



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 11th November 2015

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Present:

Sir Richard J. Collas, Kt, Bailiff and Presiding Officer

Law Officers

H. E. Roberts Esq., Q.C. (H.M. Procureur)

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,
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, L. B. Queripel, M. M. Lowe,
A. R. Le Lièvre, A. Spruce, 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 Representatives L. E. Jean and S. D. G. McKinley, O. B. E.

The Clerk to the States of Deliberation

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

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller);
Deputy R. Conder (*indisposé*); Deputy D. B. Jones (*indisposé*)

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

Procedural – Armistice Day two-minute silence

The Greffier: This is the continuation of Billet d'État XVIII from 28th October 2015.

The Bailiff: Members of the States, the order in which I propose that we take the business is to complete Question Time with the Questions deferred from the last sitting and then to deal with the two Articles: Article VII and Article IX in that order, that were not debated last time.

I propose that we observe a two-minute silence as this is Armistice Day. I propose that we observe a two minute silence at 11 o'clock or as close as we can to 11 o'clock. I would not want to interrupt somebody in mid-flow, but as this is being broadcast on the radio and people around the Island will be observing a two-minute silence, I suggest that we pause as close as we can to 11 o'clock.

Questions for Oral Answer

PUBLIC SERVICES DEPARTMENT

Recycling – Total cost per tonne

The Bailiff: Deputy De Lisle, we start with your fifth Question to be asked of the Minister for Public Services Department.

Deputy De Lisle: I thank you, sir.

Question 5: what is the total cost of recycling per tonne? The Department had given, in 2009, a net cost of about £67 per tonne to recycle the material at the bring banks.

The Bailiff: And the Minister will reply. Deputy Ogier.

20 **Deputy Ogier:** Currently the cost per tonne for the main household recyclable materials, collected at kerbside and at bring banks is artificially high. The costs include operating an interim scheme on a short-term basis, which includes the recovery of capital investment required over a 24-month period and the funding of extra collection rounds for recycling as well as a full bring bank system.

25 Longer contracts for collection and processing, including more appropriate vehicle choices and a longer contract term for the processing of recyclables once the final scope is decided, should deliver lower costs and greater efficiency.

The cost in the 12 months from April 2014 to March 2015 was around £220 per tonne. This figure is therefore merely a snapshot of the costs during the first year of kerbside collection and not a reflection of likely long-term costings.

30 Kerbside is widely adopted as a means of achieving high recycling and reducing residual waste, consistent with our strategy. Where we still rely solely on bring banks, it is highly unlikely we would have achieved our 50% recycling target this year and it would be impossible to achieve rates much higher than that. Recycling levels have started to rise with the introduction of kerbside and when bag charges are introduced, we expect to see this rise again.

The Bailiff: Are there any supplementaries?

40 **Deputy De Lisle:** Yes, if I can ask a supplementary on that sir?

The Bailiff: Deputy De Lisle.

45 **Deputy De Lisle:** Can I ask whether the figures given reflect the bring-bank collections as well as the kerbside?

50 **Deputy Ogier:** Yes, that is the case. Currently, we are running two recycling systems: a bring-bank system and a kerbside system. Once we have swapped to the kerbside system permanently, the bring bank system will be rationalised and costs will decrease in that area also, as well as other efficiencies.

Deputy De Lisle: And a further supplementary, sir, if I may?
Are there estimates of what the likely longer term costs of kerbside will be?

The Bailiff: Deputy Ogier.

55 **Deputy Ogier:** Well, it depends on a number of factors. It depends on our export contracts, as well as the final costings that we receive. I am happy to take that question away and provide further clarification where we can to Deputy De Lisle and Members.

60 **Deputy De Lisle:** I thank the Minister for that, sir.

The Bailiff: Deputy Adam, you have a supplementary?

65 **Deputy Adam:** Yes, sir.
Does the 50% or 51% also include recycling of green waste or is it purely waste from kerbside recycling and bring banks?

The Bailiff: Deputy Ogier.

70 **Deputy Ogier:** Well, it is not really a question arising from the answer that I gave, but in answer to Deputy Adam, the 51% is a figure calculated in line with other European and UK jurisdictions.

We initially separated out the figures for kerbside recycling and for green waste. Now, in order to fall in line with comparable jurisdictions, we combine the two, but the two figures of kerbside and green waste are available separately and I think we do report them separately, as well. But, the 51% is combined, in line with other jurisdictions.

The Bailiff: Yes, Deputy Langlois.

80 **Deputy Langlois:** Yes, a supplementary, sir.

Would the Minister agree that, in view of the probability that there will be continuous changes in the approach and method of these collections, a more consistent approach to accounting and costing is needed, so we can compare like with like, rather than writing off capital expenditure over very short periods in one case and over very long periods in another?

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The Bailiff: Deputy Ogier.

Deputy Ogier: Well, it is an interim scheme. We needed to bring in an interim kerbside scheme to test out various options, such as glass, to test out which sorts of vehicles were appropriate and, as such, we had to introduce a scheme that ran for a short-term period. That unfortunately has come with some higher costs which will be removed when the final scheme comes in place.

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CHIEF MINISTER

Refugee crisis – Guernsey's plans to offer support

The Bailiff: Right, I see no one else rising. We will move onto the next Question to be asked by Alderney Representative McKinley of the Chief Minister.

95 Alderney Representative McKinley, you are aware that your Questions have to be asked within the scope of one minute.

Alderney Representative McKinley: Thank you, sir.

100 **The Bailiff:** So, I believe that you have perhaps slightly shortened your first Question.

Alderney Representative McKinley: I have done so, yes.

The Bailiff: Alderney Representative McKinley.

105

Alderney Representative McKinley: Thank you.

Irrespective of my great devotion of proposing constructive ways in which the people of the Bailiwick might be able to offer support to those refugees affected by the dreadful humanitarian crisis – and of course I do not refer solely to Syrian refugees – but I also believe that the thoughts of the majority of Guernsey residents mirror the thoughts of the majority of the people of Alderney, who have stated categorically that they do not wish to offer asylum to any refugees on the Islands. Are you able to confirm that Guernsey is considering offering support to a limited

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number of refugees and, if so, have you discussed the options within committee and with the public?

115 What is your position and the position of the States of Guernsey regarding this proposal?

Have you considered how your proposal may affect Guernsey and Alderney?

Who will bear the cost of transportation, accommodation, food, clothing, medical support and any subsistence?

120 **The Bailiff:** The Chief Minister will reply.

The Chief Minister (Deputy Le Tocq): I can confirm and it is publicly known that I have been involved in discussions to understand how Guernsey may be able to assist in light of the current humanitarian crisis affecting Syrian people.

125 We know that, as at the beginning of this month, there were 4.1 million registered Syrian refugees in neighbouring countries and that in addition to the just over 10% who have fled the conflict, seeking safety in Europe, and the 7.1 million people displaced within Syria itself.

The UK announced earlier last month that it would not be participating in a quota system for migrants arriving in Europe. Instead it will be taking 20,000 Syrian refugees straight from the camps in neighbouring countries, working in partnership with the United Nations and granting them a five-year Humanitarian Protection Visa. This scheme is separate and distinct from the process of granting asylum and does not confer a right to indefinite leave to remain.

130 These refugees will be the most vulnerable people in the refugee camps in countries neighbouring Syria. Policy Council officials are currently exploring what more Guernsey could do in response to the humanitarian crisis and one of the options includes the possibility of a proportionate contribution through involvement in the Syrian Vulnerable Persons' Relocation Scheme. However, we are at a very early stage and, as you have pointed out, there are a number of considerations such as: welfare, healthcare, employment and security issues. Any option would, of course, also take into account Alderney's interests by virtue of the 1948 Agreement. As I have stated previously, any proposal would need to be placed before the States of Deliberation for due consideration.

140 In terms of aid, the Guernsey Overseas Aid Commission, which represents our whole community, not just the States of Guernsey, has been monitoring the situation, recently donating £90,000 of Disaster Emergency Relief Awards.

145 **The Bailiff:** Do you have a supplementary question, Alderney Representative McKinley?

Alderney Representative McKinley: No, sir. No supplementary question, but I have a second Question.

150 **The Bailiff:** Well, I think the Deputy Gollop has a supplementary.

Deputy Gollop: Yes, given our relative inability to maintain what you could call refugee camps or hostels or that sort of environment, would the Islands have a degree of selectivity in choice about refugees who might come here, in terms of skills, aptitudes and ability to integrate into the community?

The Bailiff: Chief Minister.

160 **The Chief Minister:** Under the Vulnerable People's Programme, there is no question of camps or that sort of thing.

I was very encouraged by the number of people who have offered their own homes in the Island – over 40 to date – to accommodate refugees. Now, one does not know, at the moment,

165 whether that is possible, but certainly the sorts of people we are looking at are very likely to have jobs, very likely to be able to work and play an active role in our economy, if that is the case.

The Bailiff: Deputy Bebb.

170 **Deputy Bebb:** Could I ask the Chief Minister whether those people who would be entering the Island upon this Scheme would also be subject to the housing law or the future population regime? And, if not, what is the Minister's view as to how that might affect those migrant workers that we have coming to work here legally at the moment and the impact that it might have on the cohesion of that society?

175 **The Bailiff:** Chief Minister.

The Chief Minister: I cannot say at the moment, because of the nature of our position with regard to the UK. But the likelihood is, if the UK offers visas to these people within the UK, then they would have rights, first of all, to move to Guernsey, if that operated under that Scheme, because in terms of the policy on these people, it does not rest with us; it rests with the UK Government. However, it is certainly not the case that we will be talking about vast numbers of people and so there are a number of options available and I understand the Housing Department has already discussed the issue and the options and are investigating those, if it were to come to the place where we could do something practical in this way.

Refugees landing on Guernsey or Alderney – Contingency plans

185 **The Bailiff:** I see no one else rising.
Your second Question, Alderney Representative McKinley.

Alderney Representative McKinley: My second Question, sir.

190 I hear the number of refugees in Normandy is on the increase. As you will know Alderney is only 10 miles from France. Does the Bailiwick have a contingency plan in place to deal with the very real possibility of a boat with refugees landing on one of the beaches or harbours in Guernsey or Alderney?

195 If so, are the details of a contingency plan available and known to the public and to the relevant agencies and I refer, of course, to the Police, the Border Agency, Border Control, medical support, etc?

The Bailiff: The Chief Minister.

200 **The Chief Minister (Deputy Le Tocq):** In accordance with the UN Convention and Protocol relating to the Status of Refugees, if it is established that an asylum applicant has arrived in Guernsey via a safe country, we would seek to return him or her to that country. If an applicant has arrived to the Bailiwick of Guernsey directly from the country in which he or she claims to fear persecution, in accordance with our obligations under the UN Convention, we would process that application with assistance, of course, from the UK.

205 The Guernsey Border Agency conducts immigration controls at the border and is constantly monitoring the situation to react to any increasing risks. It has a number of measures in place designed to safeguard the Islands and other members of the Common Travel Area and will continue to liaise closely with the Jersey and French authorities, as well as the UK Home Office.

210 An operational contingency plan is in place for the Bailiwick to deal with a significant incident and this has been developed using multi-agency approaches.

The Bailiff: Any supplementaries?

215 **Alderney Representative McKinley:** Can I just ask one supplementary, sir, yes?

The Bailiff: Yes, Alderney Representative McKinley.

220 **Alderney Representative McKinley:** In the case of Alderney, we did actually have an incident some years back, when a number of people from Africa actually arrived on our Island unexpectedly and went straight to the airport. If it had not been for the staff of Aurigny, those refugees or immigrants would have gone straight to Southampton. They were checked by Aurigny rather than by the Border Control. We only have two Border Control and two Police officers on the Island, so we are a rather fragile.

225 Can you confirm, though, that if we do have some land in Alderney, they would be directed straight to Guernsey?

Thank you, sir.

The Bailiff: Chief Minister.

230 **The Chief Minister:** I am aware from my time as Home Minister that that particular incident and other incidents have played a part in improving, significantly, our risk management of that sort of situation occurring again. So, I would anticipate that there would be far swifter action and you would not see that sort of incident occurring.

235 **The Bailiff:** Deputy Sherbourne.

Deputy Sherbourne: Thank you, sir.

240 Would the Chief Minister agree with me that in such situations of humanitarian crisis that we have witnessed over the last 12 months, the message that is sent from this Assembly should be one of compassion initially?

Several Members: Hear, hear.

245 **The Bailiff:** The Chief Minister.

The Chief Minister: I wholeheartedly agree with Deputy Sherbourne on that and I think that is why it is incumbent upon us to do our utmost to see what we possible can do, recognising that there are risks, recognising that there are views in this Island – and I hope it is the minority view – that border on the xenophobic. I have felt upset when those views have been expressed in this particular debate.

250 We are at a stage where I am pleased to say a number of people on the Island have supported the view that we should do our best and do our utmost and seek to show compassion in as many ways as possible. Obviously, we are already doing that through donations, through overseas aid and through a number of charitable works on the Island, which are always very swift to get going.
255 But we will continue to monitor the situation and indeed to talk with the UK authorities and in fact this item will be a matter on the agenda of the British-Irish Council at the end of this month in November.

260 **The Bailiff:** Deputy Gollop and then Deputy Fallaize.

Deputy Gollop: Parallels have been drawn in some quarters, with the current crisis, with what happened to the Jewish and other populations before the Second World War and even the impact of Occupation and evacuation. What measures are the Policy Council, in conjunction with other Departments of the States, taking to perhaps prepare an informed view of the situation, not just to us States Members but the wider public in order to bring about a perhaps more balanced view across the Islands?

The Bailiff: I am not sure that arises from the answer, but ...

The Chief Minister: I will just make a couple of comments, sir.

I think it is incumbent upon all of us to understand history, understand our place in it. Obviously times are different, but there are many similarities with the example of the 1930s that Deputy Gollop gave. I think we do need to make sure that our public understand the balance of responsibility and risk and can trust this Government to do our utmost to be responsible and to do the best we possibly can to demonstrate that we are part of a solution to this problem and not ignoring it.

Having said that, sir, I would emphasise, again, we are at a very early stage here, in terms of understanding what Guernsey can do.

The Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Deputy Le Tocq, in his answers, has explained that he and others are investigating what could be done, which is understandable, but when does he expect to be in a position to advise the States of the conclusions of the investigations? And when could a definitive judgment be taken or at least a recommendation laid before the States which sets out what can or cannot sensibly be done?

The Bailiff: Chief Minister.

The Chief Minister: My view is, at the moment, the difficulty for us is the UK Government has decided that this stage to undertake is a very small number of refugees under this Scheme. As such, just in terms of scale, because of the numbers within the UK itself, the numbers of authorities who have offered spaces, offered help, it is probably quite unlikely that we would, in that first batch, have an opportunity to make some sort of offer to accommodate some. However, it seems very likely to me this is not going to end quickly and therefore it is wise for us to see what could be done in order to be prepared for future needs, as the crisis increases, because, quite clearly, the crisis is increasing.

So, I cannot give him a time and date, but as soon as I know what could be done, we can make the right sort of preparations, we can have a debate in this Assembly and we can make the public aware of what is happening and what we are doing.

The Bailiff: No one else is rising, so that concludes Question Time. Thank you.

Billet d'État XVIII

POLICY COUNCIL

VII. Standardising the measurement of Guernsey's Gross Domestic Product – Propositions as amended carried

Article VII.

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 27th July, 2015, of the Policy Council, they are of the opinion:

- 1. To agree that the method of calculating Gross Domestic Product be updated as set out in that Policy Letter.*
- 2. To direct the preparation of such legislation as may be necessary to facilitate the collection of data as outlined in sections 3.3, 5.2.3 and 5.3.2 of that Policy Letter.*

305 **The Greffier:** Article VII: Policy Council – Standardising the Measurement of Guernsey's Gross Domestic Product.

The Bailiff: The Chief Minister again.

310 **The Chief Minister (Deputy Le Tocq):** Sir, the uses of GDP are numerous: from analysing the growth or decline of particular economic sectors, in order to identify areas with development opportunities or support needs, to guiding how much we, the States of Guernsey, invest in capital projects. It also serves as a useful indicator of Guernsey's economic performance, relative to that of other jurisdictions.

315 The calculation method used to calculate Guernsey's GDP has not changed much since the 1960s and was last updated in the 1980s. Unsurprisingly, this means that we are now out of step with current international standards. Consequently, comparisons with other jurisdictions, including Jersey, are not as accurate as they could be.

320 In addition, changes to the content and timing of data being made available by Income Tax means that even comparisons with our own historical data are no longer as reliable as they were previously.

So, as noted in the Guernsey Press editorial of 23rd September, it is:

Time to take the guesswork out of GDP ... that will finally give the Island confidence in a key economic indicator.

325 So, I am proposing that there is a relatively simple way to address both these issues, which involves the introduction of legislation, giving the Policy Council the ability to collect relevant data from local businesses in a transparent manner, with suitable restrictions on who can access the data. The amount of data that will be required has been kept to an absolute minimum and the information will be collected based on the Tell Us Once principle.

Businesses have, on the whole, indicated support for the proposals as they too recognise the benefits of having reliable and internationally comparable GDP figures.

330 As such, I ask that this Assembly supports this pragmatic proposal, as demonstrated in the Report.

The Bailiff: One amendment has been circulated overnight, to be proposed by Deputy Bebb. Deputy Bebb.

Amendment:

To add a further Proposition, Proposition 3 as follows:

'3. To direct the Policy Council (and its successor committee) to lay before the States proposals on what other national measurements should be published, the calculation of them and the frequency of their publication.'

335 **Deputy Bebb:** Thank you, Monsieur le Bailli.

Members, in the 19th century, Bastiat, who was an economist at the time, came up with what was known as the 'broken window theory'. The broken window theory basically said that there was an argument in the 19th century as to the benefits of breaking a window, because it drives up economic activity. If you break a window, it requires somebody to go and clean it; it requires
340 somebody to go and board up the window; it requires a glazier to replace the window. All of this is economic activity which is increased.

But Bastiat's contention was, quite simply, that breaking windows is actually detrimental, because it takes away the ability of those people to actually participate in anything useful in society and simply keeps us where we are.

345 Just as that argument was won, shortly afterwards in the US, GDP was actually invented and GDP is the epitome of calculating the broken window. GDP was first created for the purpose of Roosevelt, in order to try and show how economic activity had decreased to such an extent that it justified vast, massive spending of Keynesian type. GDP, even by its creator, was recognised as faulty. GDP, for instance – the creator himself argued that it should not include such things as
350 advertising, the purchase of guns and other small measures which he did not believe to be useful. His argument was that, despite the ability to be able to calculate it, it does not mean that we should. However, Roosevelt, of course, wanting to show that economic activity had decreased massively, included them.

Everybody, everywhere agrees that GDP is a bad figure. It is not something that is particularly
355 helpful, but it is a figure that everybody uses. Therefore, nobody would argue that GDP should not be calculated. Of course it should. But it should be seen within context and in a far greater array. One phrase that I have heard recently is that it:

'... should be considered as one indicator on a dashboard of indicators.'

It is interesting, for instance, that Gross National Product is now the measure used by the World Bank. They no longer use GDP. That is something that we are not calculating.

360 But, sir, to give the flavour, what I would propose with this amendment is simply that we look at what other indicators we might calculate and what we might publish. Other, far more helpful indicators would also include things like the very famous Happiness Index that was first devised in Bhutan. Now, of course, I am not saying that we would necessarily want the Happiness Index imported here wholesale, but we should definitely consider, what we currently gather in terms of
365 information, we should put into one single calculation, such as GDP.

GDP itself, for instance, does not, as I said two weeks ago... as to the massive contribution that is made by carers to our society. But because there is no financial transaction, that activity could be seen as neutral at best or at worst as negative. But if we think about it, when we are talking about the value to our society, that should surely be calculated. It should be something that we
370 take into consideration. If we do not, we end up talking about GDP, when we talk about those things which are unhelpful to our society as being of greater value than those things that are helpful.

There are a number of different indicators that we currently, actually spend a lot of time and effort and money in gathering. I know that the Well Being Index, for instance, that HSSD gathers is
375 something that is done on a regular basis, but that is not incorporated into any of our economic data. It is not incorporated anywhere.

What I simply propose is that somebody looks at all of those figures, all the facts that we currently gather and we consider what it is that we might want to include. If we want a

380 Government that truly takes account of the human activities of this Island, we need a measurement of the human activity and not simply of the pure economics.

All I am proposing is that we investigate it and that it be reported back to the States.
Thank you.

385 **The Bailiff:** Deputy Kuttelwascher, do you formally second the amendment?

Deputy Kuttelwascher: I do, sir, and reserve my right to speak.

The Bailiff: Thank you.

Chief Minister, do you wish...? You will speak later.

390 Does anybody...? Yes, Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Deputy Bebb forgot, in his historical overview, to refer to a speech made by Robert Kennedy about the Gross National Product and I cannot remember all of it, (*Laughter*) but something about it included the production of nuclear warheads and tobacco advertising and not including education and healthcare and the happiness of people.

395 The States used to collect and publish Gross National Product statistics. If one goes back to the statistics booklets which were produced in the 1980's and 1990's – and were generally far more useful than the ones that are produced now, for some reason – the figure that is used is Gross National Product rather than Gross Domestic Product. So, I am not quite sure why that is. Perhaps, the Treasury Minister or the Chief Minister could advise us of that if they speak in this debate?

400 I am not sure though, I know there is this underlying view – Deputy Kuttelwascher has said this in the past – that Gross National Product might be a more useful index than Gross Domestic Product. I am not quite sure that is true. As I understand it, Gross National Product is most useful in jurisdictions where the citizens or the businesses of that jurisdiction are carrying out lots of economic activity outside of their borders. Now that is not the case for Guernsey.

405 I thought Deputy Kuttelwascher said he did not want to speak at this stage, but I am now happy to give way.

410 **The Bailiff:** Deputy Kuttelwascher.

Deputy Kuttelwascher: Sir, we do publish GNP. It is in the little annual book of statistics. It is just an aside and it only marginally different from GDP. For me personally, I am not sure why we do not use that and I will give you an example myself.

415 **The Bailiff:** Are you making a speech at this point?

Deputy Kuttelwascher: Well, it is referring to his question about the validity of GNP and why we do not use it.

420 I receive an income from the UK which is taxed here but it would not be included in GDP and I am not sure why not. I think GNP is published and I think would be a better measure.

Thank you, sir.

425 **The Bailiff:** Deputy Fallaize.

Deputy Fallaize: Yes, it seems not to be the primary measure used now, whereas at one time it was. Now, I am ambivalent about it, but I think we ought to understand why there seems to have been a switch from using GNP as the primary measure to GDP as the primary measure before we return to using GNP.

430 But the two things that concern me most of all about this amendment – and I am not sure which way I will vote on it – are that, first of all, the States have agreed that the Policy & Resources Committee, once it is constituted – and this is wording directly from a resolution:

'... shall, following examination of the issues, lay recommendations before the States to secure more visible and demonstrable impartiality in statistics and research issued by the States.'

Now, I have quite the concern about impartiality in the statistics that are issued by the States. I do not think it is particularly satisfactory that statistics are issued, in the main by the Policy Council and sometimes by other States' committees. I think it would be far better if they were issued by a
435 body which was slightly at arm's length from States' committees, because the risk of statistics being issued or used in a partisan way, I think, is quite considerable. And I am not sure that this investigation about extending the statistics, which are collected and published by the States, should not happen after the States have established a, if not independent then at least slightly
440 arm's length, body which can oversee the production of these statistics.

And my second concern with it is that the amendment:

'... direct the Policy Council (and its successor committee) ...'

Now we are busily loading the successor to the Policy Council with all sorts of tasks to carry out, other than the ones that it is meant to be carrying out. (*Laughter*)

The Policy Council, for a long time I have wanted to rename the Policy Council the 'Committee for Miscellaneous Items' (*Laughter*) because it does spend a great deal of its time doing things
445 which it has picked up because they have fallen between other committees or departments.

Now, we have to be careful about this, the Policy & Resources Committee is meant to be dealing with policy co-ordination and the allocation of resources. I do not particularly want the next States to get six months into its term and for the Policy & Resources Committee to face
450 criticism that it has been unable to put together a strategic plan or a policy planning process because it has been busy. I think, so far, we have decided that it is going to carry out an investigation into something related to buildings liability insurance. I think the Policy Council wants it to take responsibility for the Disability and Inclusion Strategy, despite the fact that we have set up a principal committee which has disability in its mandate. Now, we think that it ought
455 to carry out an investigation into which other national measurement should be published. These are all things which are slightly incidental to the main task that it is meant to be carrying out. I think we have to be slightly cautious about loading it with slightly incidental tasks which are likely to divert attention from the main tasks that it is meant to be undertaking.

So, I do have those two concerns about this amendment. I do not particularly disagree with the
460 substance of what is proposed in the amendment, but if the proposer and seconder could provide some comfort on those two points, then I think that would be useful.

Thank you, sir.

The Bailiff: Deputy Kuttelwascher.

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Deputy Kuttelwascher: Thank you, sir.

Sir, the reason I was involved in this amendment was, a couple of months ago I brought a book into this Assembly and there was a quote in there which interested me. Then Deputy Bebb saw the book and he also has read and has a copy of the book. So we have read the same literature which
470 relates to this.

It is written by a chap called Steve Hilton who is an Oxford graduate, was an adviser to government and is now visiting professor at Stanford University and is very much involved with a department called the D. School, the Design School, who design government policy, basically, but with a different twist to it. They like to put people first, which is something we fail to do, I think,
475 because you have to ask yourself the question, 'Why on earth are we considered the worst States ever?' (*Laughter*) And that is really the question and I could give you some reasons why that is and

it is of our own making. Nevertheless, all I am going to do it quote a paragraph in this, with which I agree and which actually addresses, maybe, some of the issues that Deputy Fallaize has brought up and it regards GDP:

'As its flaws have become apparent over the years, countless studies and commissions have aimed to reform,'

480 – which is exactly what Policy Council is proposing –

'supplement or even replace GDP with improved metrics.'

It could be GNP.

'The United Nations has used Human Development Index which mixes education and life expectancy and income since 1990. Bhutan'

– which was already mentioned –

'famously produced the Gross National Happiness Index.'

485 Now, it is interesting, I remember maybe two decades ago, coming to this Island and we were top of the list as regard to the happiness of the population. Well, we have fallen off it now. (*Interjection*). Ah, yes! It is the States. But there we go.

'In 2008, French President Nicholas Sarkozy convened three of the world's leading economists to undertake a multi-year study of a GDP alternative'

– now this is the good bit –

'risking predictable mockery.'

And maybe some people will wish to mock.

'We tried something similar in the UK with Prime Minister David Cameron asking the Office of National Statistics to develop a measure of subjective well-being in 2010. The first actual measure is being published in 2012. '

So, there was a metric that was actually measured and published.

'All of this leaves out many other unofficial studies and projects taken on by academics and concerned economists around the world. They all point to the same conclusion:'

You could regard this as multiple evidence for the same conclusion.

490 'GDP does not really work, but it is still important. So, let's either have a dashboard of alternative measures ...'

– and I do like that term, because I thought what difficulty one would have flying a jumbo jet if one only had one instrument. I do not think you would get very far.

495 **Deputy Le Pelley:** I would have a go (*Laughter*)

Deputy Trott: I certainly would not go on it. (*Laughter*)

Deputy Kuttelwascher:

'And we need measures to go alongside GDP or let's aggregate them altogether in some single score or some kind of GDP Plus. '

500 So, this amendment is nothing more than a steer, because the whole idea of the GPD and how is it going, is being looked at, but I do not think this steer in this amendment would do anything more than maybe at least give consideration to these other measures and to see if they will be of

use. So, I consider it somewhat benign and I do not think it would overload this Policy Council or its successor unnecessarily. It is a steer and, if any of the members of Policy Council would like to borrow my book, I am quite happy to lend it to them, because it has got some quite interesting data and information in there. And if Mr Hilton was the only person who was proposing this, there would be some case for calling in one of these Tom, Dick or Harrys as are often mentioned. You know, 'It is not evidence'. But his name is neither Tom, Dick or Harry.

So, I think it is worthwhile to provide this steer and that is why I supported the amendment. And last but not least, this is not some sort of underhand T&R type amendment, because none of my colleagues on T&R knew I was signing up to this until this morning.

Thank you, sir.

The Bailiff: Deputy Green.

Deputy Green: Sir, thank you.

I think I can probably support this amendment as far as it goes. I think Deputy Bebb was right to say that GDP is something of a crude measure of progress, if you like, but I think it still nonetheless an essential one that we have to have and clearly we have to support the policy letter we have in front of us.

GDP is a useful indicator, but I do think we do need to have a wider range of social factors. I was struck by what Deputy Kuttelwascher said a moment ago about Steve Hilton, because I did a very quick Google search, sir, and one of the first things it took me to was a *Financial Times* column from May of this year which describes Steve Hilton as the:

'Tory guru out of step with political realities.'

– which says an awful lot. It is the *Financial Times*.

I think the problem with some of what Deputy Bebb said was that, he quotes the Bhutan example and this idea of a national happiness index. I am sorry, but I find that rather too woolly and rather too inexact. It might have a role. It might well have a role within the dashboard that Deputy Bebb talks about. It may well have some validity and that is why I think I can probably support this amendment, because there is clearly something to be said for looking at a wider range of indicators.

But I do not think that the happiness index is necessarily something we should definitely go for. I think there are dangers there that it could very easily become some kind of 'misery monitor', as it were, an excuse for people to whinge about how bad life is in Guernsey and I think there is probably too much of that already. **(A Member:** Hear, hear.) And at a time of some economic difficulty, when services are possibly being cut back on, when there is efficiencies being made, waste being eliminated, people losing their jobs, potentially, in the finance industry, I think we should be careful in this area. I think it could be seen as woolly-headed distraction.

Nonetheless, I do think there is something to be said for a wider variety of indicators and I will probably support this amendment.

Deputy Fallaize asked whether this should be supported, because it was lumping more responsibility on the Policy & Resources Committee and I can see that there would be a case for the Economic Development Committee in the next States to have the responsibility for GDP calculation and possibly for some of the other departments concerned with social policy to perhaps have responsibility for the more social indicators. I suppose my question to Deputy Bebb would be: how would he see that working in reality? If the Policy & Resources Committee is there to co-ordinate the business of Government, surely a dashboard of this sort would actually be something that should be coordinated above and beyond the individual committees. So, I would be grateful if he could answer that.

But, I will probably be supporting this amendment.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thanking you.

555 Yes, responding to what Deputy Green and Deputy Fallaize said, particularly: it precludes in the title – as Deputy David Jones often says, ‘on the tin’ – the Policy Council mutates into the Policy & Resources Committee, taking on board Treasury & Resources. What resources are data statistics, evidence and policy as we have seen, really for the last 20 years, is an analytical process that takes on board and integrates social, economic and environmental issues. Now, clearly in order to do that, you need evidence-based decision making.

560 So, I do support a wide range of measures. I would also say that there would be difficulties, perhaps, in business or social committees taking on board data separately, because in reality we do not have an innumerable number of statisticians and economists working within the States. There is a small team, I believe, most of it at Sir Charles Frossard House, who serve the committees very well, but I am not sure individual departments would be able to access their own resources all the time.

565 I do, however, support the amendment for the reasons Deputy Kuttelwascher has outlined, that we do need a range of measurements.

I have been attending a WEA based economics course for the best part of 25 years. *(Laughter)* The initial lecturer was Dr John Dixon, who was then employed by The Statistician and the last decade by a well-known retired States’ Member, Deputy Roy Bisson, and I am still learning, going along to. But, we do have spokesmen from many States’ Departments and businesses.

570 I remember in the early years, Dr Dixon for example told us that he wanted to see, or at least from an economist’s point of view, more monetarised activity in Guernsey. What that meant was, actually less of grandad mowing the lawn on a Sunday afternoon and more paying a gardener to do the gardening services, because that increases the economic activity. Not perhaps as vandalistic as Deputy Bebb’s broken window theory, but nevertheless you can see how it goes. Instead of cleaning my house myself – not that I do much of that – you employ a – well I will not say cleaning lady because that is a vaguely sexist term – but, a professional cleaning firm. **(A Member:** Domestic Product.) All those add to the economy in a curious way.

580 I have to say, speaking more generally, that GDP is more important than it looks for this Assembly to grapple with, because we have voted through the PTBR report to set our tax take on a notional 28% of Gross Domestic Product. Now, that is marginally higher than where we are at the moment, perhaps. But it is intriguing, because we have set that in stone, as an iron curtain around it, without really knowing what GDP is in Guernsey. And we are admitting, through this report, that the current way of collecting the data is out of date and maybe not that substantial or rigorous.

590 Moreover, paradoxically, it would appear to me that if, for example, our GDP dropped as a society, which would be regrettable, we could end up reducing our state expenditure at a time when we needed to spend more, but if we grew – and we might grow – the amount drops and there are flaws in that as well. But, if we are basing the 28% on fake data, or perhaps not fake data, but data that is not as robust as it might be, we will have problems in the future.

I have been attending talks by former policy analyst, Mr Chris Brock, and he makes clear that in his work it is very useful to compare islands across the board and in doing so, sometimes Guernsey is top of the league, sometimes it is not, but we really do need to ensure that we are all on a level playing field.

595 I have queries about GDP as a measure, because, for example, I am not sure, does it include not only rents, but notional rents? One could think of many, perhaps, capital rich, cash poor older people who live in properties that might fetch £1 million or more on the market, but in reality would not have the income to cover a notional rent and that is an issue. We also include Alderney, which I support, but perhaps will be challenging to evidence-base there.

600 I am a bit concerned too, within the letter, that there is a clear demand from the Policy Council to go up for statutory controls on businesses, demanding that they put, perhaps, sensitive and confidential data in a generic form, upwards. And I think that that may not be welcomed by every business. We know a majority who were sampled do support that, but not completely. I do

605 wonder how we will estimate businesses whose primary issues are to do with export, beyond the
shores. But, having worked with Deputy Langlois on various committees, for several years, one
area where he always impresses me is his demands that, before making decisions, we have robust
economic data and numbers to analyse before we just go with a whim or a gut reaction. And in
that spirit, I think not only do we need to support the improvements to GDP, especially given our
610 future fiscal strategy, but we also need to give Deputy Bebb's amendment the benefit of the
doubt and look for other robust measurements that might actually be more helpful in measuring
the dynamics of our off-shore economy.

The Bailiff: Yes. Deputy Sherbourne, then Deputy De Lisle.

615 **Deputy Sherbourne:** Thank you, sir.

Members, I welcome this amendment in that I do believe that we need a broader range of
measurements regarding the performance and well-being in the Island. So, I do welcome the
amendment.

I do not actually care what political flavour Mr Hilton actually is. The fact that he is a Tory will
620 sit quite well with most of you in the Assembly. (*Laughter*) (**A Member:** Hear, hear.)

What I would say, that anyone that actually puts its people first and its care for its people, to
me, as I say, I do not care too much about their political colours.

Professor Geoffrey Wood reported to us in the Fiscal Review that the Island has a 37%
625 advantage over the UK with regard to the current GDP figures. I would like to look at other
measures regarding the lives of our islanders, as well as our performance, to see whether in fact
that additional figure, that superb figure, could be used more effectively to improve the lot of
islanders.

Thank you.

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

Deputy De Lisle: Sir, the Island has progressed quite a way in terms of strategic planning and
it seems to me that it is very important that, in that we have a Strategic Economic Plan, an
Environmental Plan and a Social Plan, that we should be looking very broadly at all indices that
635 may reflect some of these parameters.

Now, attending a recent CPA, Parliamentary Association Conference, where it was indicated
that there were other vehicles and methods of calculating the health of any jurisdiction and its
economy, and that they were quite significant limitations to concentrating only on GDP as such.
That conference actually concluded that GDP was still a very important element of any
640 jurisdiction's compilation of how the economy was doing and the health of that jurisdiction as a
whole.

So I think, from the point of view of this particular amendment, I think we should encourage
the assessment, be it fairly brief, of other factors or indices that are out there, that can be useful
to this Island in assessing how it is doing, relative to other jurisdictions with reference to the
645 economy, not only the health of the economy, but also its social and environmental issues.

I would certainly support this particular amendment, which is asking at least to look at the
calculation and the feasibility of introducing, perhaps, other indicators besides that of GDP in
assessing economic performance of the Island.

Thank you, sir.

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The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, I think Deputy Bebb and Deputy Kuttelwascher are absolutely right in what
they have said. However – and that is a Deputy Domaille 'however' – I cannot support the
655 amendment for one simple reason. It is presented as benign which indeed in many ways it is. It is

simply a question of resources. We do not have lots of spare resources to devote to this kind of exercise. It is a question of our priorities, yet again.

This is a nice to have, but we are not France, we are not the UK, we are not the US. These are things that I think at some point we should be looking at, but in terms of us moving to deal with this now, when we have so much else to do with the change of the system of Government, some of the issues which Deputy Fallaize has mentioned in relation to the role of the Policy & Resources Committee, I simply cannot see that this should be at the top of our list of priorities.

For that reason, I cannot support it, sir.

The Bailiff: Deputy Domaille.

Deputy Domaille: Thank you, sir.

It is actually just the reference to 'however'. What I would say is there will be a lot less 'howevers' and a lot less U-turns and a lot less promises made that cannot be delivered, if our evidence base is improved. We rely solely on what I think many speakers have already said is a flawed indicator, is certainly leading us into making mistakes. So, I totally support this amendment and I just make a plea that actually you could have more evidence base and then we would make much better decisions.

Thank you, sir.

The Bailiff: Deputy Le Clerc.

Deputy Le Clerc: I did not interrupt Deputy Kuttelwascher when he mentioned about being 'the worst States ever'. I do not think we are the worst States ever, because our names do not yet appear on a certain milk retailer's van. *(Laughter)* Perhaps when they do, we might be judged as the worst ever. *(Interjections and laughter)*

When we have debates like this, I do wish I had paid more attention in my economic class, but I am divided on this because I see the need for more information, but the amendment does not specify really what the information is.

But I am concerned about the fact that there were only less than 100 business that took part in the feedback to this questionnaire and, in fact, I have just looked at Deputy Inglis' facts and figures and we have got 2,275 employing organisations and 1,430 with less than five employees and I am really concerned about the burden that would be placed on small businesses in achieving this extra information that would be required, at a time when small businesses are struggling. I know there is going to be website development, but that is my concern: that what extra burden will be put on small businesses to retrieve this additional information.

And, as has already been pointed out by the Treasury Minister, if we receive the information we have not got the resources to actually deal with that extra information at this time.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, yes.

I will just be brief and endorse what Deputy St Pier and Deputy Le Clerc just mentioned, to be honest.

I am sympathetic to the amendment, but yes it is going to take up more resources and are we getting to the point of law of diminishing returns: the more information we get, the less we know what to do with it?

I think we actually do have data here. Yes, it could be improved, but we have, on an annual basis, the States Strategic Monitoring Report which contains loads of data. I just do not know how many people actually look at that. It contains some really very useful information.

So, I really am in the same place as Deputy St Pier on this and I think I am going to struggle with this amendment.

The Bailiff: No one else ... Oh yes! Deputy Burford.

710 **Deputy Burford:** Thank you, sir.
Just very briefly as well.

I will be supporting this amendment. I think it is not before time, for many of the reasons that people have laid out. One interesting thing is the Office of National Statistics in the UK – and I do take the point that we are not the UK – are looking at starting measuring unpaid work, which is something which does not figure at all in our calculations and yet I think it is a really important part of our economy.

715 So, therefore, I completely support this and I hope other Members will.
Thank you.

720 **The Bailiff:** No one else rising.
Chief Minister will speak immediately before Deputy Bebb.

The Chief Minister (Deputy Le Tocq): Like others have said, sir, this amendment looks fairly benign and it is only asking Policy Council and its successor committee to come forward with some proposals. That means doing some research and, in that research, obviously to see not only what other measures we could collate the information for, but how we would do that and how that information could be robust enough and therefore, there are all sorts of other things involved.

I am not against the concepts that have been laid. I think it might have been Deputy Bebb earlier – I do not think I made a note of it – but certainly others and Deputy Burford has just mentioned now, the role of carers and, in terms of measuring worth and welfare and well-being, certainly, a number of years ago my wife gave up her work; I did not stand in 2008, because we wanted to look after my elderly parents and we took a cut in pay. I do not see that as a negative thing. There were lots of things about that in terms of work that was unseen, unmeasured and in terms of value, I think, of great value. I would agree with that.

730 The difficulty is, if I can pick up on some of Deputy Kuttelwascher points, he made the comment about trying to 'fly a jumbo jet with only one instrument'. Well, that may be the case, but I would argue back that Guernsey is not a jumbo jet. In the light of what we are in that sort of analogy, we are probably more like a Trislander. I am not suggesting you fly a Trislander on one instrument either, but the point would be, do you really need the same sort of instruments and are they appropriate on a Trislander? The sort of crew information, electronic equipment that you would have on a jumbo jet, you certainly would not need on a Trislander. And that is the point.

I think the cost, the resourcing and all of those things will probably end up being a negative. It is absolutely true that we could do with some more data, but to pick up, again, on a point raised by Deputy Soulsby, we have got to get better first, I think, with the data we already have. And that is why I am pleased that the Chief Information Officer was already doing this and working with teams, not only in Policy Council but right across the various committees and departments of the States, to bring together some of this data. Because it has been criticised, I know, in the past, when I have been involved in industrial relations issues and they have gone to a third party, the criticism coming back is there is not enough data available to make these sorts of decisions. But, at the same time, in a small community like Guernsey, where anonymity is almost impossible, you are always going to have the situation where people are frightened of engaging because 'they will know', everyone will know, it will be made public what that data is.

750 I think what we have got before us today, sir, in the main, substantive Propositions – and to pick up on a couple of points that were raised in debate ... It is more general, but I will mention them now. But there are concerns obviously around, that businesses are going to have a lot of burden put upon them with more form filling, etc. It is our belief: officers who have put this together, that we can limit the number of questions to businesses to three and they could be asked as such a time that Income Tax Returns are made. So, this would not be burdensome.

760 But, sir, if we need to come up with a number of other indicators, there is no doubt that this will end up with a huge number of questions to be asked at different times to businesses and to individuals and then you have got the problem of having enough of a critical mass to make the data believable, robust enough.

765 Sir, very often comparisons are made between Guernsey and large jurisdictions like the UK and, of course, in some circumstances, that is quite silly because we are not the UK and there is far greater variety of things and small incidents occurring in Guernsey have a much more dramatic effect on the data than they would in larger jurisdictions.

770 So, we have got to choose our data wisely and we have got to choose our indicators wisely. This amendment, sir, does not, on the face of it, look like it would cause a lot of problems, but I think, sir, at a time – and to pick up on Deputy St Pier's point – when we are trying to use our resources more intentionally and more targeted, to, as a result of this amendment, end up doing some work which fairly inevitably will come back to the question of can we resource this adequately enough for it to be useful, then the answer is no.

775 So sadly, sir, on that basis, I cannot support this amendment. Certainly not at this time in our economic cycle, although I do believe that in the future we will end up using our existing data better, because of the measures already in force by the Chief Information Officer and his team, to bring those together in a more robust way and so we can have appropriate amounts of data and information and measurements before this Assembly when we come to make decisions on policy issues.

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The Bailiff: Deputy Bebb will reply to the debate and the amendment.

Deputy Bebb: Thank you, Monsieur le Bailli.

785 First of all, I have been handed a note that says 'the basic instruments are the same in a jumbo or a Trislander', so actually Deputy Le Tocq is wrong in that in a sense.

I start with Deputy Le Tocq's comments. I am very disappointed to hear this crying wolf that what this amendment asks for is additional information, additional this, additional burden. It does not, but it does ask the exactly what Deputy Le Tocq just asked for: better use of the information that we gather already.

790 Now, if we are serious about having a Policy & Resources Committee that does co-ordinate all of the policies, then we need an indicator of how that is working. There are measurements, for instance, which simple collate educational outcomes, with life expectancy and income. That is something we collect already. This amendment will simply say, 'We will put that into one indicator'. It is exactly what Deputy Le Tocq said: making better use of information that we have already.

795 Now, for those people who did raise the point in relation to the burden that might be on companies, I share the concern as to burden on companies. That is something that I was going to mention in general debate, but I will mention it now. I think that it is imperative that when we actually look at implementing this, it should be at the same time as Income Tax; it should be in the same form; it should be fairly simple and it should be very easy to collect. But, when Deputy Le Tocq mentions that it should be three questions, surely five would not be particularly difficult?

800 I am not proposing, as part of this amendment, as to whether or not what information is gathered. What I am proposing is that somebody looks at what we gather already and sees what we might want to include, in order to come up with a meaningful index that the Policy & Resources themselves can use to judge how it is doing; how the Departments are doing.

805 I find the idea of having an index which focuses on people fits in perfectly with the Service Guernsey initiative, which every single member of the Policy Council and the vast majority of this Assembly, supports wholeheartedly. The focus should be on the people, not on us. And here we are debating how we might have a bit of difficulty putting together the data we gather already. I find it to be the type of debate where we agreed to the Service Guernsey in principle, but when it

810

comes to doing something about it, well we are not so sure, because we will come up with mealy mouthed excuses why we do not want to.

815 Deputy Fallaize raised the question in relation to having an independent body. I would be supportive of an independent body, but the independent body is not actually before us now. If such a body were to come into being in future, which of course would be a sort of version of the Office of National Statistics which they have in the UK, then obviously this is the type of work that would be transferred to them. But in the absence of such a body, then realistically what is required is what I would say a combination – and this is where I do believe that the new set of estates would fit in far better for this. It needs a combination of the Policy Council as it is today and the
820 Treasury & Resources Department. We should not ignore the fact that GDP is used frequently as part of our fiscal rules. Are we honestly wanting to base all of our fiscal rules on a measure that we know is deficient?

825 So, realistically, what I would say is that it is not a 'nice to have'; it is not incidental, that we would want the Policy & Resources Committee to focus on people and outcomes and to actually have it in an index which is manageable and readable.

Now, Deputy Green was actually making reference to the National Happiness Index being woolly. Well, actually the National Happiness Index is comprised of 33 different, very specific measurements. It is not very woolly. What I would say is that, when you look at some of those, it shows longevity, income versus cost, when we look at the question of access to education. These
830 are not things that would be woolly. Now, admittedly the title is woolly, but the science behind it is far from woolly and that is why I would simply say that somebody have a look at it to see what we currently gather and therefore what we might want to include.

The UK, as somebody mentioned, has now formed a UK happiness index, a Well-Being Index and that, once again, it looked at the information that they already gather, put it together and came up with an index figure. Where it starts is not the important thing. It is where the index
835 figures goes in future. If it goes down, we know we are doing something wrong. If it goes up, we know we are doing something right and we should be able to collect this information fairly simply.

Now, Members, we know that the GDP is not the best measure. We know that we gather a lot of information. We know that it is perfectly possible to actually put this together into an index
840 figure. All I am saying is that, in that report which Deputy Fallaize made reference to, it would seem to be a failure or missing not to actually consider how we would have other indexes, so that the focus of our conversation is not about the one thing that we can measure easily, which is money, but it is about the things that we find a little bit more difficult to measure and that is people. That is why I think that all I am asking for is that as part of that policy letter – I would not want it to be a separate policy letter – consideration is given to what I would expect to be a
845 Guernsey-specific index. Looking at the measurements we already have and then incorporating it into one index.

In future, should resources permit, it would be wonderful to actually expand on it or to actually come up with different measurements, but we have to start somewhere and this is not an
850 incidental task. This is actually bringing focus to people. And, if that is incidental, then I have to ask 'What are we doing here?'

Members, I would hope that you would actually support this amendment.

Thank you.

855 **The Bailiff:** We vote, then, on the amendment proposed by Deputy Bebb, seconded by Deputy Kuttelwascher. Those in favour; those against.

Some Members voted Pour; others voted Contre.

The Bailiff: It sounds to me as if that is carried. If anybody wishes to challenge that, we will have a recorded vote, but I believe that was carried.

I declare it carried.

860 We move, then, into general debate. Yes, Deputy Lester Queripel, then Deputy Trott.

Deputy Lester Queripel: Thank you, sir.

Sir, like many of my fellow Islanders, I am very much a paper person and I will resist the temptation to say I tear easily, sir.

865 So, I take great comfort from paragraph 8.1.3 telling us that a paper alternative to the online form will also be made available. And because are also told in the same paragraph that:

'only 37% of those in business file their personal income tax return online.'

I want to give praise to the Policy Council for adopting the pragmatic approach, that we shall give people the choice, as opposed to forcing them to file online.

870 Having said that, sir, I do have a concern regarding the powers that will be given to the Policy Council, if these proposals are supported in this Chamber today. Sir, my colleagues will already be aware the list of powers and duties can be found on pages 2763 and 2764. If we agree to these proposals in the Chamber today, we will be giving the Policy Council complete autonomy to do as they see fit to administer these powers.

875 So, I do have a question for the Chief Minister, sir, which is this: can you give me an assurance that the opportunity to submit paper copies will not be withdrawn, should businesses prefer to submit paper copies, rather than go online? Because, in my opinion, sir, we have to continue to give businesses a choice.

Thank you, sir.

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The Bailiff: Deputy Trott, if you so wish to speak.

Deputy Trott: Thank you, sir, very briefly.

885 Sir, a GDP recalculation at the start of a new term would possibly be less favourable than one near the end of the term. A question for the Chief Minister: how might a revision downwards affect our status as an AA+ rated Sovereign Borrower? And has such a risk been considered and evaluated: the risk that any recalculation would be viewed detrimentally by those that assess our fiscal strength?

Thank you, sir.

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The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, sir.

895 I was pleased that the amendment was passed, but what is important is the quality of the statistics that we produce. There are many statistics calculated, as has been referred to. Some are high profile because they give such an understanding of what is happening in the Island. I give examples like population, inflation, on employment, house prices and median earnings.

900 I just wish to speak, very briefly, on median earnings. As is explained in paragraph 6.3 on page 2767, we need more information to improve the quality of that data. And the facts and figures brochure which publishes the median earnings says that the figures include both full-time and part-time employees and what we actually need is to know what the median earnings are for full-time employees.

So, I welcome the fact that in paragraph 6.3, it acknowledges that they need to improve the measurement of median earnings and that in paragraph 6.6, it refers to:

'However, providing there continues to be a valid need for obtaining this data,'

905 – and I believe that improving the quality of median earnings is a valid reason –

'it is proposed that potential approaches for collecting this information should be further investigated.'

I just encourage the Policy Council to do those investigations and collect that data so that we can improve the calculation of median earnings, because there is, in my view, no point collecting statistics if they are not of sufficient quality to give us an indication of what is happening in our Island.

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The Bailiff: Deputy De Lisle.

Deputy De Lisle: Sir, I find it disturbing that, living in a top finance industry jurisdiction, our methodology has fallen behind others and has not kept up and been updated since the 1980's. So, reliability and internationally comparable data is of great importance to this Island and our GDP is something that we have to maintain and keep up with changes that are going on in other jurisdictions so that our information is comparable and relevant.

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So, I wholly support the Policy Council in amending this particular lapse, in terms of keeping up with methodological changes and the system of national accounts that other jurisdictions are using, so that we can provide information that is reliable and internationally comparable across the world.

920

Thank you, sir.

The Bailiff: Deputy Kuttelwascher.

925

Deputy Kuttelwascher: Thank you, sir.

I only rise to try and respond to something brought up by Deputy Trott, regarding our AA+ rating. A question I have asked and has been put to the Rating Agency is this: there has been a change in methodology, our AA+ rating has been retained for this year, *but* my question is, is the change in methodology such that a AA rating may be the highest rating obtainable by a micro-jurisdiction? The reason we have an AA+ and not an AAA is because we do not have our own bank, like the Bank of England. If the methodology changes so that we may end up with an AA rating, it could actually be the highest rating available to a micro-jurisdiction, in which case I would suggest it is not a downgrade at all. It is just a reassessment under a new system and, if that is the highest rating you can get, that is the highest rating you can get. We have not had that answer yet, but it is worth flagging I think.

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And another thing regarding, what would a reduction in a re-measurement of GDP do to our rating? I think you have got to realise that the GDP is only one of the things that is considered. One of our biggest pluses is the amount of money, if you like, the States of Guernsey have got invested in the bank: in our pension funds and our Health Insurance Fund, Pension and every other fund. We have, I think, it is 1.4 of our current GDP actually in assets and that is the biggest plus, because I am not sure any other jurisdiction in the world can say that. The UK has got maybe a £2 trillion deficit, depending whether you look at what you measure.

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So, we have other measures, which keep us up there and that is, I think, maybe the most important.

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Thank you, sir.

The Bailiff: I see no one else rising. The Chief Minister will reply.

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The Chief Minister: Sir, thank you. A useful debate.

I think there has only been two questions and Deputy Kuttelwascher has mainly answered Deputy Trott's question and all I would say to that is the question did arise, actually, because work on GDP was ongoing when we first went for a credit rating and my understanding is, in addition to what Deputy Kuttelwascher has said, that that is only one small part, as it were, of the overall number of issues that they look at when a credit rating is given to us. On top of that, other countries have recalibrated their GDP and continue to do so and that is taken into account by credit raters when they come to give their assessment.

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960 Deputy Lester Queripel asked a question regarding paper copies. For as long as practicable, my understanding is, certainly, that Treasury & Resources and the Income Tax Authority will seek to allow paper copies for small businesses to be available. (**A Member:** Hear, hear).

Obviously, there are advantages in terms of the ability for us to efficiently collect data and put it together in the way that, in fact, Deputy Bebb was talking about before, there are huge advantages to be able to have that electronically and it becomes far more open to error if we do not have that electronically, if they are just paper copies.

965 So, the move must be towards encouraging people to provide data online, electronically, as much as possible, but certainly in terms of the assurance he was looking for, as far as is practicable, that will be continued.

Sir, I ask Members simply to vote in favour of the recommendations.

970 **The Bailiff:** Members, there are two Propositions on page 2782 of the Billet and a third Proposition has been added as a result of the successful Deputy Bebb, Deputy Kuttelwascher amendment.

So, I put all three Propositions to you together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare all three Propositions carried.

PUBLIC SERVICES DEPARTMENT

IX. Wastewater Network Extension Programme – Debate commenced

Article IX.

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 28th August, 2015, of the Public Services Department, they are of the opinion to note that future connection of Island properties to the public sewer will be achieved according to the availability of funding within a prioritised programme of investment in Guernsey's water and wastewater infrastructure and is unlikely to exceed 90%.

975 **The Greffier:** Article IX – Public Services Department – Wastewater Network Extension Programme.

980 **The Bailiff:** Now, it is just over five minutes to 11 o'clock. I have had representations from various Member that we should stop, sharp, (**Several Member:** Hear, hear.) at 11 o'clock, as that is what other people in the Island will be doing. The electronic clock in front of you has been checked this morning. It is accurate to within a second or so. So, we will be stopping sharp at 11 o'clock, according to the electronic clock.

I call Deputy Ogier to open debate.

985 **Deputy Ogier:** Thank you, sir.

The Network Extension Plan (NEP) has been a successful infrastructure investment over the years. It brings many benefits, including a reduction in handling and therefore a reduction in our tanker fleet. It reduces septicity and therefore reduces damage caused to the concrete parts of the network and people prefer being on main drain rather than on a cesspit. It also brings with it the likelihood of fewer pollution incidents. However, the NEP is a costly and disruptive programme to

implement, not only in terms of capital required but also in remediation after completion: roads are dug up which need resurfacing and for example Le Longfrie was closed for seven months for road resurfacing. The easy and the cheaper extensions have now been done. As we approach the last 10% to 15% of homes to connect, the Network Extension Plan becomes increasingly expensive.

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The current costs for Guernsey Water and hence for all Guernsey Water customers are in the region of £20,000 per household. This excludes the cost to the individual for their private connection, which is another, on average, £4,000 or so for the connection.

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The policy was originally set in 1998 and envisaged 95% of properties being connected to the public sewer by 2018 at a cost of around £20 million. Since 2000, we have added around 8% of total building stock: some 2,000 homes to the main drain network. Guernsey Water has spent over £30 million in extending the network and investing in infrastructure and they have extended the sewer network to the western parishes for the first time.

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We now have a facility to intercept and transfer crude sewerage flows from Creux Mahie to the main sewer network and treat and dispose of at Belle Greve instead of going over the cliff, as was historically the case.

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Guernsey's current connection level is now at 85% and we believe there is still some more reasonably cost effective work to do, but the Assembly needs to be informed that the bulk of the work originally envisaged as part of the NEP has been completed successfully. There will always be properties where it is uneconomic to connect to the main drain and we are now approaching that point. We are not there yet, but it is on the horizon. Extension beyond approximately 90%, however, would result in a proliferation of waste water pumping stations and significant associated whole life costs.

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Whilst the NEP has provided connection for these 2,000 plus properties over the past few years, we have definitely seen a shift in rainfall patterns, which has produced other drivers that we now believe should take a higher priority than the Network Extension Plan in the short-term. Whilst we do still envisage further work in connecting homes to the main drain, it is worth noting that our current position of 85%, on its own, for connection to the main drain is itself a good result and compares well to other jurisdictions. It is similar to Jersey, who are on 87% and planning to spend an additional £45 million for the next 3%. We are also similar to Sweden, but ahead of Norway, France, Finland. Incidentally, Jersey's network extension strategy assumes a unit rate of £30,000 per property, which is in excess of most of our assessed projects.

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Over the past three to five years, there has been a growing increase in the number of properties that suffer from flooding, either from main sewer or from surface water overland flow. We believe these issues are far more distressing and unacceptable to the individual and community than individuals being on cesspits and should be addressed in advance of further network extension work.

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As Guernsey Water seeks to maintain water bill increases by no more than RPIX, the capital programme needs to be managed within affordable levels, which means that we cannot continue on with the Network Extension Plan whilst we also deal with the infrastructure required to tackle flooding and pollution. To do both, would require significant increases in water charges above RPIX and we believe that prioritising the work required is preferable to an increase in water charges.

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[A siren sounded outside.]

The Bailiff: The siren was due to sound at 10.59 a.m. A cannon will fire at 11 o'clock.

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Deputy Ogier: I will repeat: to fix both the pollution and the Network Extension Plan proceeding would require significant increase in water charges above RPIX and we believe prioritising the work required is preferable to an increase in water charges.

The States' Report contains the finer details which flesh out many of the points I have raised and I ask the Assembly to support the direction of travel.

Armistice Day two-minute silence

The Assembly observed a two-minute silence.

The Bailiff: Members, thank you.

**Wastewater Network Extension Programme –
Debate continued –
Proposition carried**

1045

The Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

1050 Sir, Deputy Ogier once said in a speech in this Chamber, he thought my logic was 'skewed'. So, I took great comfort from the fact that we actually agreed on something in a conversation recently. We agreed there is a right way and there is a 'runway'. Sorry, sir, I cannot read my own writing. That should have been 'wrong way'.

1055 So, sir, we agreed there is a right way and there is a wrong way of doing things and that these proposals are most definitely the right way to go, especially when one looks at the costs involved on page 2844, where we are told it would cost almost £80 million to provide the opportunity for another 2,750 properties to connect to main drain. And there is no guarantee they would do, of course, because we are told in paragraph 5.2, on page 2849, it will cost the customer anywhere between £3,000 and £5,000 to actually connect and that, if the cost was £5,000, then less than 50% of those customers were likely to want to connect.

1060 So, I certainly would not want to see almost £80 million of taxpayers' money spent to provide an opportunity for another 2,750 properties to connect to the main drain. For that kind of money, I would want to see a guarantee that they would connect.

1065 So, sir, my skewed logic sees supporting these proposals as a step in the right direction. And I resonate completely with a sentence in paragraph 6.7 on page 2851 which tells us that PSD would much rather address:

'higher priority needs such as flooding and pollution.'

I also take comfort, sir, from the information we are given in paragraph 4.1.4 where we are told that the Director of the Office of Environmental Health supports these proposals.

1070 So, suffice to say, sir, I will be supporting PDS on this issue, but I do have a question for the Minister, because paragraph 3.3 on page 2845 makes reference to the upgrading work at the Belle Greve wastewater outfall. And several members of the public have contacted me over the last few months, expressing concerns. They think the reason the outfall pipe has been extended so far out to sea is to enable the reclamation of Belle Greve Bay to go ahead. So, sir, is the Minister able to give me an assurance that as far as he is aware, that was not the reason why the pipe was extended so far out to sea?

1075 Thank you, sir.

The Bailiff: Yes. Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

1080 Yesterday the Environment Department approved development in St Jacques and one of the stipulations laid down by the Department was that all the hard standing – and there was a considerable amount of hardstanding within the property – had to be porous to allow water to drain on the ground around the property rather than being allowed to run off the property. All over the Island, over recent years, whether it has been people wishing to lose their garden to park
1085 vehicles or whether it is people just choosing to run water off their property or, sorry, just pave in front of that property, the unforeseen consequence is that the volume of surface water run-off down the streets and down the road is now considerable and it is creating a huge amount of flooding for people who live in low lying areas, whether it is literally the north of the Island or within town itself, in places such as Vauvert.

1090 Now, you then compound the problem with the – and this is not an attack on the motorist. This is just an observation that has been well evidenced. We now, if we use York Avenue as an example, if people recall York Avenue used to be two-way traffic. We now allow vehicles to park on the right hand side of York Avenue and they park there for long periods of time and therefore street cleaning stops, effectively. Sir, we have this build up now, accumulation of leaf litter and
1095 actual litter, that blinds the drains immediately and rather than water falling into the gully drains and draining under the road, it is now running down the surface of the road and that impacts in a number of ways and it also means that the road itself falls into a state of disrepair *much* sooner.

Now, I understand and the letter from T&R observes and Deputy Ogier referred to flooding specifically in his speech. Can I therefore ask the PS Department as a whole to think about what
1100 measures can be taken to improve surface water run-off? And that may not mean, necessarily, improving drainage itself. What it may mean is that they need to divert funds to ensure that we have many more street cleaners; that the infrastructure is improved. We know that tankers – and I do not know how many there are – travel the Island pumping out these gully drains and also there are teams that go round at times and do the street cleaning. I think I am right in saying that the
1105 team that do the streets are also responsible at times for bulk refuse collection.

So, although the focus will be on flooding and we may assume that there will be investment in infrastructure for flooding, can he give the States a reassurance that practical measures will be taken to ensure that regular street cleaning, for example, and more regular visits of the vehicles that clean the streets too can be improved and enhanced to ensure that property owners will not
1110 get inundated with water? Because then the risk is a property with a cesspit floods and what was rainwater then becomes foul water. I would like some reassurance that the Department are more than aware of issues such as that.

Thank you.

1115 **The Bailiff:** Deputy De Lisle.

Deputy De Lisle: Sir, the Minister, Deputy Ogier, mentioned investment in the west and I have to say that the investment placed in infrastructure development in the west, in terms of connection of the main drain recently at L'Eree and with the new Longfrie extension plan, has
1120 been very welcome in our parishes. Also, the stopping of the flowing of raw sewerage into the sea at Creux Mahie, the clean-up there, which has led to improved bathing waters at L'Eree and Portelet, are also very welcome through the initiatives of the Department.

I worry, sir, that this new policy of the Department might curtail further extension of the main drain into the west, the four parishes: St Peter, St Saviour, the Forest and Torteval. And this has to
1125 be a concern of parishioners that perhaps the programme will not continue into these parishes, that in reality have been left somewhat to the end of the programme in terms of providing this infrastructure which we consider is very important.

There is one other issue that I think I have to broach with regard to our parishes, but also perhaps more generally across the Island and that is many people continue to be on cesspits and
1130 not on main drain and, as a result, they pay more for that privilege, if you like, which is an odd way

of putting it. There is discrimination actually (**A Member:** Ooh!) with respect to people on the cesspit system, having to pay more for the services than those on main drain.

1135 So, I would like to ask the Minister as to whether some method cannot be found whereby the costs of the sewerage system are appropriated across all Islanders, so that, in fact, there is not discrimination, whereby those people on cesspits are having to pay for the cesspit and also for the main drain? So, I think that is something that the Minister might please clarify when he sums up.

Thank you, sir.

The Bailiff: Deputy Luxon.

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Deputy Luxon: Thank you, Mr Bailiff.

1145 Sir, 15 years ago, the estimate to complete up to 95% of connections was £20 million and that has now risen to £80 million, obviously because of inflation but also the complexity of reaching some of the isolated homes. I think Guernsey and its people can take comfort that, if we look at page 2856, that the analysis that shows different countries ranges from 30% connections to 100% connections. Guernsey, at 85%, is well in the upper half. So, although disappointing – and I do recognise some of Deputy De Lisle’s comments – some of the locations in Guernsey that we are talking about are in such remote and difficult to access places and therefore the cost to connect so much higher.

1150 So, I thank PSD for bringing this pragmatic policy letter to the States to update us of the need to revise the target that was set back in 2000 and certainly support the proposals on the basis that value for money for the taxpayer needs to be balanced with the desire to perhaps attain the 95% connection rate or indeed the 100% rate.

Thank you, sir.

1155

The Bailiff: Deputy Soulsby.

1160 **Deputy Soulsby:** Sir, just very briefly. Just a question for the Minister, really. Given the prioritisation that is discussed in the Report, will his Department publish either a map or through some other means, a way of showing people whether they are in a priority area or not?

The Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1165 I ought to declare an interest as a household who is on a cesspit and living where I live I doubt that I will ever end up on the main drain and I do not particularly wish to because ... I have to say, I regard the obsession with being on a main drain as a sort of petty bourgeois obsession (*Laughter*) and remaining on the cesspit is a sort of job maintenance exercise, (*Interjection and laughter*) because it maintains the little yellow trucks going all around the Island, which have to be staffed. Therefore, I am very pleased, from my little enclave in the People’s Republic, to remain on the cesspit and to maintain the important jobs that are carried out by people who drive the little yellow tanks.

1170 Also, I do not think it is discrimination in the way that Deputy De Lisle described. It would be discrimination if the people in the west, for example, were charged less for their cesspit collection than the people in the Vale. I can hear Deputy De Lisle scribbling his next amendment as I speak. (*Laughter*) That would be discrimination, but I do not think it is discrimination as at present, because we are receiving a different service. People who are on the main drain are not receiving the same service: the dedicated, personalised service (*Laughter*) that those of us who are on cesspits are maintaining, because the people have to come out and drive the yellow truck and connect and it takes two or three loads in some ... (*Laughter and interjection*). So, I do not think it is discrimination at all.

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1185 I think this policy letter is what sensible prioritisation looks like. I think if PSD had come to the States four years ago with this sort of proposal, I would have probably have supported it then, But clearly to extend the network any further is not going to be economic or efficient and I thought, actually, PSD are not exactly trying to conceal, but I think they were too subtly trying to edge the States towards just aborting (**A Member:** Yes) the extension programme here and now, which is what I think they ought to do, because it is not economic to go any further at all.

But, as far as the policy letter goes, I fully support it and long may we remain on the cesspit and different.

1190 Thank you.

The Bailiff: Deputy Gollop.

1195 **Deputy Gollop:** Sir, I am one of the longest servicing Members of this Chamber, like Deputy Quinn and Deputy Lowe and Deputy Trott and so on. I remember in the days when we had a Public Thoroughfares Committee. It was one of those medium-sized committees, with its own kind of personality. I remember Deputy Bougourd was a robust Chairman, for example.

1200 In those days, perhaps because it had a separate identity, it was perhaps active in what it did and understandably prioritised what it did as being important. It has to be said that the States of that era lapped it up. Maybe it was because it was full of Douzaine representatives and people who had elections to fight in parishes and I –

Deputy Fallaize: I wonder if Deputy Gollop thinks it might have been because of surpluses of £50 million a year as well? (*Laughter*)

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Deputy Gollop: Well, maybe that as well. (*Laughter*) (**A Member:** Yes, but.)

But it interesting, Deputy Fallaize makes a pungent point (*Laughter*) but I recall, if you smell the coffee of the era, that facilities like mental health were not prioritised (**A Member:** Yes.) which were needed to be spent or a new fleet of buses for some time.

1210 But the point was it fitted the parochial thinking of the era and maybe the culture – the bourgeois culture, you could say, if you take Deputy Fallaize's point of view – that it was good to be attached to the main drain. And, indeed, perhaps Deputy De Lisle is still arguing that: that that would be welcome out west. (**Deputy De Lisle:** Absolutely.)

1215 I am intrigued by this Report, because – I do not believe all the statistics I read in here, for a start. Can we really believe that Spain, with its many deserts and mountains and remote villages, there is 100% connectivity? What a feat! No wonder they have got a debt.

I think, though, that this does represent a broken promise. It also represents a decade of lost opportunities and it certain represents question marks over the former budget projections of the States, because Deputy Luxon has reminded us that the £20 million estimated cost has expanded to £79 million, £80 million today. But it was typical of that era, when maybe everyone predicted they could build secondary schools below market prices and moreover they obviously had not done full diligence on the more difficult sites and how much that would cost.

1225 But we are where we are and it is obvious the States will back Deputy Ogier and the programme. But I think it should be mentioned that this is a disappointing moment and maybe there should be ways found in the future for people to connect if they are willing to pay a more substantial contribution towards it.

1230 I would also point out that it clearly is not a capital priority compared to new schools, colleges, health facilities and so on. But I would also caution people against the Deputy De Lisle approach, about amortising the costs across the whole community, because it could be argued that people in the 1990s and later eras who paid to go onto the main drains and contributed to it will, effectively, be paying twice, because they paid to go onto main drain and now they will be having a higher cost to cover those who rely on the yellow tankers.

1235 My one final point would be, it does seem that to have a fleet of 30 tankers, which is only 11 short of the bus fleet, is rather a lot of tankers to maintain and one wonders if their rosters are as efficient as they could be. (*Interjection*)

The Bailiff: Deputy Laurie Queripel.

1240 **Deputy Laurie Queripel:** Thank you, sir.

I rise, just briefly, to support the points made by Deputy Brehaut in regard to properties taking water and flooding. I have been contacted by a number of Vale parishioners whose properties are now taking road surface water because of works that have taken place in the roads adjacent to their properties: resurfacing, sir. I do not know if it is because the camber of the roads have changed or the gullies are less effective because of the roadworks or perhaps the kerbs that front these people's properties are no longer sufficient to cope with the water. But the more serious aspect of that, sir, in some cases, cesspits are being filled up by the water that is being taken by the property, where it was not being taken before.

1245 So, I just wanted to ask Deputy Ogier, sir, what specific provisions are there? In other words, how can these people be helped in regard to the fact that their properties are now taking water where they did not before, because of works that have taken place in the roads: resurfacing, etc? What specific help can they be given, especially in the cases where their cesspits are now taking water, sir, and filling up with water, because that is clearly a big problem? Is it simply a case, perhaps, the Department would go along and perhaps help to put a new kerb in front of their property so that the water is not taken onto the property? Is there some very simple way that these people can be helped? Because it is a problem, sir, when cesspits fill up with water because of work that has taken place in the roads adjacent to these properties.

1250 So, I just wonder if the Minister could offer some sort of indication, some advice in regard to what help these people can get in regard to this problem that has been created by the works that have taken place in the roads adjacent to their properties and they are now taking water onto their properties and, in some cases, into their cesspits?

1260 Thank you, sir.

The Bailiff: Deputy Brouard.

1265 **Deputy Brouard:** Thank you, sir.

Just three points, very quickly. I will be supporting the Proposals, but if the Minister could perhaps just give a bit of comfort to those people who are on cesspits and will continue forever to be on cesspits. Everybody pays the wastewater charge, but of course there is cross-subsidy with regard to the collection of tankers loads. Sir, I hope that will continue, because there will the increasing costs of tankers, going forward and we need to maintain that cross-subsidy from everybody else, because the people who are on cesspits, do not particularly necessarily want to be on cesspits, it is just they are forced to by the policies that are being implemented. So, if the Minister could just give some comfort to those people who are on cesspits, that the cross-subsidy will continue and that they make it a fair price for that.

1270 The other two points, very quickly as well, sir, is can the Minister just confirm that they will continue with the main drain extensions where they are viable? I appreciate that they will eventually stop, but where there are viable options – I think there is about 5% to go before they hit the next thing.

1280 I would just like to reaffirm with Deputy Brehaut about the silting up of drains, etc. There are quite a few low lying areas in the Island where I think more work should be done in keeping clean the infrastructure that we have got already, before we start looking at more infrastructure. We have got to get our head round the idea of maintaining what we put in, whether that is schools, building, offices that we build, as a States, roads is one of them. We have put in all these gullies underneath the roads and then we allow them to silt up and then we are surprised why we get

1285 flooding. So, please, can the Minister just reaffirm that being in charge of States' works, that we will continue and redouble our efforts in ensuring that the infrastructure we have got and the gullies are maintained?

Thank you, sir.

1290 **The Bailiff:** No one else wishes to speak. Deputy Ogier will reply to the debate.

Deputy Ogier: Thank you, sir.

I had a few questions to answer. I will not embarrass Deputy Queripel by noting how much his logic has improved over this term.

1295 He did ask, however, in direct and immediate counter to that: is the outfall designed to be the first part of land reclamation in Belle Greve Bay? No. No, it is not. The extension of the long sea outfall was in response to the recommendations laid down in the Intertek-Metoc report which gauged the work required to ensure that Guernsey's waters were fit for purpose and appropriate and not suffering from any pollution. This was a few years ago now. There were a number of steps we needed to take. One was the extension of the long sea outfall as it was nearing the end of its life. It was no longer fit for purpose and it needed to be replaced. In replacing that, it was extended and a diffuser was added in order to help the initial dilution of the waste water. It is purely a wastewater project. It ties into no other projects and I know of no project to fill in Belle Greve Bay. And, if we were going to fill in Belle Greve Bay – which we are not – we would not lay plastic pipes a few centimetres under the surface in there.

1300 Deputy Brehaut notes that surface waters are increasing and yes they are, but it is part of the reason why Guernsey Water wants to focus in the next few years on surface water and other drainage and flooding issues. I have seen Guernsey Water staff in St Sampson anyway – I do not know about the other parishes – clearing gullies and drains to prevent flooding. There was one very recently, last week in fact. I asked them what they were doing. They said they were putting cameras along the drains, because there were low lying areas further down and they wanted to make sure that all the drains leading into that low lying area, were free and able to take the waters that would be flowing them in the winter. So, I know that maintenance is done. I know that the infrastructure that we have in the ground currently is up-kept, if you like, and that Guernsey Water have an eye on flooding incidences and what they can do to ensure that what is currently in the ground can cope with that. So, that work is ongoing and it will be ongoing throughout the parishes.

1315 If there are any individuals who are concerned about their homes and flooding, especially if they have water ingress into the cesspits themselves, what they can do is they can contact Guernsey Water. I believe Guernsey Water will investigate, in the short-term, any issues that they are having with flooding and advise accordingly.

1320 What they propose, in forms of works to fix the problems that they are having, may well be at the cost of the householder, because it is not necessarily, in all cases, for Guernsey Water to fix flooding upon the domestic property where it not the fault or responsibility of Guernsey Water. So, if there have been works occurred in a specific area around someone's home, it is obviously not Guernsey Water's responsibility, in some of those cases.

I give way.

Deputy Laurie Queripel: Thank you, sir. I thank Deputy Ogier for giving way.

1330 Can I ask him specifically, I am talking about areas where roadworks have taken place and where properties were not taking water before and, as a result of those roadworks, perhaps, the resurfacing of the road, those properties are now taking water. I cannot see how that can be the responsibility of the householder, when those properties were not taking water before.

1335 Now, is there something simple that can be done? Perhaps, as I said, when I spoke earlier, a new kerb put in and a higher kerb to stop those properties taking water? But I cannot see how that is solely the responsibility of the householder when they were not taking water before, but as

a result of works carried out by the States, they are now taking water and in some cases their cesspits are filling up with water from the roads.

1340 **Deputy Ogier:** I cannot comment on individual instances where a road has been changed. It
might be the problem is with Guernsey Roads, it may be the works has been created by the
Environment Department or it may have been the result of a utility. Obviously, I cannot say,
without knowing the individual examples, where Guernsey Water may be responsible; the
1345 householder may be responsible or other companies or individuals involved may be responsible
who have caused the flooding in a particular area. All I can say is to contact the Guernsey Water
staff. They will come out. They will take a look. They will advise and the best course of action can
be taken from that point.

1350 So, I would like to give Deputy Brehaut the assurances that practical measures are being taken
already to prevent flooding by proper maintenance. That will continue and probably ramp up as
well.

1355 With regard to Deputy De Lisle, yes there has been investment in the west and I thank him for
welcoming that, along with the cessation of the Creux Mahie. His concern that there may be not
be further investment in infrastructure in the west: what I will say is that each individual scheme
will be prioritised in order to ensure that the Guernsey Water customers get best value for money
in the infrastructure investment and, if it is more cost effective to put on 30 homes at the cost of
£15,000 per home somewhere else, and that is highest in their priority list, that is how it will be
dealt. So, I am afraid, there can be no guarantees for any particular parish that they will be served.
It is a case of value for money on the schemes that come forward.

1360 Just one last point in regard to Deputy Brehaut, I believe there are also plans in Vauvert which
will alleviate the problems associated with the surface water in that area as well.

1365 Deputy Soulsby asked whether we will publish a list of those who are currently on a priority list
somewhere. I think the problem with that is that priorities change as costings become increasingly
accurate. When you come down to the particular schemes themselves at the moment, it is an
estimate; they have not been able to define costings yet. So properties can move in and out of
priority lists and, for example, a large housing scheme in a particular area can suddenly change
priorities overnight or instantaneously. Where properties before were towards the top of the list
of priorities, if you put a housing area in the middle of St Sampson, for example, say, and there is
another 40 to 50 homes going in there, that can change the priorities and push any properties
back by a year or two and properties that were not cost effective suddenly become cost effective.
1370 So, that changing nature of a list, I think, is probably better done internally and, if it were
published, it may cause more disappointment than comfort in the long-run. It is not a static list. It
changes as the circumstances change.

1375 Deputy Fallaize: well, yes, we are not looking to cease the Network Extension Programme
outright. We do believe that there are further cost effective schemes that will take place, but we
are nearing the limit of the reasonably costed schemes and they will not continue forever.

1380 Deputy Brouard, with the wastewater charge: no changes in charges are currently envisaged by
the current board. Obviously, we cannot say what any future board would deliberate on there. But
we are taking notes of this debate; Guernsey Water staff are listening. The points that have been
raised in this debate will be raised at board level and if there are questions that we need to
answer as a result of this debate then we will.

I ask Members to support the policy letter.
Thank you.

1385 **The Bailiff:** Deputy De Lisle.

Deputy De Lisle: Sir, I did ask a question with regard to the cesspit charge and whether that
could not be accommodated across the whole system rather than having the discriminatory
charges to those on cesspits?

The Bailiff: Deputy Ogier.

1390

Deputy Ogier: The current board has no plans in front of them to change any of their costings. However, we will be listening this debate and any ideas and questions that have been raised in this debate will be deliberated on at board level.

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The Bailiff: Well, Members, there is a single Proposition on page 2857. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

That concludes the October meeting of the States. Thank you for your attendance.

The Assembly adjourned at 11.35 a.m.