

22.09.20

**3. Deputy S.Y. Mézec of the Chief Minister regarding trends of growing inequality (OQ. 82/2022)**

Will the Chief Minister advise what measurable actions, if any, the new Government will take to reverse the trend of growing inequality which Jersey has witnessed over the last decade?

**Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter (The Chief Minister):**

The Government will focus on improving the quality of people's lives. Under our 100-day plan we are taking action by lifting the minimum wage to £10.50 per hour from November. We will also be providing school lunches across all schools and free period products in schools and across the community. Our mini-Budget will put money back into people's pockets at a time when they are under pressure from rising prices. Further measurable actions to improve the quality of life will be included in the Government Plan, which will be lodged in 2 weeks' time. This will include support for families to buy their own home and higher stamp duty for buy-to-let purchases. We are delivering rapid help and will continue to respond to the needs of Islanders throughout our term in office.

**9.3.1 Deputy S.Y. Mézec:**

It was noticeable in that answer that the phrase "quality of life" rather than "inequality", which is what my question was getting at, was not how she put forward her answer to that. Can I ask the Chief Minister then if we can anticipate that the question of whether we become a more or less equal society over the coming years, having become a more unequal society over the last 10 years, is not one which will be a priority for her Government to answer?

**Deputy K.L. Moore:**

It is absolutely of vital importance that Islanders experience a greater quality of life as we progress through the work of this Government. There are many different measures for measuring income inequality and I think it would be unwise to get into that debate right here and right now. There will be, as I said in my previous response, a number of measures that will be used, and they will be identified within the Government Plan. Whether that be the percentage of people who are satisfied with the environment within which they live, the percentage of people who have access ... particularly children who have access to open space in the environment in which they live. Or whether that might be a relative low income after housing costs. There are many measures that we, as a Government, take very seriously.

**9.3.2 Deputy L.V. Feltham:**

The Chief Minister just outlined some of the types of measures that may well be in the Government Plan. Can she take this opportunity to confirm that the reduction of income inequality will remain a priority for this Government?

**Deputy K.L. Moore:**

As the Deputy is I am sure aware through her Scrutiny work, the Government is currently in the process of finalising its common strategic priorities, which will be published in the beginning of next month. Therefore it would be not the right moment to explain that one way or another. But we very much look forward to sharing our common strategic priorities with Members at the beginning of next month.

**9.3.3 Deputy R.J. Ward:**

Given rental levels and the cost of rents is one of the biggest drivers to creating inequality, does the Chief Minister believe that inequality can genuinely be addressed without addressing rental levels and legislating for that?

**Deputy K.L. Moore:**

Legislating to change rental levels is a difficult and complex political mechanism. Just at the weekend there was significant criticism of the Scottish Government who have recently tried to impose restrictions on rental levels in that country. A great outcry I think could be expressed from many quarters who were concerned about the other impacts that that would have. However, what we are very aware of is the impact of housing costs and we will be bringing forward measures that will assist members of our community with those.

**9.3.4 Deputy R.J. Ward:**

What level of income spent on rent does the Minister believe is acceptable, i.e. what is her definition of rental stress?

**Deputy K.L. Moore:**

Just recently the income distribution survey identified relative low income after housing costs. Relative low income is calculated at below 60 per cent of the median, which has greatly increased over recent years. We can see that after housing costs children in Jersey ... 23 per cent of children are in that bracket as opposed to 27 per cent in the United Kingdom, which is the alternative measure that is provided. This is an area where we will drive our policies to ensure that we do see improvements and of course it is a matter of balance for every household and we want to see people have the biggest number of pounds in their pockets and a greater spending power for their household and their incomes.

**9.3.5 Deputy S.Y. Mézec:**

I ask this question after 10 years of build up of statistics and evidence from the Government's own departments itself, which show that over that last 10 years there has been a real earnings freeze in the Island. Poverty has increased and the rich have got richer while the poor have got poorer. So can we take it from the Minister's answers to these questions thus far, that in her Strategic Plan and Government Plan that there will be no stated aim of reversing this trend over these 4 years?

**Deputy K.L. Moore:**

As I said in my answers, we are still working on defining exactly what those common strategic priorities are and we look forward to sharing them with Members of the Assembly and the wider community as soon as they are ready. We are sadly not alone in the world in terms of seeing incomes flatlining to a great extent, and that is a cause of a number of factors in the western world and it is one that I think we will not be alone as a Government in trying our very best to address.