

3.13 Deputy J.A. Martin of the Minister for Social Security regarding the provision of assistance towards mortgage payments for those in difficulty:

Given the proposals within the draft Strategic Plan to provide a safety net for the vulnerable and people in need, has the Minister given any consideration to helping towards mortgage payments for a length of time when people are in difficulty, and if so will he outline the proposals and advise how long they will take to implement?

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

The idea behind the safety net for the vulnerable and people in need, as set out in the draft Strategic Plan, is to ensure that community services are well co-ordinated. The safety net in question is not about financial support but about making sure that everyone in our community receives the support that they need from all relevant States departments. The separate issue of financial support for mortgage payments is under active consideration by my department at present. At the moment we have no firm evidence of a major problem in this area but we are certainly preparing for this possibility in the future. The timescales for firming-up these proposals will be of the order of a couple of months as Social Security cannot initiate this scheme from its own budget and will need to identify and secure funding. If any homeowner finds themselves in difficulty with their mortgage they should always speak to their mortgage provider as soon as possible.

3.13.1 Deputy G.P. Southern:

Will the Minister be seeking funding from the Stabilisation Fund or the Fiscal Stimulus Package to be developed by the Minister for Economic Development and the Minister for Treasury and Resources?

Deputy I.J. Gorst:

That is our idea as it stands. I think there is a legitimate case to consider this money would go into the economy and therefore could be considered as part of the economic stimulus package.

3.13.2 Deputy G.P. Southern:

Has the Minister, as a follow up, had the requisite conversations with the Minister for Economic Development and the Minister for Treasury and Resources because the Minister for Economic Development certainly seemed to answer otherwise earlier on?

Deputy I.J. Gorst:

I am not certain that the Minister for Economic Development did answer otherwise earlier on, however that is a matter for him. Yes, is the answer to his question.

3.13.3 The Deputy of St. Martin:

I fully understand or appreciate what the Minister is trying to say but I was a little bit concerned when he said that until there is a major problem we should not really concern ourselves too much. Would it be fair to say that anyone who has or suffers from a mortgage problem it is a major problem for them so you should not have to wait until there are dozens of other people having the same problem? Will he give consideration to individuals rather than waiting until we get a major problem because there are more than one applicant?

Deputy I.J. Gorst:

The Deputy makes a very fair point, however as I tried to intimate at the end of my answer, the first port of call for anyone who feels... even if they are not yet at the point where they might be in default with their mortgage payments but they think their household income is under pressure, and in the short term they might struggle to meet mortgage payments, I can only reiterate that the first port of call should be to visit their lending institution and make an arrangement with them. Most, I suspect, lending institutions will be happy to come to some agreement, be it for 6 months or 12 months, and that is why I made the comment that I did about a major problem. As I said, we are working on this issue. It will take for the order of a couple of months but that is also why I am reiterating that if people are encountering problems now please do visit their mortgage provider.

The Deputy Bailiff:

I am making a small allowance for the intervention of Senator Perchard and Senator Syvret, we have time for 2 more questions. Deputy De Sousa and then a final question from Deputy Martin.

3.13.4 Deputy D.J. Sousa:

Does the Minister not realise that he should move sooner rather than later on this matter so that we do not get caught out as we did in redundancy?

Deputy I.J. Gorst:

I believe that I am moving sooner rather than later. As the Deputy is aware the work to decide how the Stabilisation Fund is to be used... this House agreed that that would be considered in consultation with the F.P.P. (Fiscal Policy Panel), as the Minister for Economic Development said earlier, that is where we are with that process. They are expected to report back and we will expect that some proposition is before this House before the summer. If we bear that in mind with the fact that the first port of call for people encountering difficulties with their mortgages should be to go to their bank, I believe that in all probability if this House were to approve such a scheme it would be seemingly aligned.

3.13.5 Deputy J.A. Martin:

The Minister made a couple of statements. He said that they have not acted yet; firstly could not see a major problem; secondly, would take a couple of months and that would be because he does not have any in his budget for this. Does the Minister not realise that the major problem will be when the people are out of their houses in any form of rental accommodation and, under the law of income support, his department will have to find the rent? **[Approbation]** Whose budget is that going to come out of?

Deputy I.J. Gorst:

I am not certain if I heard a question.

The Deputy Bailiff:

I think it was whose budget is it going to come out of?

Deputy I.J. Gorst:

If that is the case it will come out of my budget and this is part of what we might call the automatic stabilisers that the F.P.P. have talked about. I could perhaps give the Deputy some consolation, as she is probably aware, the Minister under income

support does have a Ministerial discretion and within the policy guidelines as they currently stand perhaps ... I do not know if I have got time just to read that briefly. It says: "Mortgage interest can be paid for a period of up to 4 months following an [this is important] unexpected significant and sudden drop in income, for example, following the death of the main wage earner of major accident or illness or unexpected redundancy." So there is currently a safety net for what I believe the Deputy is possibly referring to but what I have been talking about earlier is a more thought through scheme to deal with perhaps a larger issue that we might be facing in this area.

Deputy S. Pitman:

I did flash my light before Deputy De Sousa and I believe you did look at the light. May I ask a question?

The Deputy Bailiff:

No, I am sorry, we have run out of time, Deputy, and I had not seen your light. I had only seen Deputy De Sousa's. I think there are a number of questions unanswered but I think it is traditional to invite all those who were going to give answers to give them in any event in writing and circulate them to Members.

The Deputy of St. John:

On a point of order, in the time I have now been in the House approximately 3 months under this new system, I have not received a single written response to the outstanding questions. I think the Ministers are failing us by not [Approbation] issuing the response to those unanswered questions.

The Deputy Bailiff:

I had certainly understood it was the generally received practice to do so.

Senator T.A. Le Sueur:

It is the understood practice, I believe. When I have had questions of that nature I have responded and I will ensure that other Ministers follow the same procedure.

The Deputy of St. Martin:

I would like to propose that we continue question time until all the questions are asked.

The Deputy Bailiff:

You are making a proposition to suspend Standing Orders to allow the questions to go on until they are ended? Is that seconded? [Seconded] The appel is called for in relation to whether Standing Orders should be suspended so that all the remaining questions can be dealt with. I invite Members to return to their seats. I invite the Greffier to open the voting.

POUR: 20		CONTRE: 22		ABSTAIN: 0
Senator S. Syvret		Senator T.A. Le Sueur		
Senator S.C. Ferguson		Senator P.F.C. Ozouf		
Connétable of St. Lawrence		Senator T.J. Le Main		
Deputy R.C. Duhamel (S)		Senator J.L. Perchard		
Deputy of St. Martin		Senator A.J.D. Maclean		
Deputy J.A. Martin (H)		Senator B.I. Le Marquand		
Deputy G.P. Southern (H)		Connétable of Trinity		

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