



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 27th September 2012

*All published Official Reports can be found on the
official States of Guernsey website www.gov.gg*

Volume 1, No. 8

ISSN 2049-8284

*Published by Her Majesty's Greffier, The Royal Court House,
St Peter Port, GY1 2PB. © States of Guernsey, 2012*

Present:

Richard J. McMahon, Esq., Deputy Bailiff and Deputy Presiding Officer

Law Officer

Miss M. M. E. Pullum, Q.C. (H. M. Comptroller)

People's Deputies

St. Peter Port South

Deputies P. A. Harwood, J. Kuttelwascher, B. L. Brehaut,
R. Domaille, A. H. Langlois, R. A. Jones

St. Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne,
R. Conder, M. J. Storey, E. G. Bebb, L. C. Queripel

St. Sampson

Deputies G. A. St Pier, K. A. Stewart, P. L. Gillson,
P. R. Le Pelley, S. J. Ogier, L. S. Trott

The Vale

Deputies M. J. Fallaize, D. B. Jones, L. B. Queripel,
M. M. Lowe, A. R. Le Lièvre, G. M. Collins

The Castel

Deputies D. J. Duquemin, C. J. Green, M. H. Dorey,
B. J. E. Paint, J. P. Le Tocq, S. A. James, M.B.E., A. H. Adam

The West

Deputies R. A. Perrot, A. H. Brouard, A. M. Wilkie,
D. de G. De Lisle, Y. Burford, D. A. Inglis

The South-East

Deputies H. J. R. Soulsby, R. W. Sillars, P. A. Luxon,
M. G. O'Hara, F. W. Quin, M. P. J. Hadley

Representatives of the Island of Alderney

Alderney Representative B. N. Kelly
Alderney Representative E. P. Arditti

The Clerk to the States of Deliberation

J. Torode, Esq. (H.M. Greffier)

Absent at the Evocation

H. E. Roberts, Esq., Q.C. (H. M. Procureur) (absent de l'Île)
Deputy A. Spruce (absent de l'Île)

Business transacted

Billet d'État XX
XV. States Review Committee: Review of the Structure and Functions
of a Legislature and Government in Guernsey, approved..... 421

Billet d'État XXII
I. States Review Committee: Election of two non-States members –
Mrs C G L Smith and Mr T A Le Sueur, OBE, elected 429

Billet d'État XX
XVI. Requête: Freezing of States Members' pay, debate commenced 435

*The Assembly adjourned at 12.30 p.m.
and resumed its sitting at 2.30 p.m.*

Billet d'État XX
XVI. Requête: Freezing of States Members' pay, debate concluded,
proposition lost 455

The Assembly adjourned at 4.34 p.m.

PAGE LEFT DELIBERATELY BLANK

States of Deliberation

*The States met at 9.30 a.m. in the presence of
His Excellency Air Marshal Peter Walker, C.B., C.B.E.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

Billet d'Etat XX

STATES REVIEW COMMITTEE

Review of the Structure and Functions of a Legislature and Government in Guernsey, approved

Article XV.

The States are asked to decide: –

Whether, after consideration of the Report dated 12th July, 2012, of the States Review Committee, they are of the opinion:

- 1. To approve a transfer from the Budget Reserve of £25,000 to establish a budget for the States Review Committee for 2012.*
- 2. To direct the Treasury and Resources Department to take account of the costs detailed in this States Report when recommending Cash Limits for the States Review Committee for 2013 and subsequent years.*

5 **The Greffier:** Article XV, States Review Committee – Review of the Structure and Functions of a Legislature and Government in Guernsey.

The Deputy Bailiff: I invite the ex officio Chairman of that Committee, the Chief Minister, Deputy Harwood, to open debate.

10 **The Chief Minister (Deputy Harwood):** Mr Deputy Bailiff, fellow States Members, this Report follows on from the debate that took place in this Assembly in June of this year.

 States Members may recall that, on that occasion, under the terms of the original mandate, the founding members of the Committee, – that is, myself, ex officio Chairman, and Deputy Matt Fallaize, in his capacity of Chairman of the Constitution Committee – were asked to nominate, or
15 bring forward, names for election for both States Members – two States Members – to sit on the Committee and two non-States members.

 On that occasion, we reported that we were unable to proceed with the proposal to elect non-States members, given that there was an issue as to budget for such appointments. On that
20 occasion, States Members will recall that Deputies Richard Conder and Mark Dorey were appointed by the States as the two States Members.

Since that meeting of the States, we have constituted a Committee and we have continued with the search for additional non-States members. We took note of the comments that were made on that occasion: there was concern that we should not be bringing on consultants and that we should renew the search for more on-Island candidates. However, the matter of budget was addressed.

25 The Report before you presents the budget that has now been considered and draws to your attention for this year of 2012 we are looking for £25,000 to cover the operations of the Committee for this year, and 2013-14, for each of those years the sum of £95,000 each. Members will note that the bulk of that budget is made up of staff support. Clearly, a committee such as this cannot exist without adequate staff support. We have the opportunity of having a member of the States Civil Service seconded to this Committee to assist in the carrying out of its duties. Without
30 that support, this Committee, I think, would find it very difficult to operate. I can't speak for Deputy Fallaize but certainly *my* typing skills would not be, I think, sufficient to merit the preparation of the final report and, indeed, we need support also for carrying out research, organising meetings and for the general nature of the operation of the Committee.

35 I therefore urge the House – sorry, the Assembly (*Laughter*), I apologise –

The Deputy Bailiff: Thank you very much, Chief Minister.

40 **The Chief Minister:** I ask the Assembly (*Laughter*) to support the recommendation and to seek that there is a transfer from budget reserve of £25,000 to cover the budget for this year and to direct the Treasury and Resources Department to take account of the costs detailed in this Report when recommending cash limits for the States Review Committee for 2013 and subsequent years.

In closing, I would add there is nothing within the budget to provide any consultants or any similar items. I believe that the budget does represent the minimum that will be required for the
45 operation of the Committee and I therefore commend the Report to the Assembly.

The Deputy Bailiff: Does anyone wish to speak on these two propositions?
Yes, Deputy Storey.

50 **Deputy Storey:** Thank you Sir.

Sir, I am in a bit of a quandary here because I am being torn two ways, really. In the first instance, I am a great supporter of good governance within the States and was a co-author of the original PAC Report on that subject so I am very keen that we attend very diligently to good governance within the States.

55 The problem that I have is, on the other side, the fact that we, as an Assembly, have resolved that expenditure, going forward, will be frozen at current levels, apart from RPI increases, *less* the savings that have been identified in the Financial Transformation Programme. That is expenditure. So the point I would like to get to, really, is the fact that to say that this can be funded from the transfer from reserve, which hasn't been expended this year, will inevitably lead to *expenditure* –
60 not budget – next year, greater than the amount that we have resolved we are going to restrict ourselves to.

If the Chief Minister could explain to us where this money is going to come from, then that resolves that problem. As far as I am concerned, when the original Requête was placed and it was discussed, there was a lot of talk about 'We are not going to engage consultants. We are going to do it all in-house...' and it would just need a bit of support within the existing resources.

65 Maybe I was naïve, but I got the impression that, in fact, the cost of producing this Report would be covered by existing resources within the Policy Council's budget. Apparently, this is not the case and I know – I don't know whether to ask this or not – when we debated this matter in the House before, the Comptroller kindly explained – that was you, sir, at the time – to us why Rule 15(2) did not apply: that is, that if somebody comes to this Assembly with a proposal to spend additional money on an additional project, then they have to explain where that money is going to come from.

70 We had it explained to us at that time why Rule 15(2) did not apply and, sir, you were very eloquent at that time and you persuaded me, but I think there are a large number of Members of the current Assembly who did not have the benefit of that explanation and perhaps it would be helpful if we had that explanation now. Then, perhaps, having had that, I could – I had pre-warned the Comptroller that I would be asking this question, perhaps if she could explain to the Assembly so that other Members understand the situation – then perhaps I could conclude my remarks, sir.

80 **The Deputy Bailiff:** Yes, Deputy Storey, well...

Deputy Storey: Thank you.

85 **The Deputy Bailiff:** We will ask the Comptroller.
Madam Comptroller, are you able to explain the advice that I gave him last year... (*Laughter*)
to Members of the States or, perhaps better still, explain *your* understanding of the position as it
was in March and now.

90 **The Comptroller:** Thank you, sir.
I feel I may not be as eloquent as you were. (*Interjections and laughter*)

The Deputy Bailiff: I am sure you will be.

95 **The Comptroller:** Sir, in essence, my understanding of the position is that the Requête, as
crafted in March 2012 this year, *did* consider the public finance aspect and whether or not
additional remuneration would be needed. It carefully considered the existing pressures on public
resources and my understanding is that it was quite clear, at that time, the way that the Requête
was crafted, that it thought the resources could be covered from existing personnel.

100 That, in my view, is it in a nutshell: that Deputy Storey is correct that there was an
understanding that existing resources *would* cover the work of this Committee and it is only
through the latter months that it has become quite clear that the existing resources are not
sufficient and, further, that remuneration would be required for two extra independent members to
be appointed.

105 So, in short, sir, there was nothing on which Rule 15(2) could bite at that time but now, clearly,
circumstances are different and I would say that Rule 15(2) does apply but it has been met by this
particular amendment which is laid before you and the circumstances which have been explained,
sir.

110 **The Deputy Bailiff:** Thank you very much.
Deputy Storey, I hope that helps and may help other Members.

Deputy Storey: Sir, I hope that helps everybody's understanding and I thank Her Majesty's
Comptroller for her advice on this matter.

115 Unfortunately, I disagree slightly with the conclusion that Her Majesty's Comptroller arrived
at because I do not believe that purporting to take money from a reserve to fund the project is, in
effect, complying with the resolution to constrain our *expenditure* – not our budget, our
expenditure – to the levels currently expended, apart from inflationary increases, but less FTP
identified savings and I do not think us agreeing to transfer money from reserve is in compliance
with *that* resolution of this Assembly.

120 So, sir, I would like this work to go ahead. I am in favour of it entirely but I do believe that,
before *I* can vote in favour of proceeding with this, the Chief Minister must explain to this
Assembly which budgets, which projects, are going to be sacrificed in order for this work to be
done, because we have already said there will be no new money. If there is no new money, then it
has got to come from existing money and if the Chief Minister can explain to me where this
125 money is going to come from, from existing planned expenditure, then I am perfectly happy to
consider approving this proposal.

Thank you, sir.

130 **The Deputy Bailiff:** Deputy Fallaize we will take, and then Deputy De Lisle.

Deputy Fallaize: Thank you, sir.

I am speaking partly as a Member of the Committee and partly as the originator of the Requête
and I take a slightly different view to the Comptroller, I am afraid, and a slightly different view to
Deputy Storey and I will explain why.

135 Rule 15(2), to begin with – and this is ironic, really, because when Rule 15(2) was designed, I
and the other Members of the States Assembly and Constitution Committee wanted a Rule which
required all propositions put before the States to outline an estimate of their expenditure – just
purely that Rule. That is the Rule which applies in the States of Jersey, for example, and we
thought the proposition should not come to the States without an estimate of the expenditure that
140 would be incurred if the States voted for the proposition.

However, the dominant faction on the Policy Council at that time was, in my view, so obsessed
with trying to control the States Assembly that they wanted a Rule which was far more

prescriptive, and so we ended up with this Rule 15(2), as it stands, which is a bit of a dog's breakfast, quite frankly, and says:

145

'Any decision to approve a proposition which may have the effect of increasing revenue expenditure... needs to include...

150

(i) an estimate of that increase...
(ii) an indication of how the increase could be funded; and
(iii) an explanation of any effect on the... Fiscal and Economic Policy Plan.'

My understanding of the advice in March was that the reason that Rule 15(2) was not engaged was not because there was no expenditure associated with carrying out a review of the machinery of government, but because the only material expenditure at least was in terms of staff resources and there would be no additional staff taken on by the Civil Service to carry out the review. Effectively, existing staff would be redeployed. That was the advice I received from Human Resources in the States and that was the discussion that you and I had, sir, when I was framing the Requête.

155

Had Rule 15(2) been drafted more sensibly and all propositions needed to explain the expenditure that would be incurred by voting for a proposition, the Requête would have outlined exactly how much the additional staff resource would cost, but that is not what Rule 15(2) requires and that is why the Requête did not engage 15(2). But T & R's letter of comment to the Requête did say:

160

165

'Members noted that Her Majesty's Comptroller has advised that, in his view, Rule 15(2) is not applicable; however, there will inevitably be resource implications in carrying out the resolutions.'

Therefore, I would argue that when the States voted in favour of the Requête in March, they must have known that there were resource implications.

170

In terms of the budget reserve, the only way in which these propositions engage the budget reserve is in 2012, and this Committee was not in existence when the States approved the 2012 Budget, so the only way of the Committee being able to start work in 2012 is to draw on the Budget reserve which was approved as part of the 2012 Budget debate last year. If the States does not want to transfer any money from the Budget reserve, then it will simply have to vote against proposition 1 and the Committee will have to start work in 2013 and will not have any staff to undertake any work in 2012.

175

There is no proposition to take money out of the Budget reserve in 2013 and 2014. The proposition is:

180

'To direct T & R to take account of the costs detailed in this States Report when recommending cash limits for the States Review Committee for 2013 and subsequent years.'

But that proposition will not conflict with, or contravene, the resolution of the States that aggregate expenditure must be contained within RPIX or below.

185

The budget of the States Review Committee, like the budgets of all the other Committees, will have to be prepared by T & R in accordance with the resolution to contain expenditure within RPIX. So, as I say, the only way in which the Budget reserve is engaged is this proposal to transfer £25,000 for 2012, and that simply is to help the Committee come back to the States in 2013 as per the direction of the States. If the Committee cannot start its work until January then it will find it more difficult to comply with the resolution to return in 2013.

190

The other point I want to make, sir – or to stress, really, because the Chief Minister has referred to it already – is the vast majority of the budget being proposed here is for staff support. We are talking about one member of staff who, as the Report makes clear, is already employed by the States and would be seconded for two years to work for the States Review Committee. There is no money in here to engage consultants, there is no money for off-Island travel or all of that kind of stuff. This is, by and large, staff support.

195

If the Committee is denied a budget, the Committee will still exist, because the States has constituted the Committee and has elected Members to it. It will simply mean that there are no staff and there is no member of staff to support the Committee.

200

Deputy Harwood referred to his typing skills... If the States wants the members of the Committee to carry out the review without staff support, then that is what the members of the Committee will do. We will have to write the report ourselves, we will have to organise the meetings ourselves, take the minutes ourselves etc. It will be a novel way of going about a review, but that is what the Committee will have to do.

205

But certainly, in terms of the States resolution on expenditure, this – proposition 2, at least –

does not conflict with the commitment of the States not to increase expenditure above RPI. If the States votes for proposition 2, the budgets prepared by T & R for 2013 and 2014 will still have to adhere strictly to that States resolution.

210 I think, sir, that is all I can add.

The Deputy Bailiff: Deputy De Lisle, then Deputy Gollop.

215 **Deputy De Lisle:** Sir, despite the comments of Deputy Fallaize, I have reservations with respect to the budget, because when I look at the proposed budget essentially we are looking at almost £¼ million to be spent on this and, really, in the propositions, there is a slight cover-up, as I see it, in terms of calling for £25,000 to establish a budget for 2012, but when you go on, once the project is... we approve that particular amount, then, of course, there are implications for 2013 and 2014 of another £95,000 each year.

220 I just feel that this is a lot of money to be spending at a time when, first of all, we are supposed to be looking at restraint and, when we look at other governments and their austerity programmes, I think we have to consider very carefully what we are doing. It is one thing to talk about secondment of staff but, very often, that means bringing in other staff to cover existing functions. So, very often, we are actually increasing the staff in the system as a whole. So I am very concerned, sir, that, with respect to the budgeting of this, at a time when, really, we have got to be very cognisant of spending money in the States and also we have got to be looking at, if anything, reducing expenditure and also having staff do more with less at the current time, and certainly not employing staff to cover operations in order to bring in a new programme of this nature.

225 So my reservations, then, are with regard to the budget and the fact that, suddenly, we are looking at a £¼ million spend, rather than the £25,000 that is indicated clearly in the recommendations that the States actually vote on.

230 Thank you, sir.

The Deputy Bailiff: Deputy Gollop, to be followed by Deputy Lowe.

235 **Deputy Gollop:** Sir, I rise, really, to support the thrust of the Chief Minister's Report and what he and the team are trying to achieve.

240 I probably should not have a different opinion from Deputy Fallaize, as he is, of course, the Chairman of SACC, but I am not sure if he is *completely* correct in his view that Members could do their own thing. I will explain why. I have sat on many Committees – Legislation Select would be one example; Scrutiny would be another; Heritage in the pre-2004 era – and, on occasion, individual members of those Committees met in the Members' Room or in a member's house, but it was not deemed to be a proper constituted Committee meeting of the States.

245 We all know about the issues about minutes and having them properly recorded, and I do not think, with the best will in the world, if the States Review Committee met without a member of the Civil Service staff present, that it would be deemed to be a meeting of that body, even though they may discuss very relevant matters and come to a conclusion as to where they wish to take the Committee. So I think you have to draw a distinction between members meeting and moving the agenda forward and an official meeting which is recorded and continues to be part of the record.

250 I would actually support this. I think it is difficult to question the way in which Human Resources moves and clearly a decision has been made to reallocate a senior member of staff and to get this process going. My, perhaps, main surprise at looking at this brief policy letter was the length of time that was envisaged, getting on for two-and-a-half years, as I envisaged that it would be more like one-and-a-half years. Nevertheless, we are promised a report by the end of 2013 because I know the original Harwood Report was actually done in a quicker time than that, but I think we have to look at this as a spend-to-save initiative.

255 The focus and vision behind it is we may end up with less States Members, we may end up with a different electoral system, we may end up with few Departments, or at least Departments that more logically follow form and function than do at present, and we may have a system of government which, in the longer term, produces efficiency savings, both in terms of policy and resources. So we need to get on with this as quickly as possible and support this initiative, even though it probably technically breaks their own rules.

The Deputy Bailiff: Deputy Lowe.

265 **Deputy Lowe:** Thank you, sir.

It is a great pity that the original Requête has not been appended, as it states in here, because I

believe if Members had read the original they would perhaps have a different view. Indeed, I am sure if there had been this cost of £¼ million I doubt it would have been passed in the last States, when we are all very conscious of the costs of a nice-to-have or whether-it-is-needed, whether it is needed or whether it is wanted.

As we have seen over the last few days, Departments can do their own reorganisation, as T & R have actually done, in structuring themselves, without having to pay to have a review. We have changed mandates in the past without having to have a review, so this is a nice-to-have but, in my view, are unneeded at this moment in time. We sat here yesterday saying how we desperately wanted to help Social Security with their benefits and it was said very clearly that they would struggle to come back in time to be able to do that. So if we got a staff member that we can second, send it to Social Security because that is more of a need to help those in our community who are vulnerable and need the help and are being put on hold at this moment in time until Social Security have the data. Let us get our priorities right. Let us just make sure that we actually come back within the timescale that we set yesterday. That is where the staff members should be going, if we have got a staff member that we can actually second.

Deputy Fallaize said this morning, which I am pleased he did, because he said at the Vale Douzaine meeting the other night, that if the States rejected this, the Committee would continue and, indeed, he would be prepared to write the report himself. I thank him for that, because he has written many reports before and is very good at doing that. (*Laughter*) I said that in the nicest possible manner! (*Interjections and Laughter*)

But as for the job of minute taking, *of course* minutes could still be taken – you second – and Policy Council have always assisted, in that they would send somebody down to take the minutes when a meeting was taking place, but the actual writing of the report could still take place – or it would go on hold, it is not urgent. We have not got a real, desperate need to be getting on with this yesterday.

I totally agree the 15(2) rule should apply. We went away from Members coming forward with just a subject matter they liked, that was going to cost some money; we have to go in the pecking order, we have to look at the whole picture. We cannot have separate pots of money that, suddenly, we can grab that from to take something forward without having a look at what else is coming forward and, as we have not got the Budget yet, which I understand the reasons – sort of – why we have not got the Budget yet, that would be the time to put an amendment there for that money, if it had not been allocated through the Budget. So, because you have not worked it out, I am not going to support this, because I do not think it is the right time for it, either.

I do not think there is anything else I wanted to say. I just wanted to make sure that I have got some of those points out, where it is a ‘nice-to-have’: if we have got the opportunity to second a member of staff, give it in the areas where there is more of a priority than having a review and, Deputy Fallaize is fully aware, if he is not able to comply with the timeline, set out by the last States, he can come back and make a statement, exactly the same as we were told yesterday that Social Security would do, if they cannot do it, exactly the same as has happened many times before. If you cannot comply with the timeline, you come back and explain to the States.

Thank you.

The Deputy Bailiff: Deputy Luxon next.

Deputy Luxon: Thank you, Deputy Bailiff, and thank you to Deputy Fallaize for clarifying Her Majesty’s Comptroller’s clarification of what you clarified earlier. (*Laughter*) Just one correction, which I am sure Deputy Fallaize would not mind me making: in actual fact, there are travel expenses involved, as Terry Le Sueur’s travel expenses from Jersey are included in the Report. I hope he will not mind me clarifying that.

Deputy Lowe, what I would say, sir, is penny wise, pound foolish. During the Election campaign and post, there was an awful lot of rhetoric about change and about a need to see this Assembly in the most fit-for-purpose condition it could be to give the people of Guernsey what it wanted from its Government. This Report is good, this initiative is good, the review is important and this small matter of funding to allow it to move forward quickly makes perfect sense.

I support it fully, sir, thank you.

The Deputy Bailiff: Deputy Brehaut, then Deputy Hadley.

Deputy Brehaut: Thank you, Mr Deputy Bailiff.

We find ourselves here in the fifth, or virtually sixth, month of this new Assembly and in something probably of a policy vacuum. We are about to discuss our own pay. So something

clearly is not working. (A Member: Hear, hear.)

330 If this review makes this Assembly more productive and more focused and clearly defines the relationship between civil servants and politicians... because, more recently, I have been incredibly frustrated that I believe my mandate and the political will of a Board is being moderated and tempered by influences other than political, if I can put it that way, and I appreciate the reason for that is probably the process we are immersed in at the moment.

335 On resources generally, as the Chair of PAC has said several times, they have four members of staff between the Scrutiny Committee and PAC. They have no choice, they argue, other than to go out for an external review and that simply cannot be right. At a time when this Assembly needs real scrutiny, because of the pressures and demands we are under, the chances are, in this four-year term, unless there is a real increase in resource, then the parliamentary committees will be compromised to some degree.

340 You will well recall when we elected people to the position of Ministers, they gave, all of them, assurances and gave an indication of what they wanted to deliver for *you*, and if I could highlight Deputy Domaille, because it is a recent example that comes to mind, he quite rightly said that the road transport strategy needs to be delivered. I support that; of course, it needs to be delivered. In fact, the people of Guernsey pay a duty on fuel to ensure that the road transport strategy *is* delivered. Sadly, there is no staff resource, virtually, to do that, so politicians *are* writing letters, politicians *are* drawing up questionnaires, because there is no staff resource to do that.

350 If I could just juxtapose the HSSD Guernsey/Jersey scenario. HSSD have, I think, it is three staff within the Finance Department, one seconded, maybe permanent now, from the Housing Department, to eke out £6 million. When we spoke to our Jersey colleagues, they have a team of 21 people trying to do the same exercise, to conclude that the Jersey HSSD needs more money – which is fascinating. It is, as I have said in an e-mail to Members, becoming something of a problem that is leading to this inertia and paralysis that stops us from delivering.

355 In closing, sir, I remember being on that side of the Assembly, arguing passionately that political members can deliver a review and I recall it was Deputy Lowe at the time, who said, ‘No, let us spend’ – and the figure, then, was £250,000 although, ultimately, it was less – but ‘No, do not use the political resource, use external consultants’ for, then, an estimated cost of £250,000. So what I am finding, sir, is the longer I am in politics, the more difficult it is to become consistent (*Laughter*) and for those that have been here longer than me, I appreciate that is more of a significant challenge.

360 Thank you.

The Deputy Bailiff: Deputy Hadley.

365 **Deputy Hadley:** Mr Deputy Bailiff, it really seems to me that we cannot see the wood for the trees sometimes.

It is absolutely absurd to be querying the expenditure of £25,000, which I think is 0.001% or 0.002% of the budget of this Assembly. It really is a spend-to-save issue, as I am sure most Members really understand. So, let us just get on and approve it.

370

Deputy Storey: Sir, can I just make a comment about what Deputy Hadley has just said, because –

375 **The Deputy Bailiff:** Is this a point of clarification?

Deputy Storey: I think it is, sir.

The Deputy Bailiff: Or correction?

380 Deputy Storey, you have already spoken. On what basis –

Deputy Storey: I have, sir, and it is just that –

The Deputy Bailiff: – do you rise this time?

385 **Deputy Storey:** Well, the reason I rise now, sir, is that Deputy Hadley said that what we are arguing about is £25,000. What we are arguing about is a budget over three years of £215,000, which is the equivalent to the annual budget of the Scrutiny Committee.

390 **The Deputy Bailiff:** That point has been made. Thank you, Deputy Storey.
 Anyone else wish to speak in this debate? No?
 Chief Minister, then, Chairman of the Committee, to respond to the debate.

The Chief Minister: Thank you, sir.

395 In response to Deputy Storey's concern about cash limits, I am grateful to my colleague, the
 Minister of Treasury and Resources who advised that cash limits including the budget reserve are
 within fiscal policy of no real terms increase. So this is not additional money and, as the
 recommendation makes clear, the intention is to direct Treasury and Resources to take account of
 the costs detailed in this Report, when recommending cash limits to the States Review Committee
 for 2013 and subsequent years.

400 My colleague, Deputy Fallaize, has already addressed Deputy Storey's other concern, that the
 Budget reserve is only referred to in relation to this first year, in the setting up of this Committee:
 clearly, this Committee's existence was not available at the time when the cash limits for this year
 were established.

405 With regard to Deputy De Lisle, I acknowledge the reservation that you have, concerning the
 Budget. The States, when they approved this Requête, to proceed with this review, it was clearly
 stated at the time by Treasury and Resources, in their note, that the Treasury and Resources
 Department advised there would inevitably be resource implications in carrying out the resolutions
 contained in the Requête. While it is disappointing the Requête did *not* deal with the resource
 implications at the time, the Department recognised that 'if the States Report is approved' – and
 410 that is the Requête – 'it will have to find the necessary funds'. So I submit that when the previous
 States approved the Requête and authorised this Review Committee to proceed, it did so in the
 knowledge that there would be resource implications and there would be a necessity for the
 Treasury and Resources Department to find the necessary funds.

415 To Deputy Gollop: I am grateful to you for your support. Clearly, you are absolutely right. Any
 States Committee must have a member of the Civil Service in attendance for the sake of minutes. I
 would also add, in this context, clearly this Committee will be taking external evidence from a
 number of witnesses, both in private session and also, no doubt, in public session and it is entirely
 necessary to have a member of the Civil Service in attendance on those occasions. As I previously
 pointed out, the large part of this budget actually comprises the support of one civil servant.

420 Deputy Gollop refers to the time span. All I can state is that I think the original Requête
 identified that there would be a two-stage reporting – an interim report by the end of 2013 and
 then a further report, depending on the outcome of the States debate on that interim report.

425 Deputy Lowe obviously questions the need for the review and described it as a 'nice-to-have'.
 That is entirely her opinion and I respect that opinion, but if this States wishes to proceed with this
 review I do submit that we do need to have a budget in order to proceed.

It is entirely appropriate for the States, if this States Assembly wishes to, to agree with Deputy
 Lowe by voting against this recommendation. Effectively, the review probably will have to be put
 on hold. Certainly, we will not be in a position to proceed with the suggestion with one of the
 nominations we would like to propose for the non-States member because that appointment does
 430 actually require at least travel expenses, if nothing else.

I am grateful to Deputy Luxon for his support.

435 To Deputy Brehaut, I believe – well, I found it somewhat difficult to actually ascertain whether
 or not he was supporting or disagreeing with it, (*Laughter*) but I think that the conclusion was that
 you were supporting.

Deputy Hadley, as always, I think I am indebted to you for your common sense and the
 financial reality behind this recommendation.

440 Sir, if the States wish this review to proceed and to be conducted properly, I think we have no
 alternative but to accept that there *are* expenses. The budget has been trimmed as far as possible:
 there is no fat in there. We are certainly not intending, as a Committee, to go off on foreign travel,
 as our friends across the water have been able to do. The travel expenses we have identified are, in
 fact, for one off-Island member, whose nomination we will be submitting later, immediately after
 this part of the debate.

445 I therefore urge this House – this Assembly, rather (*Laughter*) – to support this
 recommendation in order to let this Review Committee proceed and report back and, hopefully, to
 help the structure and the future governance of this Island.

The Deputy Bailiff: Members of the States, there are two –

Deputy Storey: Sir, could I just, in reference to the Chief Minister's reply, he did not answer

450 my question about where the money is going to come from in 2013 and 2014. I appreciate he is mostly unable to answer and I think the rest of the Assembly should take note of that point.

The Deputy Bailiff: Do you seek an answer to that question, Deputy Storey?
455 Chief Minister, Deputy Storey has asked a question. I think it is a case of either answering that question, or saying you cannot answer it.

The Chief Minister: I will answer it by passing the buck, because that will be a matter for Treasury and Resources to determine.

460 **The Deputy Bailiff:** And ultimately this Assembly, as it comes in the Budget. Members of the States, there are two propositions. They are on page 1920 in the Billet. Bearing in mind the way the debate has gone, I am proposing to take them separately, rather than together, so in relation to proposition 1, 'To approve a transfer from the budget reserve of £25,000 to establish a budget for the States Review Committee for *this* calendar year, 2012.' All
465 those in favour; all those against.

Most Members voted Pour, but some voted Contre.

I declare that carried.
470 In relation to proposition 2, which is, 'To direct the Treasury and Resources Department to take account of the costs detailed in the Report when recommending cash limits for the States Review Committee for next year and subsequent years.' All those in favour; all those against.

475 *Most Members voted Pour, but some voted Contre.*

I think it was probably the same number of people (*Laughter*) but they just said it slightly louder this time, so I am going to declare that carried. So both propositions are carried.

480

Billet d'État XXII

485 **STATES REVIEW COMMITTEE**

Election of two non-States members
Mrs C G L Smith and Mr T A Le Sueur, OBE, elected

Article I.
490 *The States are asked to decide:-*
Whether, after consideration of the Report dated 6th September, 2012, of the States Review Committee, they are of the opinion:-

495 *1. That the two members to be elected to that Committee who are independent of the States shall not be required to satisfy the residency requirements prescribed in Article 8 of the Reform (Guernsey) Law, 1948, as amended, notwithstanding Rules 11(1) and 18 of the Rules for the Constitution and Operation of States Department and Committees.*
2. To elect two members of that Committee who are independent of the States.

500 *[NB Paragraph (6) of Rule 20 of the Rules of Procedure of the States of Deliberation provides:-*

505 *“(6) On a proposition to elect members of a Department or Committee the Presiding Officer shall first invite the Minister or Chairman of the Department or Committee concerned, and thereafter other Members, to propose eligible candidates. Nobody shall speak about a candidate at that stage; and if no more candidates are proposed and seconded the Presiding Officer shall put the election of the candidate(s) to the vote without speeches. If there are more candidates than vacancies the Presiding Officer shall invite each proposer to speak, for not more than 5 minutes in respect of each candidate proposed by him, before voting takes place; and neither the candidates nor any other member shall be entitled to speak.]*

510 **The Greffier:** Billet d'État Number XXII, States Review Committee, election of two Members to the Committee, who are independent of the States.

The Deputy Bailiff: Thank you, Greffier.

515 What we will do in relation to this Report, Members of the States, is that we will have a short debate on proposition 1, which does require a vote, before then moving to proposition 2, which is the election.

In those circumstances, I invite the ex officio Chairman of the States Review Committee, the Chief Minister, Deputy Harwood, to open debate on proposition 1.

520 **The Chief Minister (Deputy Harwood) :** Mr Deputy Bailiff, fellow States Members, thank you.

In putting forward this proposition, I would ask that the States should take note of the comment on page 1917, which was part of the previous Report that we have just debated, and also refer back to the original Requête.

525 In the context of non-States members, paragraph 18 in the Requête proposed that the election of two persons independent of the States with relevant skills and experience in the structure and functions of legislatures and governments. As I said earlier, following the constitution of this Committee, as a result of the June States meeting, the election of Deputies St. Pier, Dorey and Conder, to join myself and Deputy Fallaize, as Chairman of the States Assembly and Constitution Committee and, in response to comments from States Members, the Committee resolved to widen the search for potential local candidates and to meet with the short list of the applicants.

530 Since that time, there have been a number of interviews and a number of new names came forward as a result of the approaches we made to a number of local organisations, including the IOD, to make sure we had as wide a selection as possible. As a result of that interview process, we identified one person who is resident in the Island but who, unfortunately, does not satisfy the requirements of Rule 11(1), which states that:

540 'To be eligible for appointment for election to membership of a States Department or Committee as a non-sitting Member of the States a person must be a person described in article 8 of the Reform (Guernsey) Law 1948, as amended.'

In its present context, one of the nominations we wish to put forward, Mrs Clare Smith, who is resident in the Island but has only been resident here for approximately one year so, by definition, she would not fall within the eligibility, as set out in Rule 11(1). Furthermore, in order to meet the spirit of the original Requête – to find somebody with relevant skills and experience of the structure and functions of legislatures in government – as stated when we met in June – both Deputy Fallaize and I felt it was appropriate we should try and invite someone from off Island, who had experience of another jurisdiction, to assist the Committee. I was mindful, when we put forward that suggestion that, when the original panel that was commissioned by the States to review the machinery of government back in 1998, that Committee, that panel, had the benefit of the inclusion of Sir Miles Walker from the Isle of Man, who was the first Chief Minister of the Isle of Man when they reformed their own machinery of government. His contribution, without exaggerating, was absolutely fundamental in our understanding of alternative systems of government and I believe this new Committee would benefit from that similar sort of experience.

555 In this regard, we did approach a number of former States Members in Jersey and I am very pleased to say that Mr Terry Le Sueur indicated that he would be willing to serve on this Committee. Again, unfortunately, Mr Le Sueur does not satisfy the requirement of Rule 11(1), insofar as he is not a person described in Article 8 of the Reform (Guernsey) Law 1948, as amended.

560 Now it is in the context of those two candidates who we would wish to nominate for appointment to this Committee as non-States members, that we are obliged to seek the co-operation of this Assembly in order to approve that we can go ahead with the election of non-States members, notwithstanding the effect of Rule 11(1). Therefore, we are asking this Assembly to agree to proceed to allow the appointment of non-States members who fall outside that particular qualification.

570 The two candidates we would wish to put forward, the background of those are given in the Report. Mrs. Clare Smith is a solicitor, specialising in UK and Channel Island planning environmental work, who moved to Guernsey in January 2012. The reason why the Committee are keen to nominate Mrs. Smith is her previous experience of UK public law and the governance arrangements of local government in the UK, including in particular – and this is of particular interest to our Committee – advising on the implementation of the Local Government Act 2000.

That was when – Members of the States may be aware – local Councils had the option, or the ability, to elect to adopt a cabinet style of operation. Mrs Smith is also a member of the Law Society of England and Wales, the Association of Women Solicitors and a member of the Guernsey International Legal Association.

I have already referred to Mr Terry Le Sueur. By way of background, he was a Member of the States of Jersey for 24 years and will be well known to many Members of this Assembly. He has experience both as a Member of, and Chairman of, States Committees both major and minor and, more recently, of course, as a Minister and, ultimately, as Chief Minister. Mr Le Sueur, particularly, has experience of the Jersey system of government before and after the reforms they introduced following the Clothier Report, at the same time that we were carrying out a similar review in Guernsey. Mr Le Sueur, as you will be aware, retired as sitting Chief Minister at the time of the last Jersey election. I am confident that he will bring a very valuable contribution to our Committee, with his knowledge of the way that, especially in Jersey, they chose to go down a different route from Guernsey – I do not know whether they regret it or whether they find it appropriate.

Anyway, it is in the context of these two particular candidates that we seek the agreement of this Assembly to allow us to proceed with the nominations, notwithstanding the requirements of Rule 11(1), and I encourage the Assembly to support that recommendation.

The Deputy Bailiff: Thank you, Chief Minister.
Deputy Jones, then Deputy Trott.

Deputy David Jones: I am sorry to spring this on the Chief Minister at the last minute but I do not agree with him.

If we go back to the Local Government Act 2000, of which this lady that he has mentioned has got some expertise, that was about – as the Chief Minister explained eloquently – trying to get local councils to adapt a more cabinet style committee system in order to make local councils function better. It never seemed to me, and former Deputy Guille and others, that this was a coincidence, when the Local Government 2000 Act was being perpetrated on the UK that, lo and behold, by coincidence every other jurisdiction in the Channel Islands was having a review at the same time. Now I think that is a coincidence too far, in my view, and I told the Chief Minister at the time, Deputy Laurie Morgan, what my views are.

The other thing is we seem to be tearing up the Rule book. The one thing that this new Assembly is very good at is discarding all the previous Rules: ‘We will just tear them up and throw them away and we will make new rules to suit the situation’. I do not think we should be doing that. I think that we have Rules and they are there for a very good reason. On this occasion, I do not agree with the Chief Minister – I hope Deputy Roffey is paying attention, so he has something to write for his column – but I don’t agree that we should be doing this.

I certainly believe that, also, this Committee is starting to look like it is being populated by people who want a particular outcome. Now they may say, ‘No’ but I am very pleased that Deputy Conder and Deputy Dorey have been seconded because I think they will bring a sense of balance to it. I certainly believe that, if I was to write this report, I could probably tell you what this report will have in it before it is even written – and that will be that we should move to a cabinet style of government and adopt all the things that have made the Jersey system such a disaster. And what do we do? We second somebody from that walking disaster and ask them to sit on our panel, so that we can have the same.

I do not agree with it and I will not support it.

The Deputy Bailiff: Thank you, Deputy Jones.

I take it, when you referred to Deputy Roffey, of course, you meant *former* Deputy Roffey, as he is not a member of the Assembly at the moment. (*Laughter*).

Deputy David Jones: I apologise.

The Deputy Bailiff: I did indicate, Deputy Fallaize, that I will call Deputy Trott next and I will follow it with Deputy Fallaize.

Deputy Trott: Thank you, sir.

I was just a little bit confused with some of the wording. On page 2109 of the Billet, the Treasury and Resources Department advise us:

‘As there are no resource implications identified in the report, the Treasury and Resources Department has no comments to make.’

635

And yet in paragraph 4(1) we are advised that:

‘The Committee will need to meet the travel costs of Mr Le Sueur...’

640

and there was much discussion on this in the previous debate.

Now, while I am on my feet, sir, can I say that I know Mr Le Sueur very well, possibly better than anyone else in this Assembly. Mr Le Sueur is as fine a Jerseyman as you will meet. (*Laughter and applause*) He is a man of utter integrity and fairness.

645

Now, sir, again going back to paragraph 4(1), we are told that these travel expenses can be accommodated in the budget requested in the Committee States Report, Review of the Structure and Functions of a Legislature and Government in Guernsey, Item 15, Billet d’État XX. Again, the matter we were debating just a moment ago and, in that, the Treasury and Resources told us that they were ‘disappointed’ that the Requête did not deal with the resource implications at the time and the Department recognises that if this States Report is approved it will have to find the necessary funds.

650

Now, interestingly, sir, from the time of approving that, where it will need to find the necessary funds, *miraculously* the Treasury and Resources Department now tells us that there are no resource implications. So the question is what has happened? Where are these funds coming from in that short intervening period? Well, the answer is there are *still* resource implications, sir, and, right now, the Treasury and Resources Department does not know how it is going to fund those balances and, of course, it will not do until such time as this Assembly has approved the Budget, which it was going to do in October but it is now going to do in December.

655

So there *are* resource implications, sir. They *still* remain and the Treasury and Resources Department was wrong to give the States the advice that it has on this occasion.

660

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

665

I am sure the Treasury Minister will deal with *that* point. I rise to address the points made by Deputy Jones.

Where to start? (*Laughter*) In respect of these two candidates, I think Deputy Jones misconstrues the case that the Chief Minister made in support of the two candidates. Mrs. Smith has an expertise around the Local Government Act 2000 but she is not a champion for the Local Government Act 2000.

670

The Local Government Act gave UK councils four options. One was to adopt a fairly conventional cabinet system, one was to have directly elected mayors, the third one I can’t remember and the fourth one was, basically, to stay as they are, which was a –

675

Deputy David Jones: A directly elected Chief of Police, Police Chiefs –

The Deputy Bailiff: Thank you, Deputy Jones, for that.

Deputy Fallaize: No, it was not the Police Chiefs: they were involved in a different Local Government Act.

680

I think it was to have directly elected – I can’t remember. I think the third option was a combination of directly elected mayors *and* the cabinet system, so options one and two combined, but option four was for councils of a certain size – and had Guernsey been a council it would have been small enough to meet the criteria for option four, to stay as they were, which was to retain, basically, a committee system.

685

Now, Mrs Smith, and I don’t think I am breaking any particular confidence when I say this, when the Committee interviewed her as part of its recruitment process she said the one thing I would advise you *not* to do is just to pick a UK system off the shelf and adopt it, because she said her experience of changes made under the Local Government Act is that *some* of them have worked very well in some places and in other places they have been fairly abject failures.

690

So this is not a candidate who comes to the States wanting to propose one particular model of government but she does have a great deal of experience of having worked with councils, some who have successfully changed their system of Government and others who have less successfully changed their system of government. Terry Le Sueur – what was the phrase Deputy Jones used? – ‘came from that sorry mess that Jersey has got itself into’, or something like that, but actually

695 Terry Le Sueur served in the States of Jersey far longer under their old committee system – rather
like our system – than he did under their ministerial system. But the important point is that he
served with both systems: that is why the States Review Committee feels that he would be an
appropriate member. He is in a good place to advise us on the strengths and weaknesses of a
700 committee system and the strengths and weaknesses of a ministerial system and there is nobody in
the States – in our States – who is in that position.

In respect of the proposal to waive Rule 11(1), I hear what Deputy Jones says about the
importance of adhering to Rules, but I think the States Review Committee is in a rather unique
position, in that, when the States set it up, it directed that it should seek members who have
experience of systems of government in other parts of the world or in other jurisdictions. It is very
705 difficult to recruit such people from within Guernsey and I always envisaged, when I put forward
the Requête, that at least one of the independent members, not necessarily both but at least one,
would have to be a person based outside of Guernsey, otherwise it would be very unlikely that the
Committee would benefit from someone who has the experience and expertise of other
jurisdictions and other systems of government.

710 So, somewhat reluctantly, I think there is a case on this occasion to waive Rule 11(1) and I
hope members will support the proposed candidates put forward by the Chief Minister.

The Deputy Bailiff: Deputy Gollop, then Deputy St. Pier

715 **Deputy Gollop:** Sir, I do recall that the 2000 Act had a number of elements to it in the UK
including, well, the development, if you like, of unitary authorities which had actually come into
being in the previous Conservative administration. Those particularly, in some cases, attempted to
adopt a cabinet style. One of the advantages, from a politician's point of view, of those municipal
720 bodies was, I believe, the little cabinet ministers of those authorities received a vast increase in
their pay compared to what the normal councillor receives.

But I would point out that Deputy Fallaize is quite correct in his estimation of the many
qualities of former Senator Le Sueur because, as I recall, he not only worked for many years in
both political systems but he is a supporter of the Island-wide system, which is an issue we have
heard about here, as he was a serving Senator and I believe that he was open minded on the
725 question of a proposition put by Senator Brecon there as to a combined ministerial and committee
system, rather than just one executive decision maker in each Department because that is another
debate and aspect to this review, rather than just choosing two choices *a la carte*.

So I do endorse this candidature and I do not know really anything beyond what we read about
the eminent woman solicitor, but I am sure that somebody new to the Island can bring a dimension
730 that is much harder to do if you have lived in the culture with the personalities for a number of
years.

The Deputy Bailiff: Minister of the Treasury and Resources Department, Deputy St Pier.

735 **Deputy St Pier:** Thank you, sir.

Deputy Dave Jones has very many qualities and I admire many of them but I did not realise we
had to add to that 'psychic and clairvoyant', because he appears to (*Laughter and interjections*)
know what I am thinking. He appears to know what *my* views are on this review of government –
740 and he would be wholly wrong because I do not know what my views are, other than expressing,
during the General Election, a view that we should be capable of perhaps coping with fewer
Members of this Assembly! I do have no preconceived views so I do wish to correct that
misconception which he may have.

I should like to congratulate, sir, if I may, Deputy Trott. He is clearly devoting his time in *this*
term to the very careful reading of the Billets. With regard to the sourcing of resources, I fear he
745 may possibly have nodded off during the previous item, where it was quite clear that we had voted
to make resources available, or to direct the Treasury and Resources Department to make
resources available, through its cash limits in the next two years.

I must apologise to Deputy Trott. I think the Treasury and Resources Board had *assumed* that
Members would join the dots between the two Reports and we will take due note to ensure that our
750 comments are clearer in the future.

Thank you, sir.

The Deputy Bailiff: Anyone else wish to speak on this item for debate? No?

755 In that case, Chief Minister, I invite you to reply to the debate on proposition 1.

The Chief Minister: Thank you, sir.

I am grateful, I believe... *(Laughter)* Yes, I am always grateful for the incisive comments of my colleague, Deputy Jones.

760 In rejecting the proposal, I think, as my colleague Deputy St. Pier has already said, it is dangerous to presume an outcome of an event. I also confirm that, at the moment, I am enjoying the process of the consensual system of government, I have

Deputy Trott: With respect, sir, that is precisely what the Chief Minister's Treasury Minister did a moment ago.

765

The Deputy Bailiff: Please continue, Chief Minister.

The Chief Minister: I by no means have a definite view as to the outcome and any suggestion that I am in any way have a prime agenda I would seriously seek to disabuse that suggestion.

770

To Deputy Trott, I appreciate and am grateful to you for the support you have given for the suggestion of former Senator Le Sueur. You, I know, have certainly worked closely with him for a number of years and I do welcome that support.

To my colleague, Deputy Fallaize, as always, grateful for the support and for the very articulate way that you have supported the whole argument here. We both believe that it is important and it would be very remiss not to be able to bring somebody onto this committee who has detail and direct experience of dealing with systems of government outside this Island.

775

To Deputy Gollop, again, thank you very much for your support. I think you understand the nature of this Committee and the importance of it, maybe, more so than many other States Members.

780

And, finally, to Deputy St. Pier, as always you are castigated sometimes in your role as Treasury and Resources Minister – on this occasion as a member of this particular Committee – I am grateful for your support.

I would also add that, in looking at the independent people with skills and experience and it would be remiss of me also not to mention that, no doubt, this Committee will be looking to draw on the experience from the Crown Officers and the St. James' Chambers because there are people there who certainly have experience of working with other jurisdictions and I am sure their contributions will be greatly appreciated in the deliberations of the Committee.

785

Therefore, sir, I would urge this Assembly to support the nomination that we may proceed to elect to the committee people who are independent of the States but who do not fulfil the residency required by Article 8 of the Reform (Guernsey) Law and therefore seek to, in these circumstances, waive the requirements of Rule 11(1).

790

The Deputy Bailiff: Thank you, Chief Minister.

Members of the States, this proposition – proposition 1 – to the Report contained in Billet d'État No. XXII is on page 2109 in the Billet. I remind you, at this stage, that this is simply to determine which candidates might be eligible for election and that an election will follow in accordance with Rule 20(6) of the Rules of Procedure of the States of Deliberation and that nominations can be made from the floor of the Assembly. All I am required to do is to invite the Chairman of the Committee to make his nominations first.

795

800 So, with that clarification for your benefit, I will move to the vote on proposition 1 to this Report.

All those in favour: those against.

805

Members voted Pour.

The Deputy Bailiff: I declare that carried.

So we move to proposition 2, which is to elect two members of that Committee who are independent of the States. As I have just indicated, in accordance with Rule 20(6), I invite the Chairman of the committee to consider whether he has two nominations for election to the Committee.

810

Deputy Harwood.

The Chief Minister: Mr Deputy Bailiff and Members of the Assembly, thank you.

I have already spoken in support of the two candidates who

815

Deputy Bailiff: Just do nominations at the moment.

820 **The Chief Minister:** Nominations – Mrs Clare Geneviève Lesley Smith and Mr Terence Augustine Le Sueur, OBE.

The Deputy Bailiff: Thank you very much.
Are those nominations seconded?

825 **Deputy Fallaize:** I am happy to second them.

The Deputy Bailiff: Thank you very much, Deputy Fallaize. (Laughter)
Are there any other nominations for the office of a non-States member as independent of the States on the States Review Committee?

830 There being no other nominations, in accordance with the paragraph in Rule 20, there is no requirement for the proposers, or the proposer of both those, to speak to them. I am simply going to put it to the vote.

So we have two candidates for two vacancies, that is Clare Geneviève Lesley Smith, proposed by Deputy Harwood and seconded by Deputy Fallaize, and Terence Augustine Le Sueur, OBE, also proposed by Deputy Harwood and seconded by Deputy Fallaize.

835 All those in favour of electing both of these people.

Members voted Pour.

840 **The Deputy Bailiff:** Is there anyone against?

A Member: Contre.

845 **The Deputy Bailiff:** I am going to declare that carried and that Clare Geneviève Lesley Smith and Terence Augustine Le Sueur, OBE, are duly elected to serve on the States Review Committee for this term.

Billet d'État No. XX

REQUÊTE FREEZING OF STATES MEMBERS' PAY

855 Debate commenced

Article XVI.

The States are asked to decide:-

860 *Whether, after consideration of the Requête dated 30th May, 2012, signed by Deputy J Kuttelwascher and seven other Members of the States, they are of the opinion:*

To amend their Resolution of 27th January 2012 on the Proposition designated (1) at Article 8 of Billet d'État III of 2012 by deleting ' , subject to annual review and adjustment in accordance with changes in Guernsey median earnings '.

865 **The Greffier:** Billet d'État No. XX, Article XVI, Requête, Freezing of States Members' Pay.

The Deputy Bailiff: I invite the lead requérant, Deputy Kuttelwascher, to open the debate on the Requête that he and others have signed.

870 **Deputy Kuttelwascher:** Thank you, Mr Deputy Bailiff.

My reasons for presenting this Requête are threefold. Firstly, I plan to show that States Members' pay is generous; secondly, the freezing of States Members' pay is a modest sacrifice for the large potential benefit to the community; and, thirdly, States Members must lead by example if they wish other public sector employees to moderate their expectations in pay and pension provision.

875 I make reference to the Crowder Report which appears in Billet d'État No. III of 25th January

2012. Basic States Members' pay is assessed at £32,155 per annum. This is substantially above Guernsey's median pay in 2011 which was £28,340. It is actually 13.5% higher and I have not included the additional £2,000 tax free expense allowance.

880 Crowder assesses that 38% of the work is vocational and 62% professional. If one grosses up the assessed value of the work, we calculate a figure of £51,862.90. That is the assessed value of States Members' pay and obviously discounted by the vocational aspect of it of 38%. This is a substantial level of pay in Guernsey, 83% higher than the 2011 median pay. Last but not least, Crowder assesses the work as part-time – I think he actually says 'not full time' – but there is no
885 standard definition of part-time, so one can make assumptions. On the one hand, if one was to assume half-time, then the level of gross pay goes up to quite a staggering £103,725.80 per annum, a most generous starting point. It is a 266% increase over the median pay.

So what is being asked, if one looks at the last six published changes in median earnings, which show an average rise of 3½% per annum? A freeze might save the Treasury an estimated
890 £63,000 per annum on a pay bill amounting to an estimated £1.8 million, and that £1.8 million I take straight out of the Crowder Report, on page 88 of the Billet. The surrender of this amount of gross pay – £63,000 per annum – by 47 Members and, indeed, non-States members of Committees is a modest sacrifice, I suggest, but with a valuable potential benefit for the Bailiwick of Guernsey.

895 So what is the potential benefit? The expectation of pay protection by annual uplifts linked to an appropriate measure of inflation was abandoned decades ago in the private sector. Defined benefit pensions have become a rarity. Unlike the public sector, the private sector is *not* underwritten by the taxpayer. In the public sector, expectations for pension provision need to be moderated to be sustainable. By accepting a pay freeze, Members would lead by example and help facilitate the moderation of expectations in the public sector in relation to both pay and deferred
900 pay or pensions. So the potential benefit is the increased likelihood of moderation in pay increases and pension expectations in the public sector, thereby delivering savings to the public purse and helping to eliminate our structural deficit.

I was going to end there, but I have been advised there might be an attempt to curtail the debate after I sit down, so there is a temptation to go on for half an hour and give some more detail, which
905 I will not do.

The Deputy Bailiff: Deputy Kuttelwascher, even if there were such a motion and it were successful, you would still have the right to speak again.

910 **Deputy Kuttelwascher:** I agree, and also – (*Laughter*)

Deputy Brehaut: I can see some value for money demonstrated here! (*Laughter*)

915 **Deputy Kuttelwascher:** The point also is that Rule allows the Treasury Minister to pass comment if there are resource implications, and he is also a signatory of the Requête, so it would be a very one-sided debate. One is almost tempted to support such a motion, but never mind.

The Deputy Bailiff: You cannot speak, other than in opening the debate, Deputy Kuttelwascher.
920

Deputy Kuttelwascher: So I would like to close, just to say, in short, that I am not challenging the Crowder Report, trying to reopen the whole debate on States Members' pay. I am focusing on
925 *one* part, which is whether or not individual States Members are willing to give up their right to a link to median pay on an annual basis.

There is a reason for that. Not long ago, the States economist downgraded our economic performance quite substantially. In 2009 we were supposed to have suffered an estimated drop in GDP of 2%. That was downgraded to 2.9%. 2009 was the year of recession. In 2010, the forecast was plus 0.2%, downgraded dramatically to minus 2.7%. In 2011 it is estimated to be 1% *and* is
930 awaiting an upgrade or downgrade. In 2012 it has already been downgraded to zero, the classic signs of a double-dip recession.

The other significant comment he made is the assumption, in the States economic planning, that long-term growth of 2% may be assumed... requires revision. So that is the reason – the economy has turned down – and, with these figures, I leave Members with one thought: there is a
935 distinct possibility that median earnings could actually go *down* this year and you may find that, come next year, you may be actually finding your pay being cut.

So that would be an unintended consequence of the success of this Requête, if you like, but that is not the primary purpose. The primary purpose is to set an example to the whole public

sector to moderate their expectations.

940 Thank you, sir.

Deputy Trott: Sir, on a matter of correction, Deputy Kuttelwascher, on I think five occasions, referred to the Report as the ‘Crowder Report’. That is not correct. Mr Crowder was its chairman. It was the Report of the Independent Pay Review Board and it is disingenuous to refer to it as the Crowder Report because that is not what it was.

945

The Deputy Bailiff: Thank you very much, Deputy Trott.

Deputy Bebb had indicated that he wished to speak at this point, but you cannot speak in the debate, Deputy Bebb.

950

Deputy Bebb: No, it will not be on the debate.

I would simply like to offer the opportunity to the Assembly to guillotine this debate and I ask people, much as they feel that they have prepared speeches, whether they think it is appropriate –

955

The Deputy Bailiff: You cannot speak, Deputy Bebb.

Are you moving a motion under Rule 14(1)?

Deputy Bebb: I am moving a motion to... Yes.

960

The Deputy Bailiff: Members of the States, under Rule 14(1), any Member who has not spoken in the debate, which is everyone other than Deputy Kuttelwascher, is entitled to invoke it, and this is a motion that we move directly to closing the debate, rather than enabling you all to speak on it if you so wish.

I put that motion to you –

965

Deputy Kuttelwascher: Sir –

The Deputy Bailiff: – without inviting any further debate, Deputy Kuttelwascher.

970

Deputy Kuttelwascher: I have no wish to debate, but I wish to ask for maybe a legal opinion on the definition of ‘debate’, because obviously Rule 14(1) uses the word ‘debate’ and we have not had a debate. So have we actually had a debate is the question?

975

The Deputy Bailiff: Madam Comptroller, Deputy Kuttelwascher has opened the debate – is the debate underway?

The Comptroller: Sir, there is no legal definition.

There is no definition in the Rules and no legal definition as such, and I think that is purely because it is a straightforward understanding of what the word ‘debate’ means. Clearly, under these Rules, however, the debate has been opened. It is a matter for you whether you decide Rule 14(1) is engaged. Clearly, the debate has not continued, but 14(1) does say ‘at any time’.

980

So it is a matter for you.

The Deputy Bailiff: Thank you very much.

985

Deputy Kuttelwascher, I am satisfied that Deputy Bebb *can* move a motion under Rule 14(1) at this time.

I am putting that motion to you: it is that we move directly to closure, rather than engage in any further debate. The Rule requires there to be an *appel nominal* effectively, because it is only if two-thirds or more of those Members voting on that motion support the motion that the motion is successful, so there is an enhanced qualified majority here, as opposed to a simple majority.

990

There are 46 Members here so, potentially, we are looking for... whatever the number will be when I have worked it out. *(Laughter)* I will borrow Deputy Lester Queripel’s calculator in due course! *(Laughter and Interjections)*

995

Deputy Lester Queripel: I did not bring my calculator today, sir. Sorry about that!

The Deputy Bailiff: But we will move to an *appel nominal*, so if you want debate to continue, you vote *contre*; if you want debate to be closed in the winding up, then you will vote *pour*.
Greffier.

1000 *There was a recorded vote.*
Carried – Pour 24, Contre 21, Abstained 0, Not Present 2

	POUR	CONTRE	ABSTAINED	NOT PRESENT
1005	Deputy Green Deputy Le Tocq Deputy James Deputy Adam Deputy Perrot Deputy Soulsby	Deputy Duquemin Deputy Dorey Deputy Brouard Deputy Wilkie Deputy De Lisle Deputy Burford	None	Deputy Paint Deputy Spruce
1010	Deputy Sillars Deputy O'Hara Deputy Quin Deputy Hadley Alderney Rep. Kelly	Deputy Inglis Deputy Luxon Alderney Rep. Arditti Deputy Harwood Deputy Kuttelwascher		
1015	Deputy Brehaut Deputy Domaille Deputy Robert Jones Deputy Le Clerc	Deputy Langlois Deputy Gollop Deputy Sherbourne Deputy Lester Queripel		
1020	Deputy Conder Deputy Storey Deputy Bebb Deputy St Pier Deputy Gillson Deputy Le Pelley	Deputy Stewart Deputy Ogier Deputy Fallaize Deputy Laurie Queripel Deputy Lowe Deputy Le Lièvre		
1025	Deputy Trott Deputy David Jones Deputy Collins			

1030 **The Deputy Bailiff:** Members of the States, we have to wait for the formal outcome of that, but my ready reckoning was it was fairly evenly split, rather than clearly divided. So those of you who are minded to speak in the debate, I just remind you that, under Rule 17, there is an opening and a closing on a Requête so I have to go through, if the motion was unsuccessful, certain people who have commented on the Requête before opening it up for general debate.

1035 Members of the States, the voting on the motion from Deputy Bebb, under Rule 14(1) to close debate, was that there were 24 voting *Pour*, 21 voting *Contre*. There were two people not present in the Chamber at the time. Of the 45 votes, therefore, we were looking for a vote of 30 or greater voting *Pour* for the motion to be successful. I therefore declare that the motion failed and the debate on the Requête will continue at least for the time being.

1040 Under the Rules, the first person to whom I turn to see if he wishes to make any comments at this stage is the Chief Minister, Deputy Harwood.

Deputy Harwood: Thank you, sir.

I merely rise to speak in support of the Requête.

1045 I believe that it is imperative for this House to set a lead by example. It is inappropriate and will be difficult for this House – sorry, this Assembly –

The Deputy Bailiff: These are your comments on behalf of the Policy Council, Deputy Harwood.

1050 **Deputy Harwood:** Sorry, sir.

On behalf of the Policy Council, then... I do apologise, sir, the Policy Council has no comments on the Requête. *(Laughter)*

I do apologise.

1055 **The Deputy Bailiff:** If you then wish to speak as an individual Member of the States of Deliberation, of course you can.

So, on behalf of the Treasury and Resources Department, Deputy St Pier.

Deputy St Pier: Sir, I am in the same position as the Chief Minister.

1060 I do not wish to make any comments on behalf of the Treasury and Resources Board, but would wish to speak on my own behalf later, sir.

The Deputy Bailiff: Thank you very much.

I probably should have turned to you first, Deputy Fallaize, as Chairman of the States

1065 Assembly and Constitution Committee.

Deputy Fallaize: That's alright, sir. (*Laughter*).
I do wish to speak personally, but not on behalf of my Committee.

1070 **The Deputy Bailiff:** Thank you very much.
We will move into general debate, then.
Deputy Luxon had attracted my attention, then Alderney Representative Arditti, and then Deputy Fallaize.

1075 **Deputy Luxon:** Thank you, Deputy Bailiff.
Just before I start, sir – and I will be brief – what surprised me about Deputy Kuttelwascher's opening remarks was that, in the Requête, it talks simply about fiscal restraint, and yet it seemed to me that in his speech he talked more about the validity of the quantum of the current levels of remuneration for Deputies, so I am slightly confused.

1080 Sir, I have a good deal of respect for Deputy Kuttelwascher, but I have to say, in my opinion, this Requête is inappropriate, wrong and ill judged. (*Interjections*) Good corporate governance, sir, dictates that *nobody*, no entity, should set its own pay, whether a commercial company, a private sector organisation, voluntary sector or, frankly, any other entity. Perhaps the only exception, sir, would be if a company is owned 100% by an individual, then, of course, that person owns the company and sets his pay in whichever way he or she so chooses. In all other circumstances, sir, in my opinion, there should always be a separation between the awardee and awarder. Good corporate governance demands this.

1085
1090 Currently, a resolution is in place whereby an independent review panel, or board, appraised the remuneration of States Deputies and fixed an annual review until 2016 of median earnings increments. This Requête asks us to ignore an independent, appropriate, right, well-judged decision and thus breaching good corporate governance. By tinkering directly with our own remuneration, we breach any sort of good corporate governance, sir.

1095 Deputy Kuttelwascher said this is about restraint; yet the IRP, or the IRB, assessed the historical-present-future context and set their recommendations accordingly, dealing with several years of restraint and an imbalance they perceived had ensued. Let alone a freeze, some Deputies have actually already received a 20% plus decrease in their remuneration. In fact, if we look at 2004, the total pay bill for Deputies was about £1.74 million; in 2010, £1.8 million; and 2012, again, £1.8 million. If that was uprated for RPI, the figure probably would be something like just over £2 million. Restraint has already been shown.

1100 Restraint is, however, sir, as Deputy Kuttelwascher says, relevant in these stretching fiscal times. He talked about the emergence of a double dip. Sir, the financial markets collapsed six years ago. There is no such thing as a double dip *now*. We are in an element of a trough rather than a double dip emerging, but they are stretching times.

1105 One way of considering *real* restraint would perhaps be to consider reducing the number of Deputies in the States of Deliberation (*Interjections*) (**A Member:** Hear, hear.) say, from 45 to 36, or a 20% reduction, saving just under £400,000 per annum on a recurring basis, something that the FTP asked us to look at. Rather than tinkering with what could amount to a circa £55,000 per year median earnings increment over these next three-and-a-half years, reducing the number of Deputies in the Assembly would give the people of Guernsey a lower cost for their lifetime.

1110 Sir, this Requête inevitably brings the Assembly into disrepute and I apologise for standing and contributing to that issue. The Island will be observing us indulging in grossly inappropriate debate on our own pay. Only an IRB, an independent review board or panel should do this. Sir, in 2015 I intend to bring a Requête, asking this Assembly to appoint an independent review board whose decisions would be binding and removing any future involvement by the States of Deliberation in this process.

1115 Deputy Kuttelwascher, sir, has said, 'Pay was never meant to provide a working living wage.' Incorrect.

1120 **Deputy Kuttelwascher:** Point of order. I never said that, sir.

Deputy Luxon: Sir, Deputy Kuttelwascher made these comments on the local BBC Radio Guernsey, where he said, 'Pay was never meant to provide a working living wage.' He is incorrect. It was an implicit part of these proposals.

1125 Deputy Kuttelwascher also said, 'Only 12 Deputies will oppose my Requête.' I hope he is incorrect.

1130 Deputy Kuttelwascher also said, ‘Voters will remember who didn’t vote for this Requête today.’ I hope they remember who felt they should interfere in their own pay. Sir, any Member can waive his or her States pay at any time and for whatever period. (**A Member:** Hear, hear.) I am not suggesting Deputy Kuttelwascher should ‘take one for the team’ (*Laughter*) but, sir, if restraint is what we are after, more or less the same amount of money would be saved if that happened.

1135 Sir, any Member can waive their annual median earnings increment, should there be any, and as Deputy Kuttelwascher said, should that KPI turn out to be a negative, in which case there is a reduction in States pay – and I am sure all States Members would accept that as being an appropriate result of an independent review panel’s decision – I will personally give consideration to waiving any increment that is awarded each year while I sit here in the Assembly over future years. However, it does not need this unseemly Requête to achieve restraint. Restraint has been prevalent, sir, is prevalent and has been independently determined by an independent review. That is *good* corporate governance. This Requête is implicitly not good corporate governance, I am afraid.

1140 Sir, if an exceptional fiscal situation did arise, as Deputy Kuttelwascher alluded to, a truly exceptional situation, then this Requête may well be appropriate to be laid, but only in exceptional circumstances, in my opinion, sir.

1145 Sir, I will comply with good corporate governance, which is what I have been talking about through my brief speech, and not support Deputy Kuttelwascher’s Requête. I urge other Members likewise. I also, again, apologise to the people of Guernsey for making a speech about our own pay.

Thank you, sir.

1150 **Several Members:** Hear, hear. (*Applause*)

The Deputy Bailiff: Alderney Representative Arditti, followed by Deputy Fallaize and Deputy Sherbourne.

1155 **Alderney Representative Arditti:** Thank you, sir.

Personally, I very much wanted to vote for the guillotine motion but, as a parliamentarian, I felt it was wrong to do so. If debate is called for, then debate there must be. (**A Member:** Hear, hear.) The fact that I personally find the debate unwelcome does not mean, for me, that I should play a part in suppressing the debate for others.

1160 My very good friend, Deputy Kuttelwascher, has brought what is, for me, a very unwelcome Requête. I am going to be very brief because, for me, there is one very simple, very short, answer, and that is that our pay, rightfully and properly, is now in independent hands. The matter of our pay is now properly outside of this Assembly.

1165 However you look at the Requête, whatever the motives... and being Deputy Kuttelwascher, the motives will be good – but whatever the motives for the Requête are, it is bringing the matter back out of independent hands and into this Assembly and that is unwelcome to me. I believe it is unwelcome to a lot of my fellow Deputies and I am as sure as I can be that it is unwelcome to the public who we are supposed to serve. (**Members:** Hear, hear.)

1170 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1175 I agree with both of the previous speakers, to the extent that this is all rather unseemly and it is a bit regrettable that we are spending so long talking about ourselves when, by September – what is that? five months, six months after the Election? – we should be, as an Assembly, getting stuck into some of the big policy issues that face the Island. (**A Member:** Hear, hear.)

1180 I would, in response to Deputy Luxon, caution against the idea of reducing the number of States Deputies on the grounds that it will save money because, strictly speaking, of course, he is correct; but we need the right number of Members in the States in order to ensure that we have a proper functioning democracy. I do not think it is appropriate to determine the number of States Members according to the total wage bill that the States wishes to pay out. Quite frankly, if it came down to it, I would rather see every States Members’ pay reduced *if* we determine that 45 Members is the right number for a functioning democracy, rather than concede that democratic criteria simply to save money.

1185 I also have to take issue with what my friend, Alderney Representative Arditti, has said, in the sense that States Members’ pay is *not* out of the hands of the States. An independent pay review board was set up in 2000... well, it reported in 2011. A similar process took place in the previous

1190 two terms of the States but, on all of those occasions, the Policy Council received those recommendations and they were presented to the States for consideration and States Members' pay cannot be established without a resolution of this Assembly. So, despite the existence of an independent panel, they only have advisory powers and it is still a matter to be resolved by this Assembly.

1195 I instinctively agree with Deputy Luxon, that States Members' pay *should* be determined independently; but I would caution against that as well because, as he said, this is a sum of money, £1.7 million to £1.8 million per year – so, over a four-year term, you are talking about over £7 million – and the public have some democratic control over us. They do not have any democratic control at all of independent panel members and so at least if the decisions are made in this Assembly, they can exercise some control via the ballot box. So I am certainly not going to commit to support his Requête in 2015 just yet.

1200 Clearly, there is a good portion of public opinion which is in support of this Requête. Now that is probably at least in part because Deputy Kuttelwascher is very skilled at promoting his ideas and he appears to have convinced quite large numbers of people that if this Requête is successful it will save taxpayers, and save the States, quite considerable sums of money. But today, in submitting his idea to debate, he has to bear the risk of proving the old saying that nothing is sadder than watching the death of an illusion, because what he has created, I think, is an illusion.

1205 By my calculations, the mean average remuneration received by a Member of this Assembly is £37,942 per year. Now if in the next three years median earnings replicate changes in median earnings over the *last* three years then, by the end of 2015, four months before the next General Election, the mean average remuneration received by a Member of the States would be £38,128, which is £186 per year more than he or she will receive at 2012 rates. On that basis, if the Requête succeeds and a pay freeze is imposed on Members and over the next three years average earnings replicate those of the last three years, the total saving to the States, to the taxpayer, the *total* saving is £37,083. Now that is not the sort of sums of money which I think most members of the public believe that we are considering. I have had quite a few phone calls and e-mails from members of the public – not dozens and dozens, but quite a few – and I have asked each of them, 'How much do you think the States will save if this Requête is approved?' Two or three of them have said, 'I have no idea', but all the rest have said, 'Hundreds of thousands of pounds' and clearly that is an illusion.

1220 Deputy Kuttelwascher also referred to it in his opening speech. At one stage I was not sure whether he was proposing this Requête on the basis that it would constrain pay or *protect* States Members' pay, but the fact is that average earnings, I think twice in the last six years, have gone down according to those published in Social Security's Report that we debated yesterday, and if his Requête is successful it will *protect* States Members against suffering the decrease in pay that most of the rest of the Island will have suffered.

1225 However, having said all of that, I cannot say that I do not have *any* sympathy for this Requête at all. There are a couple of reasons to consider supporting it. The first is, and I suppose personal to me, I always disagreed with setting States Members or changing States Members' remuneration in line with average earnings. I could never understand why the States did that. The States does nothing else in line with average earnings. In fact twice, I think, I have tried to get the Minimum Wage linked to average earnings and the States has shoved that out

1230 I moved an amendment, when the States debated pay in January, to index link remuneration to RPIX rather than average earnings but that was lost on a tied vote. If I vote against the Requête today, at least by implication I am endorsing the idea of States Members' pay changing annually in line with changes in average median earnings and I am a bit uncomfortable with that because I have never agreed with index linking it to average earnings.

1235 The second issue is about perception and we are going to create an impression, whatever the decision we make today – now one could take a purist view and annihilate this Requête: Deputy Luxon already has, I suppose – one could say it is populist... There is certainly a degree of opportunism about it, but now it is here – and I agree with Alderney Representative Arditti – we are right to debate it because it has been fairly submitted by some Members. Now that it is here, it is no good carrying on as if it were not here. We are having to debate this issue.

1240 Inevitably, during this term of the States we are going to have to face very difficult decisions about taxation and spending and possibly service cuts. Probably, the Ministers of HSSD and Education in particular are already having sleepless nights about that and, if they are not, they should be! (*Laughter*) – and we will all be placed in the same position very soon.

1245 A part of me says, particularly given that I have just said that this Requête, approving it or not could be £37,000/£38,000, could be the difference between approving this Requête or not approving it, a part of me says just take the pragmatic view and approve the Requête because I do

1250 fear that, if this Requête is rejected, this could be an albatross around our neck for the next four years. Every time the States debates taxation or spending or services, we could suffer the accusation that we were not prepared, to use Deputy Kuttelwascher's words, 'to lead by example' and I think that could hamper this Assembly. It is alright saying now in September 2012 no it won't, but in two or three years time when an important decision is before the States, let's say, closing a school and we know the result of one vote on closing a school in the last term was
1255 twenty-four votes to twenty-three, so there is one vote in it, it only takes one Member to have at the back of his or her mind well, okay, I am at risk of being accused of having not having led by example by not having frozen our pay, and that could change the result of an important vote like that. I am slightly uncomfortable with the *perception* that voting against this Requête may lead.

1260 On the other hand, there are two problems, really, with voting *for* it. One is that it will inevitably will mean that the next independent pay review will recommend a rather substantial increase in States Member's pay because, like all the rest of the panels, they will say well Member's pay has been frozen for four years, we need to take account of that and we will give them a one-off uplift and then across the front of the Press in three and a half years time there will be a headline saying 'States Member's vote to increase their pay by 20%!' or something like that and the second reason of course, is the independence of it all. There is something obviously
1265 unedifying in States Members fiddling around with their own rates of pay five months after the Election and I do wonder what happens if, it is not impossible, if this Requête is successful or if it is not successful, we could have very considerable inflation over the next two or three years.

1270 Now if inflation returns to the seventies and eighties and reaches 10% or 15% in one year, are we suddenly going to have a proposal before the States to increase States Members' pay because inflation has increased by substantially more than was envisaged when we supported Deputy Kuttelwascher's Requête? I think the conclusion is I am in a real quandary over this Requête, I blame Deputy Kuttelwascher completely for putting me there (Laughter) he has put every other member of the States there and I am going to need some Member, or other Members of the States to provide me with some inspiration today to determine how best to get us out of the position that
1275 Deputy Kuttelwascher has put himself in, Deputy Jones is playing his violin but, actually, one possibility that did occur to me is to simply abstain on the grounds that we should not be determining our own rates of pay. On the other hand that appears to be a real act of weakness so I don't know which way to vote, I need some inspiration from someone.

1280 Thank you.

The Deputy Bailiff: I am going to

Deputy Trott: Sir....

1285 **Deputy Bailiff:** Just a minute. I am going to – are you trying to raise a point under the Rules?

Deputy Trott: Yes.

1290 **The Deputy Bailiff:** Deputy Trott.

Deputy Trott: I was just going to make the point Sir...

The Deputy Bailiff: Which Rule were you relying upon?

1295 **Deputy Trott:** – as I often will, that it is unfair to describe, or to refer to, Deputy Kuttelwascher alone. Seven other Members of this Assembly signed this Requête and they are all culpable in the manner in which Deputy Fallaize describes, sir.

1300 **The Deputy Bailiff:** Thank you, Deputy Trott. That is a fair point, Deputy Fallaize.

Deputy Fallaize: Yes, I am happy to ascribe culpability to all of them, sir (*Laughter*).

1305 **The Deputy Bailiff:** Deputy Queripel, you are rising: are you rising to make a point or are you rising to speak?

Deputy Queripel: Rising to speak, sir.

1310 **The Deputy Bailiff:** Okay, I will note you, but I am going to call Deputy Sherbourne, Deputy De Lisle, Deputy David Jones and then Deputy Lester Queripel.

Deputy Sherbourne: Thank you, sir.

I, like Deputy Luxon, would like to apologise to the people of Guernsey for taking part in this debate but I do feel moved to do so.

1315 When I put my name in the ring and started my campaign for membership of this august body, I spent five great weeks walking through the streets of St. Peter Port, meeting great people. It was a great experience and I am sure that many of my colleagues here will agree with that. But, I was secure in the knowledge, at that time that, should I be successful, I would be spared the embarrassment of having to debate my own pay. That, thankfully, had been entrusted to an
1320 independent body by the previous States and the decisions that the States then made would stand for this term. No longer, I thought, would the States suffer the embarrassment of such debates, which are inevitably greeted with glee by the local media. Remuneration had been independently set for the next term and, thankfully, that was that.

1325 Sadly, this Requête has thrown the issue back into the ring, much to our embarrassment and much to the delight of the media. It has created a situation whereby those of independent means, who could happily exist without median earnings increases (**Members:** Hear, hear.) over the next three and a half years, could determine the income of other colleagues who do not, or receive limited benefit from alternative income streams, and wish to give a full time commitment to their work as a States Member.

1330 The motivation for such a Requête may be honourable but the process is potentially divisive. Sadly, this States is currently focusing on the monster that is the FTP. So, too, are the majority of our public servants, especially in Departments that have been given unrealistic targets. I, for one, would have been happier debating the FTP and what it has become than the matter of my remuneration (**Members:** Here, here.) . This Requête is, in effect, the direct outcome of the mindset that purveys this States at present. It has the potential to generate unseemly differences
1335 between Members and reinforces the unhelpful focus that exists at present.

As a new Deputy, I acknowledge the need for careful and considered spending but I want to focus on income generation and be part of a States that enables our people to prosper and benefit from their energy and their expertise. I do *not* want to be a member of a States obsessed with cuts and a reduction in public services. If successful, this Requête will result in further debate as we approach the next election and provide *another* opportunity for the population to ridicule our deliberations. This matter must be left to the conscience and wherewithal of individual Members.

1340 If private gestures are made, so be it. In my mind, public gestures of this kind are not helpful and that is putting it gently. Leave this matter to independent assessors and allow the decision of previous States to stand. I, for one, do not want to face another embarrassing debate on this subject at the end of this term.

I shall vote against the Requête. (**Members:** Hear, hear.) (*Applause*).

1350 **The Deputy Bailiff:** Deputy De Lisle.

Deputy De Lisle: Thank you, sir.

I strongly believe that we have to show restraint and we have to lead by example. The Requête calls for withdrawal of annual review and adjustment of States Members' pay to changes in median earnings – freezing of States Members' pay, essentially.

1355 These are tough times, sir. We all have to tighten our belts. We have all witnessed the fact that the UK and Jersey economies continue to contract – in Jersey's case for the fourth year – and here, people are worried about keeping their jobs as finance houses freeze salaries and redundancies continue in the financial services and elsewhere. It would be my hope that political example in this Assembly would be reflected throughout the public service to avoid potential cutbacks in public service jobs that would add to those occurring in the private sector. I think that is a very important point at the moment.

1360 I have been in favour of rationalisation in the public sector, but I think at the moment, with the rationalisation that is going on in the private sector, I think we have to be cautious and perhaps looking at this particular withdrawal of annual reviews might be one way of dealing with the situation that we are faced with. If this initiative is extended across the public service it could work to reduce the twenty-seven million deficit budget over the next four years. It could reduce the drawing down of our savings through the contingency reserve, particularly at a time when Guernsey's economic growth forecast for 2012 has been sharply downgraded to zero or flat at best.

1370 I think we have a number of initiatives going on across the public service at the current time. This would add to those initiatives through the FTP programme doing more with less, efficiency measures that we can put in, and to ensure that we remain an attractive and competitive place to do business and of course, it would cut down inflation in our economy also.

1375 Sir, we have to lead by example and we have to be sympathetic to the economic circumstances affecting people in Guernsey.

Please support the Requête.

The Deputy Bailiff: Deputy David Jones.

1380 **Deputy David Jones:** Thank you, Mr Deputy Bailiff.

I, too, feel annoyed this morning that we are involved in this *disgusting* spectacle, talking about our own pay yet again.

1385 When we talk about setting an example, Deputy De Lisle, every single person who sits in this Assembly today set a really good example by standing in election in the first place. They led the way out there in that community, put their names forward in a pretty, shall we say a bit of a blood bath, the last one – but in an election that saw every single Member return to this House.

1390 I do not recognise a single person sitting in this Assembly today – Assembly, sir, I apologise for the word House – who I believe is in here for the money. It is a disgusting idea that we should be sitting here discussing States Members' pay again. I agree wholeheartedly with Deputies Luxon, Arditti, Deputy Sherbourne... We had a master class from Deputy Fallaize of how to sit on a fence without exactly falling (*Laughter*) one side or another: it seems to have become his trademark since he did not want serve on *proper* committees... (*Laughter and applause*)

1395 **The Deputy Bailiff:** Deputy Jones, I think that is an unfair comment because, after all, the States Assembly and Constitution Committee is a key committee, for this is a parliamentary Assembly.

1400 **Deputy Trott:** It also used to be called the House Committee, sir, as you will recall. (*Laughter*)

The Deputy Bailiff: Thank you, Deputy Trott, but times move on. (*Laughter*) There is the word 'Assembly'...

1405 **Deputy David Jones:** Thank you, Mr Deputy Bailiff, for that correction. I apologise if I do not believe it is a Committee that is likely to have to fall on its sword for any reason.

Do you know, I have completely lost my – (*Laughter*)

A Member: Cool!

1410 **Deputy David Jones:** Going back to Deputy Arditti and Deputy Sherbourne and others' comments, if you are inclined to debate this and we are inclined to now say it is perfectly reasonable for us to get involved in our own pay, how long will it be before a Requête comes that says, actually, we would like to *increase* it – which is a point that Deputy Fallaize did make, in fairness to him, – that we could actually bring a Requête when inflation rises. We could say 'We have set a precedent for now – we used to have an independent review panel and the previous States decided the pay of the incoming States: we'll just throw that out of the window' – another example of the Rules being changed again, I would suspect.

1420 I think that it is wholly wrong for us to be doing this at all. The fact of the matter is that an independent pay review panel – and you may say it is not 'independent' because, at the end of the day, the States... but the important point is that the previous States acknowledges that the Review panel's findings, the remuneration package for the incoming States... and, as many people found out, none of us have any idea whatsoever whether that is going to include you. Anybody who makes that mistake, well, talk to some of the Deputies who, unfortunately, lost their seats.

1425 This *must* be decided by others and I will support Deputy Luxon's Requête, if he brings it, so that, in future, the States do not even get the chance to discuss or acknowledge what an independent review panel should say, because I do not believe that we, as politicians, should be talking about what we earn. That is left to somebody else, quite rightly, and when that Requête comes, I would like to see the details of that, but my view is I will probably support it.

1430 I hope you throw this Requête out by its ear and perhaps we could – unfortunately there is no other item, this is the last item – get on with what we all want to do after nearly six months and try

and tackle some of the huge, important issues that are facing this Island.

Thank you.

1435 **The Deputy Bailiff:** Deputy Lester Queripel will be called next, then Deputy Brouard, then Deputy Conder.

Deputy Lester Queripel: Thank you, sir.

1440 I do not see this as a case of setting an example or leading the way. If we really wanted to do that, then we should be a lot more proactive and get on with addressing the real issues that need to be addressed. At this moment in time we do not have sustainable strategies in place for our population, our tax system, our traffic, our environment, our power supply, or our waste; to name but six. Plus we have a £31 million a year deficit and a financial transformation programme that is *not* working.

1445 Should we not be addressing those issues, sir? That is what I would call setting an example and leading the way. Those are just *some* of the issues that this Assembly *has* to resolve. There are actually several more and there is a lot of work to be done. I have a passion for politics. I want to have as much of an influence as I possibly can and I am trying to resolve as many of the Island's problems as I can. This is *my home* and I am not at all happy with a lot of the things that are happening here. I have only got four years to address those things. (*Laughter*) I have only got three and a half years to perform.

1450 People elected me in faith and trust and, as far as I am concerned, sir, there is not a moment to lose. If I do not perform in this term, then I will not get a second chance. I simply will not get the support I need in the next election to be re-elected. My political career will be finished. I am determined to perform and deliver. I *want* to have an influence. I am *driven* by my passion for politics. I cannot switch off. I do not want to switch off and I did not campaign for seven years to switch off.

1455 I am available to the people of Guernsey 15 hours a day, seven days a week. That is a total, by *my* calculation, sir – (*Laughter*)

1460 **The Deputy Bailiff:** I am worried you are going onto the Minimum Wage in a minute, Deputy Queripel! (*Laughter*)

1465 **Deputy Lester Queripel:** That is a total of 105 hours a week, when I am not only *willing* to serve the people of Guernsey, but I actually *want* to serve the people of Guernsey. I want my phone to ring and I want to be out in the community doing what I can to help Islanders resolve their problems. If I am not out in the community, then I am studying or doing some research; trying to think of ways we can address some of the Island's problems.

1470 I eat out in restaurants with friends on a regular basis and, before we go out, they say, 'Now, Lester, no politics tonight. (*Laughter*)

The Deputy Bailiff: I am starting to question whether this is relevant to the matter before the meeting, so –

1475 **Deputy Lester Queripel:** This is relevant to Deputy Kuttelwascher's claim that it is a part-time post, sir.

Deputy Kuttelwascher: Sir, I would like to raise a point of order.

1480 I was only quoting from – if I can still call it the Crowder Report – what Crowder said. I am not saying that. You can call it an independent review board if you like; it is what *they* said.

Deputy Lester Queripel: A point of order, sir.

Deputy Kuttelwascher did claim that... He made a statement that it is a part-time post. In my defence, sir, I am trying to relay that it is not, to me, a part-time post, sir.

1485 **The Deputy Bailiff:** You have explained the relevance, Deputy Queripel. That is fine, but do keep it relevant, please.

Deputy Lester Queripel: Yes, sir.

1490 I am saying all this, sir, in an attempt to demonstrate that, for me, this is a full-time job. Just to avoid any misunderstanding, I am not saying I *work* for 105 hours a week, I am saying I am *available* to the public 105 hours a week.

I have learnt not to rely on my calculator, sir, (*Laughter*) because it always seems to be wrong. So I made a telephone call to the States payroll officer and if anyone disputes the information I am about to relay to the Assembly, I respectfully suggest they contact the States 'parole' officer –

1495

The Deputy Bailiff: Payroll officer! (*Laughter*)

A Member: That would be a full-time job!

1500

The Deputy Bailiff: Members of the States, do give Deputy Queripel a chance, please.

Deputy Lester Queripel: Whatever, sir. I have been given this information from a States employee, who works in the payroll office.

1505

We all know the basic pay of an ordinary Member is £32,155. If we were to add 3% to that, it would result in an increase of approximately £960 a year for an ordinary Member. The combined total of the annual salary of all 44 Members of this Assembly is £1,666,000 approximately. If we were all given a 3% pay rise, that would then increase to £1,716,000 approximately. That is a total increase of approximately £50,000 a year. But if we all took serious ownership of the Financial Transformation Programme – and I am saying if we *all* took ownership, not just Ministers – we would then save taxpayers £31 million a year. I will leave those figures with the Assembly to contemplate, sir.

1510

I would briefly like to move on to my personal situation, if I may, sir. A person like me is good for the economy. I spend my money, sir. I circulate my cash. I spend a lot of money and time out in the community. I do not own my own house, I do not have a bottomless pit of money, my car is 13 years old and I am never going to get rich doing this job. But it is a job that I absolutely love. I have said before, this is not a part-time post for me, this is my life and I am not holding my hand out and saying, give me more money. I am simply telling it like it is.

1515

I would like to conclude, sir, by focusing once more on the setting-an-example approach. I was really impressed with the speech made by Deputy Stewart at a Guernsey Finance presentation recently. During his speech, Deputy Stewart said, 'My Department do not intend waiting four years to introduce moneymaking initiatives. We want to introduce those moneymaking initiatives *now*.' That is what I call setting an example. That is the kind of Government I want to be involved with. I do not want to spend time debating issues that have been debated time after time after time. I want to be involved with a Government that deals with the real issues and makes real progress.

1525

How many more times are the States going to debate *their own pay*? (**A Member:** Hear, hear.) How many times was electronic voting debated before this Assembly instructed SACC to go away and undertake yet *another* review? The installation of electronic voting may cost £20,000 and the cost of debating and reviewing the issue may cost £20,000. It does not make sense, sir.

1530

I want to be part of a Government that makes sense. I want to be proud to be part of a Government that makes sense and that is the kind of setting an example and leading the way I want to see.

Before I finish, sir, I would like to relay the thoughts of a St Peter Port parishioner who I met on my way here this morning. He told me he is quite happy for me to give his name. Am I permitted to do that, sir?

1535

The Deputy Bailiff: I doubt it is desirable, Deputy Queripel, to name somebody like that.

Deputy Lester Queripel: Okay, sir.

1540

This gentleman said, in his opinion, Deputies' salaries should be doubled and we should then get on with the real job of addressing the real issues.

Like the majority of Members I spoke to – and Deputy Sherbourne has already referred to this – I spoke to hundreds of Islanders on their doorstep on the campaign trail. Not once did anyone ask me if I thought Deputies' pay was too much, or if I thought their pay should be frozen. They accept what we are paid and they vote us in to do a job to ensure their wellbeing. Yes, I was asked if I thought there were too many Deputies and I said, 'Yes, I thought there were and their number should be reduced, in my view'.

1545

I will leave that thought with the Assembly and I urge Members to reject this Requête. I ask that, please, can we stop pussyfooting around with issues like this. These kinds of issue save thousands. Shouldn't we get on with the real job, via the FTP and save millions?

1550

Thank you, sir.

The Deputy Bailiff: Thank you.

Deputy Brouard next.

1555 **Deputy Brouard:** Thank you, Mr. Deputy Bailiff, Members of the House.

The Deputy Bailiff: Assembly.

1560 **Deputy Brouard:** Assembly. (*Laughter*). Can we change it back, please? (**A Member:** Hear, hear.)

1565 Sir, we can't put it under the carpet, we can't close our eyes today, it is here: we have to deal with it and make the best of it. I find this a dilemma, I find it embarrassing, it is a distraction. To discuss our remuneration that was only recently put to bed on the back of an independent review, professionally, and on purpose that it would remain out of our way – and I totally agree with virtually all the comments from Deputy Luxon and Deputy Arditti...

1570 Freezing Members' pay is a noble gesture by those who can afford it. The reality is that it is unlikely to cause any hardship to States Members and I do not believe any of us are here for the remuneration. It is other drivers that feed our bellies and fire our souls. But the problem comes to me in two ways. The remuneration needs to be reasonable and linking it to average Island pay seems a very fair way of doing it. *But*, and this is where we start to get... *if* the States Members' gesture today is somehow reflected in public sector pay restraint – and I do acknowledge that we have a wide variety of staff, some of which are on quite low wages and we have some staff going through on very substantial Island *leading* wages – we have to be careful that the majority of the staff can all have a reasonable standard of living, especially those at the lower end. So you have to look at that side.

1575 But the Requête is interesting in its wording because it advises us that, by freezing States Members' pay, it would 'set a good example to the whole community' – set a good example to the whole community – which is strange because the main thrust of the fiscal policy following Zero-10 is predicated on increasing earnings from substantial employment, (**Members:** Hear hear) so I am foxed – as I would have thought the gesture to somehow put pay restraints on the public sector just does not work.

1580 Now Members are also free, as somebody mentioned, to take the remuneration or not and they can make as much song and dance about it or not, or they can do it privately and discreetly. In normal circumstances, this Requête is something I would hope I would not have to deal with but it is here and we have got to deal with it and make the best of it.

1585 The interesting part for me... the signatories of the Requête, in particular the holders of certain posts, are significant to me. Policy Council now does the pay negotiations and has the responsibility for setting the pay for our staff – that is following the absorption of the old Public Sector Remuneration Committee. The Head of Human Resources, who was also the staff support for the PSRC, is now also one of the Chiefs of T & R, also with responsibility for pay and remuneration for our staff, and now directly tied in to T & R. The signatory of the Chief Minister, Head of Policy Council, and therefore, by implication, on the political side, 'head of pay'. Coupled with the Minister of T & R, who is also totally tied up with pay and the Island's finances, and the actual main requérant, Deputy Kuttelwascher, who is Deputy Minister for T & R... So, despite a poorly worded Requête, that somehow it will help the whole community, if you take Deputy Kuttelwascher's words today that it is more about public sector pay restraint – *and* the main requérant, or three of the main requérants, are actually heavily involved in that side, do I want to give them this particular tool? And I have no choice. I *have no choice*. I have to give them this tool.

1600 I think this is the best I can give... if by us foregoing whatever rise we may have got gives them the tools to tackle one of our largest areas of expenditure, then I think we must do it – but it is with a heavy heart.

Thank you, sir.

1605 **The Deputy Bailiff:** Deputy Conder and then Deputy Stewart, Deputy Ogier and Deputy St. Pier have attracted my attention.

Deputy Conder: Thank you, sir.

1610 I am a signatory to this Requête and I accept my share of culpability for placing the Assembly in this position and I do so with no joy whatsoever. I signed the Requête with little enthusiasm and will speak in support and will *probably* vote for it with an equal lack of enthusiasm but will do so, sir, in the belief that it is essential that this States offers a lead to our community in what are uniquely difficult, and likely to become more difficult economic circumstances.

1615 Sir, I do believe that we in this Assembly must recognise the unique and extraordinary
 financial environment which we, as an Island community, presently exist and which threaten the
 normal operations of Western capitalism for the foreseeable future. I recognise, sir, that I will
 sound like a prophet of doom – for which I apologise – but I believe that, as a result of the
 economic forces with which we are all familiar, this Island faces an uncertain future which is
 almost without precedent. The massive indebtedness of the USA and most Western democracies,
 1620 the inherent dangers of the imminent collapse of the euro, the transfer of industrial and
 commercial productivity to the new economies in the Far East, all mean that the ‘new normal’ is
 likely to be characterised by flat or zero growth for most Western democracies for, potentially,
 many years to come. This ‘new normal’ must mean that all of the old assumptions about rising, or
 even the maintenance of, living standards can no longer be taken for granted.

1625 Sir, I believe that, over the next four years, we in this Assembly will have to ask for sacrifices
 on the part of our fellow citizens. Indeed, we are already anticipating cuts in services and benefits
 that this States provides to its citizens. Those of us who are Members of large-spending
 Departments are acutely aware that the Financial Transformation Programme targets represent
 much more than efficiency savings but, rather, will result in real and, in some cases, dramatic cuts
 1630 in the services that our fellow citizens currently enjoy.

Sir, I empathise and have been enormously impressed with all of those who have spoken
 against this Requête and, even at this late stage, I am listening carefully to my colleagues and
 endeavouring to keep an open mind as to how I will finally cast my vote. But there is no question
 that we have to make significant savings in expenditure which will mean asking our fellow
 1635 citizens to accept cuts in services or benefits or, alternatively, accept increases in taxation.

In that context, *I* believe that we should offer leadership to our fellow citizens that
 demonstrates *our* willingness to accept cuts in *our* standard of living, as we will inevitably have to
 ask them to do the same over the next four years.

1640 Thank you, sir.

The Deputy Bailiff: Thank you.
 Deputy Stewart.

1645 **Deputy Stewart:** Deputy Bailiff, when I joined the States people said ‘You will be on a very
 fast learning curve’ and that is exactly what has happened. Indeed, today, I have learned to say
 ‘Assembly’ and not ‘House’ (*Laughter*) and the Chief Minister has learnt to say ‘nominations’ and
 not ‘candidates’. I think this Requête is something we can learn from as an Assembly.

I am sure Deputy Kuttelwascher had the most honourable intentions and so did all the other
 signatories of the Requête but I wonder if they really *did* consider the unintended consequences
 1650 that this Requête has now brought to the House, many of which Deputy Fallaize has described so
 well in his speech. Which way we vote now will come back and haunt us, whatever happens. So,
 when we vote, we will just have to vote with our conscience because, whichever way this turns
 out, it is not good. Unfortunately, we are, as they say in business, where we are.

I agree with many of the other Members here totally that an *independent* assessment of pay and
 1655 rations for States Members is the most appropriate way forward. One thing I have learned, apart
 from calling it an Assembly and not a House, but very early on in my days, as I was presented at a
 meeting – it was an educational, cup of coffee in one hand, a lot of noise in the room – a Requête
 was thrust in front of me. It seemed like a good idea and I thought, ‘Yes, this seems very logical’
 and I signed it. It was only after quiet reflection that I absolutely regretted it! I am not trying to
 1660 suggest that any of the people that are signed up to *this* Requête may have regretted it, but I
 certainly regretted signing up to *that* Requête in haste and I think sometimes that does happen.

Maybe I can help you, Deputy Fallaize. I think there is a good reason to vote against this
 Requête and the reason is that this is a bad way of doing Government. This is *not* the right way
 1665 forward, this is unconsidered Government and now we will have to live with these unintentional
 consequences.

The Deputy Bailiff: Deputy Ogier.

1670 **Deputy Ogier:** Thank you, sir.
 We are being asked to set an example here by this Requête. It clearly states in our Requête
 that:

‘Your petitioners believe... States Members should lead by example. A freezing of States Members’ pay throughout
 this term would set a good example to the whole community.’

1675

I will cover later what would happen if ‘the whole community’ follow this example but, first, I want to give some texture, some context, to this Requête by showing the history of the States Members’ pay in its current form – and I have been slashing my speech as the morning goes on... but Members may have to brace themselves for a few minutes. I will be as brief as I can.

1680

In 2003... the problem that was fixed in 2004 was identified in 2003. The Independent Review Board at that stage said that ‘there are problems with the makeup of the States’. They said that the States was ‘not representative of the Island’s population’ and that a substantial, or fairly substantial, increase in the States Member’s Remuneration was necessary.

1685

At that time, in 2003, the average States Member’s salary was £15,000. That led to a non-representative States of Guernsey at that time. The Independent Review Board at that time recommended an average salary, in 2004, of £31,000, plus a pension contribution, which would bring the average package – that is average – Ministers, Members, Deputy Ministers, the average of that package would arrive at about £35,000 in 2004.

1690

The IRB of 2003 also said that they were aware of the possibility that a significant increased level of pay ‘may encourage persons to stand for purely financial reasons’. Nevertheless, there was no level of pay that accomplished both ends of encouraging a wide intake to the States but preventing people running purely for financial remuneration. Their solution was the electorate must be trusted to reject those who demonstrate neither commitment nor ability and I think, to a large degree, that has been achieved. The 2003 IRB said remuneration must be firmly linked to those levels of contribution and commitment, which is why it did not recommend, for example, the flat rates of pay that we have today.

1695

The main principles of the 2003 IRB were:

1700

‘Of primary importance in the Board’s view is that the remuneration of States Members should be sufficient to provide all members of the community with the opportunity to stand for election. The Board believes that the current levels of remuneration do not reflect this.’

Their second point was:

1705

‘Currently the States may be unrepresentative of the Island’s population. A number of States Members and the public and organisations have indicated to the Board that they believe this to be the case.’

Their third point was:

1710

‘Payment has become increasingly inappropriate as membership of the States becomes the main occupation of many Members.’

1715

So what was fixed in 2004 was that the remuneration was low, leading to an unrepresentative States of Guernsey, favouring the retired and independently wealthy. To fix this, remuneration needed to be increased to enable people from all walks of life to be able to take part in our democracy. Advisory and Finance at the time said, in deciding how to vote:

1720

‘Members may wish to have regard to the need to enable people from all walks of life to consider standing for election as a States Deputy.’

I am not picking out small sentences from the middle of the Report here. These are first-bullet-point, first-page comments from Advisory and Finance and the Independent Review Boards.

1725

There was a requirement for the position of the States Member to reflect an honorary element of community service, and in 2012 the IRB had this to say about the honorary element:

‘The Board accepted that a Deputy might be giving up a lifestyle which might include a reliable income stream, a pension, regular hours and possibly other benefits and it noted that a Deputy was expected to be on call at any time to deal with any of a wide range of constituents’ issues.’

1730

And, particularly in 5.4(3), the Board concluded that:

‘The acceptance of these aspects of a Deputy’s role might reasonably be taken to represent part of the vocational contribution. The sacrifice Members make in accepting their role represents the honorary element, not the pay structure.’

1735

So, in 2004, the total annual cost to the taxpayer of payments to States Members, at a time when there was a requirement for restraint in public expenditure, was, as Deputy Luxon has told us, £1,740,000. Just to put it into perspective, the total sum agreed in 2012 was £1.8 million,

1740 £60,000 more than in 2004. So I think anyone can see that the total States remuneration, despite significant public misinformation to the contrary, has been pretty much frozen for the last eight years.

It is interesting to note that in January 2004 they believed there was need for restraint. This was before the financial downturn, and Zero-10 even, so the levels of pay were originally formulated bearing in mind the need for restraint. When these changes were made, the IRB noted:

1745 ‘The consultation process of 2003 resulted in the Committee receiving *two* letters from members of the public who both considered the proposed levels of remuneration were too high.’

1750 Two letters! Going through the various IRB Reports, it became clear that there were fundamental differences between them, leading to a wide variance in remuneration and structure every four years. When you look at the review board’s recommendations, they change considerably, where one review board will come with a diametrically opposed view to the previous one or to the next one.

1755 In 2003 they believed remuneration should be *firmly* – their stress – *firmly* linked to levels of contribution commitment; in 2008 they believed pay should be capped, no matter what levels of contribution commitment; and, in 2012, they say a flat rate with no regard to levels of contribution commitment. So now Members can have no Department or committee commitments and still draw the same salary as someone with multiple commitments. The 2003 review board rejected this concept in no uncertain terms.

1760 This is an example of the inconsistencies and instabilities between pay reviews, which I believe damages confidence in the longer-term pay structure of Members or prospective Members. I believe the process no longer serves the initial tenet, which was to attract people from all walks of life, because the pay structure itself cannot be trusted to remain the same over a long period. Yet in 2008 they said:

1765 ‘We do agree with the concept of trying to attract people from all walks of life to stand as candidates for election. The total cost to the taxpayer, in our view, should be held in reasonable check.’

1770 Again, in 2008:

‘We consider that the underlying principles under which payments are made continue to be justified. Remuneration should be sufficient to provide all members of the community with the opportunity to stand for election.’

1775 So, in 2008, as the total amount available to States Members was pretty much the same as in 2004, any pay rises which occurred at that stage came from reductions in States Members’ pay elsewhere and they achieved that by capping pay structure for busy Members. They said:

1780 ‘We understand that, in actual terms, the total spent will be about the same in 2008 and 2009 as it was in 2007, and under our proposals the actual annual cost will remain constant for the years 2009-12, and in real terms that cost will reduce annually, depending on inflation.’

So, in 2008, they used the same money as in 2007 and fixed it until 2012. They said:

1785 ‘We believe that whatever rates the States in due course approve, they should be in place for a full term...’

– which was another direct contrast to the 2003 IRB, who said:

‘The Board considers the use of a formula to determine pay in the years between the reviews remains appropriate.’

1790 We also heard, in 2008:

‘If the States decide to reinstate an annual RPI increase, they should bear in mind that, in arriving at the rates which we recommend, we have taken full account of RPI increases from 2007-11.’

1795 But using the same amount of money, they could *not* have factored in RPI rises for Deputies over four years. It just is not possible.

So, recommended and accepted in 2008, the overall package for Members would remain at 2007 levels until 2012. So many busy States Members at that stage took a pay cut, which was then fixed for four years.

1800 In 2012 the review started again with a clean slate. They applied something similar to zero-based budgeting, gauging the amount of work and commitment Members in general gave, remunerating them accordingly on average and putting in the bands of remuneration we are

1805 familiar with. But still, if you read the Report, their first priority was that ‘remuneration should permit widespread participation by individuals of diverse age and experience, regardless of gender’. The feedback from the consultation process was an almost 100% agreement with this principle.

1810 The panel recommended the States move to a flat rate, which means all backbench Members receive the same, all Deputy Ministers receive the same, all Ministers receive the same – all of this using the same total package as had been used in 2010, 2008 and 2007. Once the changes they recommended earlier this year were calculated, it means that were the same States Members re-elected in May to the same positions – a shuddering thought for some, perhaps (*Laughter*) (**A Member:** Hear, hear.) (*Laughter*) – the current proposals for their remuneration would mean that 28 States Members would see a reduction in their package, which would, in turn, pay for an increase for the remaining 19 at no cost to the taxpayer. Rises have always come from reductions due to the total amount staying pretty much the same since 2004. This Requête would see that total amount staying in place from 2016, so the total remuneration for States Members would only change to the tune of £60,000 in total from 2004 to 2016.

1820 Once the flat bands were analysed, the following facts became clear. Because of the flat bands, some Members lost their pension contributions and did not get a Social Security allowance at all *and* took an actual pay cut on top of the recent four-year pay freeze which followed the previous pay cut. However, the headlines were – and we all read them – ‘States Members were due to receive a 20% pay hike’. (**A Member:** Shame!) This 20% was because the IRB had recommended a 15% increase in pay to make up for the loss of the pension and a 5% increase for the Social Security. One Member received a 20% pay increase – *one* Member.

1825 **Deputy Trott:** One position.

Deputy Ogier: Yes, thank you, one position.

1830 What people did not take into consideration was that the basic pay had been significantly reduced due to the zero-based budgeting exercise. So, in effect, this meant that someone earning £34,000, with a £5,000 pension contribution paid by the States *before* the pay review effectively had £5,000 knocked off their pay by the review and then a pension contribution of £5,000 added in. They were then told, ‘You now have your pension contribution and Social Security added to your pay and you will now receive £34,000.’ They would say, ‘But I received that *before* the pay review and a pension contribution on top – where’s my pension gone?’ They would then have to go out into the community, having lost £5,000 of their package after a four-year pay freeze and face people who were shouting at them for getting a 20% pay rise. (*Laughter*) You couldn’t write such a farce!

1840 The media have had a field day with the extravagance of the States whilst, in reality, 28 busy States Members had their packages reduced. Members have been paid the same amount of money overall for four years and, at the end of it, had taken another cut. Some, after having their £5,000 pension and Social Security *added*, actually would take home less than the previous year after their supposed 20% rise. But for those with a light workload, this was a gift from the gods: due to the one-size-fits-all banding for States Members, busy Members lost out and those with a lighter workload received far more than is reasonable.

1845 So this was the second of two reviews which took from the ordinary Member and gave it to the Ministers. Those with a lighter workload saw an uplift in pay, following the pattern of the previous few years; those busy Members saw a reduction. A pattern had emerged. Remuneration was drifting towards Ministers and away from busy Members. The consequences are that a busy workload is not rewarded. You can run for the States and not have to be busy, and this is the exact reverse of the 2007 review board, who concluded:

1855 ‘We would emphasise our firm review that the basic allowance does not entitle Deputies merely to do some constituency work and attend States meetings.’

In my view, the IRBs over the years, when you put them together side by side, have been a dog’s dinner of change and counterchange, with no consistency.

The 2012 Independent Review Board said:

1860 ‘The workload of States Members has undoubtedly increased in recent years and is the principal occupation of many. The pay should, therefore, rather be seen as an allowance rewarding the contribution and commitment expected of them.’

They said that the recommended system of remuneration they were putting would be cost

1865 neutral compared to the total costs in 2010, which were the same as in 2007, and:

‘The Board considers that the overall cost of its recommended system of remuneration will be in the order of £1.8 million, as against the potential cost of £1.85 million in 2010.’

1870 So it is only, as I said before, £60,000 more than in 2004. So, once again, the total cost would be neutral, in line with 2010 and 2007, and the pay freeze would be due to end in 2013, six years after it was begun.

1875 So lets’ look at what the averages across the years have been. The average is made up of Ministers, Deputy Ministers and backbenchers. The average in 2004, £31,000; the average in 2008, £31,000; the average in 2012, £31,000; and should the Requête be successful, the average in 2016, £31,000. This is due to the total package remaining the same over the years.

1880 If we take the average pay in 2003, which was £15,000, when it was such a problem, add in the pension and uprate it by 3%, we reach, in 2016, a sum of £26,000. So if we take the problem package, which did not allow people from all walks of life to run for government, did not result in a representative Government, and which the 2004 pay was put in to fix, if we take that figure and uprate it, we come to £26,000. Imagine 2004, when someone was on two Departments, which is what the IRB says should be the accepted norm, and we uprate *that* figure, in 2016 we come to £45,000.

1885 So you have got what needed to be fixed at £26,000, what was fixed uprates to £45,000, and if this Requête is successful, in 2016 the ordinary Member would be on £34,000. The question which needs to be asked is, is the £34,000 this Requête recommends for 2016 closer to the figure of £45,000, which is what the fixed pay would be? Or, in actual fact, is the £34,000 the Member gets much closer to the old 2003 uprated package of £26,000, which was such a problem in 2003 they had to double the pay of Deputies to fix it?

1890 Let us remind ourselves what we are fixing with this States Members’ pay.

‘Of primary importance in the Board’s view is that the remuneration of States Members should be sufficient to provide all members of the community with the opportunity to stand for election.’

1895 The Board believe that the 2003 levels did not reflect this. Currently, the States was ‘unrepresentative of the Island’s population’ in 2003 and that:

Payment has become increasingly inappropriate as membership of the States becomes the main occupation of many Members.’

1900

That is what we are fixing. That is what every IRB has agreed, and stress that they agree, with the concept of attracting people from all walks of life to stand as candidates for election.

However, it is clear now that what is being said and written and what is being done is increasingly out of kilter. The 2008 IRB said:

1905

‘The total annual cost to the taxpayer, in our view, should be held in reasonable check.’

1910 I think, surely, we must all be able to see, by now, that the freeze and reduction in real terms over the years that States Members’ pay has undergone, without any stated reasons, is anything but reasonable. There have been no arguments put forward for reducing pay in real terms *at all* over the past eight years, yet remuneration will have been cut by 25% and, in my view, that has not been reasoned. This will have been a series of smaller moves which lead to an overall movement, neither expected nor desired, and is an unintended consequence, but a very real consequence.

1915 Now that our democracy is attracting candidates from all walks of life, there are some people who sit down at the beginning of a four-year term and gauge whether they can *afford* to work for the proposed past and accepted pay package, as they have to budget, which, perhaps, some States Members in the past have not had to do; but if they cannot trust that pay package so recently agreed will even make it through the term, what message does that send out? The message is you cannot trust that the salary set in place for four years will be in place for four years, which will ultimately lead to a trend of potential candidates being drawn from those for whom remuneration is something unimportant, something which can be increased, reduced, frozen or appealed without too much or indeed, any, hardship.

1920

1925 In short, a return to the situation in 2003, which was widely recognised had to change due to segments of the population having little chance to participate in the democracy of the Island: a return to the days when this Chamber was filled largely by the independently wealthy and the retired – a situation an appropriate pay structure was put in place to remedy. All that has happened

since the structure was put in place eight years ago is that there have been some RPI rises, reductions, pay freezes, loss of pension, and now another proposed four-year pay freeze straight on the heels of the last four-year pay freeze.

1930 This Requête, to me, is not about pay. This Requête actually puts us into the ‘structure of Government’ arena. It puts us into the review of the machinery of government territory. It is no longer about pay freeze; it is about changing the type of candidates who can participate in this democracy. The desire to ensure people from all walks of life can participate in our democracy seems to remain unmet to me.

1935 Every four years we see radical, and often diametrically opposed, viewpoints being enacted and the questions I ask are in an organisation where the remuneration package dropped 25%, are we meeting the repeatedly stated desire to ensure people from all walks of life can participate in our democracy? In an organisation where the rules for remuneration change every four years to quite fundamental degrees, are we providing the stability we need to attract candidates from all walks of life? In an organisation where we agree a four-year pay structure one month and seek to change it a few months down the line, are we exuding an atmosphere of competence?

1940 Let us take a look at this lead by example, which I said we would deal with later – and we are now later. Paragraph 4 of the Requête calls on us to lead by example, to

1945 ‘...set a good example to the *whole* community.’

1950 Firstly, we have to acknowledge this approach would be the complete opposite of the approach recommended by the 2012 IRB, whose recommendation was that the future uplifts of pay to States Members this term should be linked to the movement in earnings for the Island as a whole. In other words, its proposals were about following what happened elsewhere, not seeking to lead. This means that if pay is not increasing for people in the community as a whole, then that will also apply to the pay of States Members.

1955 Deputy Conder talks about the wider perils and the wider society, with which I agree, but which will be reflected in median income on this Island, and which Deputy amongst us would freeze their pay when the pay of all around them has fallen?

1960 We hear freezing of States Members’ pay throughout this term would set a good example to the whole community: such a freeze would, in fact, set the worst example possible. A central plank of the whole Zero-10 strategy is based on a growing economy, where higher earnings by employees, leading to higher tax receipts, would help offset much of the deficit created by the loss of corporation tax, and I quote from a Taxation Strategy Report:

‘The overall objective of the Strategy is ensure that Guernsey remains a good place for businesses to operate and to provide well-paid jobs, therefore enabling wages to remain high and to increase.’

1965 Given that States income is so dependent on tax contributions from local employees, the consequences of a freeze could be quite severe.

1970 The last thing, according to our own Taxation Strategy, we would desire is anyone setting an example of eight-year pay freezes the community should follow. If the Island as a whole did follow a lead taken by States Members to freeze pay then, all other things being equal, the decision would lead to a lower tax take for the States, a greater States deficit and greater demands for States benefits as the real incomes of the lower paid fell. Given the current financial position of the States, the last thing any Member will want, particularly those with seats on key service delivery Departments, like Health and Education, is any further reduction in States’ income. Who in this Chamber would want *any* of that?

1975 With incomes being frozen, what would happen to the States’ Insurance Fund? The Fund, we have heard, is in deficit now, the Fund which needs more income, income from a percentage of earnings, income from a percentage of frozen earnings.

1980 The Contingency Reserve Fund would have to be drained even further to cover the prolonged deficit and if this Assembly lead the wider community into a four-year pay freeze with those consequences, we do not deserve to be in the positions we hold. To me this is now a credibility issue for this Chamber. And, of course, it could be then a lead being taken, example given, not really directed at other Island employers or their employees, but rather at only those who are paid directly out of States’ revenues, i.e. the public sector workforce. If *that* is the case, Deputies need to be *honest* about that and say so, as they make it quite clear the example is one they wish followed by the wider community, and in this Requête, if they do not mean that, they have not been honest.

1985 If the signatories want the community to follow suit, then they really have not thought the ramifications through. They have just signed a superficially attractive proposition.

1990 There is, of course, no shame after hearing the debate, in changing one's position in the event
of new information or viewpoint; but if they *want* to set an example to the public sector, as Deputy
Kuttelwascher said, and not the wider community, as is written in the Requête, they have not been
at all clear or honest about that. If it was for States' pay groups, no one compares to the Deputies,
anyway. In the last five years, while we have been having a pay freeze, the States' salary bill has
gone up 20% – no example has been followed after the last five-year pay freeze. (**Members:** Hear,
1995 hear.)

Who pegs the Deputies? No-one. Nurses look to health professionals, Home Department
organisations look to each other, the two Fire bodies look to each other, all the Police, Customs,
lecturers look to teachers etc. To whom are we setting an example which, if followed, would result
2000 in anything but making our situation worse? But if it is to this *particular* group of public sector
employees *alone* that they wish to address this example, are we so weak as a political body that we
cannot meet this matter head on and be honest about it to our staff? Do we have to do things by
gesture? Is our opening gambit to take a pay freeze ourselves and then sit down and talk with the
public sector unions?

2005 If we want to talk about a pay freeze with the staff, let us do that and include ourselves in it;
but do not act out a pay freeze and expect the unions to fall in line because, if you do, you need to
be ready for a response from the public sector unions to the effect that this is no more than gesture
politics. What really counts on pay is what is actually happening in the real world which is, of
course, exactly what the review group said should be the guiding force on States Members' pay.

2010 In summary, then, the current States resolution regarding future pay uplifts for States Members
links future increases to changes in earnings across the Island as a whole. It is *not* in the interest of
the States to lead the wider community into long-term pay freezes and if the lead is simply
directed at others paid out of the public funds, then the States need to be open and honest about
that. Given that significant people, including the Chief Minister and the T & R Minister are
supporting the Requête, who, like most other politicians, have put the public sector deficit
2015 reduction at the very top of their agendas, I fail to see, sir, what they could say to the wider
community on pay that, if followed, would not lead to a bigger deficit.

Members, this Requête is undoubtedly well meaning by people having the good of the
community at heart and I respect that. It is unfortunate that they have chosen this medium... to me.

2020 In 2004 – I am just going to recap a bit – the total remuneration package was £1.74 million.
Inflate it to 2012, that is £2,225,000, and yet, this year, it is £1.8 million. So, simply put, in the last
eight years we have already shaved nearly £½ million from a £2 million budget. We have reduced
our total pay package by 25%, and do not forget that was a package designed to improve access to
democracy. We have undergone that reduction without a single reason to be found anywhere
within any IRB that the package should be reduced. Without knowing the full facts, I do not blame
2025 new Members' desire to help set an example in the situation they now find themselves in, and I
believe that is what Deputy Kuttelwascher is counting on.

2030 However, knowing the facts, knowing what States Members have already done, knowing the
deleterious effect it will, no doubt, have on the Government, knowing what our pay structure was
set up to fix, I am sure Members, like me, can only see this move as a gesture at best, damaging to
our democracy at neutral, and a deliberate attempt to drive Government back into the hands of the
independently wealthy at worst. To think it makes any kind of sense to follow the last eight years
of democracy-breaking moves with another four-year pay freeze can only be following an agenda
for which I have not received the papers.

2035 Would any supporters of the Requête, when they speak, tell me to whom we are setting this
example and what the result of the example being followed is expected to be? Is it to be to the
general public and to the employers or is it to the States of Guernsey? Are we going to lead this
Island by example into a greater deficit or can everyone ignore us except our own employees when
we talk about the wider community?

2040 We do need to save taxpayers' money for where it is most needed, but dismantling the form of
Government we currently have is not the way to do it and I would urge Members very, very
strongly not to deliver the States of Guernsey back firmly into the hands of the retired and
independently wealthy in the name of expediency. (*Applause*)

2045 **The Deputy Bailiff:** Members of the States, I have got four Members who have indicated a
wish to speak at the moment.

We are obviously not going to conclude very quickly, so we will resume again at 2.30 p.m.

The Assembly adjourned at 12.30 p.m.

2050

and resumed its sitting at 2.30 p.m.

2055

**REQUÊTE
FREEZING OF STATES MEMBERS' PAY**

Debate concluded, proposition lost

2060

The Deputy Bailiff: We resume debate on the Requête by Deputy Kuttelwascher and seven other Members of the States of Deliberation.

Just before lunch I was going to turn to Deputy St Pier. I invite him to speak now.

2065

Deputy St Pier: Thank you very much, sir.

Speaking as a white, Anglo-Saxon male who must sadly now concede he is middle aged and one who has been made financially independent from a professional career, I recognise that we may well have a demographic deficit in the composition of this Assembly. Do we need more Members from a business background? Are we too old as a group? (**A Member:** Yes.) Do we have a disproportionate number of former public servants in this Assembly? Do we have an unrepresentative number of retired teachers? Why are there only five women in this Assembly?

2070

Deputy Ogier has given us a very articulate and cogent and interesting historic tour around this subject and has referred a lot to questions of ensuring access to this Assembly. All of these may be very relevant questions and arguments, but they will *not* be answered by the outcome of this Requête. They will not be answered by the existence or otherwise of a provision to index pay to median earnings.

2075

Mr Deputy Bailiff, the year was 1996 and John Major was still Prime Minister of the UK. That was the last year that I received a pay rise that was not linked to either promotion or performance. From my own personal experience I instinctively feel uncomfortable linking pay to any index and I share Deputy Fallaize's concerns in relation to the link to median earnings. An economy can only afford to increase payment for labour, if output or productivity is increased. That is always, of course, harder in the public sector, than it is in the private sector and, frankly, it is quite impossible in our roles.

2080

Sir, for me, this, quite simply is a question which is entirely consistent with my role and is informed by my role as the Minister for Treasury and Resources and it is quite simply what can the public finances can, or should, they afford? That argument was made very cogently by Deputy Condor. We are demanding and indeed we are imposing restraint on public spending across the board. We have the opportunity with this Requête to lead above and beyond what was expected by the independent review panel to lead this restraint by example. Frankly, our personal sacrifices will be no greater than the very many in the private sector who have experienced no growth in earnings for several years. Our economy *is* less strong than it was a year ago, when the panel was reporting. We will not receive the 1.9% growth in the economy that was forecast this year.

2085

2090

Of course, as you know, the States economist has recently revised his central projection for 2012 to zero growth. Any shortfall in growth imposes further pressure on public finances at a time when we are battling to address a long-term, structural deficit. So while this issue was only debated by the last States in January this year, this change in circumstances is justification enough to revisit the matter now. With an economy experiencing no growth, we should not be contemplating *any* increases in the public-sector wage bill, our own included. Deputy Brouard hit the nail on the head absolutely when he said, this is a 'tool'.

2095

2100

Deputy Ogier quite correctly referred to the Tax Strategy and the fact that it is predicated by a growth in earnings in order to draw in the taxation on that but, of course, implicit in that is its growth in earnings in the private sector, not in the public sector, which is dependent on the performance of the private sector. Increasing States Members' pay by median earnings may actually be incompatible with the objective of a real terms freeze on aggregate States revenue expenditure. If, indeed, as we know, the budget for States Members' pay is approximately £1.8 million and, therefore, based on the 3.5% annual rise, the cumulative savings would be in the region of £250,000 over the term of this States.

2105

2110

If I can help Deputy Fallaize with his problem earlier, I fear that, in his calculations, he was using Deputy Lester Queripel's calculator, because he was out by a decimal point in his calculations. Whilst I fully understand the rationale of the independent review panel suggesting indexation in, perhaps, a naïve attempt to depoliticise the issue, in my view States Members' pay should be set once every four years, for the next four-year term, without indexation.

I am very happy to relay Deputy Luxon's idea of a reduction in the Assembly into the FTP, but I do share, I think it was Deputy Fallaize's concern that, perhaps, that is not necessarily the right approach from a demographic point of view.

2115 Referring to the Financial Transformation Programme – and I have said this recently and I will say it again when it is discussed again – it always was intended to be a transformation programme of the States and the States culture, not simply focused on finances. It is a changing culture. I want to emphasise that and that is what we would be demonstrating by passing this Requête.

2120 I do accept my 'culpability' – I think this is a point which Deputy Trott made as being one of the signatories – but, to be fair, I think, actually, as almost all of those supported a change in the Rules so early in this Assembly's life, in this term... Many of you will recall I was vigorously opposed to it at the time, but I think it did unleash the principle that we can revisit previous decisions of the States.

2125 Sir, I completely accept that I am speaking from a relatively privileged, personal position, and I do also accept the argument, I think, made by a number of speakers, that it is open to each and every Member not to draw all that to which they are entitled and, if this Requête is lost, it remains open to every individual Member – I think it was Deputy Luxon made the point – not to accept future indexation.

2130 My political experience is considerably less than Deputy Brehaut, but I do wish to be consistent and, consistent with my view that States Members' pay should be set once every four years without indexation, and consistent with my role as the Treasury and Resources Minister in an era of spending restraint, if the Requête is lost, I personally will not be drawing any increases for the remainder of this term – and I would encourage other Members who share my views to take the same stance.

2135 However, it remains my firm view that it would be a far more powerful symbol and a message to our community for all Members of this Assembly to speak with the same voice and support the Requête.

Thank you, sir.

2140 **The Deputy Bailiff:** Thank you.
Deputy Ogier, as you say, a point of correction, clarification, order?

Deputy Ogier: Yes, a point of order, maybe.

2145 I was loath to interrupt, but Deputy St Pier was talking about what can public finances take on... the same as private finance and the fact that it was not about the private sector. But the Requête itself says 'to lead by example to the wider community', so this Requête says that it is about the private sector. It does not specifically mention the public sector; it does not mention the States workforce. It mentions setting an example to the wider community.

2150 **The Deputy Bailiff:** Thank you.
Before I call the next speaker, I have had a request and I will quote: 'May gentlemen remove jackets?'

2155 I do not want to be so specific as 'gentlemen', but I will simply say that any Member of the States wishing to (*Laughter*) remove their jackets includes everyone. Deputy Fallaize had implied permission from the start of the day.

We are going to move to Deputy Robert Jones, Deputy Gollop, then Deputy Langlois and then Deputy Burford.

2160 **Deputy Robert Jones:** Thank you, sir.

I have voted to cut short the debate, but feel that since the debate is now open that I should make a contribution.

2165 I agree with all that Deputy Luxon, Alderney Representative Arditti have said earlier on in the debate in relation to the importance of there being that element of independence in relation to the setting of States Members' pay. I understand that when the Report of the Independent Review Board was presented by the Policy Council for debate to the previous States Assembly, the Policy Council considered it inappropriate to put forward, or develop, alternative proposals for consideration. However, whilst individual States Members debate and vote in line with their own conscience, I think that was a strong hint in terms of whether they should be meddling with the recommendations of that independent Report. That was the correct approach then, in my opinion, and it is the correct approach now, as I believe to do otherwise would erode the integrity of the independent review.

2170 When I made the decision to stand as a Deputy, the pay was by no means a motivating factor.

2175 However, it is acceptable to suggest that it is a relevant factor for some to take into account when assessing the whole package in relation to the role of a States Deputy. Like Deputy Sherbourne, I was also comforted that I would not have to debate my own States pay, but would in advance of the 2016 Election be asked to consider and ratify the recommendations of another independent review setting the pay for the Members for a future States Assembly.

2180 I am not going to repeat a lot of what has been already said with the fact of States pay, which Deputy Ogier has quite gratefully set out for us, which was very useful. All I will say is that I will finish here now. Minds are made for changing and if facts are placed before me this afternoon in the course of this debate that are compelling enough, to suggest that we *should* be meddling with the recommendations of the independent review and the States Resolution that evolved from that review, then of course I am minded to vote in favour of the Requête, but as I stand here now I will *not* be supporting the Requête.

2185 Thank you.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Yes, thank you, sir.

2190 I found Deputy St Pier's speech very interesting and, of course, in a way he is right. It is easy in certain kinds of business, especially those in the financial services sector, to really focus pay increments onto performance and restructuring and promotion. It is less easy in the public sector because, by definition, people in the public sector are on a different level. You have to make that comparison, but I have to admit, if I had been an incoming Treasury Minister or Chief Minister, I too would have signed this Requête, because of the message it sends out.

2195 Indeed, I actually volunteered to sign it when I heard there were six Members, but no seventh, at one point, not because I actually agree with its outcome but, firstly, for it to be debated and, secondly, because I think we need a wider debate on the future of the States and, indeed, the systems by which we pay parliamentarians. I do not think we have got it right in the various reviews that we have had.

2200 I am actually going to vote, slightly reluctantly, for Deputy Kuttelwascher's Requête, because I think that, if it is successful, it not only sends out a certain message to the community but, moreover, it will stimulate many Members of this Assembly to look more productively at the best way of setting the future of States Members' pay and what criteria we set.

2205 First of all, I would say the problem with the... we have had a very fascinating speech from Deputy Ogier, which I think will be useful to read as well as to listen to but, of course, the various reviews that he has outlined are, indeed, inconsistent, but that was because they consisted of mixtures of able and distinguished people from the private and public sectors, who were working from an unclear set of objectives and aims. For example, the current review that we are discussing – whether we call it the Crowder panel or not, is not that important, there were certainly three people who contributed to it – was clearly based on a given and the given was that the net or gross amount of money being paid for by the taxpayer to reward States Members was the same.

2210 If we follow Deputy Luxon's advice – and, actually, I might wish to work with him on a Requête or something along those lines – there would be at least two problems at this juncture. The first would be how do you account for money being taken out of the exchequer: what we are discussing today is clear, no more money would come out. The second problem that would pertain is what would happen if the panel decided to *halve* the collective gross amount of pay – which would not satisfy the democratic and egalitarian objectives – or double it, say we are structurally underpaid? I think I have said enough on that, because we are not actually discussing what States Members *should* be paid, we are discussing the specific provisions of this Requête.

2220 But there is a bearing on it because, what is always at the back of my mind, is if you go back into the history of the subject matter, that is to say pre-2004, we had 10 more States Members than today, with the Douzaine representatives and more committees and Members might argue that there were, in fact, a greater number of people attending meetings and the pay at that time was attendance related. In that sense it was a lot fairer. It was also fairer that, pre-2000, States Member's allowances were means tested and means related. There were problems with that, especially with Members who had partners or spouses who had bigger incomes than themselves and it died a death as being historic. But if you want a truly fair system that is also not too burdensome on the taxpayer, means testing is the issue. I say that because I am interested in the practical effect of the Kuttelwascher Requête and the practical effect, in a way, is that we have many different diverse kinds of Members here and a Member who, perhaps, is a distinguished person who is retired from private or public life and is a home owner, recipient of a pension for a lifetime of excellent work and career and benefits, will have *less* of a sacrifice than a younger

Member who has given up a career or foregone other opportunities, so we are not on a level playing field. But, the question is where do we go from here?

2235 The mistake, of course... I believe the States made two mistakes with the Crowder Report which was put before us. The first was to not be clear as to whether we, as an Assembly, believed that we were fundamentally full-timers or fundamentally part-timers, because that is an argument that has come back to haunt us; and the second was to go down the route of median earnings, which is confusing. But, apart from the fact that we should have stuck to RPI or RPIX, *or* – and I think this would have been a better way still – to have linked our salaries directly to that of officers in the Civil Service, perhaps Senior Officer, Grade 1. Had we done that, it would have made sense. 2240 The problem now is that, in pay negotiations, certain Unions and other people can say ‘Well, you have adopted for yourself aligning yourself to median and private sector pay, why can’t we have the same deal?’ Of course, we actually know – Deputy Ogier is right – that the real pay of States Members has declined over many years and that the package has changed. But, of course, there is an argument that it was the 2004 Warr panel review that got it wrong by being perhaps too generous and the other two reviews have caught up with that. 2245

We also, I think, have never considered our pay in a professional Hay evaluation type way, nor compared ourselves to the States of Jersey or other parliaments. But we are where we are and, if we throw out the Kuttelwascher Requête today, we will be putting out a rod for our own backs in terms of pay restraint, expenditure restraint and our general image in the community. I perhaps rather rashly promised that, in view of the loss of money and other problems we have been having, we should, in fact, be cautious with our pay. 2250

I would also say that, when you look back at the last Assembly, some of the hardest working Members on Departments were the least fortunate in the Election and, indeed, the amount of meetings attended by different Members vastly differed, not just between some Ministers and other Ministers but between Members of different Departments. So it is very difficult to be consistent with this but what we also need to remember is, although our finances appear to be going in the right direction, we nevertheless are still living beyond our means, we *are* in a deficit situation and, until we get out of that, I think it is difficult to not throw out this Requête. 2255 2260

I would also like to make the point that I think there is an argument for States Member’s pay to differ from the old customs. We could take another look at it in two years’ time, but within the two years we should be making progress on the FTP, the savings in the right efficiency direction and putting our financial house in order and this is, unfortunately, bad timing. 2265

The Deputy Bailiff: Deputy Langlois.

Deputy Langlois: Thank you, sir.

2270 There is always a bit of a penalty speaking after Deputy Gollop and, in this type of debate, after Deputy Ogier because, on the one level, everything has been said, all the options explored. So if I can go with just a brief summary of where I think we are coming from on this one.

We have heard about governance issues and I have to say Alderney Representative Arditti gave a very clear reasoning to do with the problems of this ever coming back here and so on. We heard about the economic situation, which I do not think anybody would argue with. Whether it leads to the consequences that are being suggested by the Treasury Minister, well, that is debatable – that is the politics of it. Most strongly we have heard about the democratic arguments here and that is the one which I think I feel most strongly about. 2275

Well done, Deputy Ogier, on your analysis. As always, it was totally thorough, it was extremely thorough, it covered all the ground and I think we need that sort of history lesson in this type of Assembly at this stage. Just before we go in that direction, I was going to do something which, for the last couple of days, has become a bit of a habit and I was just helping Deputy Queripel with his arithmetic here once again because I did a calculation after his speech, which was very interesting and led to a very interesting conclusion and Deputy Kuttelwascher, I am sure, will be interested in the contrast with some of the statistics *he* gave. 2280 2285

If you take Deputy Queripel’s calculation –

Deputy Laurie Queripel: Sorry, sir, but could Deputy Langlois distinguish between Deputy Lester and Laurie Queripel because I think my calculations are normally quite good (*Laughter*).

2290 **Deputy Langlois:** Absolutely, sir.

If you take Deputy Lester Queripel’s calculations, he laid claim to 105 hours per week being available – he said not necessarily working but, being a week with off and on shift work, you would call it being ‘on call’. And then there are 52 weeks in the year: if you actually divide that

2295 number, combined number, into the average wage which we are currently paying, I think Deputy Lester Queripel, you are actually slightly below the new Minimum Wage that we voted for yesterday. It comes out at £6.22 an hour.

Now, I only make that point to say you can prove anything with figures and that conclusion is marginally less incredible and ludicrous than the mention of £101,000 a year which was made in the proposal speech – but a spooky coincidence about minimum pay after yesterday. You can prove anything with figures, so let's not go there.

2300 In terms of the other aspects of the debate, we have, as always, managed to build what could have been a relatively simple question into something out of all proportion. I mean, if you honestly think that by the time we walk away this afternoon, or perhaps tomorrow morning, having made some sort of decision on this, that the world economic situation will have been helped, that the euro crisis might be marginally tilted in one direction or another because we have either voted ourselves a pay freeze or not, that the Chinese growth rates will be restored because of our economy being much more healthy, and the risks of a world recession have been absolutely avoided, then I am sorry, I cannot be there with you. I think this is a relatively small and straightforward decision and a big thing is being made out of it.

2310 There is another connection which I am reluctant to make quite as strongly as some people have said this afternoon because any link with, particularly, public sector pay restraint is not as black and white as people are making out. Right? Whatever we decide this afternoon, yes, on the odd occasion in *some* negotiations a link will be made, a comment will be passed. I honestly don't think it would carry any weight. Nine times out of ten, it will be made tongue in cheek: it is a good way to have a go at politicians and so on but, in terms of the overall pay levels in the Island, let's not get carried away with our own importance here because it will come and go.

2315 So with those issues in my mind out of the way, then I think it is all about democracy. I really do respect the arguments that have been put forward about the mixed backgrounds of people in this Assembly. I think I find it hugely valuable, I think it is where we should be going, if we can take it any further in that direction and aim for a greater mix over the years, then I think we should be doing that because, in the past, there have been much too long periods when it was only the privileged who could contemplate taking on this role. So, please, can we respect the very professional and objective work done by the Independent Pay Review Body, I feel for them today, listening to this debate, because they put in a *huge* amount of very, very conscientious professional and objective analysis to get to the point of their recommendations. Let's leave well alone and just get on with it.

The Deputy Bailiff: Deputy Burford will be next followed by Deputy Lowe and Deputy Domaille and then the Chief Minister.

2330 Deputy Burford to make her maiden speech.

Deputy Burford: Sir, this unfortunate Requête is as good a place as any to hang the increasingly ageing albatross of my maiden speech. (*Laughter*)

2335 It is going to be short! The points I wish to make against this Requête have already been made by others, most surprisingly by Deputy Kuttelwascher himself, who admits it could easily have the unintended consequence of protecting Member's pay while pay in the community falls. Indeed, perhaps Deputy Lester Queripel cannot *find* his calculator as Deputy Kuttelwascher has been using it for his (*Laughter and applause*) fanciful extrapolations of Member's pay and that possibly has put the calculator to bed finally. (*Laughter*)

2340 Like others, I do not consider that we should be taking this matter out of the hands of an Independent Review Board and amending our own pay.

I endorse Deputy Ogier's well made point about the stated intention of the Requête to set an example to the entire community and the effect that this would have if the example were followed.

2345 Overall, I consider this Requête to be flawed and therefore I will be voting against it.
Thank you. (*Applause*)

The Deputy Bailiff: Deputy Lowe.

2350 **Deputy Lowe:** Thank you, sir.

I have seen many changes during the last eighteen years in the States, ranging from increases in compensation payments to a complete reversal in the numbers of those who have other employment as well as their States work, or to those who choose to only be a States Member and I will come back to whether the job is full time or not later on.

States Members' pay has changed quite substantially during that time. When I was first elected

2355 during 1994 your spouse's income was taken into consideration and payment was only available
 under a set cap. So, for many States Members, they did not receive any financial payment during
 their time as a States Member. Not that long ago, April 2004, pre- the machinery of government,
 Members' pay was £9,987 and, by adding RPIX, today's value would be pay to States Members of
 2360 £12,584. Claims had to be made from minuted committee meetings at £29.95 per half day and that
 would now be £37.75.

I know this may surprise or, indeed, upset some Members but, pre- machinery of government,
 Members were far busier, as there were 30 plus committees and numerous sub-groups. We had to
 claim monthly in those days for meetings and mine ranged from 17 to 29 meetings per month.
 That included States of Deliberation meetings.

2365 Some Members claimed more, and others claimed less. Nowadays, for Departments there are
 far less meetings with most, not all, having one Department meeting per fortnight. A decision was
 taken at the machinery of government debate that Member's pay would go from £9,987 to £22,000
 – £2,000 were tax free expenses. Added to this, £3,750 per annum is for those on a Department,
 with Ministers and the Chief Minister receiving extra payments. There was a cap around £37,000.

2370 Last year it was decided a pay review for States Members would be carried out and, as a result,
 it was stated by the panel most States Member's work was not full time. Added to this, I produced
 a list of each States Member's attendance records, including sub-groups, which are part of the
 public domain in the Billet. A considerable difference, ranging from eighteen meetings per year to
 the exceptional amount of one hundred and seventy-four. All of the data was taken from the
 2375 official States Records printed in the Billets d'État.

What business would pay a flat rate if hours worked differed so much, none I suggest but the
 States decided by a majority that is what they wanted. As part of the panel Report, they wished to
 encourage younger people into the States, therefore the payment would increase to £32,155, with
 Ministers, Chairmen and the Chief Minister receiving considerably more. An additional expense
 2380 payment of £2,000 tax free allowance remained for Members, with the Chief Minister receiving
 £3,000.

So we have seen eight years go by and States Members' pay went from £9,987, with claims for
 meetings, to now £32,155, plus the £2,000 expenses, and the Ministers and Chief Minister
 receiving more. So to say we have not had a pay rise, they need to recognise the large increases
 2385 that have taken place over the years. The sums involved in 2003: the total payment to States
 Members was £1,021,163, taken from the Billet, whereas, in 2011, it was £1,850,000, virtually
 double in less than eight years. Added to that, when it was £1,021,000, there were ten Douzaine
 reps.. –

2390 **The Deputy Bailiff:** Deputy Lowe, if you just pause for a minute.
 Deputy Ogier.

Deputy Ogier : I am sorry, sir, I do hate to interrupt but Deputy Mary Lowe, I believe, is
 perhaps, through an unintended consequence, misleading this Assembly.

2395 No-one has said that that the pay hasn't increased since 2003, it was increased in 2004 to
 double what it had been in 2003. Since 2004 the total package overall has remained the same. It is
 not through the Independent Review Boards that the pay has increased, so for Deputy Lowe to say
 there is a difference between 2004 and 2011 is not strictly accurate. There is a difference between
 2400 2003, when there was a problem, and it was fixed in 2004. Since then there has been very little
 change.

The Deputy Bailiff: Deputy Lowe to continue.

Deputy Lowe: Thank you, sir.

2405 In 2003 when it was £1,069,119 that included ten Douzaine reps and when Members had to
 claim for sub-groups. From 2004 where they didn't have to claim for sub groups and everybody
 had a flat amount it went up by virtually 50%.

2410 So did this increase in pay work? Do we have a younger States? The simple answer is no. Pre-
 2004 when the payment was lower, there were thirty-two Members aged under sixty and there has
 been a decline each election since, with this May election seeing the lowest with twenty-three aged
 under sixty. Incidentally, the electorate chose not to elect another sixteen candidates who were
 under the age of sixty.

2415 We have also seen a change in the makeup of the States, with those who have other work apart
 from the States. Previous machinery of government, 32 had other employment and only 13 had
 just States work. Remember there were more committees in those days than people like the late

Eric Walters, who had a full time job as a tanker driver and he worked around this for his States work; Kevin Prevel, who was full time and worked around his States work. Yet post machinery of government, with the pay increase, we saw a complete reversal and, last term, only 12 Members were employed, with 33 only having States work. Members have said it is not all about attending meetings; we do far more than that. Well, I hope they do because the payment is called 'compensation payment' and 'compensation payment' for the time taken out to carry out research, answering letters and e-mails, social media and phone calls, reading paperwork, attending presentations and assisting those who contact us.

2420
2425 The annual £34,155 payment is not just for attending the few meetings each year. There must also be an element of public service, being a States Member. The job should not be rewarded for every hour that we work. No job these days is for life and many companies, including some in finance, have annual or one- or two-year contracts, which are reviewed. And, of course, there isn't anything to stop States Members getting another part-time job – I mentioned before, Eric Walters worked around that and so did many others out of those 32 pre- machinery of government.

2430 Many in today's society would welcome a minimum pay of £136,620 for four years. As part of that job they can have as much time as they like, as much freedom as they want to do what they want, take as much time off as they like have as many holidays as they like and nobody can do anything about it until four years later, at election time. I suggest none of us think of applying for a job in the private sector, where you just would not get a package like that.

2435 So, sir, States Members, or candidates, did know when they stood for election how much the States 'compensation' would be. That's fine, but the States has the right, and can do, and does, change the Rules as they go along. In 1997, sir, I faced an Island-wide election to become a Conseiller and received several thousand votes and got elected for a six year term. The States decided that they didn't want Conseillers any more so my six year term was reduced by three years, even though I was democratically elected Island-wide.

2440 Nothing like we are debating today, I had *three years* taken away from me, (**Members:** Ahh!) so the argument about – (*Interjections*) That's fine, I am not complaining about it! (*Laughter*) No, no, I am not. The point I am trying to make is that it has been said several times and it was said at a Douzaine meeting, as well, the other night, Members are elected knowing how much they are going to earn through the compensation payment and, therefore, to change that after making the decision that you would stand for the States, was wrong. My point is nothing is for life and I am glad Deputy Trott is agreeing with me and nodding, because he has been around and he actually saw it in the States before, so it does happen. The States can do that and I have no problem with that. I decided to stand again and I was very pleased to be elected and I thank the electorate for doing so.

2445
2450
2455 But that is the point, we are not talking here major, we are talking here a medium, and yet you would think you were all being stripped of many years of compensation pay or, indeed, not having any compensation pay whatsoever. So, sir, I am proud to be a signatory to the Requête because I believe it will send out the right message. I believe we do have to set by example and I hope Members will actually reflect on some of the speeches that have been said and will support the Requête and send out the right message to the community. Certainly, at the Douzaine meeting they were quite vocal, as well, that they believe we need to get into the real world where many people have not had a rise for four or five years.

2460 Thank you, sir.

The Deputy Bailiff: Thank you, Deputy Lowe.
Deputy Domaille.

2465 **Deputy Ogier :** Sir, may I please correct something Deputy Lowe said during her speech. I am sorry to do this but that was a staggering view of statistics.

2470 The Independent Review Board quite clearly, in the January 2004 Report that they made, says that the average pay was £15,539 for a Member in 2002, which is directly comparable to average figures that we can now calculate for 2004, 2008 and 2012. Taking a figure of £2,009 and then comparing it to the £32,000 in 2012 or what would be in 2016 is not comparing the average figures or consistent figures with each other.

The Deputy Bailiff: Thank you for that clarification, Deputy Ogier.
Deputy Domaille to speak.

2475 **Deputy Domaille:** Thank you, sir.
I am trying to use this i-Pad, so let's see how this goes...

2480 I have no problem with debating Member's pay in public although I believe any debate should be based on a well structured evidence-based report. This happened in the last month's previous Assembly and, while we are not bound by a previous Assembly decision, it does seem to me not to be good Government to be revisiting one element of a previous decision on the basis of a Requête so soon. That said, I hate this statement, but there we go: we are where we are and, having listened to all the views expressed, I suggest there are three possible approaches that could be followed.

2485 There is the pragmatic approach: it is likely that any increase would be less than £200 in year four. Given this quantum and public perceptions on this issue, it would seem reasonable to approve the Requête.

The second possible approach is the principled approach. An independent body has set the pay levels on the basis of a fair day's pay for a fair day's work, which levels have been subject to public scrutiny and open debate. On this basis, the Requête should be rejected.

2490 The third approach is to follow one's conscience. Members, in the next few years, we will be asked to approve measures that will impose restraint on the people of Guernsey. I consider that if I am going to vote for restraint on others then my conscience leads me to support this Requête, albeit I acknowledge this is not a great personal sacrifice.

Thank you, sir.

2495 **The Deputy Bailiff:** Deputy Harwood.

The Chief Minister: Deputy Bailiff, thank you.

I actually endorse the comments of my colleague, Deputy Domaille.

2500 I acknowledge also and I admit I am culpable of being a signatory to this Requête and I share that culpability.

2505 My reason for signing this Requête – and I was actually discussing this even whilst we were still... before the Election, I felt it was appropriate – is the fundamental principle that we, as an Assembly, are going to have to debate serious economic issues over the next three to four years. We are going to have to consider and challenge cost increases that may or may not be linked to indexation. How can we legitimately challenge any policy or any matter where people are seeking to justify – whether it be wages or other costs – by reference to indexation when we ourselves are protected by similar indexation? It is on that ground primarily that I was keen to support this Requête. Also, it is an example of the States leading by example. I think that it does send out a message to the whole community. But, above all, it avoids States Members being in an invidious position of having to challenge serious economic issues, knowing that they have the benefit of an indexation of their own wage package.

2515 **The Deputy Bailiff:** I will go with Deputy Bebb, Deputy Le Tocq, Deputy Brehaut and Deputy Jones.

Deputy Bebb Thank you, Deputy Bailiff.

2520 It is difficult to know where to start on this dog's dinner of a millionaire's Requête. It might have been slightly more palatable if the signatories were slightly more representative of the Assembly, rather than actually seeing such a wealth of people with such wealth. There are a number of questions –

Deputy Lowe: Excuse me, sir, could –

2525 **The Deputy Bailiff:** Just pause a moment, just pause. It is not necessary to make personal comments of that nature, Deputy Bebb.

Deputy Lowe: And I have not got any money hidden anywhere and I am certainly not a millionaire!

2530 **The Deputy Bailiff:** So can you try and confine your remarks to the subject matter rather than the requérants.

Deputy Bebb: Okay.

2535 The previous Independent Review Boards that we have heard of have all given their Reports to the Policy Council for consideration and each Policy Council has, by convention, made no comment on each of those independent reviews. It is shocking to see three Members of this current Policy Council as signatories to this, breaking that convention, and it does cause some very serious

questions as to whether we will see policy created by considered Reports or whether we are going to see policy done by Requêtees.

2540 With regard to Requêtees, it is also a little bit disconcerting that, yet again, we are seeing a Requête this month and a further Requête that will appear again next month. On this particular occasion, we are seeing a Requête on something that was debated eight months ago, whereas the electronic voting was also debated within twelve months of the last Requête that actually appeared. We are seeing things appear time and again and I am just thinking that it does feel a little bit like a petulant child simply not getting the answer that he enjoys on the first occasion and coming back and asking again and again. I do feel that this is an abuse of the Requêtees and it does bring us into disrepute.

2550 With regard to Deputy St. Pier's comments on what his role is, could I also point out that what I feel is a very important role is to form a coherent new fiscal strategy, and we do not see any fiscal strategy appearing. As a result, I do believe that we are seeing an increasing amount of Requêtees because we are simply not seeing a direction from the Policy Council. The three signatures that we see here raises that concern even further.

2555 The last thing that I would like to say is that, last night, I was having a discussion with Deputy Kuttelwascher and he simply stated that by supporting this Requête we would be *protecting* our pay, because he fully expects median earnings next year to fall, and our pay –

Deputy Kuttelwascher: Point of order, sir.

2560 **Deputy Bebb:** – would therefore fall.

Deputy Kuttelwascher: I never said that and I have witnesses to that. All I said was next year it *might*.

2565 **The Deputy Bailiff:** Deputy Kuttelwascher, please –

Deputy Kuttelwascher: Thank you.

2570 **The Deputy Bailiff:** – and this is for all Members – please do not start speaking until you have been called to speak. It is not appropriate just to interrupt somebody else. There are Rules that say when you can interrupt. If you want to interrupt, you do as Deputy Ogier did, which is to stand and try and draw my attention. Once I have had my attention drawn, I will call you if I consider it appropriate.

2575 Deputy Kuttelwascher, you will get the opportunity to reply to the entire debate at the end, so, if you can restrain yourself from standing up at every moment, that will be very welcome.

Deputy Bebb, please continue.

2580 **Deputy Bebb:** I think that actually freezing our pay does not set an example if median earnings fall, and I think that the idea that we are setting an example of *protecting* our pay, as opposed to taking a median earnings *drop*, is exactly the wrong message to send out into the community.

Thank you.

The Deputy Bailiff: Is this a point of clarification or a point of correction?

2585 **Deputy Lowe:** It is a point of clarification, sir.

The Deputy Bailiff: Yes, Deputy Lowe.

2590 **Deputy Lowe:** Deputy Bebb, during his speech, said he was fed up with things coming back time and time again after the States making a decision. I believe his very first speech and amendment in the States was to overturn a decision less than six months old to have open voting in the States.

2595 **The Deputy Bailiff:** Deputy Le Tocq.

Deputy Le Tocq: Thank you, sir.

It is very difficult to know what to say in a debate that I do not think should be taking place. (A Member: Hear, hear.)

2600 If Deputy Bebb had not raised the guillotine motion at the start, I was considering doing it. However, once obviously debate has taken place – and I agree with those who have made the point – we need to engage in that the best way we can.

The trouble is we are now getting clear examples of why it is inappropriate to deal with this issue in this way and why it has been dealt with in other ways outside of this House by independent proper reported means, investigated means.

2605 Sir, the problem with this Requête – though well meaning, I am sure, I am certain, by Deputy Kuttelwascher and all the other signatories on the Requête – is it is the wrong question asked at the wrong time in the wrong way to the wrong people.

2610 As a result of that, I am reminded of one of my very first States Committee meetings, which was the Education Council from, I would point out, many, many moons ago. I sat there as a very young Member, the youngest round the table. There were nine Members around the table in those days. There were a number of items on the agenda, one of which was the budget of the Education Department. I am sure things are not done this way any longer, with my hon. friend next to me here at the chair, but, nevertheless, at that time we spent, I think, on the budget – which was around £60 million in those days – something like 10 minutes, 15 minutes discussing the budget

2615 and then we had another item which was the disposal of some huts from a school which had been rebuilt, and we spent an hour and a half discussing *that*. On leaving, the chairman of the meeting asked me, ‘What did you think of that first meeting?’ and I said, ‘I am so pleased that we don’t hold these in public,’ because I would have been ashamed for people to know that that went on.

2620 This is the reason why we should not do this. We should not do it in this way. We obviously have opinions and everybody is entitled to that, but it is inappropriate to do it in this way. But we are left with the fact that we have a Requête and we are debating it, and so we have to, in some way, I feel, regain some dignity with the public.

Deputy Fallaize asked early on... In the questions at the end of an excellent speech, he said he was looking for some inspiration. Inspiration is normally my sort of business. (*Laughter*)

2625 However, with the issue in front of us, it is very difficult to be inspired. It is very difficult to be inspired because it actually encourages the wrong sort of emotions, and we have seen that happen just now. Discussing pay, Mr Bailiff, is something that... My own pay has, for many years – and I have been used to it – been discussed publicly, or at least in open debates, been easy to identify in environments I have been in what my pay was and how much I was being paid. However, I would

2630 never dream of publicly commenting on, arguing for or against alterations, pluses or minuses in my level of pay in a public setting. That was not appropriate. To do so would be (a) in the case of arguing for an increase, deemed to be greedy and perhaps presumptuous, and (b), in the case of arguing for a decrease, which you could argue this is both of those, either tokenism, which I think is what we are talking about here, or open to the accusation of blowing our own trumpet in an

2635 inappropriate and arrogant way.

When you take on a responsibility, whatever that might be, with a remuneration package, you do so in the knowledge, and particularly in the case of public service, and this is what we are talking about, that there comes with that a degree of honour and acceptance that the role you have taken on and the remuneration has with it responsibilities and a degree, I think, of thankfulness and gratitude for that. What we are seeing today does not help to communicate that to the public. I think we all are, and I hope Members of the House can say with me, thankful for the remuneration that is offered to us, whether we take it or not. We should be grateful and I believe that is the manner in which this public office needs to be considered.

2645 Deputy Brouard and, in fact, Deputy St Pier later, referred to the fact that this Requête could be looked at, or the propositions in the Requête could be looked at as providing us with a tool. I do not disagree with that, but sir, I would say that this is not a good tool, and I say that, having chaired the PSRC for four years and echo the comments that Deputy Langlois, who has had a similar sentence, as well, within that responsibility. It is not an easy job to do, but certainly I can understand why people would think this was a tool, but it is about as useful as a glass hammer or a

2650 chocolate teapot, (*Laughter*) and yet we are left with the problem – and Deputy Fallaize did refer to this – that if we do not vote for this chocolate teapot that we have before us today we could be accused of voting for ourselves and having a greedy attitude. So the options, perhaps, are to vote for it or to abstain.

2655 Sir, I believe if you want, if the Members of this Assembly want, to set an example, to do something strategic, then I would suggest, in fact, one or two of the following options: first of all, choose not to claim your full allowance, as I know some Members of this Assembly have done; secondly, choose, as I choose to do, to give perhaps 10% of your income to a charity or to a third-sector group, because these are the ones who are really dealing with poverty in our Island at this moment, and, in fact, are often in huge financial difficulties because of the economic situation that

2660 we find ourselves in, struggling to find funding.

So there are options available to us which, in fact, I believe, although more private, will have a stronger effect than the propositions before us, if the argument is tokenism. What should we do in the end with this remuneration package, however this vote goes today?

2665 Sir, I encourage this Assembly, I encourage Members to do this: we must accept it, first of all; we must, and we should, be thankful; we should be as generous as we can and demonstrate that and encourage that in as many ways as we can; and we should, sir, finally, get on with the job we were elected to do.

2670 **The Deputy Bailiff:** Thank you, Deputy Le Tocq.
Deputy Brehaut.

Deputy Brehaut: Thank you, Mr Deputy Bailiff and Members of the... I know what I was going to say: I was almost going to say Members of this self-Assembly House, which would...
2675 *[Inaudible] (Laughter)*, but Members of this Assembly, I appreciated Deputy Le Tocq's conundrum, his divine intervention on the pension divide.

Sir, I rise to speak, rather wishing that I did not have to, but I do so knowing that I am in a bit of a bind, for if I support the Requête I know it will have no material effect on any member of the community or, more to the point, on their pay; and if I do not support the Requête, I will be seen as a greedy States Member putting my own interest ahead of that of the community.

2680 But Deputy Kuttelwascher knew that when he lodged the Requête. (**A Member:** Hear, hear.) It would ultimately lead to some difficult, embarrassing and unnecessary debate, and I am of the view that Deputy Kuttelwascher is demonstrating, respectfully, poor judgement on this matter. I am also of the view, sir, that he is not alone. I believe the Chief Minister also has a duty of care to his new colleagues, as does, to a lesser extent, the Treasury Minister, yet they are willing to be so
2685 closely associated with a Requête that can only lead to division and a debate that does not show this Assembly in its best light.

This Requête seeks to freeze States Members' pay and, if it is successful, it will do just that. That is to say, it will freeze *my* income for the next four years. It puts a lid down on my salary and screws it tight shut. And so be it – if that is the will of the House, that is okay. We will make that
2690 decision this afternoon and we will move on. However, I and others might be feeling just a little bit hard done by because my entire income is my States pay. Many of you sat here today – and, please, I make this as a general observation and it is not meant to seek out division – as a statement of fact, will have employment outside of this Chamber. Some of you, I understand, are virtually still full-time employed. Some of you, no doubt, will have investment earnings, as well as income,
2695 rental income etc. So let us be clear: you are seeking to freeze an element of *your* pay that is derived from the work you do in this role, simply in this role, but some of you may be fortunate enough to still be able to rely on other income to make up the small reduction, or freeze, that some are calling for. So this relatively modest – I believe almost pointless – political gesture will, in the long term, have no material effect on your real earnings, at least for some of you in this Assembly.

2700 I am of the view that being a Deputy should be a full-time role, but by that I mean something else, and I do not think people hear this when it has been said before: I will only be employed by the States during any four-year term because having a second job will only lead to conflicts of interest at some point or other. I am not saying that being a Deputy is a full-time job, but I opt to make it the only thing that I do.

2705 Yesterday, in conversation with Deputy Kuttelwascher, he suggested that, if the Requête succeeded, I should get another job, and I think that fundamentally misses the point. Why should I relegate the work of representing the people of St Peter Port South and all the departmental work and other things to something else I do, along with earning a living? It is just not right.

2710 The nature of the role of Deputy has evolved over recent years and is still evolving. We seem to be sat in so many quasi-judicial settings and any second job will, ultimately, at times, get in the way of decision making – it is the nature of Guernsey. Friendship leads to conflict in some situations. It might seem a silly example – I am an electrician – if I go back to make up some income as an electrician, I am wiring somebody's kitchen and they say to me, 'Can you do this quickly, because this extension is a retrospective application?' I say, 'Oh, I'm on the Environment
2715 Department!' *(Laughter)* Or I put a tender in to wire 13 units of houses and that decision comes towards to a local planning hearing and there I am.

2720 So, although it seems silly to seek out these conflicts, they are real and they do happen frequently when you do things other than full-time States work. Also what we have now, and I feel we should be compensated for, that has not happened before, is when you put yourself in a public setting and an experience a Member of the Environment had recently, when they gave their

2725 decision at an open planning meeting, an individual at the back of the room stood up, pointed and said, ‘Shame on you, shame on you.’ That is a role we did not have in the 1990s, which is a role that I think sometimes takes some courage. I have to be blunt, I see this as a rather mean-spirited Requête. It is a type of ‘let-them-eat-gâche’ or ‘I’m-alright-Jack’ or, possibly, ‘I’m-alright-Jan’ Requête.

2730 Deputy Ellis Bebb touched on something before and he was – if it is possible – he was less subtle than me! (*Laughter*) When he said ‘a wealth of wealthy people’ but I think it is more subtle than that. Deputy Dorey touched on it yesterday and he spoke of ‘baby-boomers’ and this is exactly, in my view, what this Requête is. It is the baby-boomers Requête. This Requête appears to be more palatable, respectfully, by the 60s in this Assembly, those closer to retirement, than the 40-somethings like myself, who are currently trying to pay the mortgage, feed the children, buy the school clothes etc. Forgive me for feeling a little hard done by, but I feel that the never-had-it-so-good generation seem to be dead set on me not having it at all!

2735 You may feel I am embellishing, or perhaps, stereotyping, but I think, if I can find it – and I cannot, typically – in, I think, yes, Deputy Kuttelwascher’s Requête, his interests are ‘travel, personal finance and philanthropy’. (*Laughter*) Not only does he want to cut my salary, he wants to *give it away!* He wants to give his money away. (*Laughter*) So it is, whilst people... this is an interesting observation to make. (*Laughter*)

2740 If we were looking for real substance in this Requête – and I have to say that is a challenge in itself – but if we were looking for real substance, you can only find it, really on page 1921, bullet point 4, it says,

‘A freezing of States Members’ pay throughout this term would set a good example to the whole community’.

2745 This is a point picked up, I think, very well by Deputy Brouard, who was saying, if you are looking for ETI and that is how the whole Zero-10 stacks up, you have to get people earning more, so they pay more ETI, why would you want then to attempt to depress from this parliament, why would you seek to suppress salaries in that way? I think we also forget, and I look to Deputy JLT – I beg your pardon, Deputy Jonathan Le Tocq – when he had a role on the Public Sector Remuneration Committee, the message to the public sector was explicit and clear, the States of Guernsey have no more money. We could not reach agreements on that basis, we could not reach agreements, but under the industrial disputes law you call a third party in and the third party will *always* give more than the State would, so there is no remedy for public sector pay, or not at least the quick fix that people believe that there is.

2755 I did make a note on my speech that Deputy David De Lisle said, ‘States Members must tighten their belts’ – sound advice for anyone going long haul on a CPA trip, I would have thought. (*Laughter*)

2760 What I would say to Deputy Le Tocq and others is please set the example by delivering a workable, fiscal strategy. Balance the books, not by token gestures, but by bold political actions, hard work, the sweat of your brow and please, please, stop playing hokey cokey with the Budget: you put your Budget in, you put your Budget out, you take it to the PC and they turn around. That has to stop. We want policy delivered; deeds, not words; actions not phoney remedies through silly Requêtes.

2765 Please, Members, we have had yet another independent Report and we are seeking yet again to amend it. In doing so, we are talking down the role of People’s Deputy yet again, we are sending out the wrong message to the electorate. This is not a part-time job that is less demanding than the role of a Deputy in the 1990s – and that has been said before. If you are committed to the role, it takes over your life, it consumes your life and, as people will know, it consumes your *family* life more than anything (**A Member:** Hear, hear.) I have to remark, because Deputy Lowe has referred to the States of the 1990s: Fisheries Board, Sea-Fisheries Board, Education Council, 52 Committees, a muddle that had to be remodelled, but it was a muddle that did not deliver a mental health law or strategy, it did not deliver a children’s law, it did not invest in infrastructure, it did not see the runway repaired, we had crumbling schools, yet gleaming marinas, we had no sewage infrastructure, corporation tax in, corporation tax out, but still carrying on claiming. The only people not present at committee meetings were Sid James and Barbara Windsor. (*Laughter*)

2770 Please, Members, it is important to send out the – and this is the challenge, I think – I think Deputy Ogier rose to the challenge of giving a difficult message to the electorate. I think that challenge should really have been met by the Deputy Minister of T & R, because Deputy Ogier’s position is a much more difficult position to adopt. Deputy Kuttelwascher’s position is a soft, win-win situation, because he can leave here today, presumably, and say, ‘Do you know, I tried to get them to rein in their salaries and they would not listen to me.’ Or alternatively, ‘I have done it, I

have delivered for you, I have reined my salary in.’ It is those sort of soft political motives and interventions in politics that I find most infuriating and brings this Chamber into disrepute.

2785 Please, Members, I implore you to keep this job attractive, make this job accessible to those who want to serve their community. Do not get in the top bunk and then pull the ladder up behind you, make it easier for those who want a life in politics and do not make it the preserve of those who want to ‘retire’ into politics. What you are asking me to do today, which is unpalatable and I cannot do it, I can write to the central payroll – or even the ‘parole’ – you are on probation, by the way, Lester! (*Laughter*)

2790 All of us can do that, but you are asking me to do something different. You are asking me to put my hand in Deputy Burford’s pocket, Deputy Ogier’s pocket and stop *them*, to cap their income and I cannot bring myself to do that, sir, so Members, please reject this Requête. (*Applause*)

2795 **The Deputy Bailiff:** Deputy Brehaut, a number of matters there which Deputy Trott drew our attention to earlier. It is not just Deputy Kuttelwascher who is the signatory to this Requête, there are eight requérants, so perhaps your comments should not be directed solely to Deputy Kuttelwascher –

2800 **Deputy Brehaut:** Respectfully, Deputy Bailiff, I referred to both the Chief Minister and the Treasury Minister as well as Deputy Kuttelwascher.

The Deputy Bailiff: You did and they have signed it in their positions as individual Members of this States of Deliberation.

2805 The other thing is, of course, an awful lot of what you were saying, at times, was addressed to Members of the States too directly, rather than indirectly, and I am sure you do not need to be reminded of that.

We are going to move to Deputy James next.

2810 **Deputy Fallaize:** Before we do, may I just ask you a question on this issue of referring to the lead signatory of the Requête; it has always been common practice in the States to refer to, on this occasion, for example, as ‘the Kuttelwascher Requête’. Are you now saying that that sort of terminology is no longer acceptable?

2815 **The Deputy Bailiff:** No, I am not, Deputy Fallaize. That is a label, a little bit like the way that some Members have referred to the Crowder Report, because he was the Chairman of the body who prepared that Report but, as Deputy Trott directed our attention to earlier, it was an independent pay review board, rather than a single person doing that, just as we have had a number, I believe, of Fallaize Requetes, (*Laughter*) that have been referred to over the years.

2820 Every Member knows that there must be at least a further six signatories and, in some cases, they get up to 21, or even perhaps beyond. So there is nothing wrong with labelling it that way, but Deputy Brehaut’s comments, which I drew attention to, having been reminded of it earlier, did seem to be very directed towards Deputy Kuttelwascher, rather than all the requérants.

2825 Members of the States, we are going to move to Deputy James, Deputy Laurie Queripel, followed by Deputy Trott.

Deputy James: Thank you, Mr Deputy Bailiff.

2830 I, too, believe that this Requête is both unwise and ill judged. My comments will be primarily focused on the ‘setting an example to’. I would like to share with the Assembly, albeit briefly, my huge 30-odd year experience of pay review bodies in the United Kingdom, affecting certainly over a million employees in the National Health Service. The pay review body was awarded to those people working in the NHS by the wonderful Mrs Margaret Thatcher, as a reward. What I would say to you, the one thing that would anger, frustrate, trade unions and staff organisations and threats of industrial action – not that I am suggesting that would happen here, but if there was *any suggestion whatsoever* of interference by Government of the independent pay review body recommendations – so I would suggest that, if the States Members here today believe that interfering with the recommendations in this 40-page independent pay review body Report will have any sway with trade unions or staff organisations locally that negotiate public sector pay, I think that they are sorely mistaken by that.

2840 I believe that most of the debate we have heard here today, most of the calculations, rightly or wrongly, are those very arguments and that very debate that should be made to the *panel*, the members of the panel of the pay review body, not discussed in public, so I feel that this whole

sorry day has been, for me, quite unsavoury.

2845 In conclusion, what I would say to people who have indicated their dilemma, that they feel that they are in an emotionally blackmailed position, and certainly taking account of Deputy Fallaize's comments this morning – he really did not know which to do – there is your answer. This is an independent pay review body, which will be the next time round for you to make your very arguments on whether we should have an increase or not. If this pay review body had suggested that States Members take a reduction in pay, so be it. I would not be jumping up and down. So let us adhere to this independent pay review body recommendation.

2850

The Deputy Bailiff: Deputy Laurie Queripel.

2855 **Deputy Laurie Queripel:** Thank you, sir.

Being that I am a Queripel, you might be relieved to hear that I have cut out great chunks of my original speech, (*Laughter*) but the bad news is I have added some bits, since I have been listening to the debate. (*Laughter*)

2860 Sir, as Deputy Fallaize rightly said this morning, the issue of States Members' pay is not entirely an independent process. However, the independent aspect of the process ensures that a lot of the dirty work was done before the matter was brought before the Assembly. As a result of this Requête, the Assembly has been drawn more deeply into that process.

2865 Sir, I do not want to decide my own salary at that level and I certainly do not want to decide the salary of other Deputies; I am neither their direct employer, shop steward, nor union representative. I do not particularly want to encourage or give employers a reason or excuse not to award their staff pay rises. Some employers need very little excuse to pay their employees the minimum amount possible and, more than occasionally because of this, as we heard yesterday during the Minimum Wage debate, it falls upon the States to top up their earnings by a supplementary benefit. In other words, some employers could pay more, but they choose not to.

2870 I agree with Deputy Brouard and Deputy Ogier: how does this fit in with the States' chosen economic route of trying to encourage growth and the creation of high-value jobs?

If things improve economically over the next year or so, and inflation grows as a consequence, and if and when employees ask for a rise, would the answer, or the mantra, from their employers be, 'No, if the States Members can manage it, so can you.'

2875 I was wondering – I do not think it is an insult to Deputy Kuttelwascher to call him slightly right wing – one of the colours of the right wing ethos is to leave the market to its own devices, that Government should not interfere or try to influence market forces. Right wing people class that as virtually sacrosanct. So I would say Deputy Kuttelwascher and the signatories to his Requête will be encouraging Government interference in the market.

2880 Sir, because of my particular circumstances, the current salary is perfectly adequate. At the age of 51, I am not about to take out a mortgage. My daughter is now 31, so I am not about to father another child, as far as I am aware. (*Laughter*) So, speaking personally, even if there was a rise during this term, it is very, very unlikely that I would accept it; but that is a different matter. That is a matter of personal choice.

2885 So, sir, the bottom line is I will not be supporting this Requête.

Thank you, sir.

The Deputy Bailiff: Deputy Trott.

2890 **Deputy Trott:** Thank you, sir.

Whilst I agree with others who believe we should not be having this debate, I have found it, on occasions, thoroughly amusing. (*Laughter*) Particularly the revelation earlier from my friend, Deputy Brehaut, that he is an electrician. That would explain, sir, why, on occasions, he has had a *sparky* personality. (*Interjections and laughter*)

2895 Members will be delighted to –

Deputy Brehaut: I am sorry if it came as a shock! (*Laughter*)

Deputy Trott: That was lightning quick, sir. (*Laughter*) Lightning quick.

2900 I rise because some Members this morning spoke about the Taxation Strategy and the importance of seeing growth in higher paid salaries because of the positive contribution to ETI, which as Members will know is a significant part of our revenues – it represents more than half of our revenues, in fact, in much the same way as public sector salaries represent more than half of our expenditure.

2905 I pose Members this question, bearing in mind that the Requête says that:

‘Your petitioners believe that in a time of fiscal restraint and in an uncertain economic environment, States Members should lead by example. A *freezing* of States Members’ pay throughout this term would set a good example to the whole community.’

2910 Well, I pose this question, sir: would we *want* to freeze public sector pay for four years? The answer is almost certainly not, because if we did – and we have low inflation at the moment, and I shall come to that shortly – what would happen is that, in four years’ time, it would be even harder than it is now for us to attract the sort of people to come to Guernsey to work because of our relatively high cost of living. So it is important that we do not allow these salaries to wither on the vine. It is also important that we constrain the growth in public sector expenditure in line with the States’ strategic plan at RPIX or less. So I fundamentally disagree with the premise that it sets ‘a good example’. It is not a good example and it is not something that this Assembly should be striving for, for one of the reasons I have given and there are many others.

2920 The second thing, sir, is to do with our inflation rate. Do we actually *want* our inflation rate any lower than it is now? I argue that we do not. I argue that our inflation rate is absolutely perfect where it is. We would not want a situation where it was shrinking, because if it were shrinking and prices were deflating, that would almost certainly mean that our economy was shrinking very rapidly, as has been the case in Japan for many, many years. So we want inflation where it is and we want our public sector pay to be index linked. In other words, we do not want it to grow in real terms, we want it to be constrained.

2925 Earlier on, sir, I doodled down the two letters *G* and *P* – and I was not referring to the *Guernsey Press*. I was not referring to the Requête’s grand proposal, or gross pay, or guiding principle, or any other mnemonic that Members would care to come up with. I was referring, when I doodled that, to ‘gesture politics’.

2930 We have heard this morning from Deputy Fallaize that, on the one scenario, the aggregate saving is a trifling £30,000 – £35,000. I calculated, sir, that if the eight Members who have signed the Requête would like to join me, the ninth, and sacrifice £4,000 per annum each of their salary, according to my friend, Deputy Queripel’s calculator, that comes out at £36,000. (*Laughter*) That would have the same effect. And leading on from the gesture politics earlier of the Treasury Minister with regard to *his* decision to advise the House that he would not be seeking an increase should there be one under the present formula, I ask that he joins me in the manner in which I have suggested. The solution, sir, would be equivalent.

2940 **The Deputy Bailiff:** Deputy Storey, were you wishing to speak? Followed by Deputy Le Lièvre.

2945 **Deputy Storey:** Sir, I am another one of the group of Members here who strongly believe we should not be having this debate, but we *are* having the debate. I think there have been two very good speeches today and I would like to refer to them, if I may.

It was a great speech by Deputy Ogier, who gave us, blow by blow, the situation, the history of a Deputy’s pay and the fact that although the Requête before us is suggesting we should have a freeze, in fact we have had a freeze for the last eight years. For a large number of us backbenchers, my calculations agree with Deputy Ogier’s, when we had the debate last term, and that is that for backbenchers we have had a reduction in our total remuneration package because what has happened is our pensions contributions from the States have been taken away and they have been redistributed as increased salaries for the senior Members of this Assembly. So the idea that backbench Members have had an increase is far from the truth. The fact that they have had a freeze is far from the truth, but the point is, what I want to say is that that, to me, is not the point. The point is the matter that was raised by Deputy Luxon. The point is the matter of good governance.

2955 It is *not* good governance for a group of people to set their own remuneration levels – that is extremely *bad* governance – and that is why, in the past, the Independent Review Panel was set up, to provide an independent view on what our remuneration package should be.

2960 Now, that is good governance. I am sure everybody in this Assembly, if they were asked, ‘Do you subscribe to good governance in the States in Guernsey?’ would say ‘Yes’. I am sure quite a lot of us referred to the matter of good governance in the States of Guernsey in our manifestos in the recent Election, but I do not think many people referred, as a matter in their manifesto, the level of remuneration that Deputies would receive. So if we want to send a message to the community, it is not a message that we think we want to tinker around with our own salaries. The message is that we will continue to subscribe to good governance.

2965

2970 The Treasury Minister, in his speech, in trying to justify us meddling with what the Independent Review Panel said, said ‘There has been a major change in circumstances which justify us revisiting the situation.’ Well, what I would say to you all is that if there has been a major change in circumstances which justifies revisiting the situation, then we should ask the Independent Review Panel to revisit their decision and come back with a revised proposal. That is the way we should be doing it if we think there is a major injustice and we want to continue to behave in the way of adopting good governance within the States of Guernsey.

2975 So, on this basis, I reject entirely the Requête that is placed before us today, simply on the grounds that it is not our place, in the terms of good governance, to be discussing what our remuneration package should be. In the meantime, I would urge people to reject this sad Requête and possibly support charities, as suggested by Deputy Le Tocq, in place of any change in the meantime.

Thank you, sir.

2980 **The Deputy Bailiff:** Deputy Le Lièvre.

Deputy Le Lièvre: Mr Deputy Bailiff, Members of the Assembly, I should declare that being born in 1950, I am a baby-boomer, but, after having me, my parents decided the boom should stop, (Laughter) and I have not got a clue why! (Laughter)

2985 I should also admit that I have to apologise to my son because unlike Deputy Domaille who used his iPad, I found a scrap of paper in the cubby of my Land Rover and wrote all over it, discovering it was my son’s insurance certificate. (Laughter) No doubt he knows that by now! (Laughter)

2990 Deputy Gollop gave the perfect speech, sir, for the independent body to review our pay because he talked about means testing, RPI, RPIX, Hay evaluations, median earnings, senior officers’ pay and the only thing he left out was linking it to the rate of old age pension! There is a serious message there, but we will leave that for today.

2995 Deputy Fallaize is looking for inspiration. While those of us who know Deputy Fallaize well can tell you that he is inspired equally by a good speech and – with my apologies, Deputy Fallaize – by a packet of oatcakes... (Laughter) As I have neither commodity to hand, I would ask him to consider the speeches of Deputy Sherbourne and Deputy Ogier. In the case of the former, it was bordering on the inspirational. In the case of the latter, it was a clinical dissection of the issues to hand and the dangers of voting for this Requête. This debate is distasteful, of that there is no doubt.

3000 When you have a young man like Deputy Fallaize, who has a family and a mortgage and whose income is essential to his wellbeing, torn to decide whether he is to vote ‘Pour’ or ‘Contre’, you can well understand the perplexing place he finds himself in: the good of the community or the good of his family. My advice to Deputy Fallaize would be to put your family and children first. The Island needs men and women such as him and it is not going to recruit them when it pays rates of remuneration that are less than required to meet family need.

3005 Furthermore, talking about freezing those same rates of pay for four years, this debate is dangerous. Why is it dangerous? I will just turn the insurance certificate over. (Interjection and laughter) There has much said about leading by example and, in particular, leading by example in relation to various pay groups associated with the administration of this Island. Leading by example is invariably associated with a feel-good factor and, in turn, this leads to anointing oneself with oil before cloaking oneself in the apparel of righteousness. Leading by example is invariably *not* evidence based, *not* based on good practice and it is *not* based on fairness or equity of treatment.

3010 Listening to Deputy Brouard, it very much sounds like he has already got the chalice of oil ready to anoint the Chief Minister and the Minister of T & R. The concept of pay restraint via leading by example is both farcical and dangerous. Deputy Brouard wants to give the Policy Council and the Treasury and Resources Department a new tool for its box; but this tool is not some finely calibrated vernier gauge. It is nothing short of a four pound lump hammer. As I have already said, it is not based on sound economics or the tools of negotiation – namely, fairness, reasonableness and equity of treatment. Try and negotiate health visitors, theatre nurses, midwives and the dozens of other health professionals on a policy of wages governed by leading by example and see where it gets you. The same is true for teachers and headteachers. I would liked to have finished this speech with a comment along the lines that, despite the fact, it is ‘well meaning’; unfortunately, I cannot do so. This Requête is distasteful, dangerous and downright dubious.

3025 I do not want to negotiate my pay myself. I want it negotiated by a wholly independent body. I do not want this Assembly involved in the setting of my pay at all, any more than I want this

Assembly to interfere with my mortgage, the size of the car I drive or how many children or grandchildren I should have. It is wrong and it is improper, and I would ask you to vote against this Requête.

3030

Thank you, sir.

The Deputy Bailiff: Deputy Perrot.

3035

Deputy Perrot: Mr Deputy Bailiff, I am perhaps not a terribly sensitive soul, (*Laughter*) and to echo a phrase often used by Deputy Lester Queripel, I am very much a new boy on the block. He uses that one daily! (*Laughter*) But even I can see which way this debate is going. I am not that insensitive that I cannot see that probably this Requête has been lost.

3040

I was not originally going to speak in this debate because I thought it was blindingly obvious that one *should lead* by example, although that has been deprecated by a number of people this afternoon. But in my gentle way I just want to say that I am concerned at the tone adopted by some of the people during the course of this debate because it imputes bad faith and worse to the requérants. There were a number of *ad hominem* remarks, but generally the tone was overdramatic and I certainly resent being over-criticised merely because, through a Requête, I have expressed a point of view held, I may say, in good faith.

3045

Some of that unnecessarily dramatic language has been by way of phrases such as Deputy Luxon's, whereby he apologised to the people of Guernsey. In doing that, what he is saying, by implication, is because of my appending my signature to a Requête, he has somehow, and dramatically, got to give an apology to the people of Guernsey for something done by me. Well, I resent that because I signed this Requête in good faith.

3050

Deputy Trott says we are all culpable. Using the word 'culpable', which he did in his earlier intervention, is strong language. That is somehow implying that I am doing something wrong because I have the temerity to disagree with the point of view of Deputy Trott.

3055

There are other phrases such as this. Deputy Luxon says that we were bringing ourselves into disrepute. One of the lesser effusions was by Deputy Fallaize, who said that we were being 'populist' in this Requête. Alderney Representative Arditti said that this was 'unwelcome by the public'. Deputy Sherbourne said that the Requête had caused *me* – that is to say him – embarrassment. Deputy Jones – I admit that he toned down his language for the purposes of this debate, but he was saying that the Requête was *disgusting*. Deputy Stewart said that this was unconsidered government, as if in signing this Requête, just because we do not agree with the views of other people, that we have not tried to think through the consequences of bringing this Requête. I do not need to comment on one of the remarks about this being 'a millionaire's Requête', because you sat, quite rightly, if I may say so with great respect, on that observation, but other remarks were that this Requête was 'silly', and another Deputy said that it was 'sad'.

3060

3065

I am entitled – I think, anyway – to come to this Chamber and to be treated with a certain amount of courtesy and for excessive language not to be used. I have already said that I resent some of the remarks and I stand by what I said, but a few of the other things which emerged during the course of the debate... was that Deputy Lester Queripel again said that during the course of his election campaign not one person – not *one* – raised with him the question of payments to Deputies. I do not know where he was campaigning – maybe as a candidate for St Peter Port North he unfortunately strayed within the environs of Fort George (*Laughter*) – but certainly, as far as I was concerned, in the west this was a constantly recurring theme. Indeed, during the course of the hustings, the pay of Deputies was raised as a subject. It is not populist if we share the concerns expressed by the public. What *is* populist – and this is in response to Deputy Fallaize – is the cynical expression of a view not actually held but which chimes with the public view, and if the raising of a subject causes embarrassment to a Member or gives pleasure to the media in reporting what it says, then we have to realise that that is the way in which government works. This is a governmental and legislative Assembly. We will not all be of the same view and it is not 'disgusting' to express views if we express them in good faith and we do not bring ourselves into disrepute by suggesting that our pay be frozen.

3070

3075

3080

3085

Deputy Mr Ogier, who gave an admirable, if long, speech, says that the Requête is actually about people who stand as Deputy. No, it is not. In my view, it is about setting an example. 'To whom?' he asks. I respond: to the Island generally. I disagree with Deputy Jones that we set an example by standing as Deputies. No, we do not. We set an example by what we *do* as Deputies, and there is nothing 'disgusting' about having a view contrary to that of Deputy Jones, and there is nothing 'unconsidered' or 'careless' about a Requête merely because it does not accord with the views of Deputy Stewart.

Furthermore, and in answer to a couple of the points which were made, there should be no

restriction on speaking in this Assembly or expressing a view, merely because one is perceived to have been successful or to have wealth, however accurate that perception might be.

3090 Deputy Ogier says that the Requête, if successful, will give the ‘worst example possible’ – again, really strong language. That, in my view, is absurd. As Deputy Conder said, we are in a time of the greatest economic danger: it is reasonably clear that Spain will have to be bailed out; the euro is highly likely to fail. We do not know what the consequences of those events, if they
3095 happen, will be, but when taken with little or no or negative growth, it does not do well for us to convey any suggestion that index linking, in whatever form, should continue into the future and, so far as our pay is concerned, in saying that for the next three-and-a-half years we are freezing that level, then at least we are giving some statement to the public that we are conscious of other people’s economic pain.

3100 Deputy Ogier as well... and I repeat it was a splendid analysis of what had happened in the past, but, with respect, it was not relevant because we are not talking about how one *arrived* at the figure which we arrived at last year. What we are doing in this Requête is to take that as the benchmark and simply to say that we are freezing that, or that is what we were originally trying to do, for the course of this Parliament.

3105 There are many other things that I could take issue with because such hard language has been used. In view of all that has been said so far, and bearing in mind the time of day, I am going to restrict what I have to say to what I have said, but I do say that I resent the way in which some of these remarks have been made.

3110 **Deputy Fallaize:** Sir, may I... I am happy, sir, because –

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Sorry, sir.

3115 Deputy Perrot was critical of something I said. I am very happy to withdraw any implication that the Requête is populist but, in a similar spirit of respect, would Deputy Perrot be prepared to withdraw a comment which he made some time ago in the States that, since he had left this Assembly, the States had spent most of its time voting itself shed-loads of money?

3120 **The Deputy Bailiff:** Deputy Perrot, I will give you the opportunity to respond to that.

Deputy Perrot: No, I am not going to take back something as a *quid pro quo* in order to get away lightly in this debate.

3125 **The Deputy Bailiff:** Thank you.

Deputy Perrot: With respect, sir.

3130 **The Deputy Bailiff:** Deputy Lester Queripel, are you raising a point of clarification or correction?

Deputy Lester Queripel: Yes, a point of correction, really.

It is purely that Deputy Perrot suggested I campaigned in Fort George but, with the greatest respect, Fort George is not in my parish, sir. (*Laughter*)

3135 **The Deputy Bailiff:** Deputy Trott, is this also a point of correction or clarification?

Deputy Trott: No, it is...

3140 I am conscious of how sensitive my good friend has suddenly become. Can I remind him that ‘culpable’ means responsible for action. The requirement is for seven signatures to bring a Requête, so because he was one of the eight, he was culpable in terms of being able to allow the proposal to come forward for discussion. Had only six signed the Requête, they would also have been culpable for *wanting* to bring the matter for debate, but would not have secured the correct number.

3145 So, whilst I understand his sensitivity with some of the other language that may have been used, sir, ‘culpable’ is certainly not one that breaches, I think, any doctrines of parliamentary protocol.

The Deputy Bailiff: Deputy Langlois, is this also a point of correction?

3150 **Deputy Langlois:** A very brief point of clarification about terminology, sir, because I believe it is a term that will come up in future debates.

Can we just remember that, statistically, ‘freezing’ an amount is, of course, a form of index linking, because it reduces the value in real terms by RPI or whatever index you choose. So freezing itself is not *no* index linking; it is a negative form of index linking.

3155 **The Deputy Bailiff:** Deputy Hadley, do you wish to speak in this debate?

Deputy Hadley: Permission to speak in debate, sir, if all the...

3160 **The Deputy Bailiff:** Of course.

Deputy Hadley: Mr Deputy Bailiff, we have heard that an increased remuneration package was introduced to ensure a more representative Assembly, that an absence of wealth would not be a bar to membership of the Assembly, and that it should not even be relevant.

3165 In the debate there has been a suggestion that some requérants are more wealthy than average, there has been the suggestion that some Members of the Assembly might not take any increase, and I deprecate these comments because they start to make an invidious distinction between those who can work unpaid in the Assembly and those who cannot. It could be that, at some point in the future, the electorate, or some of the electorate, might be encouraged to vote for a wealthy candidate, because they knew this gave better value for money. While agreeing with a number of the remarks of Deputy Perrot, I think his speech did indicate why we should not be even discussing our remuneration and why, I think it is important that we do reject the Requête.

3170 **The Deputy Bailiff:** Deputy Green.

3175 **Deputy Green:** Sir, I will be, somewhat mercifully brief, if I may. I rise to oppose the Requête. The arguments have been well made and I associate myself with many of the arguments made against this Requête. I do see it as a fundamental misjudgement on this occasion to be contemplating the freezing of States Members’ pay.

3180 I want to concentrate on one particular argument, which has been alluded to already. I do not accept, myself, for one minute that a proposed pay freeze for all States Members will offer the kind of example to the community that Deputy Kuttelwascher and others believe it will. At the very most, in my view it will allow those who negotiate on behalf of the States, as an employer and on behalf of private sector employers, to use as a *minor* bargaining chip and no more than that, 3185 the fact that our Island’s political representatives have agreed to freeze their own pay. That, in my judgement, is going to command little or no purchase on those who negotiate on behalf of the workers in Guernsey, when this Requête is so obviously motivated by such nakedly cynical and opportunistic political calculations.

3190 I conclude by saying I urge Members not to support the Requête. There is a whole variety of arguments against this, but I would suggest in no way should this be supported this afternoon.

The Deputy Bailiff: I did not see anyone else rising to speak in this debate, so we will move into the wind-up, in accordance with Rule 17.

3195 Each of the Chairmen or Ministers of those Committees and Departments who were invited to comment at the beginning are entitled to speak on behalf of their Committees or Departments in reverse order.

So Deputy Fallaize, Chairman of the States Assembly and Constitution Committee, do you wish to exercise your right?

3200 **Deputy Fallaize:** No, thank you.

The Deputy Bailiff: Thank you.
The Minister of the Treasury and Resources Department?

3205 **Deputy St Pier:** No, sir.

The Deputy Bailiff: And the Chief Minister?

Hon. Chief Minister: No, sir.

3210

The Deputy Bailiff: Thank you very much.
Deputy Kuttelwascher, therefore to reply to the debate. Are you ready to do so straightaway?

3215

Deputy Kuttelwascher: Yes, sir.

The Deputy Bailiff: Thank you.
Deputy Kuttelwascher to close the debate.

3220

Deputy Kuttelwascher: Thank you, sir.

I would first like to thank Deputy Perrot for what I consider was the most focused speech during this debate and raised many of the issues which I now do not have to raise.

3225

One point I have to make, there has been a lot made of the independence of the Independent Pay Review Board and I have got two points to make on that. Firstly, one of the three members was an ex-Deputy, which is a fact. Secondly, during their consultations they consulted with 79 people, of whom 32 were Deputies, so there was an input of 40% of Deputies. So, when one says they are independent, which is fine, I ask independent of what? They certainly independent of Deputies' views and, in fact, a lot of the views were published in the Report.

3230

The other issue I have got with their independence is they were working to a budget, they were not actually, with a clean sheet, openly reviewing Deputies' pay, they were working to a budget and it was a reallocation of existing funds. Part of that budget was putting into the Fund what the States, what the taxpayer, would normally pay towards a States Member's pension fund, so they got it in cash. We got it in cash, as it were, what was otherwise paid towards the Pension Fund and that was roughly £1.8 million. In that sense, I think the Review Board was a little flawed and maybe the next review, which will be done, may not have those restrictions.

3235

A lot of Members said they found it 'disgusting' when we were discussing pay. We did it last term and if you look at resolution 5 of that same Billet of 25th January, we will be doing it again towards the end of this term! So we will be discussing our pay and you will be able to amend it if you want, reject it, you could do what you like with it. So, to say you do not wish to discuss pay, that is what we do. You cannot get away from it.

3240

Deputy Luxon suggested he would bring a Requête to take it out of the hands of us completely, so somebody out there will set our pay. That is fine, but here is your problem. This pay will come from the public purse, it will have to appear in a Budget Report, which will come to this Assembly for its approval, can be amended and rejected. You cannot get away from the fact that, at the end of the day, this Assembly will approve, or otherwise, its own pay. Fact of life. For that kind of negatives many of the comments that were made by various people.

3245

I too was concerned very much about the personality politics today and the use of strong words. I remember saying in May that if I was a Hindu and was reincarnated as something else, I would come back as a leather-backed turtle. You will be pleased to know the shell is still intact.

3250

A Member: For the Hindu?

3255

Deputy Kuttelwascher: I took issue with some of Deputy Fallaize's numbers, because more than once he used the fact that he was looking at average pay, when what we are talking about is median pay and they are not the same. So his figures will be slightly different, I suspect.

Deputy Fallaize: No, sir, sorry, I must... *may* I correct Deputy Kuttelwascher? (*Laughter*)

The Deputy Bailiff: Deputy Fallaize, is it really necessary?

3260

Deputy Fallaize: It is, indeed, sir. I was referring –

The Deputy Bailiff: In that case, I will give you some latitude.

3265

Deputy Fallaize: – to the table which appears in Social Security's States Report in this Billet, which quotes median earnings.

Deputy Kuttelwascher is laying a Requête related to a proposition that Members' remuneration will increase in line with average median earnings.

3270

Deputy Kuttelwascher: That is fine. I think we will have to await the *Hansard* report, because I heard him say 'average' more than twice. It is almost an incidental.

The Deputy Bailiff: Deputy Kuttelwascher, Deputy Dorey is standing.

3275 **Deputy Dorey:** Thank you, Mr Deputy Bailiff.

I just wanted to correct the point he made about the – which he implies – that the terms of reference for the Review Board was that they had to work on a budget. The previous Policy Council did not set that as part of the terms of reference. If the Committee decided to work in a budget, they did it of their own decision; it was not part of their terms of reference, which I think he was implying.

3280

The Deputy Bailiff: Thank you for that point of correction.
Deputy Kuttelwascher to continue.

3285 **Deputy Trott:** If I may, sir, they also provided their services *pro bono*.

The Deputy Bailiff: Thank you, Deputy Trott.
Deputy Kuttelwascher, please.

3290 **Deputy Kuttelwascher:** Okay, they worked within a budget, which they decided themselves, which happened to be within a penny or two of the budget for the previous Assembly. So the total budget amount did not change.

I was interested in Deputy Queripel's speech, because he said nothing about the Requête. (*Laughter*)

3295 **The Deputy Bailiff:** So that is Deputy Lester Queripel's speech?

Deputy Kuttelwascher: Sorry, Deputy Lester.

3300 He did mention, I believe, there were 44 Members, so that is where he got his sums wrong, I think, because there are 45 Members, plus two Alderney Members, so I do not think it is a calculator, it was just the input of the wrong numbers.

He also said we should be sitting here debating how to save millions. Well, we have got another day tomorrow. I mean, where is the Report, where is the Requête? Where is –

3305 **A Member:** The Budget!

Deputy Kuttelwascher: Bring something, you know!

Another Member: Where is the Budget?

3310 **Deputy Kuttelwascher:** You cannot substitute the Requête for another debate to save millions elsewhere. It is almost –

Another Member: Where is the Budget?

3315 **Deputy Kuttelwascher:** I thought some of the comments were rather patronising, like 'honourable intentions' and all the rest of it. They were not honourable intentions, they were thought out and, obviously, Members disagree and we just have to agree to differ.

3320 This issue of leading by example has caused some stir and there are a lot of assumptions on what may be meant by it. Because we decide, or otherwise, to maybe freeze their pay does not imply that you expect everybody to freeze their pay for four years. The point of the example is to try and break this automatic link between remuneration and automatic index linking. That was broken decades ago in the private sector, but it still persists completely in most public sectors around the world and that is a problem.

3325 I agree with Deputy Langlois, I am not trying to change the world economy. This will not change the world economy. In fact, I quite openly say there is a potential benefit if this were to be accepted, if the example were to be accepted, and whether or not it produces a benefit, only time will tell.

Deputy Burford, in her maiden speech, had a go at my calculator, but did not specifically say which calculation was right or wrong. I am happy to go over them with her at some other time.

3330 Deputy Bebb made reference to a conversation we had yesterday, when I said – and there were other people present, was there is a *possibility that* median pay will not increase, I did not say I

3335 expected it to and it was only by reference to what the downgrades in the GDP growths for 2009-10 and 2011 and for this year. So I just said it was a possibility. I also it would be an unintended consequence, but the main thrust of the Requête is not necessarily the amount that one might save, it is the significance and the willingness to break that link with forever linking pay to some index of inflation which, incidentally, we did not do in the last term and there was no problem passing a fixed pay or frozen pay for four years for the last term. It seems to have been a big issue this time.

3340 Also, I am not attacking the independent Report, the mass of the Report and the recommendations are intact, all I was suggesting is, are you or are you not willing to forgo this particular indexation? It is as simple as that. It is a 'yes' or 'no'.

I enjoyed Deputy Brehaut's speech. He did mention philanthropy. I thought maybe if he registered himself as a charity, there might be some benefit, but I cannot really say what else now, I am not quite sure what the significance of that was.

3345 Deputy Laurie Queripel described me as 'right wing'. I am not sure what that means and he said I would supply market forces. What is interesting is in the real world that is exactly what is happening – market forces. People have their pay frozen, they have it reduced, they lose their jobs, but it is not quite the same with the public sector. Why should we have these two sectors? That is what it is all about to me. We are underwritten by the taxpayer and, at the end of the day, you can almost do what you like, but always have to face the electorate at the end of the day. Market forces are in play out there, but they are not necessarily in the public sector.

3350 Deputy Trott said we should not be asking others to freeze pay. Well, I never mentioned that, I was just saying shall we freeze ours. All I am saying is that other sections of the public sector might, on some occasions, not quite get an RPIX increase or otherwise, because at the end of the day you have to remember we are living at the present time off our savings. We have not restored the budget into any sort of surplus. We have a structural deficit and so it goes on. This is at a time when the economy is very much in decline; we are not growing, we are marking time and nobody knows what is going to happen in the near future and the Contingency Reserve tax strategy will run out.

3360 The issue of good governance: again an interesting one and I think I have already addressed that. There is no way at the end of the day you can completely take away from this Assembly the final decision on what we get paid, because at the end of the day it will at least have to appear in the Budget Report and we will be able to amend it, accept it or otherwise. It is not quite like the private sector.

3365 Deputy Le Lièvre said maybe the pay should reflect family need. Well, that would be new terms of reference for whatever new body comes. Just tell them what it is you really want and one of the items that has come up regularly is that the actual intent of the pay structure was to allow more and more people to come into the Assembly, who might otherwise not be able to, if the pay was not sufficient. But, believe it or not, that has not worked when you look around the Assembly. It *has not worked*. So you have to look at something else to try and revive that intention.

3370 Deputy Green, I will finish with. He said it was 'opportunistic'. No, it is an opportunity, not quite the right word.

And with that I close.

Thank you, sir. I request an *appel nominal*.

3375 **The Deputy Bailiff:** Members of the States, we move to the vote then by way of *appel nominal*. The proposition is a single proposition. You will find it on page 1923 in the Billet.

When you are ready, Greffier.

There was a recorded vote.

3380 *Lost – Pour 13, Contre 32, Abstained 1, Not Present 1*

	POUR	CONTRE	ABSTAINED	NOT PRESENT
	Deputy Perrot	Deputy Duquemin	Deputy Le Tocq	Deputy Spruce
3385	Deputy Brouard	Deputy Green		
	Deputy Wilkie	Deputy Dorey		
	Deputy De Lisle	Deputy Paint		
	Deputy O'Hara	Deputy James		
	Deputy Harwood	Deputy Adam		
3390	Deputy Kuttelwascher	Deputy Burford		
	Deputy Domaille	Deputy Inglis		
	Deputy Le Clerc	Deputy Soulsby		
	Deputy Gollop	Deputy Sillars		
	Deputy Conder	Deputy Luxon		
3395	Deputy St Pier	Deputy Quin		
	Deputy Lowe	Deputy Hadley		

3400 Alderney Rep. Kelly
Alderney Rep. Arditti
Deputy Brehaut
Deputy Langlois
Deputy Robert Jones
Deputy Sherbourne
Deputy Storey
Deputy Bebb
3405 Deputy Lester Queripel
Deputy Stewart
Deputy Gillson
Deputy Le Pelley
Deputy Ogier
3410 Deputy Trott
Deputy Fallaize
Deputy David Jones
Deputy Laurie Queripel
Deputy Le Lièvre
3415 Deputy Collins

The Deputy Bailiff: Members of the States, on the proposition derived from the Requête led by Deputy Kuttelwascher and signed by seven other Deputies, there voted in favour 13, against 32. There was one abstention and, therefore, I declare the proposition lost.

3420 **Deputy Gollop:** A massive defeat!

The Deputy Bailiff: I understand that concludes the business of this month's meeting. Thank you all very much. Somebody will see you again next month. (*Laughter*)

3425

The Assembly adjourned at 4.34 p.m.