I better sit down.

The Bailiff:

I call upon the Minister to reply.

7.2.7 Senator A.J.H. Maclean:

The Deputy of St. John, I fear, confuses compass adjustment and compass checking. An adjustment does not need a qualified adjustor. Traditionally, a compass adjustor I have to say has visited the Island. Of course that is one option. I suppose although I am not a nautical type, there may well be an opportunity for a handheld backup compass if the Deputy is concerned about safety in matters of this type. He is quite right to have raised the point, I have to say. The Deputy also asked about smaller craft. Jet-skis are mostly exempt but the law amendment is still needed to cover many of the other regulations in the chapter and in regard to the collision regulations. That was the specific purpose of this particular point. The Constable of St. Brelade I thought also made some good suggestions with regard to the Deputy of St. John. [Laughter] I am sure that being a keen mariner, I am sure he has picked up on the advice wisely given. I would like to thank Senator Shenton for his input. He is absolutely correct. I was in fact referring to Article 56. If I inadvertently said 54, I apologise to both the Senator and Members. It was nothing more than a slip. Deputy Hilton's point with regard to the size of the vessel but, most importantly, the lack of requirement for any form of license or competency to go to sea: she is right. It is a concern. There are, in particular, large pleasure craft that go to sea. I have to say though that the larger the pleasure

craft, you do tend to find that they have a significantly larger cost and the owners, therefore, do tend to follow the R.Y.A. guidelines and ensure that they are competent. They do not want to damage their very expensive vessels. But, nevertheless, on a serious note it is something that needs to be addressed. We must always be moving towards greater degrees of safety in all matters and, in particular, with regard to the sea. Deputy Le Claire raised a very good point about the shipping register. He is absolutely right. In fact by ratifying today these regulations and completing this particular chapter then, yes, it does increase our potential for developing our shipping register; something that clearly the department is keen to do. We have been in ongoing discussions on this matter. There are commercial opportunities that we want to take advantage of and, consequently, yes, it is important that today we conclude this particular section so we can move ahead with it. The Deputy of St. Mary asked whether or not ... or how long, more to the point, it was going to take to go through and ratify all the various elements of S.O.L.A.S. I cannot honestly give him an answer. I do not know how long it is going to take but we will move as quickly as possible. I will seek guidance from officers as to whether we have got a timescale for the full completion but at this stage I am afraid I do not know the exact timescale involved. I believe I have answered all questions the Members raised, Sir, and I maintain the proposition.

The Deputy of St. John:

On a point of clarification, yes, I accept the Constable of St. Brelade's comments. But I do have concerns that personal watercraft, as was mentioned in the Minister's opening speech, which are under 21 feet are exempt. The reply he gave us a few seconds ago, he is still basically ignoring that most of the incidents that have been caused have been caused by the personal watercraft which are under 21 feet, hence the amendments to this law and yet they are exempt.

The Deputy of St. Mary:

On a further point of clarification before the Minister replies to that.

The Bailiff:

Is it a point of clarification? It is not a speech.

The Deputy of St. Mary:

The point is that I asked 2 questions which have not been replied and the Minister did reply to everybody else's questions so I thought he might just have missed them.

The Bailiff:

By all means then ask for clarification.

The Deputy of St. Mary:

He replied quite correctly to how long it will take. I thank him for that answer. I did also ask whether the delay has significant impact on safety at sea and following on from really what Deputy Le Claire said also, the effect on perception from elsewhere because that obviously is very important in connection with the shipping register.

Senator A.J.H. Maclean:

Yes, my apologies to the Deputy of St. Mary for missing a couple of points that he raised. I should just perhaps take this opportunity to clarify, bearing in mind how long it has taken us to get to this particular point, the estimate for completion - and I will get further confirmation on this - would be somewhere in the region of 3 to 4 years to work through the entire S.O.L.A.S. sections all the way to 12. The Deputy also asked as to whether this has an effect on safety at sea. The reason we brought it in was to improve safety at sea. The answer is clearly yes and the sooner we get to the end, to number 12, the better. We are. It is a continual improvement process. That is why it has the support of - not surprisingly Members will learn - the Jersey Coastguard who are very enthusiastic about reducing the number of incidents, and clearly this helps to do so. As far as

views, other jurisdictions move at different paces. I have to say what we are doing here is trying to improve on what the U.K. has done. We have not just taken the legislation that the U.K. is adopting. These are international standards that Jersey is adopting and we have taken them and we have improved them where we thought it was appropriate and where we thought it was to the advantage of Jersey. So you could argue that in fact we are setting a slightly higher benchmark. But as I have said earlier, it is important that we balance regulatory controls and costs, bureaucracy and so on with the fact that sea craft, a seafaring Island and pleasurable tourism; the value of tourism and sea pursuits must not be underestimated. So just reverting back to the Deputy of St. John who raised the point about craft size. This specific point was about collision; collision incidence in relation to a U.K. incident. It is something that we feel is appropriate to do. I think if it is taken in isolation and not spun out to relate to a number of other vessels then it is appropriate that it is taken upon that basis. It is a clarificatory point.

The Bailiff:

The appel? Yes, I ask any Member in the precinct who wishes to vote on the regulations to return to his or her seat. I ask the Greffier to open the voting which is for or against the regulations.

POUR: 43	CONTRE: 1	ABSTAIN: 0
Senator S. Syvret	Deputy of St. John	
Senator T.A. Le Sueur		
Senator P.F. Routier		
Senator P.F.C. Ozouf		
Senator T.J. Le Main		
Senator B.E. Shenton		
Senator F.E. Cohen		
Senator J.L. Perchard		
Senator A. Breckon		
Senator S.C. Ferguson		
Senator A.J.D. Maclean		
Senator B.I. Le Marquand		
Connétable of Trinity		
Connétable of Grouville		
Connétable of St. Brelade		
Connétable of St. John		
Connétable of St. Saviour		
Connétable of St. Clement		

Connétable of St. Mary Deputy R.C. Duhamel (S) Deputy R.G. Le Hérissier (S) Deputy J.A. Martin (H) Deputy of St. Ouen Deputy of Grouville Deputy of St. Peter Deputy J.A. Hilton (H)
Deputy R.G. Le Hérissier (S) Deputy J.A. Martin (H) Deputy of St. Ouen Deputy of Grouville Deputy of St. Peter
Deputy J.A. Martin (H) Deputy of St. Ouen Deputy of Grouville Deputy of St. Peter
Deputy of St. Ouen Deputy of Grouville Deputy of St. Peter
Deputy of Grouville Deputy of St. Peter
Deputy of St. Peter
Deputy J.A. Hilton (H)
Deputy P.V.F. Le Claire (H)
Deputy of Trinity
Deputy S.S.P.A. Power (B)
Deputy K.C. Lewis (S)
Deputy I.J. Gorst (C)
Deputy M. Tadier (B)
Deputy A.E. Jeune (B)
Deputy of St. Mary
Deputy T.M. Pitman (H)
Deputy A.T. Dupré (C)
Deputy E.J. Noel (L)
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)
Deputy A.K.F. Green (H)
Deputy D. De Sousa (H)
Deputy J.M. Maçon (S)

The Bailiff:

Do you move the regulations in third reading, Minister?

7.3 Senator A.J.H. Maclean:

Yes, Sir.

The Bailiff:

Seconded? [Seconded] Does any Member wish to speak on the regulations in third reading?

7.3.1 Senator S. Syvret:

As we work through what might more accurately be described as a quantity of S.O.L.A.S., would the Minister not agree with me that the concerns of the Deputy of St. John about having his compass swung correctly seem a little confusing because, presumably, to rely upon compass navigation, one has to believe that the earth is in fact spherical?

The Bailiff:

Does any other Member wish to speak on the regulations in third reading? Do you wish to reply, Minister?

Senator A.J.H. Maclean:

Just to thank Senator Syvret for his intervention, Sir.

The Bailiff:

I put the regulations in Third Reading. Those Members in favour of adopting them, kindly show. Against? The regulations are adopted in Third Reading.

8. Economic Stimulus Plan (P.55/2009)

The Bailiff:

We come now to Economic Stimulus Plan, Projet No.55. I ask the Greffier to read the proposition.

Senator S. Syvret:

Sir, I do not know if it is worth testing the mood in the House, it is up to them, but does the Minister want to begin his speech, which I imagine is going to be quite lengthy, 10 minutes before the scheduled adjournment time? Perhaps we... [interruption]. Yes, I was going to suggest that we could do the following item instead.

Senator P.F.C. Ozouf:

I am certainly willing to. I am going to speak for about 20 minutes on the introduction. I thought this was an important debate but...

The Bailiff:

It is a matter for Members if they wish to continue in accordance with the Order Paper. Yes, very well.

Senator P.F. Routier:

I think we should continue.

The Bailiff:

Very well. I ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of opinion: to refer to their Act dated 5th December 2006, in which they approved the establishment of a Stabilisation Fund, the purpose of which was to make fiscal policy more counter-cyclical and create in the Island a more stable economic environment with low inflation and: (a) to agree to transfer the £18 million surplus funds currently available from the special fund known as the Dwelling House Loans Fund established under the Building Loans (Jersey) 1950 to the Stabilisation Fund; (b) to agree in accordance with

Article 4A(2) of the Public Finances (Jersey) Law 2005 to transfer £44 million from the Stabilisation Fund to the Consolidated Fund to provide funding for the proposed discretionary economic stimulus package (following advice from the independent Fiscal Policy Panel) and also to earmark the balance of £112 million in the Stabilisation Fund to cover the impact of the economic downturn on States finances (where tax income is lower and expenditure on items such as income support will be higher - the so-called automatic stabilisers) forecast for 2010 and 2011; (c) to agree in accordance with Article 11(8) of the Public Finances (Jersey) Law 2005 to amend the expenditure approval for 2009 approved by the States on 23rd September 2008 in respect of the Treasury and Resources Department to permit the withdrawal of up to £44 million from the Consolidated Fund to be re-allocated for the net revenue expenditure of a number of departments in order to fund the proposed discretionary economic stimulus package with the funding only being made available to departments from the allocation following referral to the Corporate Services Scrutiny Panel and by public ministerial decision of the Minister for Treasury and Resources.

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

In recent months events around the world have unfolded to a dramatic extent. The new globalised world means that very quickly a crisis which is said started in the U.S. (United States) sub-prime mortgages has quickly spread across the world. From London to Lagos, from Bangalore to Berlin, cities, communities have been gripped with a full-blown financial and economic crisis. Many commentators have said that this is the worst crisis and the worst outlook for the world economy in 60 years. Most larger economies have been quickly sucked into recession. Jersey has until now been fortunate, as we have been in the past, to have been somewhat insulated. What I want to say to Members today is that it is inconceivable that in a world in which there is crisis and upheaval which has spread to every corner of the globe that Jersey will continue to be unaffected. This debate is about looking ahead, taking action, preparing for what is likely to be a difficult period for individuals and Jersey families. The debate we are having today is the same that is happening and has happened in many parliaments around the world. What sets us apart is we start this period of difficulty with a very strong economic base, a track record of recent low domestic inflation and, for our small size, significant cash savings in our stabilisation and strategic reserves. We can take decisions to help mitigate against the worst effects of the expected slowdown in Jersey but without the hangover of debt. While some politicians - we heard in question time - are attracted by low interest rates, I would say to those borrowing politicians that the money has to be repaid. Worse, perhaps in a world where there is a real risk of deflation, that debt is going to be even more difficult to repay. This is an important decision. I think that this Assembly has a track record of making sound economic policy decisions. The move to Zero/Ten, dealing honestly with the consequences of it, the setting up of the Strategic Reserve, the rule of matching our annual expenditure with income, our history of low taxes, of diversifying our economy, recently setting up the Stabilisation Fund and putting in place the Fiscal Policy Panel, initiatives such as Competition Law. All of these things have contributed to the strong position we find ourselves in today. But I am not complacent. I am confident about the medium and long term prospects for our economy. We have always adapted and changed. Our success has been built on constantly reinventing ourselves; most importantly, adhering to the highest international standards. However, in the short term I am concerned. What I say in the short term is in the next one, 2 and 3 years. In the nearly 10 years that I have been in the Assembly I think that we have significantly improved our economic advice. While I hope that we are going to get a good report from the Michael Foot Review, I hope they also compare and contrast the analysis and economic rigour which we make decisions compared to some other small territories. As Members and the public would expect, since the start of the global crisis we have taken the best internal and external advice on the economic outlook. We have carried out extensive work with businesses and across States departments. The best economic advice we have, including that of the independent Fiscal Policy Panel, is that the Jersey economy is likely to experience a significant downturn this year and next. There are a number of reasons for this: low interest rates, a slowdown in financial markets, concern in consumer spending, an end of the period of loose credit, difficulties in other sectors and tourism. The F.P.P. (Fiscal Policy Panel) forecast in their recently published annual report said that they believe the economy while it grew 7 per cent in 2007 and 3 per cent last year, it was likely and is likely to contract by up to 5 per cent this year and potentially 2 per cent in 2010. In other words, the best advice we have is that it is only a matter of when not if and the time to respond is now. There can be little doubt that such a significant downturn in our local economy will not put jobs at risk. I submit that a failure to act will put individuals and people in Jersey at risk. We are in a fortunate position to be able to act to cushion the blow for our community that could be affected by a downturn. The Stabilisation Fund has been established for the specific purpose of supporting the economy and Island through harder times. The aim of the Stabilisation Fund and of the F.P.P. is to make fiscal policy more countercyclical and to create in the Island a more stable economic environment with low inflation. Counter-cyclical means taking money out of the economy in good times and when high inflation is a threat and putting it back in the economy when the economy is performing less well. This creates a more stable economic environment by smoothing, not through removing, the economic cycle. Stability provides the platform for more jobs and better performing businesses. So what is the purpose of a fiscal stimulus? Putting it simply, the local economy is expected to contract due to a downturn in demand from outside the Island for the goods and services we produce and from within the Island in terms of spending by businesses and individuals. Governments can offset some of these negative impacts by boosting demand in the local economy. With carefully targeted new money, governments can help support employment and businesses across their economies. Putting money into the economy also means that potentially you are in a stronger position when the recovery comes. As Members will be aware, governments across the world from the U.K. to Germany to the U.S. and China have all done this when faced with the same economic prospects but with, it has to be said, a much worse outlook for their public finances. governments prepared to commit to exceptional rises in public debt, none more so than in the U.K. where it is expected that the deficit will rise to 12 per cent of G.D.P. (Gross Domestic Product) this year and government debt by a staggering 80 per cent by 2013. We can respond in Jersey in an appropriate manner but without the risk of future public debt hangover. There has been a debate as to the extent of the downturn in Jersey. Moreover, do we believe that we need to act now? Some Members have quite legitimately asked why act now and why act today? Should we delay this Should we wait and see how things should turn out? My response to these very reasonable questions is quite clear. Delay will put Island jobs and businesses unnecessarily at risk. The art of fiscal stimulus is to get the timing right. Historically, I think the States have acted too late when faced with a downturn. Worse, I would argue while there was a need for the States to dampen down demand in periods of growth, in previous downturns action has been too little, too late. Policy must kick in as the economy begins to slow; not before and not after. If we do not agree to allocate funds from the Stabilisation Fund today we could fall into the trap of acting too late. The advice from the F.P.P. is clear and unequivocal. When they published their report a couple of weeks ago they said we must act in the next 6 to 9 months. They said stimulus should be applied to the economy now through quick acting, well targeted and temporary measures. These comments can be, in my view, in no way interpreted as hide your head in the sand and procrastinate. These are uncertain times. Perhaps more uncertain for many years. I believe, however, that uncertainty is not an excuse for inaction. The plans before Members, before the Assembly, have been carefully crafted to deal with that uncertainty. The priorities for action are: firstly, maintenance and infrastructure spending; secondly, supporting employment and assisting individuals; thirdly and fourthly, business support and retraining and skills. By focusing on these priorities we can take account of some of these uncertainties. If the economy turns out to have performed better than expected we will have given a higher priority to maintenance and infrastructure projects that would have had to happen anyway and, frankly, we would have got good value for money for necessary expenditure. Investing in our skills base is something that is always important whatever the stages of the economic cycle. That will not be money wasted. If the economy performs less well than expected we also have of course plenty of room to propose further fiscal stimuli in the future. More than that, and what I want to say very clearly, that while I am inviting Members to make a specific decision in relation to injecting new money in the economy, this plan today is not only the Treasury plan. The Minister for Treasury and Resources is the only individual that can bring forward further spending requests. What I also want to say to Members is this is very much a cross-ministerial response. All departments are responding to the challenge of the global problems. Economic Development are responding with their existing resources to assist business through Jersey Enterprise. Where they can and as appropriate they are using the Regulations of Undertaking to encourage new business start ups, to focus employment with existing Islanders, Jersey finance is stepping up their marketing activities in London, the Middle East and the Far East. This Assembly is passing and continues to pass innovative laws to take advantage of our position. Social Security are increasing their efforts in helping people. Perhaps most significantly Planning too have introduced a fast track planning scheme to ensure that there are no blockages for quality projects that are well designed and can boost local activity. We are not using all our weapons in our armoury. In fact we are acting in a prudent and justified manner knowing that we have more if we need to. I know the Assembly wants reassurance that the money that will be allocated I hope today will not be wasted. The answer to those concerns is by having a rigorous evaluation process in place. I want to just explain very briefly what that process is. Firstly, we have a dedicated team in the Treasury that has asked departments to put forward bids. Bids are being screened in terms of benefit versus cost, in value for money terms and how closely they meet the Holy Trinity; the new Holy Trinity of timeliness, targeted and temporary. Once this team has arrived at its assessment, the information will be passed on to an independent evaluation team and they will make a recommendation to me as to whether the bid should receive funding. This process is tough. It is designed to ensure that the money we use to stimulate the economy in difficult times will be used in the most effective manner; moreover, guarantee the biggest and maximum bang for our buck of Jersey pounds. I would like at this stage to recognise and thank the work of the Corporate Affairs Scrutiny Panel and its additional member that they have carried out in recent weeks. This has been the first review. Their report was laid before Members vesterday. I am obviously heartened that while they have some caveats, they are generally supportive of action. I do not think that they have been easy to convince and I know that they have genuine concerns which I will address about the financial position that could emerge as the result of a more protracted downturn. They recognise the need to act. I am grateful for their support and the work that they have carried out. Scrutiny's involvement in this process is integral in terms of making those decisions going forward. One of the most important questions Scrutiny quite rightly asked was, was the £44 million right in terms of discretionary policy? The first thing is that the F.P.P. commentated that £44 million is consistent with the panel's advice to implement a significant discretionary stimulus. If we do less the scale of the response will in our view be inadequate given the scale of the slowdown. Secondly, £44 million amounts to 1 per cent of G.V.A. (Gross Value Added) and is similar to the action that is expected this year in Canada. France, Germany, Japan and the U.K. These proposals give us sufficient flexibility for more discretionary policy if economic conditions merit that. The use of the £44 million from the Stabilisation Fund leaves enough money to cover the estimated deficits in 2010 and 2011 that could arise and I think will arise as a result of the global turndown. This too is critical but without securing the funds to cover these deficits we could have to raise taxation or - which I think will be unacceptable - cut spending at a time where it would be most unsuitable to do so in the state of the economy. On a number of assessments the scale of the discretionary stimulus required of £40 million to £50 million is appropriate. As it was discussed in question time, it is the preference of the Council of Ministers not to commit to borrowing. I think I have said enough about that. However, I should say that I do not rule out further action, subject to the advice of F.P.P. should the economic situation demand it. The decision today is an in principle decision to transfer £44 million from the Stabilisation Fund to the Consolidated Fund. What will determine how much is spent is what projects are identified through the evaluation process. The report to the proposition includes also the financial forecasts to 2013. In that, there is essential projection of deficits in the region of £50 million for 2012 and beyond. It is important that these projections recognise 2 important factors. Firstly, we are operating in extremely uncertain times, both in the economic outlook and how the outlook will impact on States finances and the tax base in particular. The reason the central projection shows such a deficit is quite simply because the world economy and financial markets are expected to go through a steep downturn. The average growth rate will certainly lead our public finances to a new lower base. I would argue that this is a prudent and sensible planning scenario and it should not be interpreted as a reliable definite forecast of the future trends of States finances. If financial markets and the global economy recover more quickly then the deficit may not materialise at all or perhaps later than 2012. Secondly, we should not allow uncertainty about the position of the medium term to cloud our judgment over the short term action to support the economy. I am clear. Under no circumstances should this Stabilisation Fund money be used to address the structural problem within States finances. It is there to purely address the cyclical impacts of the downturn in the economy. Use of the Stabilisation Fund should be determined to the extent of the downturn in projects and the availability of suitable projects. I want to be very clear to Members I have no intention of taking my eye off the ball of the long term potential structural situation in Jersey. So I see that it is 12.50 p.m. Perhaps I will call for the adjournment now having set the general scene and coming back to it after luncheon adjournment, mindful of the fact that there is a Treasury briefing over the lunchtime period.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

The adjournment is proposed. If Members agree, we will adjourn now and reconvene at 2.15 p.m.

LUNCHEON ADJOURNMENT

PUBLIC BUSINESS - resumption

Senator P.F.C. Ozouf:

I know that when Members come back from the luncheon adjournment they are normally always raring to go and keen to have a debate so I thought that a little interlude ... I have not got that much more. Before lunch I set out in my remarks some of the background as to the advice we had received and the process and talking about the urgency. In the intervening luncheon adjournment I had the benefit of briefing States Members of the up-to-date financial forecasts of the States. I would like to thank Members who took the trouble to attend. Those Members who attended were very clear that there is certainly in the next couple of years going to be some very tough decisions that are going to need to be taken on States spending. But returning to the general economic situation, the argument that we are putting today is that investing States funds now will help offset the slowdown in the economy and we will be able to help people that would be otherwise losing jobs. We will protect our economic base and we will give the Island a stronger platform on which to build from when the recovery comes. The extent of that structural problem that I was speaking about can be mitigated by the decisions that we make today. The reasons and the priorities that are set out are for support of small businesses and skills and retraining. It is important that we invest now to ensure that we do get the strongest and most skilled workforce to benefit from the upturn. I am not at all saying that we should ignore the risks of the structural problems. As the F.P.P. said, a strategy for dealing with this once the economy has recovered should be agreed during the current fiscal year. That is why the Council of Ministers and I are working hard to identify what we can do to contain those difficult spending pressures, to find efficiency savings and, dare I say it, consider service cuts where we need to. There is going to be not only an ability to deliver some of the aspirations of ministerial colleagues by efficiency savings but we are going to have to prioritise in some areas of government expenditure. I should say that the arrival of the new Deputy Chief Executive who has been specifically tasked to work across ministries is going to be working hard to achieve savings and efficiency in that area. With inflation expected to be close to zero this year, we must also work to contain of course States spending or the most important, biggest area of States

spending in public wages. Once we have identified what we can achieve in terms of the expenditure side, we will need to reassess the economic outlook, both in terms of how the global and Jersey economies and financial markets are expected to perform and, most importantly, what the impact is expected to be on States finances. But I want to be clear to Members, acting now can reduce the risk of a structural problem arising and put the economy onto a sounder footing for the longer term. Fiscal stimulus now is an investment that brings return in future in terms of higher employment, a stronger economy and a healthier tax space. The decision before Members today is a simple one. Do we want to act to support local people now or do we want to be frankly one of the only governments in the world that faced with an economic potential storm of a comparable scale to that of the Great Depression simply dawdles? I think States Members want action. Real business and real people are being already affected. We have seen retailers close on King Street and Queen Street. We have debated in this Assembly the plight of the Woolworths workers; the sad loss of that much iconic retail store in Jersey. We have seen Pound World, we have seen 101 Toys no longer operating and we have seen the impact. I know that there is concern in this Assembly on retail jobs. Other retailers have already indicated that their sales and profitability is being affected. In the area of construction, businesses have gone out of business. A well known construction firm laid off people just in the last few days. We have consulted with the construction council. They report that over the next 2 years, unless action is taken, there could be a 30 to 40 per cent reduction in capacity, be it through firms closing or significantly downsizing. That figure which trips easily off the tongue could put - on the figures that are employed in construction - 1,500 to 2,000 jobs at risk. Yes, firms are busy today but there is not indication that this trend is likely to continue in the next few months as projects come to an end. While construction firms and retailers are very vocal and they are very known because they attract a lot of public interest, there are other sectors of the economy who are perhaps more silently having difficulty. I am concerned that other small companies are already at risk and close, in some cases, to insolvency. The Minister for Social Security informed me today of a local gardening business which suffered job losses. In fact 6 jobs have been lost in the last few weeks. On the tourism side, information from the airport shows that new arrivals are down 12 per cent year to date. Interestingly, parking revenues are down 16 per cent. Maybe that is a good thing because more people are using the Minister for Transport and Technical Services' buses, which is obviously a good thing. But I think that we can take from these reductions in consumer spend that there are problems and there are certainly concerns among the economy. There is a clear indication that there is less money circulating in the economy today. In our car market we have seen new car sales plummeting. We have seen unemployment rise. I have always believed that the unemployment figure of 1,000 has been a sensitive figure and we have breached that figure. Some of that has been due to the arrangements and the new arrangements of job seekers perhaps for income support but that 1,000 figure is potentially, unless action is taken, only the start of a figure well in excess of 1,000. What do Members think without action that unemployment figure would be in 6 or 12 months' time, especially as conditions are expected to get worse before they get better? The reality is ... and there has been some debate with the question that Deputy Vallois asked this morning about the issues concerning the finance industry. I know that there is going to be ... it is inevitable in the restructuring of financial services industries because of the downturn, businesses will take time to look at their costs, to look at the way they are organising and they will restructure. We will have to work hard to replace those jobs that are lost. It is not an option to simply cast firms in aspic and not allow them to reform to make themselves more productive. That is what we need for the long term benefit of the economy. But we need to work hard to replace those jobs and, in certain cases, to avoid them happening. We have worked and this Assembly has worked hard in building up the Stabilisation Fund. It is now I believe a critical moment to send a strong signal from this Assembly to Islanders that we are decisive, that we care and I believe that we are responsible. I want this Assembly today to agree to act swiftly in proportion to the circumstances we face and set the wheels in motion to use the Stabilisation Fund in a timely, temporary and targeted fashion. It is in all Islanders' interests that we make a decision today. Sir, I move the proposition.

The Bailiff:

Is the proposition seconded? [Seconded] Does any Member wish to speak on the proposition?

8.1.1 Deputy P.V.F. Le Claire:

I would like to congratulate the Minister for Treasury and Resources on bringing forward something at a key point in the Island's history. As was pointed out in his speech, nothing so far in living memory has impacted upon the world as greatly as the recent credit crunch. There will no doubt be many speeches about the economy and the importance of supporting this today. I will be supporting this today. I would like to ask though ... in brief I have a few points I would like to make. I would like to ask the Minister to take cognisance of the sorts of questions I am asking and let us know, if possible, how it is proposed accountability can be factored in. The questions would be: where will the money go, who will get it, how will it be seen to be spent? Obviously in every circumstance and on every day of the week and on every month in the year those will change. But those are the sorts of questions that we need to ask. We need to have accountability and we need to be able to look and see and access how these many millions of pounds are going to be spent. Will failing companies because of new competition impacting upon their marketplace be shored up until that competition is seen off? If there is to be a handout on a temporary basis, will there be equal opportunities to other businesses in that sector that are also feeling the same effects? Would it be right to shore up an existing company because it is suffering from the entrance of a new company and not shore up that new company? How will we be able to tell the electorate, who will also be feeling much more of a pinch in the next year to 2 years, how these many millions have been spent? If Harcourt failed to meet the requirements currently awaited from them, will they still have a claim upon the States as they have submitted a plan with W.E.B.? Will they have ownership of that plan or a call upon States revenue? These sorts of questions are current questions. But if they are unable to meet their obligations, the question then would be can we redirect the build of the waterfront which is so important for our finance industry? Can we redirect the build of the waterfront towards local companies; towards local companies as they have done in other jurisdictions? We recently visited the city of Malmö, as a number of Members have done on environmental scrutiny, and we witnessed how they transformed their waterfront into a modern, sustainable masterpiece. They have commissioned a fantastic waterfront that engages all of the local developers that were short-listed and all of the local architects that were short-listed to work on a master plan with each other; no 2 developers working with the same architect but no developer precluded from doing more than one scheme. The developers amalgamated their expertise and they have brought in joint purchasing power to deliver upon their schemes. They shared workforces, they shared materials and they shared their experience. The current experience is something to behold. As an aside, the occupancy is only for those that live there; something that we might need to consider in the future. Do we really want to continue to see buildings being developed and flats being developed in Jersey where they are owned by council members from the U.K. that do not live here or use them as second homes? Do we want to act to help local people now was the question the Minister asked us in his speech. I certainly do. I was stopped at lunchtime at Snow Hill by a Portuguese businessman who urged me to support this today. I assured him he did not need to urge me to support it because I recognised how important this was. But it was interesting because I am not often stopped in a lunchtime and urged to support something. It is quite rare. As has been mentioned, although it is my speech, there are now over 1,000 people registered who are unemployed. The activity of local businesses is at best ticking over. Businessmen have reported to me that for the first time they are putting their own money into the business just to keep that business going. I would like to support this. I do not wish to go on. I urge Members to support the proposition.

8.1.2 Deputy S. Pitman:

I will not make a speech as I generally agree with the proposition. But I feel what it does not include - and Deputy Le Claire has also covered some of this - is how the fund would be allocated.

I would like the Minister to answer that question and some others I have. What criteria will have to be met for applicants of the fund? What are his priority areas? Also, as we know we need to diversify the economy. How will his department prepare for the possibility that the finance industry will not be the prominent industry in 2 years as it is estimated the economic recovery and in the near future? It would be foolish if we did not now seriously plan for diversifying our economy.

8.1.3 The Connétable of St. Helier:

First of all, I just want to take issue with something that the Minister said about shops closing. I do not want to for a minute minimise the problems that town businesses in particular are facing, but I think it has to be pointed out that more shops are opening than are closing at the moment in the town. We of course welcome the buoyancy of the retail offer in St. Helier that so many of the shops - including the ones he mentioned by and large - have been very quickly re-let and that there are still bold entrepreneurs in the current climate who are very keen to start up business. As I say, I do not for a minute minimise what he said about the future but as the latest and the third volume of the St. Helier Trader will indicate when it becomes public, things at the moment - and we are grateful to all of those who still have the courage to open new businesses - are buoyant. That is a very good sign. I, of course, like many Members welcome this move by the Minister. I welcome the caveats and the caution and the careful criteria that he has laid out in the projet. I would like to ask him specifically about the timetable as set out in paragraph 22 which would indicate that any bids that are not in already are too late. I would like his reassurance that, particularly given the publicity that the plan will attract ... perhaps people are not aware of the plan and they have bids that ought to be considered. Is it too late or can bids still be put in to attract this economic stimulus funding? More so in particular - I was just hunting for the quote but I have not got it with me - I think it is very important that we do not rule out investment in other areas that perhaps do not immediately spring to mind. Sir Christopher Frayling - I have not got the quote with me - recently standing down in an important role in the U.K. arts world said - and I paraphrase - that now is not the time to turn off the tap in terms of funding projects involving arts and culture. They have not been mentioned in particular in the plan and I would hope that so long as they satisfy the trinity that the Minister mentioned of the 3Ts that there will not be a bar on particularly projects involving the arts because it is a good time to be investing in the arts. I believe that Franklin Delano Roosevelt when he took similar steps in the United States did not rule out arts projects either from receiving benefit to bring the United States out of a recession. Infrastructure projects are of course very dear to my heart, particularly in so far as they concern the town. I would seek from the Minister his views on whether applications for urban regeneration projects will be scored. It does seem that schemes have been shown to deliver the best benefits in the analyses of fiscal stimulus packages in other jurisdictions, and I seek his views on whether that will apply in Jersey. There is clearly a great deal of concern about the potential of this money leaking out or not reaching the targeted recipient. There are 2 things I wanted to say about this. Firstly, the requirement for the money to go to local contractors. My query really is what does a local business or indeed a local householder do about the high prices that still come from local contractors? What does a business do that wants to, for example, invest in their premises when the cost of the local company is well, well above what they could get from elsewhere? I apologise if there is a mechanism that I am not aware of but I would be grateful if the Minister could remind me and anyone else that is interested what steps must be taken, what criteria have to be satisfied before a local person can look off-Island to spend money? I understand the main problem is the local market but still we do not want to tie the hands of people who would like to invest, particularly in business premises, if they have to use a contractor that is simply still too expensive despite the economic stimulus package reaching them. The second query relates to the danger that money spent on skills and training can be used up in activities that look very good: in seminars, in training weekends, in consultancy. We have a lot going on at the moment of course in training. I seek reassurance from the Minister that the section in the report relating to upskilling or increasing the training of our workforce will be really well

monitored and targeted. I do not know if he is aware of it but I would like to draw to his attention again if he is not aware of it, the kind of operations that exist in the U.K. in terms of encouraging local entrepreneurs to start up their own businesses. I have recently had a second tour of Wessex House in Eastleigh which is a large building divided up into units for start-up businesses. It is called "Easy In, Easy Out" because businesses do not have to put up a great deal of money. There is no ingoing. They receive all the training and support that a person or a group of persons need to set up a business. Whether their business is manufacturing or service industries or financial services, they can move straight into a small business unit provided in this case by the local council. In the course of its operation I know that Wessex House in Eastleigh has launched countless new businesses which have gone on from those small, modest beginnings to be traded on the stock market and so on. So I would be interested to know what he thinks in terms of stimulating that kind of market, whether that kind of activity ... indeed perhaps it is already in hand but I look forward to hearing from him about that. Finally, I would just like to urge Minister there will be some detractors for this scheme and it does seem to me that part of the formula for success here is monitoring very carefully how these bids are allocated. It did occur to me that one could even offer some kind of public role. There is talk in the Strategic Plan about improving public engagement and it did occur to me that there could have been a place perhaps for the public to have some kind of role in these bids. Perhaps that is a bridge too far but I would urge the Minister to make sure that the public is reassured that the money is getting to the people it really needs to get to. However he does that, I would urge him to make sure that progress on this plan is monitored and published as it is rolled out.

8.1.4 Deputy J.A. Martin:

I do not have too much to say. Probably more a few questions and, like the Constable and Deputy Le Claire, some guarantees. As they say, the devil is always in the detail and there is a lot of detail that is lacking. The way things work, I have questions. I will start with page 26. It is firstly a general question. I had no problem with the maintenance money for the Housing Department, bringing forward refurbishment of housing stock. Fantastic. Fantastic. It needs doing. My problem along the lines ... and I might be on a different track from the Constable. I want to know that the usual lowest bid, cheapest come scenario will not be given. I want to know that the builders, and it uses the word subcontractors somewhere else, that they are local, the majority, and there is some sort of an apprenticeship scheme. I have brought this up with the Council of Ministers at the beginning of the year. We should come out of this recession with skilled, local youngsters [Approbation] - plumbers, electricians, carpenters - because you are putting money into these youngsters. I want some sort of guarantee that when the money is given out, there will have to be some sort of payback. There probably is some detail but I have been looking at the States website for over a year now. Apprenticeships: nothing in the States. I have also written to lots of individuals ...

The Connétable of St. Brelade:

Sir, on a point of correction, Transport and Technical Services Department have 3.

Deputy J.A. Martin:

Then obviously they have not updated to the website because I looked on Friday and, as I say, States Employment, Social Security apprenticeships: nil. Hopefully, if they are there, they are there and I obviously thank the Constables and the Minister for letting me know. But I really do have a problem with who is this money targeted at. As the Minister has said, we are lucky that we are a small jurisdiction and we are trying to turn this stimulus around very quickly. But do you not think the rest of the world is listening. I can see boatloads of people coming over and thinking: "Here we go. Look, there is work to be had in Jersey." They have not done it yet. They are doing it in the U.K. They are doing it in Europe. But one thing we could be good at is turning this around quickly but I want to turn it around for the local people and the people that are already here. So they are guarantees that I really, really want to hear. One of my other problems is I did say there are 2 pots

of money. This is another thing I raised with the Council of Ministers that children leaving school or youngsters leaving school or anybody now can get something that is called a jobseekers allowance. I think if it just for the person - not accommodation, no other thing - it is around £90 a week. I want to know if this has been built in to some sort of matching with local firms like the States will give you £90, we will give you £90. That is about a minimum wage. That is quite a good wage for a starting 16 year-old in any sort of trade. I want to know how far they have gone along down this line because this was mentioned very early on in the year; by me but that is beside the point. My last question - I think it is my last question - is again about Social Security. Now on page 25, Social Security, I really have a problem with this; maintaining transitional relief for income support: "The rate of transitional relief for people receiving income support is due to be decreased in October 2009. One way of best supporting those most in need would be to maintain transitional relief at its current level for another year." Why should I have a problem with this? Because for 2 years you have had new entrants coming in on a much, much lower benefit. You have got exactly the same family - 2 adults or one adult, 3 children - living on sometimes up to £70, £80, £90 a week difference - exactly the same circumstances - because one is under transitional arrangements and the new entrants are not. I know somewhere in the middle is the right point but I also know because we are extending the transition we are protecting some but we are also letting down very, very many people. So I have to point that out. It is a lot of money. Let us just chuck £2 million because it was not me. It was everyone else in this House when we pointed out that there were a few flaws in income support - I did say "few". Some of it is working. There were a few flaws. Everybody stood up and said it must be targeted and it must be equal and everybody who needs it will get the same. I can assure you still under this system we are now prolonging this with £2 million for over ... we are now May so we are doing it for another 18 months and a lot of people will be suffering. So I really do hope that something can be done and done quickly. I think that is all I really wanted to say. I wish the Minister well. I want some details to come along obviously. I do not want to find out ... like the Constable of St. Helier said there are sort of these 6 week work-wise schemes. You go to Highlands College, you lay a few bricks and someone gives you a certificate: "Off you go, son. You are a bricklayer now." Sorry, no, you are not a bricklayer. We really need something that will take 2 to 3 years proper apprentice, Highland subsidised and firms getting behind the youngsters and us getting behind the firms. Really, as I say, that is all I want to say. Some more guarantees but really, really targeting that when you are giving out money, make sure that the bottom line ... because it is a lot of the time the subcontractors they will go to the bottom line. That will be the cheapest labour and I can assure you they will not be local.

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

A lot of the questions that I wanted answered have already been touched on. But what I need clarification on is that several departments already within the States have put in a claim on some of these funds. What checks and balances does the Minister's department have to make sure that these funds do not disappear into ministerial departments and that they are targeted where they should be?

8.1.6 Senator S.C. Ferguson:

I think at this point before I start, I think the House should give credit to the previous Corporate Services Scrutiny Panel who proposed the Stabilisation Fund under the chairmanship of the former Deputy Patrick Ryan. I think their perception was very good. My panel were unanimous in support of the economic stimulus package. However, as I think Gustave Flaubert and almost Deputy Martin have said: "The good God is in the detail." Apparently it got changed later on. The principles are quite simple. Use part of the Stabilisation Fund as a means for keeping money flowing in the economy and cushion the downturn. The detail is that the spending must comply with the 3Ts: timely, temporary and targeted. My panel will scrutinise the selection of schemes by the Minister for Treasury and Resources. We are currently setting our criteria for assessing these. As one might have expected, there have been a myriad of pet projects which have emerged from

the vastnesses of departments but I have no doubt those will be weeded out before the bids get to us. I am particularly keen that bids for the money should also be received from the private sector. It is extremely important that the opportunity to bid by the private sector is encouraged. I have seen nothing in the media to indicate this is so and perhaps the Minister will comment on this in his reply. My real problem is the medium term planning. We have been assured that this is happening but it does need evidence. It needs more than a pious hope. The general public would have a lot more confidence if it was known quite unequivocally that although the Council of Ministers is optimistic about the outturn after the recession, there are contingency plans in case we do face a structural deficit. The Minister has said that he is working on it but the public must be brought into the discussion. The real problem is that we have not had any public debate. Yes, the Stabilisation Fund will cushion the next couple of years. It will cover the gap between tax revenue and transfer payments or as the shorthand says the automatic stabilisers. But what happens if the worst happens and the economy does not recover as quickly as possible? The Governor of the Bank of England in the latest quarterly journal is forecasting a slow recovery. We are affected by U.K. monetary policy and currency performance. If the Bank of England forecasts are accurate then they underline the importance of a plan B. I have said before in this House - and in fact I quoted the Treasurer from a hearing that we had with him in July 2007: "Because of decisions on spending there is now a structural deficit in future years because the level of expenditure is higher than anticipated. All I can tell politicians is that if they spend at this level, they will have structural deficits and they will need to raise taxes." If you have a structural deficit - as I am sure everybody understands - there are only 2 answers: you increase taxes or you cut spending. We are using the Stabilisation Fund to cover the cyclical deficit but we have so far ignored the possibility of a structural deficit in 2012. Any lingering deficit in 2012 and 2013 will prolong the recession and will stunt long term growth. If we want to aim towards the Minister for Treasury and Resources's ideal of a leaner, fitter economy then we can aim for sustainable economic growth. Recent studies have shown that increased globalisation has driven a worldwide movement towards lower taxation which obviously has effects on business and personal taxes. We start as a low tax economy and anything that might raise taxes will lead to a competitive disadvantage. Furthermore, increased public spending reduces growth in the long term by crowding out innovation and competition, which I know that the Minister is keen on. It will place too heavy a burden on both the population and business, particularly local business. What is more; to some degree curtailing States spending will improve public sector performance. The past few years, enthusiasm for increase in spending has led to a lack of cost control and ineffective financial management in the public sector. But I am not advocating a burn and slash approach. This just results in the most emotive services, school milk for example - I am sorry Deputy Southern is not here - being sacrificed. We must bring the public into the discussion now to evaluate what services the States should provide and what services are better performed by the private sector. The budget for 2012 will be debated in this House in 2011 and the planning for this will start next year, within the next 6 months. The window of opportunity is now, it cannot be left until 2011. The Chief Minister has said that there should be no new spending proposals unless the funding is identified before commencement. I think I would go one further. There is a limited amount to spend and the best possible services should be obtained for that sum. Simple really. Along the same lines as the household budget with which most of us are familiar. The President of the Assembly may question why I should venture along this train of thought in a debate on fiscal stimulus. I feel these considerations are an integral part of this debate. The Minister has already mentioned that the Fiscal Policy Panel themselves have said that given the spending pressures identified, plans should be made against the possibility of continuing deficits. I wholeheartedly support the current concepts expressed in the proposition and the proposals for a fiscal stimulus but my caveat to the Minister is, we need a plan B and we need to bring the public into the discussion.

8.1.7 Deputy T. Pitman:

We have heard that in previous downturns the response from the States has been described as too little and too late, and for once I find myself agreeing with the Minister for Treasury and Resources. Perhaps to the shock of many, I also find myself agreeing with him in this case we must act now. Nevertheless, this downturn is, in my view, like no other or at least unlike any other downturn within my lifetime. Thus, while I can and I do support the proposition, at least within many of the concerns outlined by the Corporate Services Scrutiny Panel, I would have liked this debate to take place within its obvious wider context, i.e. the out of control global free market fundamentalism. Politics of greed that place people and environment a poor second and third to mentality of profit at any price and hang the consequences, effectively the philosophy of Freddie Mac and Fannie Mae, but of course I do not blame the Minister for Treasury and Resources for that and I can see that this might be a better debate for the Strategic Plan discussions. With that in mind, I would simply add that I echo concerns as to how the Minister will take serious consideration of diversification and progress this within the package. Similarly, what guarantees the Minister can give the House that such monies will be directed to areas where it genuinely stays within the local economy and with local people, and contractors. Furthermore, as a St. Helier Deputy, I do have to stress the importance of what Deputy Martin has said regarding income support, and I hope he will take that on board. Other than that, I congratulate the Minister on bringing this forward with the firm rider that we will be watching, because Deputy Martin also said there does appear to be a lot of detail missing.

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

A number of years ago we decided, and I think probably correctly in this House, to support the concept of a Stabilisation Fund to smooth out the peaks and troughs of our economic fortunes. What we did not decide at that time was whether or not we did that on the back of growing the civil service or growing the support services that are required. That is the one query that I have got with this particular package. I think it is absolutely right that we should support the idea and the concept of smoothing out the peaks and troughs, but I think we do have to decide whether or not long term the civil service is going to grow and grow and continue growing. The second point that worries me a little bit, in terms of financial forecasting, I know it is a hit and miss science, in fact a lot of people say it was not the science, it is probably an art form, but it does annoy me somewhat when we get handed documents which do have errors in them. We are having to rely on page 35 which gives mid range effects of the optimistic and pessimistic approaches to the forecasting of what the deficit will be. I asked a similar question at the lunchtime discussions but I appear to have put my finger on what the differences are. The schedule shows under States Revenue for Income Tax that the mid range effect, which would really be half of the low range plus the high range, as, for example, £3 million when, in actual fact, if you do the sums 7 and 3 is 10, half of that is 5. So we have lost £2 million in that. Likewise, lower down, in the States expenditure and the income support supplementation, taking into account rounding, this has been rounded to one figure, to a low range effect of £2 million and high range of £7 million gives you £9 million, so we should have been reporting the mid range effect at £4 million or £5 million. Now if you add up the sums that would give you a slightly changed figure in the summary of the total impact that should have been coming out at £16.5 or £17 million mid range effects, and likewise as a knock-on effect for the lower sum figures in terms of the total revised forecasts. I do issue a bit of a slap in the face to the officers who put together these reports. I mean it is not right that such sloppiness should be allowed to come to this House, particularly when we are having to rely upon it. Then, again, I suppose I can temper my remarks by saying, as I said earlier, that it is not an exact science but it is an art form, so perhaps we should not really be looking at these figures too closely. That said, I would just like to finish on one point, and that is the extent to how we work out our forecasts for 2010, 2011 and 2012. That is all very well to show the structural defects, and I hope they are not going to be that in terms of our economy and what we overspend, in effect, are going to work out to the tune of what is being shown. But it would have assisted, not only for myself but for any of those Members who like to nitpick over the accountancy of the figures, it would have been very useful to have been shown the assumptions on which these estimates rely, rather than just be given the figures and seeing the quite large spread and the huge jumps as you go from 2009 to 2010, and upwards. A cynical States Member might say: "Well, we have seen it all before" and certainly if you look at the historical record of how we have done our accounting and how we look at our forecasting, it has almost been without exception. I think it is fair to say in my 15-odd years in the States that we have always, at this point in time, had from the Treasury large howls of want, or whatever, that we are overspending and that the situation is very dire and we have to kind of pull our belts in, and then later on in the financial cycle, towards the end of the year when the budget is about to be agreed and the funding of it also, we normally find ourselves in a position where we can let out our belts and spend the extra surpluses that have miraculously come our way. I would like to think that in the long term that we move away from that type of accounting and perhaps learn to live within our means, as certainly instead of going for growth for ever and ever perhaps start thinking about the other economic systems which do exist in the world for steady state economics where you live within your means and you make sure that you are looking after future generations as well as these. With those comments I would like to wish the Minister for Treasury and Resources every success and I shall support, at this stage, the proposals.

8.1.9 Senator J.L. Perchard:

I thought the list was longer. I too would like to join in congratulating the Minister for Treasury and Resources and the Council of Ministers for bringing forward this package at what is the right time, there is no doubt. I would also wish to echo the words of Senator Ferguson when she recognised that Deputy Patrick Ryan and his then Corporate Services Scrutiny Panel were the driving force behind the introduction of a reserve that would take out the peaks and troughs of economic fluctuation, and it was even them that christened the embryonic reserve at that stage as the [Aside] ... yes, I was on that panel, you just reminded me. [Laughter] But seriously, I would not only ask Members to recognise that Scrutiny worked really well on that occasion with the Treasury and agreed that a fund be set up but I think the States, and hear this media, the States need to be applauded for setting up this panel and having the wisdom over the last 5 or 6 years to set money aside, unlike nearly any other jurisdiction known to me certainly, in the good times set money aside, even raise new taxes during the good times. This States were brave enough to introduce G.S.T. (Goods and Services Tax) when we were in the middle of a boom. Had we not done that we would be in a very serious situation now, as perhaps Guernsey is. So, I think a pat on the back for all involved in introducing the policy back before even I was a Member, when the fiscal policy which included Zero/Ten and G.S.T., congratulations to all involved and those Members that have, like me, been in the States 3 and a quarter years and those Members more recently who have entered the States. Congratulations to everybody because it has not been easy in the media spotlight and subject of much public criticism. We have done well. We have created a reserve and set it aside and now is the time to use it. Well done. What is fiscal stimulus about? What is it? What is it for? I see it simply, in layman's terms, it is to do 2 things. It is, if possible, to kick start fiscal activity within our economy, among the private sector and not the public sector, and to minimise unemployment. It is quite simply for me about those 2 issues. If we bear that in mind, minimising the impacts of unemployment and to kick start fiscal activity, can we easily find the Holy Trinity of 3Ts, and it is not easy because reducing unemployment ... I will tell you a story; my son is hopefully graduating next month at Durham University having studied maths and physics, and he was telling me that recently after a football match there was a crowd of students in the university bar and they were discussing prospects after graduation. James rang me the other day and we were chatting and he said he was the only student among that group of 20-odd that had an immediate prospect of a job. In fact, all his peers, every one of them, had not even been able to obtain an interview let alone a job. This is students graduating in maths, physics and the like, at one of Britain's top universities. There are huge issues now with school leavers and graduates coming out of education into the workplace, and so this fiscal stimulus package must really recognise that. I did fight hard when I was Minister for Health and Social Services to ensure that we introduced a grow your own policy for nurses, midwives, social workers, and I am delighted, and I will be watching very closely, to ensure that the £3.5 million set aside for growing our own healthcare professionals, whether it be a healthcare assistant straight from school who can earn as she learns or he learns, so I am really excited by this opportunity of growing our own healthcare professionals. Skills training is important, and out of the £44 million allocated, really other than the £3.5 allocated provisionally to growing our own healthcare professionals, there is only £2 million set aside for skills and I am not sure whether the proportion is enough here. We may have to put more emphasis on keeping people away from the doors of income support, and to me if we can maintain a full employment - of course, we cannot maintain full employment, that is not going to be possible - as much employment as possible the better. I echo the words of many speakers as to the fact that this stimulus must be targeted at local residents to upskill and not people that would be brought into the Island and have access training at the expense of the thrifty Jersey taxpayer of the past. One other thing with regards to investment in infrastructure, I plead with the Minister and the Council of Ministers and my successor at Health to ensure, as I did argue, and I think it certainly has made the first draft, of some immediate investment that is needed to upgrade Rosewood House and Clinique Pinel which are substandard accommodation for our people with Alzheimer's and the like. St. Saviour's Hospital North Side, I am not sure of its long term future. For me it does not have one, but there is an immediate requirement and we are ready to go in there now, the ground work is done, it is appropriate timing to just decant and hit it hard. But we do need to provide dignity for some of these people who are sharing rooms, 3 and 4 to a room who have severe Alzheimer's or organic brain disease, so I plead with the Minister and the Council of Ministers to ensure that we can find some of these funds for property maintenance for Rosewood House and Clinique Pinel, but with that I am delighted to offer my full support for this package, and I repeat my congratulations to the Members for being frugal in the past, taking tough decisions when it has been required and putting ourselves in this very, very comparatively attractive situation.

8.1.10 Deputy J.G. Reed of St. Ouen:

I would just like to pick up on a number of points; one that was made by the Constable of St. Helier regarding the funding of arts and culture projects and the fact that they should not be left out. I would absolutely agree that those projects, as much as any others, should be considered so long as they meet the criteria, which is currently known as the 3Ts. Funding is required for some of the trusts and the cultural organisations. There are, I believe, opportunities for certain maintenance and other refurbishment projects to be considered with others. In other words, I am not promoting the fact that necessarily they need to be advanced ahead, but I think they firmly should be considered along with all others. Equally, there is an issue that our cultural organisations, especially Jersey Heritage Trust, are reliant on income, tourist income, residents' income, to provide for the services that are on offer. Indeed, if we are to see losses of income relating to lowering tourist numbers then I think that, and I would ask, the Minister for Treasury and Resources should consider this when considering how to support our local businesses and other industries. Just picking up a point from Deputy Martin about apprenticeship schemes: I am one of 3 Ministers that collectively make up the Skills Executive and as early as January of this year we declared that our high level objectives for the Skills Board should be that full employment and the further diversification and development of the economy, should be supported by the development of skills from within the residential population. That employment and skills needs of organisations are met as far as possible from, again, the residential population, and that all individuals have opportunities to maximise their occupational potential and life skills. Following that the Skills Board has, together with the Skills Executive, put forward 5 particular bids for support with regards this economic stimulus fund. They are to use a training initiative, exactly as Deputy Martin has been indeed promoting, that is designed as an advancement to work for young people unable to gain employment. Extending apprenticeship schemes to provide more places in more diverse occupations to develop and build the skills base on this Island. Thirdly, additional funding for Highlands College to enable the college themselves to meet the increased demand for places during the economic downturn. This will address adult needs as well as our young people. Finally, a graduate work experience scheme to be established if local graduates are unable to secure employment later in the year. Again, picking up perhaps a point that Senator Perchard has made earlier with the example he gave of his son. Rest assured that both the Skills Executive and the Skills Board are determined that we meet the needs of our local population during these times. I absolutely support the proposals within the economic stimulus fund.

8.1.11 Senator B.E. Shenton:

I did a written submission to the Fiscal Policy Panel, and on the back of that they interviewed me at Cyril Le Marquand House some months ago. In my submission I looked at Japan and what had happened in Japan where the stabilisation type of approach was needed, and some of the failures that that had and some of the successes, and certainly some of the successes were where they stimulated the economy through better social benefits, helping those on lower pay, Skills Executive and so on and so forth. But they also had big failures like building airports where airports were not really needed, bridges that went nowhere, and infrastructure that just wasted money. In a particular area I looked at, 2 of the bigger successes were they built a university in an area with a very ageing population which brought young people into the area. They also bit an aquarium which brought tourists to the area and restimulated the tourist economy. This is something that we should be looking at, is areas that would sort of reinvigorate the economy rather than anything else. I was a little bit concerned because they did say to me that they had received bids in the region of £300 million from States departments already by the time I had made my submission, and I did wonder whether this was a Stabilisation Fund or is it a get out of jail free card. It appears to me that States departments have underspent on infrastructure and maintenance for years and years. The money that they should have been spending on that maintenance they have used elsewhere. They are not going to refund us for the money that they have spent elsewhere and this is just a catching up process, a way of getting money out of the taxpayer to do what should have been done years ago. I also have some concerns with the income support aspect. I have no problem with transitional payments but the way it is carrying on leads me to believe that the income support system has fundamental flaws within it. If we have to keep paying these transitional payments either the income support levels are set too low or we are paying money to people who do not need it. My inclination is perhaps that the funding of income support is too low. We should not be using the Stabilisation Fund to fund income support because income support should be a system that works, and it should be a system that works over the longer term. I do not know if Deputy Gorst has spoken yet, but are we going to pay transitional payments to the end of time and anyone new joining the income support system will just have to put up with lower payments? Something is fundamentally wrong with income support, and it needs to be sorted out and it needs to be sorted out very, very, soon. Apart from all that I do welcome the initiative and I will watch with interest how the money is spent and especially the discretionary elements.

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

I too agree with the principle of the economic stimulus package as given to us by the Minister for Treasury and Resources but I do have some real issues with items on page 25, appendix 1, namely, like Deputy Martin and Deputy Trevor Pitman and Senator Shenton, I do not agree with the delay in carrying out implementing the transitional allowance as identified in the budget by a previous House. Also I share Senator Perchard's feelings on the ability to have jobs here for the youngsters coming back from university, our graduates. But I also consider more realistically perhaps what Deputy Martin said about apprenticeships. These were discussed before the new year in meetings when discussing the Strategic Plan, and the Skills Executive are now taking this forward as Deputy Reed has already said. However, I would not have the same enthusiasm as Senator Perchard for the Health Department's nursing apprenticeship scheme. I would certainly need to know more detail on this and therefore I would ask the Minister in his summing up if he could include advice to this Assembly of the level of rigour applied to each of these bids. What is the political oversight of the

process, and will he undertake to investigate and justify projects queried during the process. Also, when I am voting on this whole proposition am I having to vote that appendix 1 is a done deal?

8.1.13 Senator A.J.H. Maclean:

This proposition is clear in its aims and its objectives. In his earlier speech today the Minister for Treasury and Resources emphasised the need to act decisively and perhaps courageously to prepare the £44 million stimulus package for our economy. This follows clear advice which we have all heard about from the Fiscal Policy Panel that we need to prepare the most effective response to counter the worst effects of the global financial crisis that will shortly affect Jersey. This decision is about timely preparation for the future. Future events as the full effects reach us. We cannot stop what lies ahead but we can certainly help to insulate our Island community from the worst of the impact. I should emphasise that this is not just about business. It is about people. People who we have a responsibility to do all we can to protect. This involves helping businesses to survive and prosper in the more challenging market conditions that lie ahead so that as many jobs as possible can be safeguarded. Keeping Islanders in work and ensuring that those who lose their jobs are quickly and effectively reskilled and reemployed must be the cornerstone of any strategy. In fact, it is an obvious priority. It is important that young people leaving full time education can find work, including, of course, university graduates. More graduates are likely to return to the Island this summer as job opportunities in the U.K. and elsewhere diminish. We can help to offset this situation through incentives to businesses to participate in apprenticeships, internships and other schemes to encourage employment. Those must be practical and, indeed, deliverable. There are, despite what Deputy Martin commented on earlier on, apprenticeships available. Why they are not clearly identified on the website is something that we need to look into. Indeed, I am also aware that we have 35 companies offering internships. We need more and we have something in the region of 100 to 130 applicants already for these schemes. Other countries have already deployed different types and levels of economic stimulus to their respective economies. The proposed £44 million scheme from the Stabilisation Fund does represent 1 per cent of Jersey's G.V.A., as the Minister for Treasury and Resources has already mentioned. This is similar in percentage terms to many other countries and is line with what the F.P.P. recommendations were. We do start from a strong position, as most countries are having to fund their stimulus packages from borrowings whereas ours is very fortunately from the savings as a result of our strong economic success in recent years. Interestingly, historically Jersey does not tend to feel the full impact of external economic shocks or slow downs until some time after the U.K. We are currently in that lag phase, or what you might describe as the lull before the storm. There is no doubt that the full impact of events that have been unfolding in the world have yet to reach us. But reach us they will. What has been unfolding in the world has been what one might describe as the almost perfect financial storm. But with 53 per cent of our G.V.A. derived from financial services we were never going to be immune from the impact. So what is going to happen to Jersey, when and what, if anything, can we do about it. The key to understanding the likely impact is partly set in historical precedent and partly in sound assessment of good quality, up-to-date financial and economic data. In previous downturns Jersey has perhaps acted too slowly, partly because of poor economic data and partly due to indecision, but the quality of such data available to the States of Jersey today has improved dramatically. We have strong and technically competent economic and statistical advice. Advice that complements the essential internal resources, we have engaged external economic advisers of the highest calibre, the Fiscal Policy Panel is included. In addition to the theoretical and academic data analysis, vital research has been collated over recent months by Economic Development and others. Officers of Jersey Enterprise have been meeting with trade groups, business associations and individual businesses across most sectors of the local economy. In fact, the Minister for Treasury and Resources and I met with business leaders again yesterday for an update. They supported these proposals unanimously. Members will perhaps have heard the chairman of the Chamber of Commerce giving his support to this proposition only this morning on the radio. Research and evaluation is ongoing and will be further complemented by the new quarterly

business confidence survey that the Chamber of Commerce are undertaking. We are working with the private sector to ensure we have an up-to-date assessment of individual businesses and sectors throughout the whole of the local economy. We have, if you like, been actively engaged in taking the pulse of the Jersey economy. It was and remains essential to know what is happening at the coalface of local commerce. This gives up-to-date information about what businesses are experiencing in real time in terms of forward order books, recent sales, margins, future staffing plans, funding pressures and so on. Currently the picture is mixed, much as you would expect at this stage of the cycle. Some businesses and sectors are still performing either well or reasonably well as they work through current contracts. But today's proposition is about sensible preparation for the future. Other sectors like the car industry have seen sales fall by some 40 per cent already Recruitment agencies are also seeing a sharp fall in job opportunities and a commensurate rise in job seekers. Some of those agencies themselves have had to make recent reductions in staff. I was told only this morning about an electrical contracting firm that are considering making redundancies due to the end of a project that they are currently undertaking. One of the most important indicators is pipeline orders for business and although some businesses are busy now many of these have weak order books looking into the future. This information is important, not only to assess the likely effect in this of any economic stimulus plan, it is essential to ensure we can deliver economic stimulus in a fashion dictated by the fiscal policy panel, the famous 3Ts; targeted, timely and temporary. Specifically the F.P.P. have emphasised the absolute need to ensure that additional spending and investment is strictly temporary and it does not become recurring revenue expenditure. Controlling States expenditure, and I am talking here about recurring expenditure, has never been more important as we face the very real possibility of structural deficits in the medium term, and I will return to that point shortly. The Minister for Treasury and Resources has described the thorough process the departments will have to go through to obtain access to the stimulus funding pot, a process that is rightly robust to guarantee that key objectives are met, objectives that have been clearly defined by the Fiscal Policy Panel. There are already, of course, 27 bids which have been received which needs assessment in this regard. Appropriately the process involves a collaborative approach between Ministers, Scrutiny and an independent assessment panel. Scrutiny are rightly challenging proposals in a constructive way and will continue to do so. The stakes are too high for it to be any other way. Effectively, all sides of the House should, and I am confident will, work together with the common aim of securing the future prosperity of our Island and its community at every level. I would like to emphasise a further point. The Stabilisation Fund and any economic stimulus is intended to offset the worst effects of a cyclical economic downturn but it is not going to deal with any longer term structural deficit that could emerge. We continue to see demands to grow public expenditure, that is recurring expenditure, not economic stimulus. While tax revenues are predicted to fall, at least in the short term due to the downturn, in the medium term, tax revenues may not return to previous levels let alone match current projected States expenditure. This is likely to lead to the possibility of longer term structural deficit in public finances. The possibility of structural deficits within a few years is an issue that needs addressing now with the appropriate necessary planning. This will undoubtedly involve difficult decisions. Raising taxes in the current economic climate is neither practical nor desirable. Growing and diversifying the economy is essential. It is an area we are working hard on and will continue to do so. Diversification, areas like I.P. (intellectual property), development of data centres, we saw an expansion yesterday, eGaming, a more controversial opportunity perhaps, the finance industry already diversifying looking at different products and geographical locations to extend into. Diversification is the key to economic growth for the future. I am not going to second guess what all this might mean in terms of efficiencies but efficiencies are certainly something we need to drive towards. All possible government efficiencies need to be To suggest that that has already been done I am afraid is utter nonsense. organisation, whether private or public, should ever stop looking for efficiency savings or more effective ways of delivering the same or better service at a lower price. Believe it or not, this is deliverable. Current examples are private/public partnerships like that proposed for tourism and those that are currently successfully operating, such as the Jersey Conference Bureau and Jersey Finance. Only this morning, in question time, I gave the example of outsourcing where tourist maps and books have already been outsourced from the Tourism Department with a saving of £150,000 a year. There are a number of services that any government should question whether it is best placed to operate cost effectively. Services that the private sector or, indeed, joint partnerships may be better employed to facilitate more efficiently.

Deputy R.G. Le Hérissier:

On a point of information, could the Minister tell us if the outsourcing is to local companies? For example, there are several major printing companies in a Parish not found on an Island map, are these companies being used?

The Greffier of the States (in the Chair):

Senator, I wonder if I could just take advantage of this brief interlude in your speech because I understand the visitors in the public gallery are on a relatively tight schedule. I am sure Members in the temporary absence of the Chair of the Bailiff would wish me to extend a particularly warm welcome from all Members, not only to His Excellency who is in the public gallery but who is accompanied by His Excellency Vice-Admiral Sir Paul Haddacks, the Lieutenant-Governor of the Isle of Man and His Excellency Vice-Admiral Sir Fabian Malbon, the Lieutenant-Governor of Guernsey and their entourage, and I am sure all Members will wish them a ... [Approbation] I was going to say a very pleasant stay in the Island.

Senator A.J.H. Maclean:

The Deputy raised a question just before the interlude, I can tell him that with regard to the printing of the said map, which we discussed in question time this morning, it was a competitive tender situation and, in fact, the successful company was a company that is not a local company although I have to say they are setting up an enterprise in the Island in collaboration and so benefits will be derived locally, I am glad to say. Returning to the point of efficiencies. There are a number of services that any government should question whether it is best placed to operate. Services that private sector or joint partnerships may well be better employed to facilitate more efficiently. I have already touched on the extensive work that my department has undertaken in meeting businesses and understanding the conditions facing the key sectors in the Jersey economy. I have mentioned the work that has been undertaken through the Skills Board to support those seeking to gain employment. Whether this is young people leaving school this summer or graduates returning to the Island because job opportunities in the U.K. are diminishing, and there will be those that will need retraining after being made redundant. All training and skills must be practical and seek to lead to genuine job opportunities, a point that other Members have made and one which I think is extremely important. A key role moving forward will be increasing business support through Jersey Enterprise, especially access to finance. Helping businesses survive the effects of the downturn with new initiatives such as the meet the buyer events, an incubator service to help businesses develop and grow, a business Angels Network; some ideas to mention already under consideration and being developed. Each local business that we can help, help secure more local jobs and deliver greater tax returns. I do not, I have to point out, support protectionism and although we do not want to see any of our stimulus funding leaking out of the Island, to stop this I would like to see local businesses tendering competitively for local contracts. Islanders want choice and value and I know that local businesses can deliver it and we need to do all we can to ensure that they do. But we must not forget that this economic stimulus plan is far more than just being about business. It is, in fact, more about safeguarding jobs and developing job opportunities for Islanders. This stimulus plan is about people and the essential need to mitigate some of the impact of the coming downturn. Prior to this debate my department has already delivered some welcome economic stimulus to the tourism sector by reprioritising our existing budget. This recent boost to tourism represents an excellent example of the private and public sector working effectively together. This extra funding included a significant contribution from the Tourism Development Fund and the private sector itself. It is noticeable that a crisis brings people together and can offer unexpected opportunities. Not only should departments work more closely together, Members of this House can, and I am confident will, show a unity and a common purpose in tackling this threat to our Island's prosperity. Externally there are increasing opportunities for us to work more closely with our neighbours, such as Guernsey, especially in areas of common interest. There will be opportunities to share resources and jointly to benefit from efficiency savings. I have, in fact, been to Guernsey recently to discuss such opportunities with my opposite number. Supporting this proposition is essential. There are safeguards and they are built in. These safeguards are in the bids and I am pleased to say that the independent evaluation team will assess each bid as it should be. Importantly, as well, Scrutiny will have the final veto on any bid that they are not convinced is suitable. Make no mistake we face a collective threat that is probably more serious than anything the Island has faced during the last 60 years. Support for this proposition gives all Members the opportunity to show Islanders that we are united in our desire for a collective solution. I am convinced and confident that Members will support this proposition and I certainly hope that is the case.

8.1.14 Deputy S. Power:

As this proposition directly affects the Housing Department I thought I would take a few minutes to explain exactly the kind of work that the Housing Department will wish to carry out should this proposition be approved today. The first thing I would like to say is the Housing Department should, if given this money to do this extra work, will not be taking on any extra staff. I also checked with the senior officers at the Housing Department and as far as I am aware today they have little or no expenses that was recently referred to, and none of them are very interested in learning any musical instruments. [Laughter] And they could be stringing me along. I did ask the Minister for Housing if he would pay for me to have French lessons on the French horn but he refused, so I am going to leave it at that. The department have also agreed that as much as is possible, and I think this will be over 95 per cent of the cases, we will use all professional teams. There will be architects, engineers and surveyors. We will also be using all local contractors, subcontractors and, indeed, the Minister sent me a note which I have checked on, and we will make sure the contractors and the subcontractors, the majority of their staff have residential qualifications or at least 5 years residency on the Island. Should this happen today we will now be in a position to fast track 3 major redevelopments on the Island. One is Le Squez, Clos Gosset in St. Saviour and La Collette flats, and this will be phased in over the next weeks and months. Plans are well advanced for the renovation and redesign of these existing developments and indeed I will be inviting the Constable and Deputies of St. Saviour to a briefing very, very soon on the advancement of Clos Gosset. We are already up and running and we are looking forward to being in receipt of these funds. Can I also say that the department has been in touch with the Planning Department and the Minister for Planning and Environment has given me an assurance as of last night that the Le Squez redevelopment, the plans for that have been fast tracked and they are before the Planning Applications Panel on 12th June. I will not take part in that decision for obvious reasons, but I am sure my colleagues on the Planning Panel will treat it with the importance that it deserves. I would also say to the Minister for Planning and Environment, and I thank him for his help in this area, that sometimes planning conditions have been imposed on housing developments and housing renovations in the past 12 months that have indeed delayed the projects, and indeed are necessitated as at times to use specialist firms coming in from the U.K. I hope we can avoid that in the future and, indeed, I would say to the Minister for Planning and Environment, in relation to any contribution he can make to the fiscal stimulus, that he recommends the use of local professionals where possible. So, I very much welcome this proposition today and, indeed, the Housing Department, the Minister for Housing, the senior officers of the Housing Department and indeed myself who will do everything we can to push this along as fast as possible.

8.1.15 Deputy T.A. Vallois:

I was just going to emphasise on the 3Ts which have been already been mentioned; timely, targeted, especially emphasising on the temporary. My concern lies with whether the Minister can expand on the likelihood of beginning to ... the slow recovery in the U.K. with the effects of things such as the rising of a base rate or the F.T.S.E. (Financial Times Stock Exchange) that could have significant impact on the Island. The only reason I emphasise this is because of the possibility of it overheating the economy by us implementing the economic stimulus package. I am in 100 per cent agreement with the economic stimulus package at this time, however I just want the Minister to clarify that area. Many people have mentioned the Skills Executive and how we have to train up for the younger generations coming out of university, et cetera, but please do not just focus on the younger generations because the older generations are also being pushed out of work and they are, I would say, probably more likely in need of the help with the skills than the younger. I would like to think we are looking across the board rather than just in one area. I would also like to just emphasise on the fact that this proposal, although it will help our economy, what also will help is by asking the Ministers to look closely at their own finances and their own budgets and their own expenditure going forward over the next 3 years and to ensure that we are getting value for money, and that we can do things on a tighter budget because people out on the street are having a perception that we just spend our money on anything and everything and they are not seeing the benefit of it. I believe we should all start working together, if possible. Also I would just like to emphasise with regard to businesses being mentioned a lot, it is not always down to a downturn that businesses go out of business. It can be due to their actual own inability to control their own finances, but that can also be down to a person individually as well not being able to control their own financial gains going forward. Hopefully, with regards to the G.S.T. income we will see an improvement and people will continue to spend, even though we are in a downturn, because that also helps the economy. I would like to thank the Minister for Treasury and Resources for bringing this proposal to the House and I look forward as being part of a member of the Corporate Services Scrutiny Panel scrutinising his decisions.

8.1.16 Deputy M. Tadier:

Those who follow the House of Commons might have caught a few months ago there was a debate **[Interruption]** ... if anyone has any interjections could they please go through the Chair because it is quite off putting.

The Greffier of the States (in the Chair):

I think that was the interjection, that you should speak through the Chair, I think.

Deputy M. Tadier:

I was unaware that I had made that slip. But getting back to the point. Members will be aware if they follow what goes on in the House of Commons that a few months back when Labour were bringing their proposals for a bailout of the banks, which certainly was very controversial, they came under a lot of stock from the opposition to which, I think, Gordon Brown, Prime Minister, was very quick and called them the Do Nothing Party. Well, certainly, I think that this is nothing we can accuse the Minister of, or his department. I will add my congratulations to the department without wanting to sound like a sycophant in any way. Of course one of the issues when there is money being handed out is that people will line up for all sorts of things and all sorts of requests, and that is no different with politicians and we have seen that already today, that people stand up and speak and lobby on behalf of different causes, and I am going to do exactly that as one of the few representatives of the ... I will call myself light green today, seeing as the Jolly Green Giant is not in the Chamber at the moment. I will wish to focus on green initiatives. Really a series of questions to the Minister. Will any funds be earmarked for green initiatives which I believe would meet the test of the 3Ts; such as insulation projects, geothermal adaptation, solar panels, et cetera, which could extend either to private homes but I would also ask whether the upgrading and the redevelopment of any States portfolio properties would be considered for that. Obviously it has a benefit to the economy; it would be local tradesmen who would be doing the work hopefully, and it

would also have the additional benefit of making the Island green, low carbon emissions and more efficient in general. That is all really on the green issue. I thank Senator Perchard for his pep talk and I think he would make a very good football coach because it effectively seemed like a halftime speech there. I would echo what he said, that certainly we have been diligent in the past to invest money and also I echo the words that it was quite right that Deputy Ryan, who is no longer in the Chamber, took the initiative to set up this type of fund. But it also has to be said, I believe in the interest of balance, that Assemblies in the past have missed tricks when it came to investing in infrastructure during the good times. So, for example, I would pose questions as to why were we not investing in property maintenance in the past in the good times, the Transport and the I.T.T.P. This could have all been done in the past and we would not be in the situation that we have to do that today. Hopefully we will learn from those lessons and when the good times come again we will not be afraid to spend if it is money well spent. The next point I would like to make is picking up on a point made by Senator Ferguson, and I agree with her - stop the press - when she was commenting on the long term structural deficit. I think that this is perhaps not something that we can talk about today, but I think it is something that was quite right to be raised. I do believe that, again, from a green perspective, and it may be a slightly different angle to the Senator that she was coming from, I believe that there will be a long term structural deficit and part of the problem will be peak oil. As we know, peak oil is the idea that we have already reached the maximum oil capacity and from now on there is less oil in the world around and so as oil becomes scarcer, the costs for oil go up and then there are going to be more costs for economies all around the world, and this is a long term problem. So I would perhaps like to hear from the Minister on that if he feels it is appropriate, but specifically from the green angle because I believe this is a real problem. I also would like to pick up on some points made by Deputies Pitman and Duhamel, in that order. I believe Deputy Trevor Pitman was quite correct when he spoke about the economy and the economy of greed, of certain mistakes being made by very wealthy individuals and the market in itself being left to its own devices. I think this is the problem that I have is where are we going? Are we investing money purely so that we can reinstate the economy as it was before? Is it business as usual. To pick up on Deputy Duhamel's point about the steady state of the economy, I fully agree with that analysis, that we need to be moving towards an economy where money is spent and that where wealth is shared, and that we do not encourage hoarding, because ultimately this is what causes the problem. I think I will leave it at that and I will welcome the Minister's response, but I do broadly support what he and his department are doing.

8.1.17 Deputy A.T. Dupre of St. Clement:

I will be very brief. I have great reservations regarding the nursing apprenticeship scheme at a cost of £3.5 million. Nursing is not a profession to be undertaken lightly. It needs dedication. Is there any idea of how many local applicants would be needed to make this viable? Otherwise, I feel the projects should be well received by the Assembly.

8.1.18 Deputy A.K.F. Green:

I welcome the proposition. We probably could spend all day debating the detail "what if" et cetera. The aims and objectives of this proposition are quite clear. It is about supporting our various industries and our Islanders and hopefully also about encouraging diversity. This Assembly cannot possibly devise a detailed measured target driven plan. That is the job of the Council of Ministers. Our job today is to give the Ministers the tools to do that job. With that will come the responsibility and accountability, and I am sure they would expect nothing else. But I would just line up a couple of things on my own. I would urge the Council of Ministers to set a good example to employers by reintroducing the States apprenticeship scheme, and that would meet the 3Ts because it is normally a 3 to 4 year apprenticeship, the Island is desperate for good plumbers, good electricians, engineers, chefs. We could provide that training to our young people and then release them into the private sector at the end of their training period. I would also ask the Ministers not to forget employment opportunities at this very difficult time for the disabled people. They are

already very disadvantaged and, frankly, our record in terms of opportunities for them is abysmal. I will be supporting the proposition but I would ask the Ministers to take on board the comments I have made.

8.1.19 Deputy C.H. Egré of St. Peter:

I would hope that this might be a full-time speech. It seems that this Assembly is supportive of this economic stimulation plan, however many Members appear to be rightly concerned as to how our Stabilisation Fund money will be spent. After all it is our money, the Island's money. The proposition outlines some of the areas where money may be spent but at this stage it lacks detail. It is our role as scrutineers and our role on the Corporate Scrutiny Panel to carry out this task, and I would like to inform Members that we are setting aside a minimum of 3 days to go over the bids that have been put forward, and at the end of those 3 days will be offering recommendations to the Minister for Treasury and Resources as to our views. I would just like to make a specific point about veto. I do not like the term "veto". It is not the role of Scrutiny to veto anything. It is our role to make recommendations to the Minister for Treasury and Resources and for that Minister to make his own decisions based on our recommendations.

8.1.20 Senator S. Syvret:

I always find these debates about economic, taxation and fiscal issues very, very interesting; not least because of the very stark example it always provides us of what is known as the consensus trance, when we consider the way that people in western societies, and indeed around the world, think of our position, our situation. We are in a consensus trance in that we believe that the way we have lived and the way our society has been over the last 30, 40, 50 years, is normality. That that is the normal real world, that is the consensus of your like, that is how we would like it to carry on being and we all believe that it will just carry on being that way, maybe have the odd occasional up and down like the present economic difficulties, having a recession cyclically, it occurs every now and again, but basically the trend will always be onwards and upwards. I listened with interest to the speech of Senator Ozouf and he said, and I quote: "We are in extremely uncertain times." No, we are not. We are in very certain times. The globalised consumerist revolving credit economy ponzi scheme is over. It is finished. That is a certainty. Now, what the consequences of that may be for us; of course, those are uncertain. But one thing we can be sure is that that which we have grown so blithely used to is most unlikely to ever return. So I have to ask the question: what is the best thing I can do on behalf of the people in this community? Sit here, or stand here and go along with the mutual back-slapping and saying: "Have we not all done marvellously well over the last 20 years, or whatever? Are we not wonderfully placed and just some difficult times ahead but do not worry we have got a handle on it, a few tweaks, a bit of stimulus here and there and we will get through and some tough times ahead but in a few years' time, after a bit of belt tightening, all will be back to normal." Do I go along with that, as most Members of the Assembly would appear to be? Or do my constituents get better served by me standing here and telling the truth. I think it is the latter. The truth is, and in fact it was not difficult to predict, that the nature of economy that we had in Jersey was never ever sustainable. Never. We heard the Minister for Economic Development speak of the looming structural budget deficit which is arising in a couple of years' time. But let us remember, we knew about that and we knew that it was going to get difficult, and we were going to have such deficits merely as a result of Zero/Ten, and the European Union pressures and interventions. How much worse, how much deeper into the ground has been driven financial growth prospects of this community by the global economic meltdown? It is of course, far, far worse. Are we well placed to deal with the situation, as some Members have asserted. Again, no we are not. It is claimed that we have comparatively very little public debt, public borrowing, compared to a significant number of jurisdictions around the world. Yes, that is true. But we are a micro economy and essentially, for all practical intents and purposes, a mono economy. The vast majority of wealth flowing in and around and through this Island arises out of the financial services industry. The 53 per cent that was quoted as a contribution of G.D.P. by the

Minister for Economic Development... I am sure he is sincere when he says that but it is plainly wrong because when you look at all the other sectors of economic growth activity that take place in the Island, bring those into the equation and then ask yourself how much of that economic activity would be happening if it were not in the presence of the finance industry's wealth in Jersey, then a rather altogether grimmer picture emerges. We have the rainy day fund, the Stabilisation Fund, which we are all told we should pat ourselves on the back about and be very proud of as a legislature. Have we not done well planning over all of these years? Actually, again, the reality is tragically very different. Economies since World War 2 that have had huge streams of wealth going through them, for example, the hydrocarbon producing states have established things such as sovereign wealth funds which they have invested absolutely vast quantities of money into because they had the genuine and the real foresight to realise that oil was not going to be coming out of the ground for ever, and that those countries had to make proper long term provision for when the good times ended. Many of them, in fact, virtually all of the major petrochemical producing states did just that. Now, in Jersey, our equivalent of oil has been the offshore finance industry, the last 4 or 5 decades, of huge growth in wealth and money and property values and everything else we have seen in Jersey has arisen largely on the back of the finance industry. But again it did not require much foresight to predict that one day the finance industry would also come under immense pressure and would start to decline just as indeed the oil has in oil producing countries. So what do we have to show for it? What marvellous plans has this Assembly produced to make proper long term provision for our community? We have a rainy day fund that is not even sufficient to pay for one year's present public sector expenditure. It is peanuts. When you hear Members standing up and proudly proclaiming the rainy day fund, the Strategic Reserve, as some symbol of foresight and maryellous wise planning by the part of the Island's politicians, I am sorry but the reality is rather different. Unlike larger nation states, like the United Kingdom, like France, like Germany, where they have big problems, and they do have public debt, and they have borrowing, they have a great deal more room for manoeuvre than a tiny Island micro economy such as Jersey does. They can diversify, they can change aspects of their economy. They can structurally borrow very large sums of money if they need to, however unwise that might be in the long run, they can do things of that nature to keep their systems going. When things get really, really tough for Jersey and our one meaningful source of economic activity goes, are we going to be able to just borrow X amount of G.D.P. per year to keep the hospitals open and the schools functioning and so on, when essentially our mono economy has been annihilated; I really do not think so. We have no sovereign wealth fund. We have no meaningful economic diversity of which to speak. We have no credible capacity to borrow significant sums of money should, sadly, we get to the point of needing to do so. We have the prospect of very significant amounts of unemployment occurring in the Island, yet we have no unemployment benefit. We have a variety of infrastructural items around the Island, the incinerator I suppose being merely the most recent and topical one, but now in this plan we are being spoken of about the need to invest in the housing stock, and so on. We have a variety of very major public civil engineering projects in Jersey which, in many cases, like the current incinerator have fallen into a state of utter ruination, because we have not had any amortisation plans while those were in existence. So, again, a total failure of the current and past States' thinking and indeed of certainly a lot of past and, indeed, some current States Members. One of the great issues we have to wrestle with when we are looking at this economic stimulus plan is of course the question of economic leakage, i.e. how much of this money that we throw out there into economic activity in Jersey will remain circulating within the Island's economy? The answer to that question is that we do not know for sure. I suspect the kind of expenditures that are being spoken of, a very significant amount of it, ultimately will flow out of the Island and will not remain in our economy. I might be wrong. I hope I am about that. But in order to be right about these kind of things we have to use basic analytical tools and I, for years, have been arguing that Jersey needed to have a set of dedicated calculated economic multipliers, which calculate the economic growth benefit, the actual effects within the economy of different sectors within the Island's economy, and all we have ever done is taken one or 2 off the peg economic indicators from other jurisdictions and we have tried to use them here. Of course we do not have therefore any dedicated economic multipliers calculated for the reality of Jersey's micro economy and economy in which we import virtually all building materials with the exception of sand and granite. We buy all of the capital items into the Island, virtually all of the food and so on consumed by the Island is brought in from outside, yet we do not have economic multipliers calculated to give us the information we need to be certain of what those effects are. I am going to be very interested to hear the summing up speech from the Minister for Treasury and Resources because there he sits, one of the people who has opposed repeatedly over the years the production and development of these tools, these economic multipliers. What will the real effects of this spend in Jersey be? We just do not know. But one thing we can be sure about when looking at the documents that are put before us, is that essentially the thinking, the approach, the reasoning, if it merits that description in the economic stimulus plan, represents just more of the same. "Oh, look, we are in a terrible, terrible mess." We have got all kinds of challenges, fiscal difficulties, taxation difficulties, severe economic threats - doubly so in our case because of our dependency on the finance industry - have a population we cannot afford to look after properly, we have severe economic leakage out of the Island's economy: what are we going to do about it? More of the same, which is what this document amounts to. I mean, for example, looking at page 24 and appendix 1, it speaks of be more responsive in difficult times in such areas as the Regulation of Undertakings and Development Law, let us read that for what it means. Let us open the doors and let more population growth in to try and stimulate the economy. Have we not heard that somewhere before? Yes, usually about 4 times a year for the last 40 years, as though that is going to be the miracle cure for the Island's economic difficulties, and it is not because if it was going to be the cure it would have worked by now. But of course it carries on failing and yet we carry on persisting with it. There is further talk of planning procedures, the need to streamline them and be speeded up, more building, more development in the countryside as though Jersey's construction industry was not already vastly and absurdly too astronomically large to be sustained in an Island of this size and this scale. This is just more of the same. This is the same tired old thinking that has got us into the mess we are in to date. We need not to be just chucking money at these problems but we need to be doing things like making sure that rather than relaxing Regulation of Undertakings we tighten them up. That we consider doing things like introducing work permits, so that those diminishing range of employment opportunities that remain in Jersey, in the coming months, years, are reserved for people with already some kind of residence in the Island, as opposed to just spending millions of pounds of taxpayers' money on various development schemes and so on, which as we heard under questioning this morning, we do not in fact have any hard and fast guarantees that the labour force that is used to carry out those projects are not just going to be shipped into Jersey, as has always been the case in the past. I would be a little less hostile to this plan if there were any clear strategic joined up thinking from the Council of Ministers that illustrated that efforts were going to be made to ensure that if we are spending vast sums of money in the Island's construction industry, that spend, that activity will be ring-fenced and confined to local companies and local workforces. Now, if that were the case then maybe the plan would have a little more credibility, but at the moment it just does not. Indeed it is quite startling how economically feeble and intellectually feeble the economic stimulus plan is. Many commentators, one reads the *Financial Times*, the *Economist* and other major journals and still quite often you read people writing that: "Well, oh dear, this economic meltdown which has occurred, that was unpredictable. Nobody could have foreseen this coming" and that is the orthodox thought that we read of. But of course it is not true and if one reads a diverse range of opinions and a diverse range of books on these subjects, one can in fact discover a very substantial number of commentators, economists, ecologists, geoengineers, mathematicians, all kinds of people who predicted exactly what has happened because mathematically the revolving credit economy is nothing more than a giant ponzi scheme, and it was mathematically deemed to crash. The question we have to ask ourselves is can we process the new reality? Can we get our collective heads around a future which does not involve the fantasy of going back to the days when all that mattered was getting a 48 inch television and another collection of salad shooters and a pink and cream cappuccino machine;

because all of those days of mindless consumerism are over. I notice that there were some mutterings and gigglings and the usual kinds of dismissive comments that we hear when another speaker, I think it was Deputy Tadier, spoke of peak oil and the impact that is going to have on the economy. Indeed, you can make a very robust case, indeed some internationally renowned experts have for saying that the arrival of peak oil was the tipping point for the global economy. Now peak oil means when the world's global supply of oil peaks, reaches its maximum and then begins to decline. Now, some geologists predicted that this would happen many, many decades ago, and they even got pretty close with their predictions. But of course in Thatcher-ite, Reagan-ite and so on, Clinton-ite eras, it has all just been a happy orgy of consumerism and we have not really worried about these things. When these issues have been raised the authorities, governments, companies, trans national corporations have said: "Do not worry about that, there is enough oil left to last us another 60 years" or whatever. I have an analysis here that involves ... it is a matter analysis of oil production figures. This was published in August 2008 and it deals with things like leaks condensator, all liquids, gas and so on, and this is the global production. These figures show that world oil production ... the all liquid peak was now May 2008, at 86.05 million barrels per day, so the all global economies production of liquid petroleum, which is the very lifeblood of the modern economy, peaked in May 2008. Remember when oil went up to 140-plus dollars a barrel and just how the economic meltdown followed dramatically in the wake of that? Of course the price of oil has plunged since then as a result of demand destruction because of the economic collapse, because there are no people out there to buy the oil in the quantities that it was needed anymore. But even if the economy were to temporarily turn the corner a bit, and resumed growing for whatever short period of time it is capable of doing, the fact remains that oil prices will immediately begin to skyrocket because the growth consumerist-based economies, which I talk about and the Minister for Treasury and Resources always laughs at me about for mentioning, are all dependent upon the ready supply and availability of cheap oil. That supply of that product upon which the global economy, upon which our economy depends has come to an end. Sure, oil will still be available but the era of cheap oil is over. In fact, the dramatically fluctuating and extremely fluctuating rates of oil price and economic effects fit perfectly with the predicted effects of peak oil, the bumpy plateau as it is known, where production would peak and then there would be this see-sawing action as production peaked, prices rose, economic activity fell as a result of the price rise, the price would drop again, economic activity may pick up again, then the price of oil would pick up, then economic activity would fall again; this would continue for a period of a few years, this bumpy plateau, before the inevitable decline sets in, and indeed one European ... here, for example, is a very recent document. According to the Secretary General of the International Energy Agency, Nobuo Tanaka, oil prices could go up to as much as 200 dollars a barrel in the next 4 years. That is the Secretary General of the I.E.A. (International Energy Agency). A lot of Members will be thinking: "Well, what is all that rubbish, the oil and all that kind of thing got to do with the economic stimulus plan? Why bother wasting time talking about these kind of things?" The reason why we are in the kind of mess we are in today is because we have done far, far too little joined up thinking in past. We have focused narrowly on one particular set of issues, one particular period of time, one particular area of policies and we have failed to use the holistic approach to looking at the complexity of the challenges and issues that society faces. So I am afraid these kind of considerations, such as peak oil, such as the likely inevitability of the permanent decline of the globalised consumerist economy, the consequent impact upon that of such activities as offshore finance are all interlinked - are all interlinked - and are all going to have an effect upon us. What those effects are going to be exactly, it is very difficult to say. As the Nobel Prize winning physicist, Niels Bohr wrote: "Prediction is very difficult, particularly about the future." But one of the things we can be certain of is that things in the future are going to be very different, whether we like it or not, for the kind of society and the kind of economy that we here in this Island, nationally, regionally, globally, have grown used to. So given the gravity of the crisis we face, I say, no to shovelling vast quantities of taxpayers' money into the same kind of failed policies, failed activities that this Assembly has pursued remorselessly for at least the last 4 decades and which have not worked, and which have not addressed our problems. Moreover shovelling taxpayers' money into economic activity in which we just really do not have any accurate idea as to how much of the real benefit and value of that money is going to stay circulating within Jersey's economy. I believe that we should reject the plan today and that we should start facing the hard and unpleasant realities if we are going to finally try and do something for the medium and long-term amelioration - because that is likely all it can be - of the problems that this community faces. We have very little time and very little money left. More of the same failures of the past is not what we need now. We need new and different thinking.

8.1.21 Deputy R.G. Le Hérissier:

I hesitated because I thought somebody was going to call the guillotine but I will just carry on. In fact I will call the guillotine.

The Greffier of the States (in the Chair):

Then you cannot speak.

Deputy R.G. Le Hérissier:

Then I will not call it. [Laughter] Procedural entrapment. I am sure somebody else might ...

The Greffier of the States (in the Chair):

At issue of your Committee, I seem to recall.

Deputy R.G. Le Hérissier:

Yes, thank you for those kind words. [Laughter] While there may be some credence to elements of what Senator Syvret has said, I am not going to follow that line but quite clearly there is uncertainty. We are all entering a very uncertain period and I think what the public want is not that we ... I do not think the public believe that we can fix the future of the world any longer in a very predictable way because it is not going to carry along the same tramlines. There is a hope that it is going to carry along those tramlines but there is a realisation that something quite fundamental is stirring in the body economic and we do not quite know where it is going to lead us to, which is why I was a bit surprised by the incredible certainty and optimism that seemed to underlie the Minister for Economic Development's speech, that all the trends were being monitored, everything was okay. But, of course, to monitor trends is simply to monitor trends. It is not to understand the situation, it is just to say this happened last month, this happens this month, this will happen next month and I put it on a nice little graph. But it does not give you any understanding of the situation and it certainly does not answer the question that the Queen posed: how have we got here? I do not recall Senator Maclean answering her question. But he did seem to be very besotted by all the information that was being collected. But I am afraid to that extent I do agree with Senator Syvret. I do not think we do understand. But as an interim, as a medium term measure, as a way of trying to make sense of the world before it either restarts in some perhaps more limited fashion, or it all collapses around our ears, I think we do have to look seriously at this programme. But there is no doubt that there are, in my view - while I will support it and therefore be no doubt consigned to eternal hell and damnation yet again - some smoke and mirror phrases that the Minister has used which do have to be challenged. He keeps going on about shovel ready and there is this sort of subconscious association with the construction industry and this feeling that all the work has to be done to generate work in the construction industry. But the point is a lot of the unemployment will be in the pen or I.T. (information technology) ready sector. The notion that we are going to train bankers sort of overnight to become layers of specialised concrete - to take my particular interest or carpenters or plumbers or whatever, is a bit naive. The Minister must know that this where the real risk lies, how we are going to do job redeployment, insofar as we can do it, for people in the finance industry. There is, I would suggest, a mismatch. Secondly, there has been so much emphasis put on the 3Ts that has overlooked the fact that people like Deputy Martin raised that we have been so remiss, except for our 3 apprentices in T.T.S., in building up, strengthening and enhancing our workforce. I think to that extent the Minister has to show a bit more flexibility and realise that there is nothing ... while it is temporary in the strict sense of the term to bring apprentice or training schemes to an end, there has to be a momentum to these and there has to be the generation for the future of really building in skills. Because at the moment we have dealt with this problem simply by importing people, or - as I think it was Deputy Dupre mentioned - by an unbelievably expensive programme which I cannot believe the figures of and will hopefully be subject to real scrutiny by the Corporate Services Scrutiny Panel, an unbelievably expensive programme for local nurse training. I would have preferred to have had a proper analysis of where the pinch points are in the Jersey labour market. We know, for example, there are terrible problems in getting graduate social workers, despite the graduate problems which Senator Perchard quite rightly alluded to. We have a local probation officer base training programme and I would like to see what we can do in that area, and in other areas where there are clearly shortages now present or shortages developing. We have never been serious about this, we have never been serious and we all see the results of a civil service where succession planning has been practised more in the omission than the commission. The other point I would like to make is this Dutch auction of people pushing their programmes up. Good luck to them. We have Deputy Power promoting, quite rightly, the housing programme but I thought we were selling, over 10 years, 800 properties to get the housing maintenance programme off the ground. Now, how the 2 programmes are being dovetailed would be a very interesting issue. We were told a year and a half ago this money was urgently needed, housing was virtually on the brink of collapse and so forth and so on and we had to start selling houses very, very quickly. We have started and I would like to know what has happened to this money and what is going to happen to the revenues that are flowing in from further sales if we are also going to get this additional money from Senator Ozouf's fund, it does not seem to make a lot of sense.

Senator S. Syvret:

Just a point of information to help the Deputy, I think it is called these days Lehman Brothers accounting.

Deputy R.G. Le Hérissier:

Maybe that is it. So we will have to wait and see. What saddens me in this sort of Dutch auction of projects, and good luck to the departments as they each fight, so to speak, is nobody sat down and tried to take a systematic overview of infrastructural issues and where they could lead to. I was sort of laughed a little bit out of court when I mentioned Fort Regent, for example, last week. That by some good work at the beginning, like the installation of a lift, and I do not want to get too ... I do not want to elevate this to [Members: Oh!] an obsessive issue but by looking at, for example, a better access, think of what you could trigger off in the development there and then bring in the 3T programmes to bear. That is the kind of imagination, with a slight lateral twist to it. But this notion of Senator Ozouf's labour core going to the shovel, to the trench, in their hundreds so that they will not be staying at home inactive and thinking wrong political thoughts or whatever they are thinking at home, I find slightly off beam. I wish he would use, and the Corporate Panel with him, I hope they would use a bit more lateral thinking and look at projects that could truly move along programmes that have been stalled for a long time or need that bit of imagination at the beginning before the people with shovels appear. I will look forward to seeing whether he is going to come up with a more systematic approach to that as opposed to ... and the last thing, on small businesses, Senator Maclean expounded on small businesses but was not able to convince us, without admittedly being too protectionist, that printing is being done in Jersey for maps and tourist literature, for example, and it is being done I understand in somewhat far off countries. But I hope there is a bit more risk-taking in grants to small businesses. We do know that it is quite difficult for some of them to get money. We do know ... and I know Deputy Reed is pursuing a case very enthusiastically, of a person who has got a slightly project that does involve colliding with established States Departments. I would really like to feel - because this a labour intensive project,

for example, that he is pursuing - that there will be a bit more, without wasting public money, risk-taking involved and that it simply will not be down to the Economic Development Department for more counselling and more discussion of publicity. But there will be a real, almost a fenced off section of the funding which will be for risk-taking. Thank you.

Senator A.J.H. Maclean:

I was going to say if the Deputy would give way I might be able to just advise him very briefly on that point. There is, in fact, a small loans guarantee scheme which is for exactly that, where small firms can apply to get funding through banking institutions and that funding gets matched or underwritten, I should say, by the Economic Development Department. That, if you like, is risk taking in that respect and it is not assessed by officers at Economic Development, it is assessed by the banks themselves.

The Deputy of St. John:

Could I propose 84(1), the close of debate?

The Greffier of the States (in the Chair):

You have to give 30 minutes' notice so I will take that as you giving the 30 minutes' notice of ...

The Deputy of St. John:

I am giving 30 minutes' notice.

The Greffier of the States (in the Chair):

... the closure of the proposal at 5.00 p.m. Thank you, Deputy. Deputy of Trinity.

Deputy S. Power:

Before the Deputy of Trinity begins her speech, can I just say that I will reply to Deputy Le Hérissier's questions about the Housing Department and I will copy all States Members.

8.1.22 The Deputy of Trinity:

I just want to focus briefly on the nursing apprentice schemes. I thank the previous Minister for his support there and I am very keen to introduce a nursing apprenticeship, especially of growing - to quote Senator Ozouf - your own. We have a responsibility to make sure that our hospital is fully equipped with the number of nurses that we need. By this scheme, it will introduce a scheme for local people and, most important, at the end of the day it will guarantee jobs for them at the end of their course. There will always be jobs that, for one reason or another, will need to go away to the U.K., like dieticians, because you only need 3 or 4 dieticians and it is never appropriate to set up a course over here. But I think it is giving career options for those who are unable or do not wish to go away to train or, indeed, cannot afford to go away and train. This can include slightly mature people, not to put an age on it, who may for one reason or another become unemployed or just change career. I think as Deputy Vallois said, their skills of life are important in this area of care. This scheme can be put in quite quickly and it is looking to run over 4 full years and will be linked to the open university. It is aimed at turning out trained nurses, locally trained and guarantee of a job. As we all know, there is a national shortage of nurses and a high percentage of nurses are due to retire within the next 3 or 4 years. So it is really even more important that we grow our own and look to the future and we can equip our hospitals with well-trained local nurses. Thank you.

8.1.23 Deputy J.M. Maçon:

I feel that there is a camera this side of the room as the Deputy of St. Peter and Deputy Le Hérissier have stolen some of my thunder but I will carry on anyway. It is clear to see that we all, bar Senator Syvret, agree that during times of recession governments should do what they can to keep their economies going. But it is the how this will be implemented that must be given greater focus. We are part of the global recession and I believe that all sectors, including the finance industry, will

be affected. Indeed, as the finance industry is the biggest employer, 13,400 employees as of 31st December 2008, according to Jersey figures, we must consider what support that these workers are given. The proposed methods of dealing with the recession, as illustrated on page 26, while being appropriate for the construction industry workers may not be appropriate for newly unemployed finance workers, indeed we have also heard that reducing the civil service is an aim. But what can we provide in order to keep these workers off income support. The proposed methods require highly skilled carpenters, plumbers, electricians, plasterers and bricklayers; skills that not everyone can do or gain in a small period of time. We must supply low skilled work in order to keep the newly unemployed white collar workers ... so that they are given immediate employment to tide them over during the recession, so that they can pay their mortgages and feed their families. I would suggest that perhaps one way of doing this is selecting a part of the main drain system which should be done in the country Parishes. I appreciate that it must be temporary [Approbation] but selecting one section might be a way of doing it as this can be low skilled labour. We must also be aware and under no illusion that the next couple of years there will large amounts of legislation coming out of the U.S.A. and E.U. (European Union) which will change the way the financial services operate, the impact on Jersey is unknown. The reason that I mention this is due to the skills development aspect of the plan. What type of skills do we need in this context? Do we need to concentrate on better financial services skills or do we need to develop skills for different industries in order to diversify our economy? If so, which? This is not stated in the plan. I also have to stress that we need to employ local people and, as important, giving work to local companies. Again, to reduce the leakage it is of no use to the Island to give contracts to foreign companies as this will not be circulated back into the Island's economy. I do support funding of this economic stimulus but it must be made very clear that it is the how that must be given great thought and consideration as to what projects that are going to go forward. I would urge the Minister that he must involve all States Members and members of the public. Thank you.

8.1.24 The Deputy of St. Mary:

In general I welcome this proposition and its overall purpose with the Keynesian countercyclical injection of money into an economy that is in the doldrums, and I think also that the Minister is right, or the Council of Ministers is right in saying that this stimulus should go ahead regardless of uncertainty, up or down, and its timing and scale. I do not have any problems with any of that and I will be supporting this proposition but I do have some real issues. I also wanted to add that it is interesting to note ...

The Greffier of the States (in the Chair):

I must stop you, Deputy, the Assembly is inquorate. Members are to be summoned in adjoining rooms. [Laughter] Very well, Deputy, you may continue.

The Deputy of St. Mary:

I am very grateful to the good Senator and the good Constable. Yes, I was just observing that many useful and necessary projects will in fact now be funded which perhaps otherwise would not have been and perhaps there is a lesson there somewhere. My comments will be focused on the first of the 3 areas which received the top priority in accordance with I.M.F. (International Monetary Fund) and F.P.P. recommendations, and that is new programmes of maintenance and infrastructure spending. The Minister used the words "need to act" and boosting local activity. I want to suggest that we need to be a bit intelligent about this boosting local activity. In fact I just want to use the example of something the Minister himself pointed out. At the airport 6 per cent fewer arrivals we have in recent months but 16 per cent drop in parking charging and parking income. He pointed out that in part this was a good thing as it meant that more people were using the Minister for T.T.S.'s buses. Yes, it is a good thing because more people are using the Minister for T.T.S.'s buses because that reduces our subsidy to the bus service and that means that we have a little bit more cash in the bank. There are other benefits too. We use less resources because apparently people are now leaving their cars to go on the bus because it is a tiny bit cheaper and therefore less

pollution and also if some of the reduction was due to walking and cycling and that would also have led to better health. What I am pointing out is that boosting ... that sometimes a reduction in activity, the going there by car and parking your car at the airport, would count as a boost in inactivity does not necessarily lead to good results. We need to be a little bit careful when we are spending £44 million on whether boosting activity is the only purpose of the exercise or whether there is not a distinction missing in this document. That is the distinction as to what we should be spending the money on. What does this phrase "intrinsic merit" mean which the F.P.P. use in their comments? So what should we be spending the money on? Of course others have alluded to this as well. The overall context, just to sketch it in, first of all the downturn may last more than 2 years. Now, that is official because in paragraph 40 of this proposition we read the words: "It cannot be ruled out that the downturn in Jersey will last more than 2 years." That, at last, is official recognition that we are on very uncertain ground. The finance industry, as the previous speaker alluded to, may recover to its previous level but it may not. Of course we all know the factors that are active in that area. We have the effect of peak oil, which Senator Syvret correctly, in my view, painted and in my view the peak oil is here. We are on the bumpy plateau. If the economy was to expand, it was to get back to normal, as we are told it will, then peak oil will kick in and we will promptly be on the downward side of the mountain again. So the main word, the key word, the word that the F.P.P. used very often in their presentation to members of St. Paul's, and I am glad to say the Minister also used, is uncertainty. We are facing uncertainty and the F.P.P. gave technical reasons, which I will not go into, for why that uncertainty exists. They also said, and I would remind Members of what they said: "We face the worst economic outlook for 60 years." That was our esteemed panel of expert economists. So I come back to this question of what does intrinsic merit mean, what are we trying to do? I would suggest that there is something missing in this proposition. I would suggest that we should be investing to save; we should be investing to save costs, we should be investing to save resources, we do not know what the future holds. The criterion should be explicitly part of paragraph 80 where the Minister spells out what criteria will be applied to the projects being put forward. I believe we should build in resilience of our economy, we should build in resilience because of the uncertainty and because we face possible, beyond uncertainty, shocks. I do not think the future is necessarily going to bounce back in conventional terms so we do have to prepare ourselves for a very difficult future. I will give an example of what I mean by productivity gains. If you take a house with a central heating bill of X thousand pounds and you turn it into Passivhaus thanks to the economic stimulus - a Passivhaus is a German concept where a house uses no energy to be heated to what the residents require. This is possible, and there are many, many examples in Germany and now in the U.K. as well. Not only do you save resources but of course save costs and you save money. This applies whether that building is in the private sector, is a domestic household, or whether it is a States property. Of course this money saved can be used for other things. This time saved that would have been used to raise the money to pay the central heating bill can also be used for other things. This is a productivity gain. I just wish that we would hear about the different kinds of productivity and the different kinds of efficiency from the Minister. He tends to use the word "productivity" and the word "efficiency" meaning given labour input you have more output. I wish he would apply the same concept to resources. It does matter, we are facing a resource crisis particularly with regard to energy and there are implications across the board for how this Island runs itself for the domestic budget and for the States budget. So, in conclusion, I wanted to amend this proposition but there was nothing to amend because when you look at the way the proposition is couched, we are being asked to approve the transfer of funds and then we are being asked for the Minister to make the necessary decisions, with a slight nod in the direction of the process. The criteria, which I have said are in paragraph 80, and the process are in the report. That worries me a bit because I know from personal communication, although I have not been able to check it because P.A.C. have not yet put transcripts on to their website, but the Minister told the P.A.C. in regard to the FW Euro fiasco that something that appeared in a report of projet 73 was just something that appeared in the report. Now, I may be misquoting but that is what I was told, that there was a distinction between the proposition, which is what we really vote on, folks, and the report which is the "the report". So I will ask the Minister now, firstly, to assure the House that resource productivity, and in particular energy productivity, is included in this list of criteria in paragraph 80 where he says the business case - from whatever department it might be - will set out in as much detail as possible bang, bang, bang, bang, bang, bang, 6 criteria. I want him to add, and I think he should add, this criterion about resource productivity because of the uncertain future we face and because of what has been said in particular about the future of energy. That is that. Secondly, I think he should bring major items to this House on a given ceiling, maybe £1 million, maybe £1.5 million, this could be done either by propositions with a short lodging time, because I recognise the time constraints, or on the 15 day system which is used for land transactions, so that we do at least have the opportunity of saying: "Uh uh, £3.5 million for nurse training is a little bit over the top." Now, in conclusion, my final remark is the Minister said, and I quote: "I think States Members want action." I agree that we should have action but please, please can we have right action.

8.1.25 Deputy M.R. Higgins:

First of all I will state right at the very beginning, I am going to be supporting the proposition because I believe it is right that we do take some of the actions that are being proposed. However, before I do get into that I want to try and advise Members of some things. First of all, treat a lot of the statistics and economic forecasts with a pinch of salt because most economic forecasts can be inaccurate. The U.K. Government is constantly revising its up and down when it comes to the falling G.D.P. In Jersey we do not have the statistics that they have in some other countries. For example, we have no detail of the multipliers or any idea of leakages from economy and so on. We do not have a lot of the data that we should be filtering into the different models. What we can say is, yes, we are probably going to head into recession, but how deep is it remains to be seen. Secondly, what I wanted to do was just talk about recessions in general. A lot of work has been done. I.M.F., for example, produced a report recently which analysed 122 recessions and I want to talk about some of the characteristics of these recessions to see what we are likely to experience in the near future. There were 122 recessions in 1960, and these were 2 different types. Some are non-synchronous and some are synchronous. The difference is it may affect one country or a small number of countries or they could be global such as the one we have got at the moment, that is a synchronous one, and they are the worst. It found of the recession that it looked at that on average advanced economies have experienced 6 complete cycles of recession and expansion since 1960. We go through these phases. The recessions generally have been distinctly shallower, briefer and less frequent than the expansions, so we see more expansions than recessions. In a typical recession G.D.P. falls by about 2.75 per cent whereas during the expansion G.D.P. could rise almost up to 20 per cent. A typical recession persists for about a year whereas expansion often lasts for more than 5 years and, as a result, most advanced economies are already in the recessionary phase of the cycle for about 10 per cent of the time. The longest episodes of recession have lasted more than 3 years. You could argue that Japan has had a particularly long one. However the recessions that are associated with financial crises are longer and generally more costly than others. The 5 biggest of those 122 were particularly difficult recessions. They are also followed by very weak recoveries. So in other words the time it takes to get back to the sort of levels of G.V.A. that we have been achieving, the prosperity in the economy takes longer with this type of recession. Now, why is it that financial crises are different? Well, it is normally because of the way we got into it and we are going to pay a price for it because we have been doing exactly the same things in Jersey that other have been doing elsewhere. We have experienced the cheap credit like the rest of the world has had. People getting loans. We have also experienced the housing boom that others have had, where banks have been giving 100 per cent mortgages or even more, which fuel other types of spending. We have also got the various ... we have had different sort of pressures with this particular one with the financial markets and the new derivatives products which have forced up prices, not only of stocks and shares initially but also with commodity prices, which are now tumbling down. So we are going to experience problems as a result of that. Now, what does this

mean for Jersey? I am going to cut back on a lot of it because of the timing but essentially our economy is very much reliant on finance. In fact Senator Syvret was going on about our sort of mono industry. It is true, if 53 per cent of our G.V.A. is coming from finance, what is the effect of this particular recession going to be on finance? Well, a number of studies have come up with figures and they have looked at New York and London and they have mentioned that the leading financial centres are going to be the hardest hit and by extension it will also lead to those centres that rely on finance. I might add to you, by the way, that Michael Foot in his recent interim report mentioned that again our 53 per cent G.V.A. figure was considerably higher than any other community in terms of our reliance upon finance. Anyway, in terms of what is being projected for the finance industry worldwide, they are talking of substantial job losses and restructuring. We know this is ongoing because people have not sorted out the new regulatory structures that are going to be in place in the future. We do not know which firms are going to survive, we know that more banks are going to have to go back to governments to get additional capital. There are major problems in the financial sector coming and we are going to see a major transformation of the finance industry going forward and nobody knows what that future is going to hold. The figures on the job losses are quite staggering. For example, London has already lost over 30,000 jobs in the finance industry. That was in 2008 and in 2009 they are forecasting it will be a third higher yet. New York has had a big shake out. What does that mean for places like Jersey. For a start we do not control our own destiny. We like to think we do but if you think of the financial institutions that are based in this Island, their headquarters are elsewhere. The decisions are not made locally, they are made at the head offices. In fact, I know we can go around and do surveys and ask the managers: "What are you planning on doing? Are you talking about making any redundancies? Are you going to be involved in restructuring?" or whatever, they do not know. It may suddenly arrive on their desk tomorrow morning, a letter from head office telling them that they have either got to pull out of a certain sector or they have got to reduce their staffing. I do not mean to be unduly pessimistic, I am just talking about the nature of the crisis that we are facing. It will particularly impact on the finance industry and through the spend of the finance industry, the incomes of the workers and the money that they spend locally, it is going to then filter down into other sectors of our economy. But this one is a financial crisis, be finance led and with respect to finance. So, as I say we are going to experience, I am certain, job losses. Now, we do not know the extent of those job losses because many of the banks redundancies are not made public. Part of the terms for the workers who are given redundancy packages, they do not broadcast the fact. Many of the workers who work in the banks do not go down to social security and sign on for income support because they may have got a redundancy package. Most of them will go to the recruitment agencies. Now, the recruitment agencies I have spoke to recently and many of them talk about the situation of being flat in terms of job vacancies. The reason for that is people are reluctant to leave a job that they have got at the moment and they hope they will be able to retain, because there are no new jobs there. Again, we do not know how many people, for example, if they are made redundant, are going to leave the Island. So in that sense it is less of a problem for us. It is a great personal tragedy for the people concerned but it will not impinge on the economy as much as it did. So I am trying to stress that I think this recession is going to affect our finance industry. Despite everything that Senator Ozouf normally says, I do support the finance industry but I have always said that I am against having all our eggs in one basket. I do fear that this recession may well prove that we have had all our eggs in one basket. When this stimulus package is brought into force, it has concentrated, as we have seen so far, or it appears to be concentrated on infrastructure projects and skills. I want to repeat some of the comments made by Deputy Le Hérissier but not in as much detail. You cannot expect bank workers suddenly to be retrained in construction type activities. You cannot also expect ... in terms of retraining ... sorry, I am just going to move on to the retraining one for a moment first. One of the concerns that I have with what is proposed ... we have had talks on the Corporate Services Scrutiny Panel with people from the Skills Executive and also from Highlands College and, yes, we are going put money into providing courses for our 16 year-olds who are leaving school and will not be able to get a job, that is good. There are 17 to 19 year-olds who also find they cannot get employment and are wanting to go to Highlands, and there is 100 students at the moment wanting to go into Highlands. They can cope with that 100 students, so they say. There are also going to be some older workers, as they lose their jobs, may want to go for retraining, so they are going to have that extra pressure coming on this area. Then they are also talking about youth training schemes. Well, I have problems with this. I remember the last recession in the 1990 period, I was a lecturer at Highlands and essentially what we did was babysit because they were not geared up for providing as much training and the range of training in the time available. When we had the representatives in from Highland Colleges they told us, for example, that their workshop accommodation is almost at capacity, so where is the extra capacity going to be to train the new carpenters, plumbers and everybody else? We also were told that a lot of the students were going to be placed in classrooms. Now you can imagine a lot of the 16 year-olds who have had enough of school, and a lot of the disaffected ones who left school and were seeking employment - let us say between 17 and 19 - going back into a classroom situation where they are not going to get to do anything particularly productive; especially if they want to practically based, they are not going to get into the workshops. The college does not have the I.T. facilities to spread it around the college for all these people and, most importantly, the library facilities are extremely limited. There is a limited number of books, there is a limited number of places where they can go and study or work. You are not going to have a situation where lecturers are going to be in front of the students for the entire, let us say, 8 hours that the students are going to be in the college. So I am concerned that the courses that are put on are going to meet the needs of our students. We do not want to babysit, we do not want them just marking time and keeping people off the employment register, we want people to develop proper skills and to benefit the economy going forward. So I certainly, when the bids come to the Corporate Services Scrutiny Panel, will be looking very intently at this area because I personally think it is a complete and utter waste of money if it is not going to achieve future benefit for the Island and, more importantly, for the people concerned. There is one other thing too. For example, we have been told, and just so people are aware of these sort of figures, normally about 150 graduates return to the Island every year and what they have said to us is that obviously there may not be jobs for them, obviously because everything is pretty flat, but in addition to that there are 250 graduates who normally do not return to the Island every year. Now many of those - as we have heard from I think it was Senator Perchard mentioning about his son's peers at college, saying they could not get employment - 250 are going to come back to the Island as well. So we are talking about possibly 400 graduates coming back and being here in September. What are we going to do productive for them? As I say, we have got some major thinking to do in the near future and we have got to come up with viable schemes. Going back to infrastructure for a moment, what I would like to say is that one of my concerns, and I have echoed it to Senator Ozouf when he has come before the panel, is making sure that if we are going to spend money on infrastructure that, one, there is the number of plumbers, carpenters, electricians, et cetera, that we need to do the work. It is no good, for example, pumping millions of pounds into infrastructure if those skills are not available in the Island because all it means is, one, things will not get done; secondly, prices will go up and they will import workers from outside. It goes back to the point that was being made earlier by Senator Syvret about leakages. There will definitely be a leakage of money out of the Island that way and it will be less effective on stimulating our own economy. Going back to construction firms, again, we need to make sure that they have got the capacity, genuinely have got the capacity, to do the work that is going to be called forward. I am also concerned too in case we suddenly decide to fund some major construction projects, perhaps in the absence of Harcourt, perhaps with Harcourt or any other sort of people and try to go for some big scheme which is going to inject an awful lot of money. Some of those are very, very long term and certainly will not meet the timely category. Something else I do believe very strongly and it is missing totally from this package. Obviously the Senator's package is talking about what we, the States, are going to do to try and get our economy going forward. I would like to know what the banks are going to do. For example, remember this is a financial crisis that was largely brought on by the banks. Now the banks have

had billions of pounds injected into their coffers to restore their balance sheets and the idea was to stop them from crashing because we would have an even worse economic crisis if they did crash, but what they have done is put the money, as I say, to restoring their balance sheets. They are looking after their survival first. What they are not doing is looking after the survival of the ordinary businesses that are out there in the community. There is less lending going on, as a recent Bank of England quarterly bulletin revealed, and, secondly, the margins that the banks are seeking, if they are prepared to lend are much higher as are some of the other hurdles that the firms have got to jump through. So therefore what I want to see and hear from the Minister is what talks he has had with the banks and what they are going to do to match what we are doing. As I say, the banks have an important responsibility and it is time they stepped forward and helped the people of this Island. There are lots of other things but they are scattered all over the place and I think I will leave it at that point. I think people are getting tired anyway. Thank you.

The Deputy of St. John:

Can I call the proposition 84, the closing of the debate?

The Greffier of the States (in the Chair):

Yes, Deputy, you gave the required notice under Standing Order 84, the debate has been continuing for some considerable time, a number of Members have spoken, so I see no reason not to allow the proposition. But as ever it is a matter for the Assembly whether or not to adopt it.

Deputy G.P. Southern:

Are there any Members yet to speak, Sir, on your list?

The Greffier of the States (in the Chair):

Two. The proposition is proposed by the Deputy of St. John, is that proposition seconded? [Seconded]

Deputy M. Tadier:

Could I also raise the issue that Standing Order 84, paragraph 3, does make provisions for the rejection of the proposition if it is deemed by the Chair to infringe the rights of the minority. So could I ask how the people who are wanting to speak feel about that so that I can direct my vote.

The Greffier of the States (in the Chair):

It is a matter for the Chair, Deputy, and the usual interpretation given is that a reasonable number of people have spoken. A considerable number of people have spoken so people obviously choose their time in the debate to speak. The proposition must be put without debate. Is the appel called for? The vote is for or against the proposition against the Deputy of St. John that the matter be put to the vote and the Greffier will open the voting.

POUR: 27	CONTRE: 21	ABSTAIN: 0
Senator T.A. Le Sueur	Senator S. Syvret	
Senator T.J. Le Main	Senator P.F. Routier	
Senator B.E. Shenton	Senator P.F.C. Ozouf	
Senator F.E. Cohen	Senator A. Breckon	
Senator J.L. Perchard	Senator S.C. Ferguson	
Senator B.I. Le Marquand	Senator A.J.D. Maclean	

Connétable of Trinity	Connétable of St. Helier		
Connétable of Grouville	Connétable of St. Lawrence		
Connétable of St. Brelade	Deputy J.A. Martin (H)		
Connétable of St. Martin	Deputy G.P. Southern (H)		
Connétable of St. Saviour	Deputy of St. Ouen		
Connétable of St. Peter	Deputy of Grouville		
Connétable of St. Mary	Deputy S. Pitman (H)		
Deputy R.C. Duhamel (S)	Deputy K.C. Lewis (S)		
Deputy of St. Martin	Deputy I.J. Gorst (C)		
Deputy R.G. Le Hérissier (S)	Deputy M. Tadier (B)		
Deputy of St. Peter	Deputy A.E. Jeune (B)		
Deputy J.A. Hilton (H)	Deputy of St. Mary		
Deputy J.A.N. Le Fondré (L)	Deputy T.M. Pitman (H)		
Deputy of Trinity	Deputy M.R. Higgins (H)		
Deputy S.S.P.A. Power (B)	Deputy D. De Sousa (H)		
Deputy of St. John			
Deputy A.T. Dupré (C)			
Deputy E.J. Noel (L)			
Deputy T.A. Vallois (S)			
Deputy A.K.F. Green (H)			
Deputy J.M. Maçon (S)			

The Greffier of the States (in the Chair):

I call on the Minister to reply.

8.1.26 Senator P.F.C. Ozouf:

I can see from the other side of the Assembly the Deputy of St. John scolding me for voting against the closure. So I think we have had a good debate. I have been certainly heartened by many of the comments that have been received, that have been made, it is, as somebody said to me at lunchtime, perhaps an easy proposition because this is a spending proposition that does not have any immediate taxation consequences. I am fully aware and take on board all the comments that Members have made of the need to be tough. There is a heavy sense of responsibility on the Minister for Treasury and Resources's shoulders in terms of having to make some final decisions because of the exceptional circumstances, but with appropriate advice and with appropriate input.

There have been some important questions raised and I am going to deal with them as quickly as I There was, I think, only one Member who spoke very strongly against the proposition. Senator Syvret treated us with one of his normal speeches, it was intellectually feeble, apparently my remarks, he spoke of doom and gloom, vast masses of absurdity, a massive mess. No solutions I have to say I heard from him, no ideas. I also was frankly surprised, this was the individual who was supportive apparently of the finance industry some time ago. I have to say I hope that he is in a minority. I have to say that while we all can have more information, I got the impression hearing from him that we would have paralysis of analysis in terms of making decisions. He spoke about the doom and gloom of the future of finance. I do not agree with him. I have heard him ring the death knell of the finance industry so many times, I have heard his views of the economy and I find sometimes I am reminded of the little boy who cried wolf. It is not always the case. I am confident in Jersey's future. But enough of the negativity and on to the very positive questions that have been raised. Deputy Le Claire was one of a number of Members who asked about the process. I just want to rehearse exactly what that process is and I will say at this time that while there has been a deadline put in terms of bids, there has been 27 bids received that are going through the process. Yes, there will ... I think it is not going to be conceivable that we will, out of those bids, find projects which meet the criteria, meet the full £44 million, there will need, I think, to be some time to see some of the impact of them and I am happy to concede and to agree that there will be a further deadline for projects. But what of the projects that have been immediately bid for? Well, they are being put through a Treasury team process to see for value for money, to see whether they meet the criteria. I will come to the Deputy of St. Mary in terms of adding some criteria of evaluation. They are being reviewed just to see whether they pass the initial process. They are then being reviewed by a group of senior officers, senior officers from across the States of Jersey, to check to see whether the Treasury team have done their job. Then that initial assessment is going to be brought to me and it is going to be consulted on the Council of Ministers. In parallel to the process, as we have heard from Scrutiny, Scrutiny is going to hear exactly what those projects are about. They are going to learn about those projects so that they are able to also make an informed decision. I will deal with the Deputy of St. Peter's sensible comment about a veto and the fact that the responsibility rests with the Minister. Ultimately there is going to be a ministerial decision. I just go through that very quickly because I want to get a sense to Members that there is going to be 4, 6, 8, 12 and more eyes over these individual projects. Rightly so. We are going to be extremely tough in our evaluation. A number of Members have raised concerns about individual projects which we were nervous about as to whether or not we should put them in the annexe, because clearly on the one side we are not agreeing individual projects, we are agreeing criteria and total amounts; on the other side we clearly want to give Members a flavour for some of the things that may follow. Otherwise we are not going to be, I think, clear about what we are going to try and achieve and what will come out of this. I need to say that while there are some projects which clearly are front runners, no decisions have been made and certainly I take on board some of the concerns that some Members have of individual projects. Deputy Le Claire raised a particular question about the waterfront and Harcourt and the need to be efficient. I think the future of the waterfront is important, I think it is the fuel for economic growth going forward but I am not aware and do not think there is any case in order to support any of the statements that I have made about the need to compromise on the standard of bonds in order to allow the contract potentially with Harcourt going forward. There is no sense of that. His remarks and other Members' remarks about the need for efficiency and driving efficiency in the States are well made. Deputies Mr. and Mrs. Pitman and Deputy De Sousa say that: "We will be watching." Their remarks and support is well received and noted. They were of a number of Members that called for diversification. There is an endless ongoing debate about the need to diversify Jersey's economy. We understand that. I think we all understand that in terms of diversity of within the financial services industry, different products in different geographical places. We also need to try and find alternatives to the finance industry. I am very keen to see the Minister for Economic Development progress the plans for looking into intellectual property to see whether we can leverage the expertise in judicial, in legal services and accounting services in the important growing area of e-commerce and intellectual property. Tourism matters. I am going to say some particular comments about the need for, as far as it is possible, to have a green recovery. That is something that economic stimulus packages that governments around the word are considering. I do not want to repeat the priorities because I think they are clearly set out in the proposition: infrastructure, skills support, employment and business support. The Constable of St. Helier raised a question, and I have dealt with his issue on extending for a further period of time, he spoke about the importance - as did the Minister for Education, Sport and Culture - of art. One thing that I get on almost a weekly basis is a letter from a delightful lady who is involved in the arts in the Island. She was given a grant for a certain creative industry that she is involved in, I will not mention her by name but she is well known to a number of Members, she works in the cultural area in terms of art. She sends me newspaper cuttings regularly from periodicals in the U.K. of the exposure that Jersey gets in the art frame. In the area of bringing people to Jersey, I think that there are opportunities for the cultural economy and if there are projects that can be supported then that will be a good thing. I think that is important, it is all part of the diversification of the economy. He spoke about retail vibrancy and the fact that shops are being replaced. That is obviously a good thing. We have a King Street and a Queen Street that is having shops being replaced and we need to continue those important concepts of having competition in terms of our economic policy. He warned rightly about the issue of high prices and the problems that protectionism has in terms of governments having economic problems, pulling up the drawbridges and saying: "That is all you have." That, in fact, causes more problems in the longer term. I want to ignite the entrepreneurial spark of Islanders with, I hope, some of the money from this fiscal strategy and I would remind the Constable, and I am sure that the would agree, that the setting up of Jersey Enterprise providing business support for all sectors of the economy, all businesses, is something that was a good thing. Certainly increasing the resources potentially to help businesses is something that is going to be of use. I thought that he was going to raise the importance of public realm. He sent me an email about a potential project which I know is supported by the Minister for Planning and Environment in terms of important public realm. Professor Tony Travers from the London School of Economics cited, when the U.K. was deciding on a fiscal stimulus, that public realm improvements, improvements that we have seen in St. Helier, do have a leveraging effect in terms of investment. Deputy Martin and Deputy De Sousa spoke with passion on a number of issues. They, among a number of Members, spoke of the importance of this money being directed to local contractors providing local jobs. That is nothing, I do not think, in opposition to my remarks about protectionism, it is important that money in projects - and, no, it is not only about construction projects - goes to providing existing Islanders with jobs that they might otherwise lose. The key to that is the careful application of the Regulations of Undertakings Law. That means tightening the Regulations of Undertakings Law to protect local jobs in any of these projects, and tough conditions will be applied to any contracts that are applied to ... in terms of doing just that. A number of people spoke about the important of apprenticeships. I am sad that the States of Jersey, just as perhaps other organisations, cut training. When budgets are tough it is easy to cut training budgets and that is perhaps why we have lost some apprenticeships. If there is an opportunity to put in place apprenticeships in the States of Jersey, that is a great thing and that would be a good thing for the future. I have to say that is exactly why we have set up the Skills Board to provide an understanding of what we can do in giving opportunities for learning, for raising people's skills in a job based environment. University is not the solution, it is not the thing that everybody wants and we need to provide opportunities for other people. A number of comments - and I note these comments - have been made about a transitional relief. That is a debate that has got to happen between the Minister for Social Security and others in relation to that. Those comments are accepted. Senator Ferguson spoke, she scrutinised the report, as we heard, in detail. She asked about the importance of having private sector bids also. What I would say to her is that it is through the departments that they are getting the private sector involved. When we speak about the Housing additional investments of bringing forward social housing projects, that is not going to be public sector workers that are going to be employed, they are going to be private contractors which are going to be brought in to do that in property maintenance too. She is concerned, as many Members are, about the structural deficit. She is rightly concerned about that. She is concerned that we take action in the next year in order to deal with that. A structural deficit will occur if we have lower growth than we expect and, I am afraid, if we spend more than we are planning to. That challenge on spending in the context of the debate about the structural deficit is really difficult. I have been asked to have a plan B. Well, if the plan B is to have a structural deficit and raise taxes then I say there is no plan B, we have got to stick to plan A and that means balancing income with expenditure. I have to say that the Council of Ministers at their meeting on Thursday is going to be faced with some incredibly tough decisions. This decision, and rightly so, about putting money in the economy is the right thing. I warn Members that this is not going to be the only decision that the Minister for Treasury and Resources is going to have to ask this Assembly to take. This one is an easy one, there are going to be some terribly difficult tough ones and some tough choices going forward. I welcome the support of Deputy Duhamel. He is right in saying that we should exhaust all savings. I need to say to him that I do not think there are any errors in the computation of our figures. I am happy to circulate an email to him to make sure that those figures are right. We have some very good statisticians. I think there is just an interpretation in what he is saying in terms of the middle estimate is going to be slightly more pessimistic because we are certain of it and the assumptions going forward. The table is accurate but I will certainly circulate an email to him. I want there to be confidence about the figures that the Assembly has been given. He is right to say that forecasting is not an exact science. He is also right to say the Treasury needs ... I take from his remarks the fact that the Treasury needs to be appropriately resourced to do the very difficult job of work that it is has to do. That is a bid for Treasury resources, by the way. Senator Perchard spoke about the stabilisation fund. He said about the key difference. He said a number of supportive comments. A number of Members, including Deputy Higgins, spoke about the real problem that we have with undergraduate unemployment. That is a real problem. Keeping people away from income support I think is what Senator Perchard had to say. I also thought that he was going to remind us of the need in future again to refill the stabilisation fund going forward. I just leave that difficult thought in Members' minds. Senator Shenton spoke about Japan and the experience of other economies, the huge debts that have been incurred. He had concerns about the transitional relief too. I give an undertaking to Deputy Jeune that there is no done deal and I am grateful for Senator Maclean for his department's support and also the outreach that is going on with businesses in a way that never happened before. Deputy Vallois has spoken about the housing projects. Yes, they are, I think, projects which are likely to, I hope, be supported if they meet the criteria. What I would say to Members - I cannot remember which Member raised it - the fact is what we are doing here is we are probably bringing forward social housing projects which may mean that that means that we are going to not have to allocate money that we were planning to do in years forward with social projects moving forward. It is about pump priming that which the Housing Department do not have. I think Deputy Vallois spoke extremely well, if I may say. I know that she has given me a hard time in terms of the Corporate Services Scrutiny Panel, she is quite right to be cautious about spending, she is also quite right not only to speak about young people and undergraduates and school leavers. There is an issue. I have had emails in the last few days, perhaps she has too, in terms of the real issue of older workers and that is something that we need to do and that is something that Skills Jersey is going to have to do. If we can loosen controls in relation to allowing older workers further with Regulations of Undertakings then we should do so. She spoke of value for money and the need to work together, and I could not agree more. Deputy Tadier, I am grateful for his support too, said that we are not the do nothing party. He was right to point out about individual pet projects. Then he spoke also about some projects of his own, as other Members did. He is absolutely right about that. That is the risk that I have in terms of Members pushing their own projects. Deputy Le Hérissier wants Fort Regent but he does not want housing, there is an issue there. I want to say that I do agree with those Members that have spoken about the importance of a green recovery. Oil prices are rising again, partly perhaps on the back of a more optimistic global set of demands. He asked whether or not there could be green initiatives in the proposals. Insulations grants is a great example of where we can keep local tradesmen in work and we can reduce the energy costs going forward for families, particularly in pensioner and lower income households. The investment in housing is about improving our social housing stock and is designed to make sure that we spend less and the residents of social housing spend less on energy costs. So I would say that, yes, there can be and there will be an element of light green, or certainly darker green, in terms of the expenditure. A number of Members have said about the importance of ... expressing concern about the economy going forward. I would say to Members that the Jersey economic miracle has been based upon reinvesting ourselves constantly. That has always been the case in the past. We have aligned ourselves to new services, to new markets, to new global conditions. If the world changes, if the Deputy of St. Mary is right about the new paradigm shift of economic thinking around the world, then Jersey is nimble and small enough to adapt with it. This proposition is about equipping ourselves to be able to do that. Deputy Green spoke about apprenticeship schemes, I think I have covered that. He also made the important point about people with learning difficulties too. The Deputy of St. Peter rightly said that there is not a veto or that Scrutiny should not have a veto that acts upon a recommendation. All I will say in terms of trying to find a middle road of that is that I would not want to go against the majority thoughtful decision of Corporate Affairs Scrutiny Panel. I would hope that he would take that as a compromise in terms of not a veto. I certainly take the views of the Corporate Services Scrutiny Panel very seriously. I hope that is helpful. Deputy Le Hérissier spoke about shovel ready and pen ready. He is right about that, I think the problem that we have got is we are trying to demonstrate projects that are real in people's mind but certainly there needs to be activities ... there is no sense that we are going to moving former bank employees into pouring concrete. We need find solutions, we need to find skills retraining, we need to encourage people to set their own businesses up in all sort of areas. We need to support small businesses. I do not know what is happening in the benches opposite but there is clearly a bit of osmosis going on between the Deputy of St. John and Deputy Maçon because Deputy Maçon also now agrees with main drainage connections. [Laughter] The point is well made and if there is a project, an infrastructure project, that can work, to get people involved in, we will keep 2 Deputies happy among others. There is a real issue about infrastructure in terms of our public sewer network that needs to be dealt with. He spoke about the need to constantly align our industry with new legislation. He is right about the fact that the world game is going to change in terms of financial services as I have just said, and I support all the comments that he said. Deputy Higgins was one of the final Members that spoke. I am grateful for his support. He did make some interesting remarks about the different types of different financial crisis. I would say to him that I think in the Michael Foot review that some of the statistics on other offshore centres may not be right. I think the quality of statistics in Jersey, dare I say it, may be better than some of the other overseas territories and Crown dependencies. I suspect that they have an even greater dependency on financial services than we do. He will be pleased to know that we have offered our support to him in terms of putting some intellectual and some statistical rigour on that and he will be casting his beady eye on that. I think the financial services industry has an opportunity of consolidating into Jersey. I do not think that all financial centres are going to survive this crisis and there is an opportunity to send consolidation into well regulated, white list jurisdictions such as Jersey and we are hungry to see what those opportunities are and scanning the That is what Jersey finance is doing. He is right to say that the amount of people unemployed is not only those that are on the Minister for Social Security's list of job seekers. He is right about that. He also used the word personal tragedy, and that is what this debate is about. This is about avoiding a personal tragedy in every case of somebody that we can avoid being out of work and losing their job. That was right and I agree with him on that. In terms of the banks, yes, we are engaging with banks and I think that they are lending in Jersey. I think there is an underlying confidence in Jersey and this plans means that we will be showing confidence in our economy and we will be encouraging banks to lend businesses and individuals in ... I hope we do not see a continuation of high house inflation but certainly his remarks about the need for lending in the economy is important. I hope I have covered, in very quick time, all of the important questions that have been raised. This proposition is about sending out a confident, decisive signal that we can and will act against the latest economic advice we have got. I am happy to give way to Deputy Southern.

Deputy G.P, Southern:

Thank you. Just briefly, the Minister says he has covered all the issues that were raised. I do not believe he has addressed the issue of leakage and certainly Senator Syvret asked him about that, and my vote depends on his answer.

Senator P.F.C. Ozouf:

I apologise, I have tried to race through lots and lots of notes here. The issue of economic leakage is important and the money that will be allocated to individual projects must, of course, have its aim to be kept within the Island. One of the public realm improvement ... and I will give that by way of example to the Deputy. One of the examples that I know that has been raised is, for example, paving over the road between Weighbridge Square and Liberation Square. A good project it sounds to me. It sounds like a good thing to do in order to improve the public realm. The difficulty with that is what would be the point of pursuing that project if 80 per cent of the value of it was simply buying granite from elsewhere. It is a simple example but we must ensure, to the extent that we can ... I do not agree with Senator Syvret in terms of not having an absolute understanding of economic leakage, we must direct ... I think we do, I think we are improving our understanding of it but we do not have 10 floors of economists and statisticians to work out these things for us. We have to prioritise and the purchasing power parity and other things that Senator Syvret wants, they are coming. I want them too in some respects but we have to make a valued assessment. I would say to Deputy Southern, please support this proposition, mindful of the fact that there is a Corporate Affairs Scrutiny Panel that is going to be looking at this criteria of economic leakage. Certainly I am happy to also say, which I do not think I said, that these other criteria, I am happy to look at that for the Deputy of St. Mary in terms of additional criteria or things to take account of. So I think the debate has been had. I think we have had a good debate. This is about jobs, this is about Islanders, this is about avoiding individual personal tragedies that otherwise would be the case. We have not developed our strong public finances by accident. It has been made by foresight decisions based upon good advice. So I make the proposition and ask for the appel. [Approbation]

POUR: 47	CONTRE: 3	ABSTAIN: 0
Senator T.A. Le Sueur	Senator S. Syvret	
Senator P.F. Routier	Deputy G.P. Southern (H)	
Senator P.F.C. Ozouf	Deputy S. Pitman (H)	
Senator T.J. Le Main		
Senator B.E. Shenton		
Senator F.E. Cohen		
Senator J.L. Perchard		
Senator A. Breckon		
Senator S.C. Ferguson		

Senator A.J.D. Maclean		
Senator B.I. Le Marquand		
Connétable of St. Ouen		
Connétable of St. Helier		
Connétable of Trinity		
Connétable of Grouville		
Connétable of St. Brelade		
Connétable of St. Martin		
Connétable of St. Saviour		
Connétable of St. Peter		
Connétable of St. Lawrence		
Connétable of St. Mary		
Deputy R.C. Duhamel (S)		
Deputy of St. Martin		
Deputy R.G. Le Hérissier (S)		
Deputy J.A. Martin (H)		
Deputy of St. Ouen		
Deputy of Grouville		
Deputy of St. Peter		
Deputy J.A. Hilton (H)		
Deputy P.V.F. Le Claire (H)		
Deputy J.A.N. Le Fondré (L)		
Deputy of Trinity		
Deputy S.S.P.A. Power (B)		
Deputy K.C. Lewis (S)		
Deputy I.J. Gorst (C)		
Deputy of St. John		
Deputy M. Tadier (B)		

Deputy A.E. Jeune (B)			
Deputy of St. Mary			
Deputy T.M. Pitman (H)			
Deputy A.T. Dupré (C)			
Deputy E.J. Noel (L)			
Deputy T.A. Vallois (S)			
Deputy M.R. Higgins (H)			
Deputy A.K.F. Green (H)			
Deputy D. De Sousa (H)			
Deputy J.M. Maçon (S)			

The Greffier of the States (in the Chair):

Very well, perhaps before the Assembly moves on I could notify Members of a number of matters that have been lodged during the sitting this afternoon, particularly the amendments to the States Strategic Plan. The following amendments have been lodged. The fourth amendment in the name of Deputy De Sousa; fifth in the name of the Deputy of St. Mary; sixth in the name of the Connétable of St. Helier; seventh and the eighth in the name of Deputy Le Claire; ninth in the name of Senator Shenton; and the tenth in the name of Deputy Higgins. There has also been lodged an amendment to the proposition relating to States Employees' pay increase, an amendment lodged by Deputy Southern. I had noticed that the Minister for Planning and Environment wishes to make a brief announcement about an appointment he has made.

APPOINTMENT OF MINISTERS, COMMITTEES AND PANELS

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

I am delighted to confirm that with the agreement of the Chief Minister I have appointed Deputy Robert Duhamel as Assistant Minister for Planning and Environment. [Approbation] Members will know, I have decided to focus the role of Assistant Minister specifically on environmental matters. This is in response to the increasing importance of environmental issues on the Island agenda and the wishes of many States Members. This will ensure that the Island and the States has a dedicated voice in matters relating to the environment. I need not detail Deputy Duhamel's environment credentials. Suffice it to say that he lives and breathes environmentally conscious decision-making. The consequence of the separation of duties is that the Assistant Minister will no longer sit on or chair the Planning Application's Panel. Therefore I am delighted that the Constable of Trinity has agreed to chair the Planning Application's Panel. Again, his credentials and experience in this area are undoubted and do not need further amplification. I would like to express my thanks to the Deputy of Trinity for her 4 years' service as Assistant Minister. The Deputy of Trinity has been an extraordinarily competent Assistant Minister, she has been a wonderful colleague and everyone at Planning and Environment will miss her [Approbation] but we all wish her well in her promotion to Minister of Health and Social Services. Thank you.

PUBLIC BUSINESS - resumption

10. Draft Health Insurance and Income Support (Influenza) (Jersey) Regulations 200-(P.69/2009)

The Greffier of the States (in the Chair):

Thank you, Minister. Now, I look to the Assembly for guidance, there is one more matter on the Order Paper. Do Members wish to take this matter ...

Deputy I.J. Gorst:

I would be grateful if Members could take this matter now. I will try and cut my speech as I go. I suspect that if Members are in favour they have already decided whether they agree with the principle or not so, Sir, I would be grateful if we could take it.

The Greffier of the States (in the Chair):

Are Members content to proceed with this item? If the debate does start it is only right that a full debate takes place if Members which to proceed, but that appears to be the view of the Assembly so I will ask the Greffier to read the citation.

The Deputy Greffier of the States:

The States, in pursuance of Articles 9 and 36 of the Health Insurance (Jersey) Law 1967 and Articles 8 and 18 of the Income Support (Jersey) Law 2007, have made the following regulations.

10.1 Deputy I.J. Gorst (The Minister for Social Security):

I would like to firstly thank Members for agreeing to debate this set of regulations today without the normal 6 week lodging period. The new flu virus could be with us at any time in Jersey so it is essential that we make appropriate preparations to protect people and to minimise any possible impact. Although we are not experiencing a pandemic at present the World Health Organisation has declared a level 5 pandemic alert status, the highest level before a pandemic itself. It means, in effect, in their speak, pandemic imminent. Vaccines are being prepared to deal with the current flu strain and it may be that these will be ready before a more virulent attack occurs. The current phase of containment is therefore extremely important. If the infection can be isolated in small pockets during the time it will take to mass produce vaccine, then the impact of a pandemic may be minimised considerably. With this in mind the Medical Officer of Health has issued advice to local residents that if they suspect that they are infected with H1N1 they should stay at home and request a home visit from a G.P. (general practitioner). In conjunction with this advice there has been very close co-operation between Health and Social Services, the law draftsman, local G.P.s and Social Security to bring forward these regulations which will ensure that there is no financial disadvantage to someone following this advice. The aim of these regulations is to set up additional benefit rates which will be paid in very specific circumstances before and during a flu pandemic affecting Jersey. The regulations refer to 2 separate phases, the containment phase and the management phase. Under the regulations the Minister is responsible for identifying the start and end of each phase. This will in reality be determined by the Medical Officer of Health and I will act upon her advice. It has been very difficult to estimate what the cost of this provision will be in advance as the severity of the pandemic cannot be predicted. The costs that have been provided in the report relate to the worst-case scenario in which up to half the population are infected with the flu. Almost all of the cost will be met from the health insurance fund and I maintain the regulations.

The Greffier of the States (in the Chair):

Are the principles seconded? [Seconded] Does any Member wish to speak on the principles to the regulations? If not, I put the principles. Those Members in favour of adopting them, kindly show.

Deputy I.J. Gorst:

Could I have the appel, Sir, please?

The Greffier of the States (in the Chair):

The appel is called for. If Members are in their designated seats, the Greffier will open the voting for or against the principles to the regulations. I will ask the Greffier to close the voting.

POUR: 45	CONTRE: 0	ABSTAIN: 0
Senator S. Syvret		
Senator P.F. Routier		
Senator T.J. Le Main		
Senator B.E. Shenton		
Senator F.E. Cohen		
Senator J.L. Perchard		
Senator A. Breckon		
Senator S.C. Ferguson		
Senator A.J.D. Maclean		
Senator B.I. Le Marquand		
Connétable of St. Ouen		
Connétable of St. Helier		
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Connétable of St. Martin		
Connétable of St. Saviour		
Connétable of St. Peter		
Connétable of St. Lawrence		
Connétable of St. Mary		
Deputy R.C. Duhamel (S)		
Deputy of St. Martin		
Deputy R.G. Le Hérissier (S)		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of St. Ouen		

Deputy of Grouville	
Deputy of St. Peter	
Deputy J.A. Hilton (H)	
Deputy P.V.F. Le Claire (H)	
Deputy J.A.N. Le Fondré (L)	
Deputy of Trinity	
Deputy S.S.P.A. Power (B)	
Deputy K.C. Lewis (S)	
Deputy I.J. Gorst (C)	
Deputy of St. John	
Deputy M. Tadier (B)	
Deputy A.E. Jeune (B)	
Deputy of St. Mary	
Deputy T.M. Pitman (H)	
Deputy A.T. Dupré (C)	
Deputy E.J. Noel (L)	
Deputy T.A. Vallois (S)	
Deputy M.R. Higgins (H)	
Deputy A.K.F. Green (H)	
Deputy D. De Sousa (H)	
Deputy J.M. Maçon (S)	

The Greffier of the States (in the Chair):

Senator Breckon, do wish to call to your panel?

Senator A. Breckon (Chairman, Health, Social Security and Housing Scrutiny Panel):

No, Sir.

The Greffier of the States (in the Chair):

Very well, do you propose the regulations en bloc, Minister?

10.2 Deputy I.J. Gorst:

Yes, I do. I will not speak at any length about them, just to draw Member's attention to the definition under the first article of influenza for these regulations. It covers influenza H1N1 or

H5N1 or variants thereof, which will be known to Members as swine flu and bird flu. It was thought appropriate at this time to try and cover any mutations of the strain which is currently around but to limit it to those particular strains. I hope Members have had time to read the regulations, as I said it splits the support into the containment phase and the management phase. Those 2 phases require different co-payments so that people are not disadvantaged ultimately should the hospital become full and not able to take people who ought to go in and G.P.s have to undertake that care, then we will take money from the health insurance fund to ensure that they can be cared for at home. Those members of society which are not able to benefit from the health insurance fund, if they have not been on the Island for 6 months, they still ought to stay at home and call their G.P. They will be funded via payments from income support. I hope I have answered any possible questions and maintain the regulations.

The Greffier of the States (in the Chair):

Regulations 1 to 8 are proposed and seconded? [Seconded] Does any Member wish to speak on any of the regulations? I put the regulations. Those Members in favour of adopting them, kindly show? Against? The regulations are adopted. Do you propose the regulations in Third Reading, Minister?

10.3 Deputy I.J. Gorst:

I do, and if I could just very briefly thank the law draftsmen, thank the Medical Officer for Health and her assistant and finally thank my director in the policy unit, she has worked tirelessly on these regulations for the last week. Sometimes civil servants come in for some unfair treatment in this Assembly but I should like to put it on record that my policy director has worked tirelessly and I personally thank her and thank her on behalf of every member of this Island for the work that she has put in over the course of the last week. [Approbation]

The Greffier of the States (in the Chair):

The regulations are proposed in Third Reading and seconded. [Seconded] Does any Member wish to speak? I put the regulations in Third Reading. Those Members in favour of adopting them, kindly show? Against? They are adopted in Third Reading. The Assembly comes finally to ...

Senator P.F.C. Ozouf:

I did not, after the economic stimulus debate, also do the thanks that I should have done. Deputy Gorst went straight away. I am sorry that I should have recognised the significant contribution of the Economic Adviser in advising the Assembly in relation to the economic stimulus package. Also to thank the other Chief Officers in the Treasury for the work that they have done, and for Members support. I am very grateful.

ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

The Greffier of the States (in the Chair):

Very well, the Assembly comes finally to the arrangement of public business for future meetings. I call on the Chairman of P.P.C. (Privileges and Procedures Committee).

11. The Connétable of St. Mary (Chairman, Privileges and Procedures Committee):

If we turn to the lavender, as I am now calling it, sheet, arrangement of business for the next meeting on 2nd June will be as per M on that sheet with addition of amendments to the Strategic Plan numbers 4, 5, 6, 7, 8, 9 and 10. I have had a request from Senator Breckon to move the electricity tariffs proposition, P.41, to 14th July. Note, there is an amendment to P.68 in the name of Deputy Southern to be considered as well. The rest of the business is as per the order paper. Of course the 14th July session has the addition of the P.41 as discussed, the electricity tariffs regulations under Article 22 of the Electricity (Jersey) Law 1937. It is quite possible that the

debate on P.52 with the 10 amendments, as lodged, could take the entire 3 days allocated for the session on 2nd June and I wonder if it might be prudent at this time to make a decision that any additional business not concluded at the end of that sitting should be moved to 16th June sitting, where there is little business listed at the moment and that also may be subject to change. [Approbation]

The Greffier of the States (in the Chair):

That does appear to gain a measure of support. Senator Syvret.

11.1 Senator S. Syvret:

Just in respect of P.49, Child Abuse Compensation Claims: Freedom of Expression for Survivors, I am still in the process of trying to battle, along with 2 other propositions, to get that lodged because the wrecking amendment was allowed against the proposition.

11.2 Deputy G.P. Southern:

May I take the opportunity to apologise to Members, I did not get what I think is going to be No.11, another amendment to the Strategic Plan, lodged in time but I will be circulating it this evening for Members to peruse should they so wish. I will also be circulating this evening an addendum to my proposition on Article 39A, P.18, which contains the essence of the human rights' challenge. So just to warn Members that those will be coming around for their attention.

The Greffier of the States (in the Chair):

Just stressing, Deputy, the circulation by yourself by email will not meet the lodging deadlines for the Strategic Plan amendments. That would be a matter Members would have to address at the next sitting.

Deputy G.P. Southern:

I am fully aware of that, Sir.

11.3 Deputy P.V.F. Le Claire:

Just an issue in relation to the Chairman of P.P.C.'s eminent suggestion, if we do transfer to business over, I note on 2nd June after the Strategic Plan there are some appointments and it might be wise to consider whether or not we take those first on 2nd June so any leftover business relates to the Strategic Plan, as perhaps they may not be so essential as appointments.

The Greffier of the States (in the Chair):

Perhaps those Members who have appointments could assess if there is an urgency for those to be made. Are there any other comments on the arrangement for public business?

11.4 The Deputy of St. John:

P.68, I will leave it for 2nd June at the moment, but I see that we are running out of time when the time comes, I would probably look for 30th June.

The Greffier of the States (in the Chair):

Very well, Deputy, we will assess that at the time. If there is no further business that concludes the business of the Assembly and the Assembly will reconvene on 2nd June.

ADJOURNMENT