



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 2nd July 2020

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Present:

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Law Officers

R. M. Titterington, Q.C. (H.M. Comptroller)

People's Deputies

St Peter Port South

Deputies P. T. R. Ferbrache, D. A. Tindall, B. L. Brehaut, R. H. Tooley

St Peter Port North

Deputies, J. A. B. Gollop, C. N. K. Parkinson, L. C. Queripel, M. K. Le Clerc,
J. I. Mooney

St Sampson

Deputies L. S. Trott, P. R. Le Pelley, J. S. Merrett, G. A. St Pier,
T. J. Stephens

The Vale

Deputies N. R. Inder, L. B. Queripel,
J. C. S. F. Smithies

The Castel

Deputies R. Graham L.V.O, M. B. E. C. J. Green, B. J. E. Paint,
M. H. Dorey, J. P. Le Tocq

The West

Deputies A. H. Brouard, A. C. Dudley-Owen, E. A. McSwiggan,
D. de G. de Lisle, S. L. Langlois

The South-East

Deputies H. J. R. Soulsby, H. L. de Sausmarez, P. J. Roffey, R. G. Prow

Representatives of the Island of Alderney

Alderney Representatives S. Roberts and A. Snowdon

The Clerk to the States of Deliberation

S. M. D. Ross, Esq. (H.M. States' Greffier)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Procureur),
Deputy M. P. Leadbeater (*relevé à 12h 17*); Deputy C. P. Meerveld (*relevé à 10h 59*); Deputy M. J.
Fallaize (*relevé à 09h 56*); Deputy M. M. Lowe (*relevée à 10h 59*); Deputy S. T. Hansmann Rouxel
(*relevée à 10h 59*); Deputy V. S. Oliver (*relevée à 10h 59*)

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS

The States' Greffier

EVOCATION

Billet d'État XIV

POLICE & RESOURCES COMMITTEE

I. Revive and Thrive: Our Recover Strategy for Guernsey Together – Debate continued

The States' Greffier: Billet d'État XIV – Article I – the continuation of the debate. (*Interjections*)

A Member: Both speak at the same time?

5 **The Bailiff:** Deputy Green.

A Member: Who to choose?

10 **The Bailiff:** Deputy Green. (*Laughter*)

Deputy Green: Thank you, Mr Bailiff. I am glad my Vice-President has cottoned on to the order of running things. Thank you.

15 Sir, yesterday I thought Deputy St Pier made a very good opening speech in this debate. I think it was a speech which in my opinion was somewhat better than the document that we are actually debating. (*Interjections*) Sir, the vision of the Strategy is specifically that:

We will work in partnership to recover our economic prosperity, build on our inclusive community values and capitalise on our many strengths to make Guernsey a safe haven based on sustaining health, wealth and community.

Sir, whilst that vision may well have wide support, the real question is how is that going to be achieved, over what period will that vision be practically realised and at what cost?

20 In many ways this document reads like a Guernsey political manifesto. It is heavy on the vision, the big picture and idealism. Not bad things in themselves, sir. Politicians who cannot do the big picture do not get past first base. But it is short on specific, detailed, practical, costed measures. Maybe those will hopefully come later, but surely, sir, time is of the essence in these matters, with unemployment at over 1,600 already. I had understood that this document had been worked on for

a number of months already, so it is surprising that we are still at the big-picture stage. But there we are; the details will no doubt come in due course.

25 Sir, the Strategy is very high level at this stage. It can mean all things to all people at this moment in time, but that is both the great strength and the great weakness of this document. It attempts to set out at the very highest level a framework for achieving those aims. It is acknowledged that the Government will need to work with the community, business and third sector groups to develop three specific practical action plans, namely, the Sustainable Economy Plan, the Health and Care
30 Plan and the Community Plan.

The short term actions in the Recovery Strategy include completing the review of air and sea links and resolving precisely what Aurigny's role will be as an economic enabler; investment in the regeneration of the Seafront Enhancement Area; our built infrastructure and critical national
35 infrastructure; reviewing the population management regime to ensure businesses can easily still secure the people and skills they need; and overhauling the Bailiwick's existing telecoms infrastructure and reviewing the use of licencing and 5G.

Well, all good so far, sir. But as I say, the document contains very limited detail on the timing and the costs associated with the proposed activities outlined.

40 The short term actions in the Recovery Strategy do not provide a clear indication of what actually are the specific actions to be undertaken, their timing or any indication of the costs. To that end, it is very difficult to know with precision what it is that we are signing up to today by endorsing this document given the vague nature of much of it.

45 So in some ways the lack of clarity is exemplified by the proposal to clarify the role of Aurigny. This debate over the exact *raison d'être* of Aurigny being in the States' ownership predates the start of this parliament in 2016 and in that time little or no progress has been made to clarify Aurigny's role as an economic enabler or otherwise.

The former Security Committee examined this matter in detail and reported in 2015. The report made a number of substantive recommendations which sadly have never been implemented. It might be that now, in the shadow of the Covid-19 pandemic and out of economic and social
50 necessity, the States will finally address this question which has been unresolved for far too long.

The policy letter itself includes a number of sensible suggestions that most people would probably agree are reasonable policy objectives, but it does not identify a clear strategic plan for achieving and moving forwards today. Presumably this strategic plan or plans will be supplied at a later date when the action plans are produced.

55 But this particular Strategy is actually clearly based on many ideas and plans either previously debated by this Assembly or things that have been talked about for years without any resolution. In this sense, the ideas in this document could be said to show a certain lack of original thinking and little out-of-the-box thought, which we will undoubtedly need if we are going to build back better than we had pre-Covid-19.

60 Sir, the economic analysis included is helpful in establishing the scale of the challenge provided by the Covid-19 crisis, but unfortunately there appears to be no economic analysis included on the actual benefits of the suggested action areas. It would be very helpful to see an economic analysis of the proposed benefits of the actions being proposed. Only then can a properly informed judgement be made by Members of this or the next Assembly on the relevant merits of different
65 investments. Clearly we need to be investing in things that will give us the most possible bang for our buck, as it were.

It would also be helpful, sir, if the economic analysis upon which the recommendations are presumably based could be directly referenced in the policy letter and made publicly available.

70 The focus of the policy letter, rightly, is principally on economic recovery. That is understandable in the current circumstances. With over 1,600 people unemployed in this Island at the current time, we need to urgently help many of those back into employment as far as possible.

However, it is important at this crossroads in world events to ask the question: what sort of society and environment do we really want moving forwards? Whilst the focus of the document is on the economy, the choice of areas in which to invest is inherently political. Therefore this plan

75 needs to be informed by a shared consensus vision to inform the social, legislative and environmental challenges inherent in any plan for genuine renewal.

In the opinion of my Committee, the Recovery Strategy in and of itself as currently presented somewhat fails to grasp the once in a generation opportunity to create a new and better Guernsey.

80 The future vision of Guernsey previously was to find us – we are all very familiar with this now, sir:

... among the happiest and healthiest places in the world where everyone has equal opportunity to achieve their potential. We will be a safe and inclusive community which nurtures its unique heritage and environment and is underpinned by diverse and successful economy.

The Committee does not believe, my Committee does not believe, that the policy letter in and of itself is sufficiently bold and imaginative to achieve that aim.

85 The States needs to recognise that there are relatively few levers that are available to stimulate the economy in our Island beyond accelerating spending on infrastructure projects. However, many infrastructure projects may not directly benefit the local economy because they involve substantial elements of expenditure off-Island. There are also very few tax breaks that the States can reasonably offer to attract new business to the Island given that we are a largely low-tax economy.

90 Policies to revive the economy therefore must logically include a focus on reducing the level of unemployment. The States does not itself have the ability to create new jobs unless it wishes to increase the numbers employed in the public sector. The only real lever available to the States is to act as an enabler to encourage the private sector to increase employment, possibly through job creation schemes, possibly building on those schemes historically operated by the Committee for Employment & Social Security and possibly by supporting subsidised retraining packages.

95 We all need to recognise that employment in some sectors may never return to pre-Covid-19 levels. A sectoral analysis of those companies and/or workers supported by the payroll funding scheme would be a useful starting point to help identify those employers who may be unlikely to be able to resume their former employment along with some professional economic advice on the likely impact of the pandemic sector by sector. I would ask Deputy St Pier when he comes to sum up whether he is currently about to commission that work and whether that will actually be undertaken.

100 Again on the economic, sir, there is much mention in the policy letter, and indeed in the document, of fiscal stimuli, without any real explanation as to what that phrase means or what is actually being proposed. The expression is capable of different interpretations to different people.

105 Is it intended to be the same as demand stimulus or public stimulus, other phrases that are used in the document – for example, on page 7 – or is it intended to refer to changes in the tax system, as suggested on page 15? I would appreciate a clear answer in the summing up.

Page 8 of the document, reference is made to:

The economic aim of this strategy will be to develop and invest in initiatives which demonstrably improve the recovery curve and accelerate the return of jobs and wealth to our community.

110 It is perhaps disappointing that there are no examples to show what initiatives P&R or CRAG have in mind here because it is in the brass tacks of this recovery plan that we will be able to see exactly how Government intends to use the mechanisms available to it to assist the recovery. At the moment it is simply not clear to my Committee.

115 Historically, sir, the principal role of the States in relation to the economy has been seen to be that of an enabler, to ensure that it has the necessary climate in place to enable the private sector to thrive and develop. It is difficult to see how the States can now suddenly adopt a more interventionist role, if indeed that is what is being proposed, beyond perhaps creating soft investment funding in competition with established financial institutions. The States are already attempting to fulfil that role to some extent through its participation in the Guernsey Investment Fund. Therefore can I ask if it is intended that this involvement will be refocused and enlarged as part of the future plans?

120 Sir, the target to improve growth rates by an average of 1% per annum is to be commended.
But is it realistic? Certainly recent history suggests that attempts to plan for growth have not been
very successful. Where growth in Guernsey has occurred it has arguably been largely serendipitous
rather than through the intervention of the States. For example, the growth of the finance industry
in the late 1960's and early 1970's fortunately compensated for the collapse of the horticultural
125 industry and the same can be said in relation to the achievements on Island of Specsavers and
before them Tektronix.

In addition, the Committee would question the relevance of GVA. GVA means gross value added
which is calculated as gross domestic product before the inclusion of taxes and the removal of
subsidies on products. Is this an appropriate measure of economic performance in the Guernsey
130 context? Specifically, where is the evidence backing up the assumption that 20% to 25% of
'additional GVA is translated to tax revenues', as stated on page 9? This lack of clarity or vagueness
on the key economic points is unfortunately a feature of the report.

Although there are economic projections in the document, and those are welcome, there does
not appear to be any link set out with previous data, for example, recent GDP figures and nor is it
135 clear where, how and by whom these projections were made.

Also, I think it is fair to ask what confidence is there of an initial V-shaped recovery as suggested
in the GVA scenario on page 9, when a number of economists across the world are questioning the
abilities of global economies to achieve such a bounce back? In this sense it would be helpful to
see the economic analysis used to substantiate this assertion.

140 Sir, my Committee also wishes to know what the population figure would need to be increased
by to support this target growth rate. Presumably, unless we can somehow manipulate sustainable
wage inflation, the only way we can substantially grow tax revenues from our admittedly narrow tax
base will be through a significant increase in the number of the economically active population.
Clearly this increase in the local population could be seen for many Islanders as a dramatic change
145 of policy and we need clarity on that.

Sir, the Scrutiny Management Committee via one of its panels has recently reviewed and
concluded the capital allocations process and one of the key findings of this work, which will be
published shortly – as I understand it, it is currently with Policy & Resources for factual accuracy
matters – when that is published one of the key findings will be, surprise, surprise, that capital
150 projects take far too long to complete. This is hardly news to anyone in this Assembly but it is
important, if any real progress is to be made, that the States puts in place the levers necessary to
quickly enact their chosen priorities. If this is not done then much of the recovery will simply falter
or fail. Decision making, followed by action, which has been seen during the pandemic crisis, has to
be the new normal.

155 So I will just briefly refer to some of the findings of the capital allocations review, insofar as they
are relevant to the document we are discussing today. As I say, that review should be released
shortly.

From the capital allocations review, probably of most relevance to this debate is the conclusion
that there are a number of things that can and should be done that we believe can improve the
160 effectiveness of the process of allocating funding for capital projects and lead to a quicker, more
efficient method of delivering capital projects that the Island needs. The process needs to be quicker
and the time between the States agreeing a project and the commencement of spades in the
ground should be shorter.

The review also indicates that the processes involved are often not well understood and together
with a lack of strategic direction from the States' Assembly, this has meant that very few sizeable
capital projects have been started or completed in the last eight years. In addition, the expected
level of spending on maintenance has often failed to be achieved which has, in the opinion of some
of those interviewed during the review process, led to an unnecessary level of decay on existing
165 infrastructure.

170 The review also highlights how opportunities for economic growth on Island have been
effectively stymied by the limited States-led capital investment in recent years. Given the situation

that Guernsey now finds itself in as a result of Covid-19, it is vital, in the opinion of my Committee, that the Island allocates its resources as effectively and efficiently as possible to rebuild our economy as well as critical infrastructure.

175 To this end, the report recommends that there needs to be a prioritised and well-managed portfolio of projects that do more than just replace worn-out infrastructure. In the current circumstances the States should use this once in a lifetime opportunity to begin to shape and reshape the economic, social and environmental future of our Island that has often been talked about but largely not actioned.

180 The report further states that the new pipeline of capital projects needs to consider the new reality that the Island finds itself in. One of the key findings is that the selected projects need to be properly resourced and managed effectively. The skills that already exist within the States need to be deployed or redeployed where they can be most effective, with a focus on completing projects rather than prioritising the oversight function. Where gaps exist in our capability we should access
185 the necessary skills to ensure that this vital work is delivered efficiently.

The report adds that the Island is in a more fortunate position than many in that the financial resources that we have already available to us for capital expenditure are already there. Whilst resources intended to replenish the Island's infrastructure sit in investment portfolios they are not providing the boost to the economy for which they were originally intended. Now is the time to use
190 them for that purpose.

Conversely, sir, there may be some previous decisions on infrastructure spending made by the States that need reviewing to establish if they are still appropriate post-Covid-19. Now is the time to use the funds that the States holds to invest intelligently in the Island's future, based on well-informed States' decisions and using an efficient and effective process that is properly understood
195 by Deputies, public servants and taxpayers alike, so says the review of the Capital Allocations infrastructure which should be soon released; and there is a wealth of technical information in there which I have not gone into this morning. Other Members of my Committee may refer to that but it is probably best if Members await the publication of that report in terms of the technical matters.

Sir, going forwards it will be essential for the Scrutiny Management Committee and perhaps
200 most significantly the next Scrutiny Management Committee to develop a regular pattern of hearings, reviews and other mechanisms to monitor and critically assess the progress or otherwise of these plans. Governance is perhaps not the overriding factor, but it is a key factor in all of these things to make sure that progress is kept on track. So I say to whoever sits on the SMC post-October 2020, the shadowing of the recovery plan really ought to be the primary matter of focus and of
205 interest to Scrutiny going forwards in the next term.

Sir, in conclusion, on behalf of the Committee – I will say a few things personally in a moment – and notwithstanding the questions and the scepticism that my Committee has expressed earlier on in this speech, I do recognise that the Revive and Thrive document is a good starting point. The document is laced with optimism and optimism itself is no bad thing. But this States needs to get
210 beyond the talking stage and the optimism stage and focus on the mindset of action.

We need to see some well-crafted, well-thought-out action plans under this document ASAP and then get on and implement those with resolve and with purpose. The endless talking and the navel-gazing needs to end (**A Member:** Hear, hear.) and we do need to crack on with the business of rebuilding our Island; and that is the view of my Committee.

215 Sir, speaking personally now, I think we do have to recognise that there are a number of barriers to our recovery that need to be looked at very forensically to see if we can remove them entirely or mitigate against them.

The capital processes within the States of Guernsey is one such barrier that I have already referred to. To be fair, I think the planning system is another one. Deputy Inder put his finger on that yesterday and indeed Mr Boris Johnson also put his finger on that earlier on this week.
220 (*Interjection*) I do not often confuse Deputy Inder with Boris Johnson but they were both right, I think, to raise that as an issue.

225 So there is the capital process, there is the planning system. I also think, sir, that perhaps the States' Assembly is sometimes the barrier and part of the problem. When you look at the lack of capital investment, the lack of building projects going through in the last eight years, in my time in the States, there is clearly a link there, in my view. So maybe some of the barriers are in fact self-created and self-inflicted. I do think we need to have a very forensic analysis of identifying where those barriers are before we can hope to really achieve much with this plan.

230 So I do generally feel that this document is insubstantial and vague. It is a very glossy document and attractive looking, and as I said, in many ways it is clearly nothing more than a starting point. But it simply must be followed by real action and that is where Members will rightly be accountable under those three plans.

235 This stuff is going to be hard to get right. There probably will be errors along the way. But I do agree that the next States will need to throw off its shackles of fear and be prepared to take the tough decisions to set this Island community in the right direction after Covid-19.

240 What we need is nothing less than a New Deal and an economic revival for the ordinary Guernsey working person. I think that needs to be progressive. Deputy Roffey said it should be progressive yesterday, I think that is exactly where it needs to be. It needs to be forward looking not backwards looking. It needs to be economically dynamic but also environmentally aware and socially conscious. I think the roots of that are in this document, but the proof of the pudding will be in the eating.

245 Sir, I have said before if we can get this right then the Island can see its best days ahead of us, but if it falls or falters then the future might look very different indeed. I do not want this to fail. I will support this document and I will hope for the best, but on the assumption that this document will be followed by a suite of proactive, practical, progressive, detailed action plans which must be done as soon as possible, bearing in mind that time is of the essence.

So I will support this policy letter.

The Bailiff: Deputy Fallaize, is it your wish to be relevéd?

250 **Deputy Fallaize:** Yes please, sir. Thank you.

The Bailiff: Deputy Parkinson.

Deputy Parkinson: Thank you, sir.

255 I would like to respond to the debate on behalf of the Committee *for* Economic Development. The Committee has a pivotal role to play in the development and implementation of the Recovery Strategy because a key part of the Recovery Strategy will be in an economic recovery plan, one of the three pillars of the Strategy. This will identify opportunities for economic growth and diversification, it will consider ways to improve our competitiveness and will focus on major investment and infrastructure projects.

260 In terms of economic opportunities, the finance sector remains the engine of our economy (**A Member:** Hear, hear.) with excellent work being performed by industry, Guernsey Finance, the regulator and Government, working in partnership to maintain and grow the sector. The finance sector accounts for over 40% of our GVA and fortunately has largely managed to continue operating remotely during the lockdown period.

270 The Committee has made a substantial investment in the Guernsey Green Finance initiative, which provides a real opportunity for Guernsey to position itself at the forefront of sustainable and green finance. Fintech also provides new opportunities for growth and further diversification within our finance sector. Sustained growth and innovation in the local finance sector will be essential to the recovery of the local economy as a whole.

Tourism and hospitality are sectors that have been hard hit by the lockdown measures imposed to manage and control the pandemic. A Tourism Recovery Taskforce has been established which includes representatives from the tourism industry from across the Bailiwick and the Committee has agreed an outline tourism recovery plan.

275 Visit Guernsey has co-ordinated a new online hub to promote Bailiwick staycations for local accommodation, restaurant and activity providers. The hub has been visited more than 12,000 times in the first week since launching. This response shows that there are many Bailiwick residents looking for staycation ideas and ways to support the local hospitality sector.

280 Under normal circumstances approximately 45% of passengers are travelling by air and approximately 65% of passengers travelling by sea are visitors. Until the Bailiwick's borders are reopened the tourism and hospitality sector will struggle to return to normal levels of business.

285 A far-reaching support package for the visitor accommodation sector has been agreed by P&R. From 1st July until the end of the first quarter of 2021, grants will be available to eligible hotels, guest houses and self-catering accommodation, with the highest level of support reserved for those businesses facing the greatest challenges, at an estimated cost of £6½ million.

The Committee is supporting the retail sector by providing grant funding for a retail manager and for the promotion of events to help generate footfall. The States of Guernsey has also promoted a 'support local' campaign that encourages the local population to buy from and support local businesses.

290 Small and start-up businesses are key drivers for innovation and future economic growth. The Committee has developed a new partnership approach to fostering entrepreneurship by establishing a collaboration between the Digital Greenhouse, Blenheim Chalcot and Barclays Eagle Lab. This new model provides a greater breadth and depth of support to local entrepreneurs than was previously available.

295 The activities co-ordinated by staff at the Digital Greenhouse and during the lockdown period they dealt with over 70 queries from individuals who are considering starting up new businesses.

300 In the medium term the Committee continues to look at ways of diversifying the economy, including investigating the potential for an international university presence in Guernsey and for developing the marine economy and for health-tech. Universities have the potential to attract and create opportunities for research and development and for data and science parks, and often lead to the creation of spin-off businesses and start-ups.

305 The Committee has commissioned a study from Oxentia, Oxford University's Global Innovation Consultancy, into the feasibility of an international university on this Island, and based on the outcome of this work the Committee will bring more detailed proposals back to the Assembly, assuming that Oxentia's report is supportive.

315 The Committee will also consider ways to maximise the opportunities for economic growth posed by Guernsey's marine economy. There are a number of already established sectors in operation in Guernsey's waters, including industries such as fishing, tourism and port activities. The Committee has been working closely with the local fishing industry to introduce measures to support the industry in relation to both facilitating exports and making it more difficult to conduct unlicensed fishing. The Committee will also explore the potential for emerging sectors which may have the potential to generate economic prosperity for the Island. Examples include marine biotechnology, maritime renewable energy and desalination. Finally, the Committee will consider the enablers, activities concerning the management of the sea and ensuring it remains a sustainable economic resource.

The Committee will also explore the potentially exciting opportunities to develop health tech, including medical and health tourism and building on Guernsey's enhanced reputation as a result of the Covid-19 crisis. Guernsey is now perceived as a place where medical excellence is practiced and is a place where health-tech businesses have played a key role in responding to the pandemic.

320 Health-tech or digital tech is the use of technology to improve the delivery, payment and/or consumption of healthcare with the ability to increase the development and commercialisation of medicinal products. Health-tech is an area that will see tremendous growth in the coming years and Guernsey is well placed to become a global leader in the development and delivery of this technology. Work has already started to explore the opportunities, working closely with the Committee for Health & Social Care and with Blenheim Chalcot.

325

For the Bailiwick to successfully compete on a global stage, the economy needs to be competitive with other jurisdictions; both our near neighbours and jurisdictions which may be thousands of miles away but which compete with the Bailiwick in some markets.

330 Key economic enablers to improve our competitiveness include both our physical connectivity through air and sea links and digital connectivity, which enables businesses to engage with the much broader range of consumers and markets. Efficiency and convenience are key factors in business location decisions and we must work on improving both.

335 Transport connectivity remains one of the Committee's critical priorities and is a key economic enabler. While the Bailiwick is able to safely reopen our borders, or when it is able to safely reopen our borders, air and sea connectivity will again be an enabling factor for local residents, leisure travellers and businesses alike.

340 A recent survey by Island Global Research showed that Islanders' top three concerns at the end of May were Covid-19, the economy and air and sea links. As competitor jurisdictions start to reopen their borders and reduce travel restrictions, the Bailiwick will need to ensure that local businesses are not placed at a competitive disadvantage by being unable to travel to meet clients or prospective new clients.

345 The Bailiwick's 'Exit from Lockdown' strategy has four objectives: firstly, to protect and preserve life; secondly, to mitigate and minimise the impact of Covid-19 on the community; thirdly, to minimise the economic, social and environmental impacts; and fourthly, to promote the restoration of normality as soon as possible.

350 The Committee's view is that it is not in line with those clear and laudable objectives to keep the borders effectively closed until a vaccine has been produced or the Covid-19 pandemic is under control. Essentially, we are going to have to learn to live with this virus. (**A Member:** Hear, hear.) There is considerable uncertainty about when or indeed if either of these situations will materialise. The Bailiwick will pay a high price in economic terms if it decides to isolate itself for a prolonged period while other jurisdictions begin to open their borders to a greater number of visitors.

355 Guernsey should be looking to mitigate and minimise the impact of Covid-19 on the community, as stated in the exit framework, rather than aiming to eliminate the virus entirely. And it should be for the States of Deliberation to decide the appropriate risk appetite for the Bailiwick in relation to manage the Covid-19 pandemic and the reopening of our borders. Clearly there is a difficult balance to strike between mitigating and minimising the impact of Covid-19 on the community and minimising the economic, social and environmental impacts.

360 The Committee welcomes the recent announcement of a trial of a seven-day quarantine period combined with a test on day seven. Clearly this approach, if successful, will assist returning Islanders or those who are coming to stay in Guernsey for an extended period. It will not, however, assist the hospitality industry, as visitors are very unlikely to travel to the Bailiwick even under a seven-day quarantine requirement. Nor will it enable business travellers to easily visit off-Island clients or prospective clients, which may negatively impact on business ability to win new business, particularly if travel restrictions have eased in competitive jurisdictions.

365 The Committee would encourage further consideration of whether there are any additional measures that could be introduced to enable visitors to safely visit the Island and the resumption of business travel without putting the local population at undue risk.

370 Aurigny will have a key role to play in restoring the Island's air connectivity and in operating economic enablement routes, and the reviews of strategic air and sea links policy and of aviation policy will need to be completed. The Committee remains committed to promoting air and sea connectivity and to ensuring that those connections are both resilient and future-proof.

375 The Committee recently published the analysis it commissioned from Frontier Economics which examined the costs and benefits of extending Guernsey's airport runway to at least 1,700 m. The report found that over a 40 year pay-back period, the extension of Guernsey runway would help stimulate additional visitor growth and new business to deliver a significant net economic benefit to the economy. If the number of additional visitors were increased by an additional 20,000 a year then the report suggests that the net economic benefit would rise to approximately £200 million

over the 40-year period. Nevertheless, it is the Committee's view that in light of the recent events in relation to Covid-19, and the travel restrictions and other measures that it has been necessary to implement, now is not the right time for the Assembly to debate a potential extension to Guernsey's airport runway.

As part of the economic recovery plan, and after checking whether the assumptions are still valid or whether the conclusions would change in the light of the Covid-19 experience, the Committee will decide on the terms of a policy letter to bring to the Assembly on a potential extension with a full business case and cost-benefit analysis. This will happen when the pandemic is under control and the future of the local and UK airline industry is more clear.

With so many businesses, employees, parents and children reliant on our digital infrastructure to run businesses or home school, the critical importance of our digital infrastructure has been demonstrated more than ever during the lockdown period. Without the ability to work effectively from home or to home-school children with the help of technology, the economic and social impact of the pandemic on our community would have been even greater.

The review of the use and licensing of 5G technology will now include an overhaul of our existing telecoms strategy with clear recommendations for future investment for business, home and Government. We will work with the digital communications sector to ensure the delivery of infrastructure that is resilient, secure and world class. We will become a recognised global leader in respect of data.

The Committee welcomes the focus in the Recovery Strategy on the strategic review of population management to identify the people and skills that the economic recovery will require and the development of the human capital strategy to enable businesses to attract the people they need, both by ensuring that the local population receive the training they need to meet the challenges, but also providing access to off-Island skills where those are not available locally.

Locate Guernsey continues to promote Guernsey to high net worth individuals and business owners. In 2019 Locate was directly involved in 35 relocations with a total financial benefit to the Island of at least £1.2 million in Document Duty alone. Inquiry levels from January to May 2020 have increased by almost 20% compared with the same period in 2019, demonstrating rising interest and confidence in Guernsey as well as a growing awareness of the Island on the global stage in response to our handling of the Covid-19 crisis.

The Recovery Strategy emphasises the importance of using investment and infrastructure projects to help drive the recovery. It is imperative that the States moves rapidly during this political term, and in the next term, to identify key projects that can be accelerated in order to support the economy and to provide jobs during the recovery period.

The Committee is involved with and supportive of a number of investment projects including the Seafront Enhancement Area Programme, the Leale's Yard Regeneration Area on the Bridge and the development of energy infrastructure projects in line with the energy policy recently agreed by the States.

The Seafront Enhancement Area Programme aims to provide one consolidated plan for the enhancement of Guernsey's east coast. So far the Programme has led to preferred bidders being identified to redevelop the La Vallette area at the Bathing Pools, the States' Tourist Information Centre and the Round Top Stores. The Programme provides an opportunity to capitalise on and maximise the potential of Guernsey's eastern seafront.

The Leale's Yard Regeneration Area project provides a once in a generation opportunity to revitalise and regenerate the Bridge area of St Sampson. The Development Framework for Leale's Yard has recently been published with a focus on mixed use including both residential and commercial units, and the Committee sees the project as offering a real opportunity to breathe new life into the Bridge area.

The Committee *for* Economic Development's view is that the resilience and security of Guernsey's energy supply is essential to Guernsey's economy continuing to develop and grow, and in turn to our recovery from Covid-19. The Committee will have a crucial role in working with the Guernsey

430 Competition & Regulatory Authority to ensure that the regulatory and licencing framework in Guernsey is fit for the purpose of the future.

As the Island develops its recovery plans from the Covid-19 crisis, there should be opportunities to see how Guernsey Electricity can be used as a driver for that recovery. However, that will require a creative approach to its tariffs, that balances a number of factors including affordability for customers and Guernsey Electricity's debt levels and capital investment programme, and how this
435 could support our recovery.

In conclusion, the Committee welcomes the emphasis in the Recovery Strategy on transport and digital connectivity, on investment in critical infrastructure, and on investing in people and skills. Everyone in the community has a role to play in supporting the recovery of the Bailiwick's economy. We can all decide to buy local or to support our local hospitality sector whether through booking a
440 staycation or buying a meal out. Now is the time to build on Guernsey's success in managing the pandemic and on the fantastic community spirit that has been developed as a result. We have an opportunity to not just recover but to make the economy even better by emphasising our focus on building and investing in our future and looking for opportunities for sustainable economic growth.

The Economic Development Committee looks forward to playing its role in developing the plan and taking it forward.
445

Thank you, sir.

The Bailiff: Deputy Graham.

450 **Deputy Graham:** Thank you, Mr Bailiff.

My message to P&R, and I suppose to CRAG too, on this green paper – and talking about CRAG, it is interesting, I wondered how long it would take the old Policy Council to make a return visit; it seems to have now (*Laughter*) – my message to them is that I do entirely get the fact that this green paper is high level. I do get the fact that it has been put together in haste and in not the best
455 circumstances. I fully get that, and I also get the fact that it is essentially a paper that should be viewed holistically with none of the elements in it free or independent of each other. I fully get that.

But I think it is incumbent on me as Vice-President of the Committee *for* Education, Sport & Culture to at least look through it through the lens of that Committee. And when I do, the message I get is mixed. Funnily enough it is the culture bit that probably comes out the best in terms of what
460 is dealt with in the paper – and I quote selectively from it – we get reference to nurturing our 'unique heritage', our 'heritage assets', 'making greater and more innovative use of our ... cultural assets', and so on. And that is all good stuff and at least it has been thought of.

In passing, I ought to say we did allow last week to pass unnoticed because I think last week contained what I believe to be our national day. It was the 816th anniversary of the peace of Rouen, where ... and Deputy St Pier referred to our Anglo-Norman heritage as well. Well, that is where it all
465 began – or certainly it was a pretty significant marker – and against that, things like Liberation Day are mere, but significant, blips. But there we are; we did not even mention that on 24th June. But anyway, I am quite happy that culture has its rightful place in this admittedly high-level paper.

Sport: the word 'sport' is not actually in the entire paper. Or if it is, it eluded my scrutiny. I could
470 not see it anywhere and Deputy Lester Queripel – yesterday was it? I think it was probably yesterday – was really emphasising the fact that surely sport, physical fitness, has got a significant role to play in this holistic exercise, and certainly, if we are talking about serious ambitions, serious high achievable ambition is a keystone of the way ahead, then sport has got to play its part. (**A Member:** Hear, hear.)

I do not think it is entirely bad news because I think certainly the current Committee, and I do
475 not doubt previous Committees, have been very clear on this and certainly in the last few years the closer association between the political element and the Sports Commission has been accelerated and already we are beginning to see some of the effects of that, particularly in our primary schools. So I share his regret that it is not actually in the policy letter, in the green paper, and it would be

480 comforting to hear from Deputy St Pier, when he responds to the debate, reassurance that actually there is an acknowledgement of the role of sport to play in our recovery.

Education: there is a mention of education in the recovery action plan and, Members of the States, it is pretty brief. It says the ambition is that we will ensure that:

... the community has access to education and lifelong learning

485 I do not really put that down as a particularly high level of ambition. I think it has got all the ambition of a mollusc. I really feel that we need an indication that actually we need to get a grip of our education, raise some standards, particularly in the secondary level.

Now, yesterday it was interesting. We had an interesting exchange on this between ... well, it was not actually an exchange, but it was a sequence of contributions from Deputy Roffey and I think then Deputy Ferbrache on this one. Deputy Roffey very diplomatically tackled a rather difficult
490 message to get over that we have been telling ourselves that we are doing better at the secondary level than actually we have. And it is an uncomfortable message because it opens you up to the accusation that you are running down the achievements of your students and your teachers, which is far from the case. What it is, it is an acknowledgement at last, and I hope it is a wider acknowledgement in the future, that our teachers and our students to some extent have their hands
495 tied behind their backs, and underachievement is largely explained by that.

Traditionally in Guernsey, we have had a highly *dirigiste*, almost control-freakery approach to education being controlled from the top and the centre downwards. That has a very debilitating effect. For example, we have a Stone Age approach to recruitment of teaching staff and it is really back in the age of the dinosaur. We are living with a 50-year-old Education Law. To achieve what
500 we have been achieving recently is actually commendable given the handicaps that we have imposed on ourselves.

Now, Deputy Ferbrache acknowledged the truth of the wisdom that we are actually underachieving and that we have been telling ourselves that we have been doing better than we have. His response to that was less encouraging because – and I think quote him exactly – he said,
505 'I don't care what they're doing in Eastham' and I am quoting his words exactly. I do not know why he chose Eastham; I have never mentioned any schools in Eastham as a sort of model. I have mentioned successful 11-18 comprehensive schools in the countryside in England in the suburbs, which more echo Guernsey's suburban nature, and in the inner cities. But apparently they are no good; we have no lessons to learn from them.

510 But I do not know whether it is coincidence that he chose Eastham because if he does not care what they are doing in Eastham I would politely say to him he ought to, because I happened to be in recent conversation with a school in Eastham. The only reason I am is that there is a former graduate of Guernsey's Grammar School who is a teacher and is a Vice-Principal of a school in Eastham in the Borough of Newham, East London and those of you who know the area know what
515 we are talking about there. We are talking about an 11-18 comprehensive school that has got 2,300 students there. But it is not the size that is the key to it. We ought to also be aware that on four counts it is above average. It is above average in the ethnic minority content of the school; it is above average in the number of students who have English as a second language; it is above average in the number of students who attract special educational needs and disability attention;
520 and it is above the national average in the number of pupils who attract the pupil premium additional support. So there are a number of headwinds.

Now, this year the sixth form of that school sent 51 students to Oxford or Cambridge University, and it was not a flash in the pan; last year they sent 41. Most of the rest of those who go on to university from this school go to the Russell Group universities. How does Guernsey compare with
525 that? Well, the combined output of the sixth forms of Elizabeth College, Ladies' College and our Sixth Form Centre at Les Varendes over the last five years have averaged three students a year to Oxbridge. Now, admittedly Cambridge – and I am sorry about this – regard our students as having no different status than if they came from Timbuktu and so that is actually a bit of a handicap in ... but it does not explain this enormous gap in the level of achievement.

530 Members of the States, I know it is not all about Oxbridge. I know it is not all about Russell Group universities. Education is more than that. But just look, as I have, at the Ofsted report into this school. It is not only academically brilliant, the students behave brilliantly, they do cultural things, they do sporting things and so on. It is brilliant school. And I tell you this: they educate the pupils there for just over half the cost per pupil as it costs to educate our students at our high schools here.

535 Now, to Deputy Ferbrache and those who echoed him with, 'Hear, hear' I do hope that in the next States when the review of secondary education comes back to the States having had appropriate independent oversight, that people will not bunker down and say we have got nothing to learn from what is happening elsewhere, because we have. We do not have to follow them religiously, we do not have to take a rigid template and plonk it down in Guernsey. But I think there is a message there, because if it is not all about Oxbridge and Russell Group something good is going on in schools like that and we ought to try and find out what that something is.

540 So let's fight against any complacency, because it is complacency that is going to suffocate any attempt by this Committee, the next Committee, whatever Committee, to raise standards. If we say let's do it the Guernsey way because it is the Guernsey way that has produced where we are today and we ought objectively and sensibly to recognise that and say what is the best way forward.

545 So I am all for revive and thrive. I just hope that within education it does not become revive and dive. *(Laughter)*

The Bailiff: Deputy Prow.

550

Deputy Prow: Thank you, Mr Bailiff.

Sir, this is rightly a high level strategic document, which Deputy Green has already alluded to, and I thank Deputy Green and the Scrutiny Committee for their forensic analysis of the document.

555 I can broadly support the document and I wholeheartedly endorse the direction in the second Proposition for Policy & Resources:

to consult further in preparing ... Action Plans ... and report back –

– to this Assembly.

560 Sir, strategies in themselves achieve nothing: actions and outcomes from those actions do. We are told that there are two critical documents: the exit framework and the Recovery Strategy. I would ask this Assembly to not get too excited around the buzzwords used – revive and thrive – but to realise any successful strategy must promote outcomes which are achievable. They must do so especially in the environment that we find ourselves and take us to where we need to be.

565 Where we are now, as we all know, is a very bad place – probably the worst in most of our lifetimes. Whilst this public health crisis was not caused by failed policies, the recovery will need every ounce of States engagement it can muster and this policy letter is a call to arms. I therefore welcome this opportunity to debate this as a green paper. However, as bad as the crisis is, it could have been a whole lot worse. Sir, we need to both celebrate and build on this.

570 We must not forget, as said, that this crisis is and will be for some considerable time a public health emergency. Covid-19 is a nasty, dangerous virus. The United Kingdom, our most important economic partner through which we mainly connect with the rest of the world physically in trade and travel and the provision of financial services and some other businesses, has suffered over 43,000 deaths and people are still dying on a daily basis and new cases are still being reported.

575 Guernsey, sir, is in an entirely different place, now having entered Phase 5 of six phases of exit from the appended lockdown framework which was published back in early May. Amazingly, we have to date gone 62 days without a new case and, as other speakers have mentioned, this has drawn positive international attention.

Sir, the policy letter at sections 3.8 and 3.9 also inform us that economically our public finances have:

... put us in an excellent position entering this unprecedented period. We have strong reserves, along with a stable government ... which has led to us retaining a strong AA- credit rating.

Sir, these sections highlight, and I again quote from the document:

We entered this year in a strong financial position including a budget surplus, significant reserves and modest borrowing.

580 I would like to briefly repeat a point I made in a speech at our May meeting. I want to assuage a view that our success has been brought about by our system of government suddenly changing to that of an executive cabinet style, a view expressed by some media opinion writers. No, that did not happen. What actually happened is that this Island's community responded magnificently to a very dangerous global pandemic, achieved through the government mechanisms already in place.

585 Sir, the Civil Contingencies Authority responded robustly, but proportionately, to this emergency and Health & Social Care has, under the powers granted to them and taking the superb advice of the Director of Public Health, put what they believed to be the appropriate lockdown measures, then under the exit programme incrementally removed them way before other countries in Europe. But, as said, the real heroes are our front-line staff and the public who are an example of just how great our small jurisdiction is.

590 But politically, sir, we have seen leadership in our committee government regime which inspired the public. I take my hat off to all the Members of the Civil Contingencies Authority, not just the ones who have led the honest and open media communications. They collectively also heeded the excellent advice from the Director of Public Health and other officials.

595 I also applaud all the Committees and their officers, whether they strived to deliver education, or STSB providing public services, or by keeping us safe and secure. Deputies St Pier and Soulsby were the public faces of that effort and for that we should thank and congratulate them for their leadership, whilst recognising many others have also performed superbly. There was no manual: we did this ourselves as a community.

600 So, sir, we need to build back better and this has all come at a cost which we as a States have decided to borrow eye-watering sums. It could only be repaid by restoring our depleted finances and a focus like never before on our local economy. There is much talk in this paper, rightly, about construction and how we must rescue our devastated tourism sector. We absolutely must put local industry right at the centre. We need to completely rethink our tick-box, 'computer says no' procurement process in this regard.

605 One very concerning recent announcement are the unemployment figures of 1,600 unemployed and worryingly that there are only 200 vacancies notified to ESS. So investing locally must be a key plank of build back better.

610 Both Deputy Roffey and Deputy Ferbrache have raised the capital allocation process, as has Deputy Green, and I agree that it is no longer fit for purpose – and I really do look forward to the Scrutiny Committee's report on this subject. It needs to be completely overhauled including the so-called delegated authority. It is absolutely necessary for this States to understand the capital case policy letters. They must contain all the information and costs before they sanction big projects however, despite all the resource that goes into this process and the administrative hoops and hurdles which Deputy Ferbrache outlined as expensive, it often, more often than not, hugely underestimates the actual spend and at the end of the day delivers differently to the original proposals.

615 Sir, I recommend a system where the process is far more consistent across Committees and concentrates much more on stakeholder engagement rather than overegged emphasis on analysis and process by officers and consultants during approval.

620 I also agree with Deputy Ferbrache and others that this challenge also applies to the overly complex planning regime which we, this States, brought into being early in this term.

Moving on, neither should we take for granted the huge economic engine that is our finance industry. Whilst these are touched upon in the policy letter specifically they are in my view somewhat superficial at 3.4 and 3.5 of the letter, and in the Recovery Strategy's opinion. We need

625 to follow this up with well-thought-through actions which deliver on clear measurable outcomes. To not only kick-start our recovery and sustain it, but to improve our position. I was extremely pleased to hear Deputy Parkinson's very detailed analysis of the plans that the Economic Development Committee have and I wish them godspeed with those plans.

630 Deputy St Pier rightly mentioned the health recovery plan HSC needs to return to business as usual and indeed move forward including tackling those backlogs, which deal with social care as well as acute care. The Hospital modernisation project which includes a capital build is therefore a key ingredient in this.

635 Neither must we forget that all this the good, bad or ugly was caused by the worst global public health crisis in our history. I do not want to put a dampener on what I hope is a positive critique of the policy letter but there are warnings which we must heed in sections 2.7 to 2.9 around managing the consequences of the public health protections we have put in place and in their dismantling:

It is highly probable that further cases will develop as restrictions ease in the Island and particularly when border ... [restrictions] are relaxed.

640 The original lockdown and the accompanying restrictive measures followed by the exit programme has left us in an excellent place we now have a Bailiwick bubble with no restrictions whatsoever. However, the directions which were the enabler essentially allowing the hard fought relaxations have been underpinned by travel restrictions. Sir, as Deputy Parkinson has outlined, this is a very tricky area indeed. Travel restriction policy needs to balance and need to recovery with the conflict contained in the existing messaging. And I quote:

There is ongoing evidence of Covid-19 activity in our neighbouring jurisdictions.

645 There must be a realisation that to move backwards through the exit plan, back to lockdown, would be the worst of all worlds for both public health and the economy. Not only that, it would damage the public support currently enjoyed.

650 Sir, I do not say this as a Sword of Damocles remark, as Deputy Inder will chastise me. Deputy Inder has rightly raised the issue of how any emerging clusters of Covid-19 that may appear might be handled. And I feel that this will have to become business as usual as time goes on. No, sir, my point is this: I am not sure that the Civil Contingencies Authority is the right mechanism to develop this going forward. The CCA is about managing an emergency. I say this as the exit programme makes it very clear that travel policy is not in the remit or influence of Health & Social Care. I am very concerned about this going forward as it appears to be the only underpinning element to all the previous HSC directions enabling Phase 5 and frankly an important lever to stop the R0 factor in the event of a new outbreak gaining hold.

655 Sir, having outlined my concerns and commented on building back better, I support and thank Policy & Resources for setting out their stall and, as said, I broadly support the initiative it contains. Thank you, sir.

The Bailiff: Deputy Dudley-Owen.

660 **Deputy Dudley-Owen:** Thank you, sir.

665 Sir, I want to make a few points about the Revive and Thrive Strategy, some of which I have said before during debate in April when P&R sought approval to borrow, to the extent of their initial ambitions, in the sum of half a billion pounds. I think, however, these comments are more relevant today and therefore worthy of repetition in the hope that they are taken into account for later inclusion.

670 At that time Deputy McSwiggan and I laid an amendment which sought to slow down the rush to borrow, especially around the second tranche of long-term borrowing. We wanted to give some breathing space, time to think and afford proper consideration, not to mention the all-important governance around the nature of the spend as well as the payback.

It was hoped by many that this document, albeit in short form, would help to provide answers to the spending wish list. And there is a better idea, though still little detail, in this initial document policy letter. It is a very high level paper. There is little to get excited about because until we get to the action plans which are intended to underlie the Strategy, it is in large part an academic exercise.

675 At this stage, we have still not been presented with a clear-cut case for any longer term borrowing and the extent to which we will need this. It is worth remembering, though, that P&R are under Resolution to return to the States with an indicative spending plan.

680 This debate has helpfully enabled the Committee for Economic Development through our President to outline to the Assembly the actions of our Committee which it is already undertaking in order to assist with the early stages of recovery of our economy; those bits that are not academic and form some of the practical work that in fact was already in the pipeline or underway, which the recovery has now prioritised.

685 I am realistic about what is achievable in a short space of time and there has only been nine weeks since the debate on borrowing which brought the recovery into sharp focus. And this initial document was never promised as a complete delivery of the plans, so I am not quite as critical as Deputy Roffey.

690 What is missing in the Strategy, though, is not detail, because we know this is merely an outline aspiration, but it is missing the fire in the belly, it is missing passion and drive. I wanted to see talk of our hopes, dreams and ambitions for our Island home and how we will take it into the next chapter, more resilient, more sustainable, seeking to balance our existence here with our natural environment, confirming our place in the world as a sensitive, responsible, outward-looking jurisdiction, a place which looks after its people and its environment, a place which is not afraid to take bold steps to ensure that it continues to thrive.

695 Other than one key word, I cannot fault the economic aim of the policy letter noted in paragraph 3.4:

... to develop and invest in initiatives which demonstrably improve the recovery curve and accelerate the return of jobs and wealth to our community.

700 That is a goal that is unarguable, apart from the word 'wealth'. I will come back to that later. But, sir, what we have been delivered is beige, and I wanted to see green, verdant Guernsey green, something bold, something exciting, something that would match some of the strong sentiments expressed in general debate when we approved borrowing, when colleagues made bullish comments about Guernsey being a beacon of stability, having our best days ahead of us, and setting a new vision for the future. Strong statements indeed, but not translated into the documents we have before us. And please, sir, do not take this as criticism of the authors; no, not at all. It is the lack of ambition that I am critiquing, nothing more.

705 So the opportunity lost to reposition and build back better here is the lack of focus, even proper mention of, the environment in this document. I really believed that there would be a greater emphasis on this most important policy area, showing our commitment to safeguard, enhance and nurture the environment at the centre of the Strategy.

710 Deputy St Pier's speech yesterday covered key areas underpinning recovery in quite some detail. He spoke at length about biodiversity, habitat loss, air pollution and the benefits of the lockdown, not just for our awareness of nature, but also the positive impact on our natural environment. If you were listening to this speech, and Deputy St Pier unfortunately got the graveyard shift at four o'clock, you might have been forgiven for thinking he was talking to the Environment & Infrastructure climate action policy paper, not his own Revive and Thrive document where there is barely a mention of the importance of the environment in the Strategy and yet the President focused on this amongst the key priority areas. I seek clarity from Deputy St Pier in his summing up as to whether we will see a much greater emphasis on the environment in the next iteration of the document.

This was our chance to wrap ourselves in green, as much for the sake of intent and messaging and we have missed the chance to do this. I hope that we will see an obvious verdant focus when

720 the detailed plans come back to the Assembly. I mentioned when I opened that some of these
comments during the speech I have made previously and these are about some key actions I think
are important to see in any underlying plans that come back to the States and I will champion via
my work on Economic Development.

725 The cost of recovery will become apparent in working up the fiscal, economic, social and
environmental plans. Achieving the objectives will come at a cost, and it could be a significant
financial cost. But we can reap rewards from this if we see this as an investment in a different
tomorrow using a different approach.

730 It is clear that there is need for providing more funding, those seemingly nebulous economic
stimulus programmes – and I would add the environment to this as well – and these will help in our
recovery. We are lucky that we have existing work being undertaken that is bringing this to the fore.
Specifically towards the economy, we need to support entrepreneurs from all sectors, but especially
in finance, this being our biggest industry, it is so important, encouraging innovation and seeking
new products. Having always shown ourselves to excel in this niche and by backing the start-ups
and scale-ups, we can grow industries. Green finance is a real case in point here. It is a sector, I
735 believe, which will dominate in the future to the extent that it will drop the title ‘green’, because
ethical, sustainable and environmentally responsible investments and financial products will be the
norm. Anything else will inevitably disappear through policy change, social choices and become a
thing of the past.

740 Deputy Gollop has said that we have this chance to truly position ourselves as a green Island, to
drape ourselves in green. We have approved the energy policy and we had the awaited climate
change action strategy paper coming soon to the States. We have a dedication to green finance
and we can move forward. And it is apt that green is our national colour. I want this to become our
Island ethos as well.

745 We also need to focus more acutely on skills than we ever have before, realising the importance
of ensuring our skills base is strong and skills level is high. In a knowledge-based economy where
we produce very little it is essential that we are ready to adapt in all sectors, especially in finance, to
meet the threats and opportunities ahead. Pushing Guernsey to become amongst the most highly
skilled places in the world is not an overly ambitious target and we need to set our sights high.
Talking to Deputy Graham’s earlier point, it is as much that we have had a high level of employment
750 and low level of vacancies in the Island for years and our children can pretty much be guaranteed
a job when they walk out of school.

I cannot be too delicate about this, and I do hope not to offend – I am on record as saying this
before to this Assembly – but we are not hungrily ambitious in Guernsey because we have not had
to fight for work. This does not mean that our students and teachers do not work hard, but
755 widespread ambition and aspiration is different. Our economic landscape in the future will change
this and we must start to encourage the hungry ambition that drives educational success.

So I am pleased that skills has gained a place of prominence in the Recovery Strategy and look
forward to playing a part, along with Deputy Dorey, in helping to shape this area.

760 Deputy Inder, Deputy Dorey is also on the Skills Guernsey with me. Sorry, sir; speaking directly
to Deputy Inder.

Another existing programme that will aid recovery will be that led by Deputy Trott with the
Guernsey Investment Fund or a version of the same, perhaps the addition of an angel investment
cell to back entrepreneurs, made with our eyes wide open that there is the risk of loss but that more
importantly amongst those investment there will be significant wins.

765 It is undoubted that a careful approach and balance needs to be taken to any cuts or so-called
austerity measures. We do not want to turn the tap off on States’ services or support which could
actually be essential in recovery. I have maintained that view in Committee and presented strong
arguments that we need to look at the long-term benefits that initiatives supported by the Future
Guernsey Fund will reap in regards to recovery. In any review of our spending, we need to pay close
770 attention to where our money is going. Government procurement is extremely important and that
we try to keep spending wherever possible on Island.

775 Deputies Queripel, Mooney and Inder have joined me in meeting our Director of Procurement recently to ensure that we were up to speed with our current policy, which we were very pleased to learn has been updated, improved and now approved by P&R just before lockdown. We now have a more Island-focused policy than ever before and in recognition that we will always have to buy certain services and products off-Island it is so much better for our Island if we can keep as much as possible washing around the local economy.

780 Our Procurement Policy better reflects this now and seeks to move off-Island spend back on Island wherever possible. We must ensure that we can include small local businesses as Government suppliers. Our support via transparent and well-governed procurement can make a huge difference in the success and sustainability of the local economy, but we must continue to be careful, get best value for public funds and cut our cloth accordingly.

785 Much has been made of Civil Service reform. But our latest set of accounts confirmed an increase in officer salary earning above £80,000, now in total some 325 people. I am sure that this document will be heavily scrutinised by our Assembly in a future debate.

790 Social changes driven by public health regulations have become hardwired over the course of the lockdown and this will mean that businesses have to adapt their models. What was a profitable activity pre-virus might not be post-virus. We have seen this already with an increase in home deliveries. People and their businesses are versatile. Not only is it essential that our digital infrastructure is ready to support that, but also that as a States we can facilitate assistance to those businesses who will be changing their models to meet the market in new trading conditions.

795 These changes are linked to an area that we have received much correspondence on lately, and I was disappointed to have missed yesterday the Dutch Cycling Embassy presentation. I think that it is a pace of life that we have set ourselves which has put up barriers to better and more sustainable, and safer, transport options. It is not that people are not willing to change, it is about the organisation of our daily time. With all the things we set and commit ourselves to in the day in the normal working week, the convenient and therefore first choice is always the car. We now have an opportunity to change the pace of life and still benefit from a good standard of living.

800 A survey undertaken by Grant Thornton of 500 businesses during the lockdown found that 60.6% of businesses are reviewing company culture as a result of Covid-19. The majority of respondents cited that they would review their business model post-lockdown, which will include more flexible ways of working, embracing a more technology-enabled style of operating. Nine per cent of respondents stated that they would like to continue to work remotely post-lockdown, 30% of respondents stated that they would definitely like to return to traditional work in an office, but 60% stated that they would like to split their time between the home and office environment. It is good to have some credible evidence behind the hunch that many of us have had that many businesses will see opportunities from the lockdown to adapt and reduce overheads, increase employee well-being and work satisfaction.

810 So in prospect, in recovery we can capitalise on this shift in people's decisions to make changes in their work life. Digital connectivity to achieve this shift is essential for both on-Island and off-Island business activity, social and health activity and education activity. Added to infrastructure innovations, I think we can achieve a much better environment for cycling in Guernsey (**A Member:** Hear, hear.)

815 A word on social involvement in the Revive and Thrive endeavour. I myself completed the latest States' questionnaire and am reliably told that the update has been fantastic and that we have a very rich sample size of data which I hope will help inform recovery aspirations. I hope that further consultation and collaboration with the wider community, business groups and others will be taking place and drilling down into the detail of the action plans.

820 We need to drive economic activity and this, as acknowledged by other speakers, and I am looking forward to details of how we provide for direct Government expenditure on infrastructure-related programmes and any type of support to the development of on- and off-Island-facing business activities. This relates back to my previous comments on entrepreneurial support, focus on skills and support within the local real economy to adapt and increase efficiency.

825 The last comment I would like to make is about the outcome sought from the Strategy. In paragraph 3.5 of the policy letter we are told that the Committee has an ambition for growth and that successful outcome of the recovery plan will be in excess of:

... the previous growth path for the economy within three years ...

This links back to the use of the key word 'wealth' in economic goal I mentioned earlier. I would have preferred the word 'prosperity' which instead tells us it is not just about the money: it is about the important issues too, such as education, environment, health and well-being.

830 It will not surprise many that I am not a fan of excessive growth – I never have been. It reminds me of the Monty Python sketch in *The Meaning of Life*: Mr Creosote, having consumed gargantuan amounts of food and alcohol before being offered just one more wafer-thin mint, then explodes. I am sure many of us have seen that and like Mr Creosote's eating habits I do not think that a pump-prime of our economy in order to achieve its exponential growth is healthy. I want to see sustainable
835 stable growth which is organic and flexible, so as to maintain a successful economic position.

I had so wanted to see a recovery plan adopting a build back better ethos. If you do some research into this, the plans which have adopted this nice piece of alliteration are crafted around principles of protecting the environment and sustainability, ethics and good governance.

840 No, we do not have to follow anyone else. But I am certainly not adverse to cherry-picking from good ideas and building bespoke solutions for Guernsey. The United Nations is calling on governments to seize the opportunity to build back better by creating more sustainable, resilient and inclusive societies, and this is what we also must do. We are globally engaged and must show a responsible approach to recovery. Are we satisfied with growth at any costs? The outcome in the Recovery Strategy alone is one I cannot support unless we also acknowledge an equity that meeting
845 the adopted goals we set ourselves are also an outcome that we seek.

I think more could have been made of this in the document. We could have set out the vision to create a new persona for Guernsey, to become a fully developed, green jurisdiction using the adoption of the UN Sustainable Development Goals as amended for Guernsey to lend weight, substance and credibility to the all-important measure of success against our efforts to revive and
850 thrive.

We need to ensure Guernsey is healthy and resilient to threats, that we as a mature and outward-looking jurisdiction can be understood and valued by others, that we are known for our robust and sustainable economy, our commitment to our environment, our quality of life, our community and our responsible approach to our place in the world. Taking care of our natural environment and
855 each and every Islander needs to be at the heart of all ambition and any outcome that we strive to achieve.

Sir, I will be supportive of the Propositions today, in the hope that I might be wildly excited and hugely enthused by the plans that materialise out of the Strategy in the future.

Thank you.

860 **The Bailiff:** Before I call the next speaker, Deputy Meerveld, you have been in the Chamber for some time I know, but Deputy Hansmann Rouxel and Deputy Lowe have recently arrived. Would it be your wish that all three of you be relevé?

865 **Deputy Meerveld:** Yes please, sir.

The Bailiff: And Deputy Oliver as well?

Deputy Lowe: Yes please, sir.

870 **Deputy Hansmann Rouxel:** Yes please, sir.

Deputy Oliver: Yes please, sir.

875 **The Bailiff:** Thank you very much. We will mark you all as present and I will call Deputy Laurie Queripel to be followed by Deputy Merrett.

Deputy Laurie Queripel: I appreciate you calling me, sir; thank you.

880 Sir, there is a phrase that we come across quite a lot at our LRP meetings – the Legislation Review Panel meetings. It is a phrase you may be familiar with, sir, and it is, ‘for the avoidance of doubt’. I just wanted to say from the outset, for the avoidance of doubt, I am for a buoyant economy based on good foundations and good principles. I am for an Island that is thriving.

885 I am also saying this for the benefit of Deputy Inder – oh, that woke him up – because a while back *The Press* reported that he told a few of us off because we had the temerity to question a policy letter that came to the States and that was the one brought by the STSB in regard to the Airport screening system or machine that was going to be put at the Airport. He made the mistake of thinking because some Members were challenging and querying that that they were not for economic growth. That clearly is a patent misunderstanding of what took place, sir. (**Several Members:** Hear, hear.)

890 Myself and those Members that questioned that are all for economic growth, are all for a good, strong economy. (**Several Members:** Hear, hear.) So I just wanted to put that right. (*Laughter*) Because something comes to the Assembly and it is tagged with, ‘This is good for the economy’ does not mean we should just nod it through. We are here to scrutinise, to challenge, to make sure that what is passed by this Assembly, as much as we can ensure it, are sound proposals and things that will provide good value.

895 So for the avoidance of doubt, I am going to provide some critique here, I am going to challenge, I am going to query, but I am for a buoyant economy. I do not want to be told off by Deputy Inder, sir. I will be quaking in my slip-ons if he tells me off. (*Laughter*) So I do not want to be told off by Deputy Inder.

900 Now, I just want to pose a few questions to P&R and I would imagine it is mostly Deputy Trott and Deputy St Pier that could respond to these questions. Now, I appreciate that they could just brush me off. I have only got one vote and I am sure this Strategy is going to pass with a great majority. But I do hope they will engage with me. I can imagine they groan inwardly sometimes when I raise these concerns, but I am sure they realise I raise them for genuine reasons when I have genuine misgivings about things. So I really hope they engage with this.

905 For me, it is about first things first, and I just want to ask P&R, will they assure me in line with what we are looking at here ... To my mind, the next thing that should come to the States from P&R is a policy letter that allows us to debate reprioritisation, to look at money that has been allocated previously from the Capital Reserve. Not drawn down, but allocated, so we can see if we could free up some funds that have been previously allocated. It could be the fact that we could free up many millions of pounds.

910 Now, it seems to me the more you can free up from the Capital Reserves that has been previously allocated it might mean we have to borrow less in order to fund our plans, or the plans that are going to come forward. Now, that just makes good sense to me. So that is the first thing ... I know I have been banging on about this for a long time, *ad nauseum*, but I think it is really important. It is almost a case of first principles for me.

915 Any good business, in fact any good household, a good business before it would seek to invest or before it might seek to expand, it would try to fully understand its financial position, it would try to see what cash it had at hand, it would try to look at their organisation and how it functions to see if it can free up extra cash, to see if it can do things differently. And even a good household. If a household was thinking about investing, or perhaps upgrading their property or extending their property, they would look at their budget, what cash they had to hand, how the household run, how they could save some money, so that they would only borrow what they needed to borrow in an affordable manner. So that to me is just good business practice; that is good housekeeping. So I really would like P&R – and it will be, as I say, Deputy Trott or Deputy St Pier – to tell me that the

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next thing that is going to come back in line with this will be a policy letter that helps us to engage in that reprioritisation process.

930 Now, as others have said, this is a high level document. It is quite vague. It is not even a skeleton, really. But we do know that detailed plans will follow later. Detailed plans will flesh it out, they will fill in the gaps.

My other concern is once you set something in motion, particularly something as vague as this, it gets taken away, work gets done on it, things get worked up, money gets spent, time gets put into it, and it builds up a momentum. It almost becomes a *fait accompli* and if future detailed plans come back and there are some concerns raised about it or some red flags are raised, it will be much
935 harder to stop it or even to change the course of it. So this is why I am being very cautious. I do not want to jump into the deep end and, more accurately, I do not want to throw the Island into the deep end if at a later stage we actually find we are out of our depth.

So this is why I am asking the question I have just asked and why I am going to ask a few more questions because once something gets going it is very hard to stop it or to change its course.

940 Now, Members will probably know that I am not at all keen on borrowing, on national debt. Now, other Members may have a more relaxed attitude about that. I accept that. But I am not at all keen on it, because it is, at the best, a gamble. Taking out debt on behalf of the public is a gamble. It is one thing doing it for personal reasons for oneself, but doing it on behalf of the public, it is a gamble. And I cannot dismiss that old adage from my mind, it is very well known in financial circles:
945 you do not borrow to invest. (*Interjection*) And look at the result! (*Laughter*)

Now, I am not trying to be a party pooper or a doom-and-gloom merchant – I think I am a fairly upbeat little chap, generally speaking. But borrowing millions, what might be hundreds of millions of pounds, over the long term presents a real risk. Now, I get – even though reluctantly, I get it, but – the idea of the revolving credit arrangement, the short-term borrowings to get ourselves over the
950 hump. But long-term borrowing of hundreds of millions of pounds is a big concern for me.

Now, I am prepared to accept that it might work out great. That it might go superbly, that the right projects will be selected, that wise investments will be made, that provide real value, not just financially, but socially, environmentally and so on, and the loan, or the loans will almost pay themselves back. But history shows there is a good chance that might not be the case. Most
955 jurisdictions that borrow, that becomes a permanent fixture; and that figure does not stay the same. That debt grows and it is much harder to manage when you are a small jurisdiction that has overextended itself. It is a bit easier for large jurisdictions, they have other levers to pull, but nevertheless it is a problem.

Now, we can look at a few examples of small jurisdictions, island communities that have national debt, so we can compare ourselves to them in some way or other. Now, Bermuda: in 2009 their
960 national debt was US\$500 million; in 2020, which is now, it is US\$3 billion. The Bahamas: in 2009 their national debt was US\$3 billion, in 2020 it is US\$9 billion – that is three times. Now, I know we are going through incredible times and you have to factor Covid-19 into that. But I am sure that the debts of those islands were going that way anyway before the Covid-19 crisis kicked in.

965 I have mentioned larger jurisdictions, but it is also the same for larger jurisdictions too. The federal debt in the United States is round about \$20 trillion. The UK national debt is around about £3 trillion or £4 trillion. Especially the American debt has gone up and up and up over the years and there is a reason for that.

Now, the document and Deputy St Pier mentioned yesterday central banks and he said we do
970 not have a central bank so we cannot access funding via a central bank. Well, I actually say to that, good, because central banks – and I do not think it is properly understood or not well understood but – are not public treasuries, they are not government treasuries. They charge interest on money supplied; they are in effect private businesses, and normally a consortium of private banks. So they do not only charge on loans but they actually charge, the United States, for example, the Federal
975 Reserve charge for just money supplied for ordinary use in the economy and central banks are protected by law.

Now, they have a great influence upon the fiscal, economic and financial matters of governments and communities, but they are protected by law. They set things like interest rates, for example, but if they do something that has a bad effect or will harm a government's finances or a community's
980 finances, they are protected by law so they do not have to take responsibility or liability for their wrong or their bad choices or decisions.

Now, actually, Guernsey did it right many years ago when we conducted what was called the 'Guernsey Experiment', we created or printed interest-free money to finance infrastructure projects. We do not seem to be allowed to do that nowadays. There is something stopping us from doing
985 that, I do not know quite what it is, but I would imagine actually one of the big factors is that is not in the interest of moneylenders and banks. So this is why I am so wary of Government debt, of public debt

Now, Deputy Trott produced a paper a while back. It was called 'Borrowing the Facts'. It was a three-page paper, a superb piece of work. Almost Picasso-like actually, rather abstract. *(Interjection)*
990 Deputy Trott produced that paper and, actually, what he said in that paper, to be fair, as far as I can understand these things, if things go well in regard to borrowing and in regard to investing in projects and infrastructure that paper is pretty accurate. But if things go badly, it will not be a sort of self-financing position. It is the public and the taxpayer who will pick up the tab if things go badly. So I will ask Members to read that particular little paper with a pinch of salt. It paints a good picture
995 but – take a large pinch of salt, actually – if the picture is not so good it is the taxpayer, it is the public that will pay the price in regard to paying extra taxes to cover the debt, service cuts *etc.*

Now, my second question for P&R is this. Now, it looks like until the end of this term, and there is not long to go, but it look like we are going to have a very busy agenda in regard to Government business coming to the States. It seems as if many Committees are hastening policy letters to bring
1000 them to the States before we run out of time. But I want to ask Deputy St Pier and Deputy Trott if this really is a super plan, if it is co-ordinated, joined up, a sort of all-encompassing strategy, will P&R be providing letters of comment, advice, guidance, in regard to whether those ... The policy letters are going to come our way in the near future, there must be some sort of criteria in regard to revive and thrive, so surely all those policy letters will have to pass through a filter that says
1005 whether they comply with the criteria for revive and thrive or not? So I think that needs to be borne in mind by P&R as well. They must be able to say whether those policy letters pass the test or not: the 'Revive and Thrive' test.

I just wanted to get into the use of data, statistics, figures. Deputy Dudley-Owen got into that quite a bit. I know we have heard this phrase before in regard to other policies and documents, but
1010 I want to ask Deputy St Pier and Deputy Trott is this a living, flexible document, strategy, programme, and will it be informed by data as time goes on? The point I am getting at, sir, is if things, as time goes on, pick up naturally in regard to the economy, if unemployment eases, if more jobs become available, if, for example, the staycations initiative is very successful and the millions of pounds that Islanders spend normally off-Island they spend some of that here, if income tax
1015 receipts are better than predicted, and bearing in mind we have come out of lockdown or the early phase of lockdown quicker than we might have expected, will that be reflected in the programme going forward?

In other words, will the programme, the strategy, be amended, altered, scaled accordingly; moderated? And I am saying that because if we need to do less as a Government, if we need to
1020 borrow less, will that be taken into consideration in regard to the development of this Strategy and plans? I really hope that is going to be honestly and frankly assessed, so we just do not go for it anyway when we do not need to do as much as we first thought we might have to.

I just want to make this clear again, sir, and for the avoidance of doubt, I am not for austerity. Austerity is not sustainable, austerity visits hardship upon the people within our community that
1025 can least afford to have it visited upon them. But neither am I for splashing the cash unnecessarily. I am for a balance of those things. Not a balance of austerity, but I am for a balance of something that is in between.

1030 What I mean by that is there is a tension that has to come into play and I am a bit concerned
that that tension will be relaxed when there is lots of money sloshing around. And if it is borrowed
money, in particular, of course it has to be paid back. That still needs to be tempered by adopting
a disciplined, prudent approach to spending and to States' finances. Now, it is human nature, it is
1035 political nature, when Committees see potentially a lot of cash might be available, there may be an
inclination for them to go for it. So I need to be assured that that tension will remain, that tension
between, yes, perhaps having a lot of cash that could be spent and hopefully selecting good
projects, not just being tempted to splash the cash. So I think that P&R need to be giving some
answers on that. There needs to be a discipline that is part of all this.

1040 My concern is that the group that have put this together, it is not just P&R, it is CRAG and that
includes all the Principal Committees; it is the Principal Committees that have helped to put this
together as well. So they all have skin in the game and I am concerned that Principal Committees
will just see this as a way to get access to money to do what they want to do and that must not be
allowed to happen. So this is why I mentioned that revive and thrive filter that proposals and
policies, or proposed policies, need to pass through.

1045 I just wanted to refer to 6.8 in the policy letter, and Deputy Prow I think has already referred to
this. It could be 3.8, actually. Deputy Prow has already referred to this when it talks about, 'We have
strong reserves' and we have a strong AA credit rating. My concern is how long can that be
sustained? I would imagine that you can only borrow once. If you borrow again, if things go wrong
and you borrow again, the value and the status of those things will be undermined. They will only
hold us in good stead for so long.

1050 So the other thing I am asking P&R is this: if as we progress through this work, if actually our
reserves, our investments, recover to a good level and using them would make more sense than
borrowing, will that be factored into P&R's determinations as well? So in other words, we know that
our reserves have lost value because of the way the market has gone. But if those reserves recover
and it is feasible or viable to use them – some of them at least, rather than borrowing a big amount
– will that be factored into P&R's considerations?

1055 Now, in regard to the illustrated document that is attached to the policy letter, I was just looking
at something on page 22 ... I think it was page 22. Yes, page 22, in the second column, just above
the heading that says, 'Collaboration and Engagement'. There is something here I do not... There is
talk in the document about governance and the way this will be handled, but there is something
here I do not quite understand. It says:

- decision making should be at the appropriate level.

1060 Now, I do not really know what that means. So I wonder if ... because I am a bit concerned that
this will be locked in; even though it is going to come back to the Assembly, as I said before, when
these things gather momentum it is very hard to put a halt to them. I am concerned that this process
will be locked in, and there really does need to be some proper transparency and proper
accountability around it, sir.

1065 I just wanted to also refer to one or two things that I heard yesterday during debate, and they
were comments in particular that came from Deputy Roffey and Deputy Paint. Now, those are two
Members that more often than not are at opposite ends of the political spectrum. But I am getting
a little bit concerned – and it is happening not only in this Assembly but in politics generally, and in
modern society, it seems to me – about some of the emphatic language that gets used, the black-
and-white approach.

1070 Deputy Roffey: now, I know he is a sincere person and he is a deep thinker, but he spoke about
political courage and he spoke about what constitutes progress. But there is always another side to
the story. What constitutes political courage to Deputy Roffey may not constitute that for someone
else. What could be classed as progress by some people might actually visit hardship upon other
1075 people. So I am just a bit concerned about some of the emphatic language I am hearing.

I sit, in a way, between Deputy Roffey and Deputy Paint, because I know what Deputy Paint was
saying as well. He was talking about what is going on environmentally in the wider world and we

are only a tiny Island and we have to make sure that what we do is proportionate, and we have to watch the cost of what we do.

1080 So I think there is a middle ground there and there is – although the moderate is an endangered species in politics – a place for the moderate and there is a place, because if we are not careful we are talking about this is about Guernsey together and being inclusive and everybody benefitting from it, but if we are not careful it might be that some people will actually suffer or be caused hardship if we take a too hard-line approach when it comes to things like environmental initiatives and so on.

1085 Now, I can just give an example. It would not visit hardship upon me exactly, but I can just give an example for myself. I use the bus quite a lot. I walk quite a lot. But I do like to use my van occasionally. It is convenient. Sometimes it sits parked for two or three days without being used, but I am a musician, so I carry around guitars, amplifiers, PA systems, mixing decks. I am not going to try and take those on the bus and I am not going to try and out them on a cycle.

1090 Also I am the manager of the Vale Douzaine Parish allotment scheme. I carry around tools, I carry around machinery, I carry around timber *etc.* I am not going to try and put those on a bike or to carry them around on the bus. Those are just minor examples, I am sure there are other people – (*Interjection*) No, no, but I am just making a point because my concern is if too hard an approach is taken and the cost of motoring is made prohibitively expensive and the use of vehicles is too restricted on where they can go, I am sure it will cause hardship to some people.

1095 I am sure people that have got limited mobility problems that want to go to the shop or want to go to their doctor, they are going to want to carry on using their car and I can think of ... People have very busy lives nowadays and I can think of, for example, say, a single parent, a single working parent with a couple of children or three children, it is simply convenient for them to use a car. I am quite concerned that if we make the cost of motoring prohibitively expensive it will cause hardship, and that is my point: it will cause hardship for some people, sir.

1100 So there needs to be a balance struck with these thing. And I am sure that Members who are pushing environmental initiatives have got that in mind, sir. I am sure they have. I just want to say that now before it goes any further.

1105 So I do have concerns ... I understand the intent of what we have before us, but there is a potential for it to go spectacularly wrong and there will be a price to pay for that, particularly when you are talking about lots of borrowed money over a long term.

1110 So I will struggle to support it, sir, but as I said at the start, I am for a strong and good economy. Thank you, sir.

The Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir.

1115 What can I add to what the President of SMC has already said? He said it on behalf of SMC, of which I am a Member, but I think when I was listening to Deputy St Pier's opening speech, there were many parts of his speech that were actually very much in the document and he did expand on certain points which I was very appreciative of. I think it is a little harsh as well to allude to it being a manifesto or along those lines because arguably other Members have all seized the opportunity from one debate of agreeing to have an election, to having a platform. I think it is a little bit unfortunate to say the least, sir.

1120 Now, perhaps I will be a little less diplomatic than Deputy Green, which is never my intent, but this is my way of speaking quite openly and I try not to speak opaquely and after four years of being a States' Member I am convinced that we could have achieved more for our community in this political term if we all did try to work more collaboratively. If we did agree/disagree respectfully, and rather than just shout out soundbites or revert to Twitter or whatever social media, if we actually tried to listen to each other, to understand each other's perspectives and concerns; if we tried to influence each other constructively; if we tried to amend policy papers; and if we accepted the democratic vote when we have deliberated, debated and determined them, rather than essentially

1130 flip-flopping. So more progress could have been made and arguably less resources in this political term could have been wasted.

Now, I am not perfect. I do not allude to that at any point. But it may be perhaps I am just not political enough, as I do not easily recognise or participate in political games. I deliberately try not to memorise votes, as I do fear that I will become bitter. I vote independently, with integrity, and I
1135 am a natural scrutineer. I am also a natural optimist and one of my mantras is this: that our minds are like parachutes, they work better when they are open.

I am pretty much a glass-full kind of person, so the platitudes in this policy paper are like music to my soul. They are like songs of ... My concern, sir, and I will get to this, and Deputy Laurie Queripel sort of spoke to this, but are they the songs of a siren or are they the songs of reality? That is my
1140 concern. I do question, because I am not really sure what this policy paper will achieve. So to be blunt, I do not think other Members have necessarily alluded to this yet, is this the very foundation, is it a test of our appetite for either an executive style of government or is it a test of our appetite to borrow?

Page 7, 3.11 states:

... test the appetite for managed risk by borrowing what the States of Deliberation can afford to service ...

1145 Be that this P&R or successor. But I am unsure of how much and exactly what for. Now, for the avoidance of doubt, I absolutely understand the why. Now, perhaps I would have a higher appetite for risk, or as I prefer to say managed risk – and again Deputy Laurie Queripel referred to this – if this was, say, for my family. But when it is from the public purse – which of course is interlinked to my family because my family is part of the community and therefore we are paying into the public
1150 purse – I do fear, sir, that there is a certain element of speculate to accumulate. I have done this and I will do this in consultation with other members of my family or in my household. But it is the adult's debt; it is my debt. Governments are clearly different as we take into consideration, due care and consideration, when we are indebting our community. Now, especially because what we will be indebting are our children and our children's children, and that is the key difference to me.

1155 So we are asked to support, 'exploration and development of new economic opportunities'. Of course. But surely that is what Economic Development's mandate is? Grow existing sectors and diversify the economy – it certainly sounds very familiar to me.

Then we have health and care, accessibility and affordability and the social detriment to health. That sounds awfully like HSC and ESS. So how about the Community section of this policy paper?
1160 Inclusive and justice: well, again that sound to me like ESS, anti-discrimination, for example, and the Home Affairs justice policy.

So how about the nurture the natural environment, again in this policy paper. Well, that is great also. But again that is very similar, if not the mandate of E&I. It does mention the more ... I cannot say it, sir, 'use of our natural and cultural assets'. Yes, that is great and could happen if only we
1165 actually maintained our assets in the first place and if we could move forward with progressive ideas of how to make them sustainable. The natural beauty, yes, but also the economic opportunities they possess. We were having these conversations on Economic Development back in 2016.

So I would like to ask the President of Policy & Resources are we being asked or advised that we should give executive powers to the Principal Committees of the States, or to be specific the
1170 Presidents of those Committees, and they will decide how many millions on the what, when and where, as long as we all understand and determine the why? I repeat, sir, I understand the why. Well, we are not being asked today how much or what for really, but we are being asked are we prepared to have a national debt? Not that we know how much. Is it that it will be a national debt purely, as it says in the paper, just service or would it be the new norm, a national debt? Or, as I
1175 said, is the plan like with the bond, we will pay it back in full at some given date? I am not sure, so I hope President St Pier can respond to that.

I agree that we need to balance the risk and we need to embrace opportunities. But we also need to understand what the risks actually are and what the opportunities are. Now, I understand

1180 the risk of doing nothing. That is relatively clear; although, of course, we live in unusual times. But what I do not understand is what, in regards to:

... test the appetite for managed risk by borrowing what the States of Deliberation can afford to service ...

So is it purely just to service that, or is it to actually pay back that debt in its entirety? At least today, we are not simply being asked to agree to borrow £250 million when we do not know what it is for or how we will pay it back, or indeed if it is the case we will pay it back at all.

1185 The balance for me, sir, is will be content to reap the rewards in the shorter term but to indebt our children in the longer term? That to me is absolutely clear, sir. That is the deciding factor for most of the decisions I make. How much do I wish to indebt our children and does the prosperity – meaning, for clarity, the social, economic and environmental benefits – outweigh the detriments? Basically, to me, it is the benefit versus detriment test.

1190 Now I am concerned – and I think Deputy Laurie Queripel referred to this as well – about the whole hobby horse, the whole pet project scenario. Now, I would like to see us try to close the wealth gap. Maybe that is my hobbyhorse. If we are borrowing enormous sums then we need to be really clear to our community what we are borrowing it for and we need to be really clear of the benefits to our community versus the risk.

1195 Now, this has made me have a wry smile, because we are advised in the paper to act decisively, expediently. And I would argue this policy paper has not been expedient and arguably it is not asking us to act particularly decisively either. I think it is a toe in the water but perhaps, arguably that is what it is, or it is trying to be, is the toe in the water of where we think we should be going. We are told we need to address ‘pressing social and environmental issues’, but it was not clear until Deputy St Pier opened debate exactly what was being referred to. Will it be that we finally address 1200 in-work poverty, for example, or would it be we address environmental issues that give cause and effect to domestic abuse?

Now, I refer to you page 4 of the policy paper, 2.4, because, again, no other Member has mentioned this yet really I do not think, because it says:

... on addressing the social, economic and environmental consequences to the Island ...

1205 Now, my Rule 14 questions to Home Affairs ... I hope it is Rule 14 – yes, I got the right Rule, that is good; and I will thank Home Affairs at this point for their fullness and frankness of their answers, because that is appreciated. But they do refer in response to my first question and I was really concerned to read that – again, I will quote, sir, so that there is no disparity with their answers – basically it says that the:

... BLE are taking steps to look at putting in place a Domestic Violence Advisor to be responsible for developing and enhancing sustainable domestic abuse service provision across Law Enforcement.

1210 Now, that actually quite shocked me because I thought there was one there already. So I am glad I asked the question and got the answer. But maybe again this is the way that we need to think and act and work differently because they go on to say:

The opportunity to progress this is now more difficult due to the recruitment freeze across public services however the Head of Law Enforcement is looking into alternative methods to resource this area.

1215 So they are looking at alternative methods but it may be that an existing officer may need to ... Basically I am disappointed and surprised that we have not got an officer in place at the moment to be an advisor on that. To me – maybe that is my hobbyhorse but – a domestic abuse advisor ... That does concern me because in my mind one of the clear consequences of lockdown was the surge in domestic abuse.

I am digressing a bit, sir, but this whole policy paper is meant to be our reaction to our coronavirus ... the Government’s response, so this to me is a key area where we know this has had

1220 an effect on our community in this area and yet we do not have anybody in place at the moment or an advisor in place and that really concerns me.

To me, the wider health and well-being of our community which I do not think we have understood yet and I think it will take a fair bit of time to do it but there is already some data which we have been calling on to help our understanding.

1225 Now, I have also posed some questions to Health & Social Care which will also help us and our community and myself understand again the unintended consequences of lockdown on our community.

Now in this policy paper we are advised that there will be checks and balances for strategic planning and decision making but aren't they there already? Is it more so they are just too arduous? We are told we need to work collaboratively as a Government which arguably we should already know, and we should already be doing this. But at time it feels to me that it is a real version of Romeo and Juliet, with the Montagues on one side, the Capulets on the other, but there are no star-gazed lovers to unite them. Or perhaps I should compare some of us to other Shakespearian plays of tragedy. (*Interjection*)

1235 So that said, I am really pleased to see the recently submitted policy paper of three Committees – that is Education, Sport & Culture, Health & Social Care and Employment & Social Security – that attempts to improve the access to primary care and dental health for our children.

Now, further, some Deputies – and mainly it is predominantly, in my opinion, Deputy McSwiggan – do work collaboratively and do try to find a way forward. Now, other Members have previously called me the queen of amendments, as I have recognised and try to reflect what I believe needs to be amended to enable me to support a policy paper. I try not to be a blocker, but when a policy paper or something like the Island Development Plan (IDP) is not being interpreted or implemented as expected, then I have, and I do feel duty-bound, to try to affect that and try to change it, as we are accountable for the decisions that we make for our community.

1245 Now, the IDP in my words can and perhaps does or should or could contain all of our environmental, our economic and social policies and it aims to affect that for our community. But I am sure we all have examples of where it is too unwieldy or where we have decided to perhaps dot our I's and cross our T's to such an extent that it has not proven to be as perhaps envisioned. It certainly has not in my eyes, sir.

1250 Sir, I think that is just one example that other Members have recognised where perhaps we have got ourselves into a little bit of a mess.

Now, in summary, there is a really fine balance to be struck between being independent – Members have told me I am fiercely independent – but willing to work with others constructively, collaboratively, able to challenge but also able to compromise. Now, all of these I can and have done, and all those principles I can certainly support. But getting our community into a national debt without fully weighing up the benefits and the detriments, without fully understanding what any borrowing is for, as in the actual cost of the money, how or if we intend repaying it in its entirety and being able to weigh up the risks and benefits concerns me as does putting too much power in too few hands.

1260 Now, many of us may believe we are the right hands: that we know best. Some of us may have pre-determined views. But I stand because I will keep the mantra that I do believe that minds are like parachutes: they really do work better when they are open and especially when many members of our community may feel that they are in a free-fall scenario, one that their Government in our response to the threat of the coronavirus have actually put them in.

1265 So I will look forward to hearing the President's, Deputy St Pier's response to this debate and his response will very much determine how I vote.

Thank you, sir.

The Bailiff: Alderney Representative Snowdon.

1270

Alderney Representative Snowdon: Thank you, sir.

Firstly, I would like to thank Health & Social Care, the CCA, Dr Brink and all the team for the wonderful involvement they have had with the Covid-19 crisis to this stage.

1275 I think it has really shown that it has brought the Bailiwick together, including Alderney, and it is really important that we actually take this forward; that the relationships between the Bailiwick and the Islands have actually strengthened (**A Member:** Hear, hear.) during this awful Covid-19 crisis.

I think a really good example of this is the staycation and it is fantastic to see so many Guernsey people arriving in Alderney, and I believe quite a few Guernsey Deputies, coming up to Alderney. But it is how we actually move on this and take it forward.

1280 So I think it is really important that when we think about the relationships with Alderney and our fiscal union that the money spent in Alderney actually goes into the Guernsey coffers. So moving forward I think we really do need to emphasise that our relationships are actually key and this document highlights quite a few areas that do apply to Alderney as well. It might be useful to get a bit more clarification about how they do actually apply to Alderney and how our relationships are
1285 tied through economic recovery plans.

The States of Alderney fully supports this document and I will just quote a little bit in the document where it says:

... a need for close working between the States in Guernsey and Alderney and Chief Pleas in Sark ...

I absolutely endorse that and hope we can work stronger together. But I think we do need to look at revenue streams. It is very easy to tax and it is an easy way out – and I think probably next
1290 week we will have a debate about it, the single property tax, in Alderney – but I think there needs to be looking at new revenue streams and new incomes rather than just the taxation, which is an easy way out rather than creating those new revenue streams.

I think for Alderney and the relationship with Guernsey there might be some use in actually targeting back offices. We have got the PwC Centre of Excellence in Alderney, which is doing a
1295 fantastic job, but with the population management here and Alderney needing to grow its population, there may be opportunities for back offices or overflow businesses, maybe from Guernsey that need to still be in the Bailiwick to relocate to Alderney. So I think those two would marry quite well together.

Talking about revenue streams I think for Alderney's side of it the Gambling Commission has
1300 actually shown what a Rolls Royce regulator can really do and it would be quite interesting to see what other regulators could be focused on to see what revenue could be created for the Channel Islands, Alderney and Guernsey.

Then we touch on – which I know is very big down here – green finance. I think that is absolutely
1305 fantastic and hopefully we are leading on that, and I hope Alderney can be part of the green finance somehow as well with, potentially, back offices.

As we are on the green subject we have also heard about Electric Islanders, Raz Blanchard's tidal project, which is the other side of the Alderney Race, and plastic free with St Anne's School achieving that quite recently. So there are really big opportunities and tapping in to our amazing heritage,
1310 wildlife and stunning environment in the Bailiwick is absolutely essential when we can open up our borders.

I think this time, until those borders are reopened, is basically the time when the homework needs to be done so you have got that positive message, you have got that positive plan for when we do open up, we know exactly where we are heading. I think that is really going to keep the economy going give confidence to the community throughout the Bailiwick as long as you have
1315 got that positive message to put out and also push forward with those ideas.

But it comes back to and particularly for Alderney, and I think it comes back to Guernsey as well, transport is the key, so I am quite glad that transport is touched upon in this document by air and sea. For Alderney, it has been quite an issue for a number of years and I think rather than looking at the now it needs to be more of a long term aviation strategy with regard to the airports for the
1320 next 10-15, 20 years about where we want to achieve and how we are going to get there and how to increase numbers which then goes back into the Guernsey coffers.

1325 So what I am really trying to say is rather than see Alderney as a burden see it as an opportunity and how we can work together to maximise those opportunities and move the Islands and Bailiwick forward together. It is an awful situation that we are in but I think we are actually in a very good place considering the rest of the world and I do thank all of those Members for the hard work in all of that.

1330 I just want to touch on another revenue stream. We have got the hemp production in Alderney with four licences granted with another licence in process and with the corporation tax that is 20% again to Guernsey for those companies, so that is another opportunity where I think we are working together, and then you could look at other stuff whether it be data centres powered by tidal energy, a real need for blue sky thinking which I think is something that we need to really get round the table with Guernsey and Alderney and see what actual opportunities we can push together to look at those new revenue streams rather than increase the taxes. I mean some taxes will have to go up, if we look at what we can tap into I think that is absolutely essential.

1335 So in summary I would like to welcome all Deputies up to Alderney on your staycation hopefully sometime soon (*Interjections*) and build back the Bailiwick better.

Thank you.

A Member: Hear, hear.

1340

The Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

1345 I welcome this opportunity. I would like to begin by stating my support for the glossary of initiatives and projects brought forward by Deputy Parkinson in the name of the Committee for Economic Development with respect to the Recovery Strategy in terms of opportunities for economic growth and diversification and ways to improve our competitiveness and focus on major investment and infrastructure projects. But, sir, I would also like to make a few points of my own, if I may.

1350 Sir, first of all, this is a very broad, high-level strategy and policy principles, which is good news in terms of providing a focus for debate here today and yesterday in terms of focusing minds on areas that are really worthy of consideration.

1355 Now, I must say at the outset that there is concern in the community over borrowing and the debt recovery situation and the effect that this is to have on Islanders and future generations. So I think that is something that has to be brought forward and I have argued consistently against borrowing but rather using the rainy day fund and the unused £140 million available from the £330 million borrowed earlier.

I have to also make the point that the politicians that want to borrow now showed I think poor judgement in 2014 when they borrowed that £330 million which has not been placed as yet totally.

1360 But moving ahead what is needed is a pro-growth economic policy push with a focus on jobs, living wages, increased investments and incentives for private sector investment. What better than a wide ranging green recovery plan for Guernsey designed to accelerate energy efficiency, electric vehicles infrastructure deployment and green business support encompassing the huge opportunities in renewable energy and sustainable growth.

1365 I call on Government to prioritise in its imminent recovery plan as the Island works to meet its target of net-zero emissions by 2050 and bring in many new low-carbon jobs in clean electricity generation, providing low-carbon heat for homes and businesses, installing solar panels and heat pumps and installing energy efficient product such as insulation lighting and control systems.

1370 I think all this is something that will generate huge amounts of employment and also deal with the unemployment situation that we seem to carry at the current time. To help boost demand then we also need to cut taxes and charges to Government wherever we can and I think that is something that is being considered, I hope, by Deputy St Pier in these initiatives.

1375 I mentioned at the last meeting in debate on the energy policy how scrapping development fees and introducing competition would promote aggressive investment in solar renewables without States' funding and could replace the need for the additional interconnectors to guarantee energy security and save £100 million investment.

1380 Green generation locally would provide greater security as the technology is easier to access than subsea sections of the interconnector should there be disruption. Removal of planning application and building control fees from homeowners and the stand by charge to commercial solar PV projects could boost solar adoption in the energy market here without public investment and lower the cost of energy to consumers.

1385 Sir, solar PV offers huge potential for job growth, a reduction in energy imports and adds to the Island's security and independence. And this is an initiative that could drive the economy forward with immediate effect. I think that is what we want to be looking for, the immediacy of some of the initiatives that we put forward, and this particular one with private money would facilitate a lot of job growth.

1390 Now, I want to make a second point which is the strength of towns and cities. That communities grow and Government has to learn that. It is through the strength of towns and cities that communities grow and I would like to apply that to Guernsey because I think we have got to look at our Town and its function in developing Guernsey in the future; and the fewer restrictions to that commercial central hub, retail hub, the more competitive the centre and the Island becomes as a whole.

1395 Investing in the central CBD, if you like, of any community is an investment into the system as a whole, and I think we have to be very acutely aware of that. Jersey has been doing a good job that way in terms of investing in St Helier as it has and as a result of that of course it has led to a lot of growth of that Island as a whole.

1400 I think we have to look at our central business district and invest in it. At the same time of course I have got to say that the Town needs to be open and kept open and circulation by vehicles unimpeded by closures. And of course we need to – and that is particularly on the Quay –keep things moving, to keep the circulation, to keep growth, not to impede growth in any way in terms of our major centre. And of course to open more parking and not restrict parking in the central business districts. That is very important for growth. We are not restricting parking in the malls outside – and that is free parking and lots of it. So do not in any way restrict growth and development in the central business district.

1405 Enough said of that. (*Interjections*)

A Member: You just left out your opening hours, I think. (*Laughter*)

1410 **Deputy de Lisle:** I think there is need also to seize the opportunity to re-examine again with the other two Crown Dependencies, Jersey and the Isle of Man, ways and means of changing the corporate tax regime to lighten the load on the individual, whether it be through a 10 10 tax policy or some other way. But I feel that pensioners were targeted to bear a huge burden in the 2020 Budget. Quite unfairly, the £900 Age-related Allowance was withdrawn, scrapped altogether and the increase in TRP in the 2020 Budget has hit pensioners hard, especially those with properties with a TRP rating over 200 units.

1420 Having said that, in general, increases in property tax to Government takes money out of the economy and what we want of course is to have individuals with money in their pockets, not taking money out of the economy to Government and leaving less disposable income for families and those on pensions and fixed incomes. It is a matter of providing that money to facilitate growth in the economy. We should not be reducing consumer spending in the economy, which of course taking money out through Government in taxes and charges is so doing. Now, that is an important element of economic growth, the consumer spending, and I think that is another thing that we have to be very aware of.

1425 Now, I am pleased that P&R have come forward with Revive and Thrive. It is useful as a start and providing a vehicle for debate and I think we have had many contributions already today and yesterday that can be taken forward in generating the next piece of work and policy initiatives to drive the economy forward as quickly as possible following this terrible Covid-19 pandemic.

1430 I think there is a strong role also for continuing the type of dialogue that Deputy St Pier was having with the other Crown Dependencies before all of this happening and I am just hoping that that will continue, because I just see that there is an opportunity now to look at various areas jointly, and they require joint looking at, particularly the opportunity of looking again with the two Crown Dependencies and I would like to hear his response to this, ways and means of changing the corporate tax regime to lighten the load on the individual.

1435 So please bear that in mind as a very important integral part of going forward now as a result of initiatives to be taken.

Thank you, sir.

The Bailiff: Deputy Inder.

1440 **Deputy Inder:** Thank you, sir.

Deputy de Lisle: I am going to support him, in some way, because it did slightly concern me that so many Members in this Assembly laughed at him when he was looking at St Peter Port as our historic town where the majority of our retail is. They found it quite funny that his experience within retail draws us to the only conclusion, whether we like it or not, at the moment car parking in Town, whether you like it or not, the Pier is covered in cars, whether you like it or not, actually generates revenue into the Town. I find that slightly disturbing, that so many people in this Assembly found it quite amusing that Deputy de Lisle pitched for keeping business vibrant in Town.

1445 I found that rather irritating because there is an element within this of, 'Let them eat cake; if it doesn't affect the rest of us, it doesn't actually matter'. And Deputy de Lisle ... and I know he focuses very much on Town and his small little business, but there are elements in there that are absolutely correct.

Now, if this States or a future States really want to write off Town completely then please have that conversation in an open manner and then basically move everything – I am not giving way – if

1455 **Deputy Le Clerc:** Point of order, sir.

The Bailiff: Point of order, Deputy Le Clerc.

1460 **Deputy Le Clerc:** Sir, I think that when people were commenting about Deputy de Lisle it was because Deputy de Lisle has got an interest, because he has got a shop in St Peter Port and he does not declare that interest.

Several Members: Hear, hear.

1465 **The Bailiff:** With the greatest of respect, Deputy Le Clerc, that is not Deputy Inder breaking any Rule in supporting Deputy de Lisle's comments. But the point is well made. Deputy Inder to continue.

1470 **Deputy Inder:** Well, okay. There you go. Telekinesis; we can all mind-read over here. But I saw what I saw and I find it slightly disturbing that Members of this Assembly find it funny that Deputy de Lisle supports Town and I saw what I saw. But anyway.

1475 Sir, we are getting on to the point proper about the Revive and Thrive. Deputy Green's speech probably saved me and this Assembly some time and I actually agree with him. What he said was that Deputy St Pier's speech actually had more content in it than the actual document itself. If you

1480 actually read the document itself, and remarkably I have, (**A Member:** Hear, hear.) there is actually 20 pages of 'Revive and Thrive' and there is another 40 pages of 'Exit from Lockdown' which we already knew anyway. Now, if you take out all of the pictures, reduce the headlines from 22 point to a standard font size, what looks like 14 point down to eight size, you have probably got less than 400 words there.

1485 But that point has been well made and there has been a lot of money and a lot of time spent on this and I do not actually think ... I think someone said through you, sir, that this was written by CRAG. I do not think it actually was. I think in the main it was rubber-stamped by the CRAG but in the main it was written by officers. This is not about blame; there is some disappointment, but I understand that this is a green paper and the job here today is really to inform and debate where we may or may not go.

1490 Sir, Members, I am just going to talk on some of the things positively that I found good about the Covid process. I am your arch-cynic. Actually, somewhat like Deputy Lester Queripel mentioned yesterday about processes, what I have seen has been good about this Covid process, as soon as the Civil Service are free and unrestricted they appear to be able to deliver very quickly certain projects and I was impressed by the speed of Government, how it has reacted so quickly to the emergency. I was genuinely impressed how quickly ... not necessarily us as politicians but the actual ... When it is allowed to, the centre of Government, that highly paid centre, when it wants to move quickly it can move quickly and I hope that is something that we do not lose.

1495 The creation of the cell structures, which we finally got copies of, via me, P&R and the senior executive team and the creation of those various ... I think there was a transportation area, there was a hospitality area, all of these little groups. I have interfaced with them in my personal capacity and I cannot fault it; I cannot fault it at all. It worked extremely well and the access I found that we had when normally you would go through a committee system and they had all gone a bit quiet because everyone was on teams.

1500 I found that ability – and I will not name them here but they will know who they are if they are listening, if they are daft enough to be listening – there were senior officers that helped us enormously to move things quickly through a process and bring them to a conclusion; something that I do not think would have happened without Covid, strangely enough. I do not think it would have happened without Covid and I think the teams, that ability to cobble various groups together in video conferencing, has been a huge benefit. So I just genuinely hope that we do not lose that and we do not go back to what was the old way of doing business, which Deputy Lester Queripel and I think Deputy Ferbrache behind me – is he there? No he is not – so ably has mentioned before.

1505 So if I have a message in this Revive and Thrive to Deputy Trott and Deputy St Pier it is please do not lose this. If we were efficient for a three- or four-month period, let's maintain that efficiency in some way. Please do not lose this. Let's not go to the bad old days where every time a Committee writes a letter there might be a three week response and then another response back and nothing ever gets done. If we can keep that efficiency, that core group of people together, we can do good things, if not great things.

1515 The reason I got mildly excited about it is because how I have always worked. You get people into the room, you get them round a table, you sort stuff off and they all go out on their merry way. They get given days, dates and times to come back and they will come back in the same room. There is nothing abnormal about this to people like me: it is what governments should do. So if there is a key message there, for fear of repeating myself, I would ask Policy & Resources to give that some consideration and ensure that something like that, however they do it – I do not really care – is enshrined in any future way that Government might work.

1520 The debate is a green paper. We are here effectively to support the general principles and as Deputy Green said it is a kind of hope for the best and if I have learnt nothing in my life is hope normally get me killed. So hopefully there is some hope in there and we are about to talk about plans.

1525 What I will do is rather than go through ideas line by line, because that would be an utter waste of time, I will touch on a couple of themes and write separately to Policy & Resources under separate

1530 cover and ask them to give them some consideration in any future plan, and I would advise Members to do the same thing. We are all capable. If you have got specific things that we think we can crack, we can conquer, we can feed them in and they may or may not pass first muster and they may end up in a plan. And if we do not like the response we can always go through the amendment process then. So this is about just feeding stuff back to Policy & Resources.

1535 One theme – and you will have heard me talk about this before – is that relationship between Aurigny and Visit Guernsey. You have heard me say it before: we own Aurigny in one hand, Visit Guernsey in the other and never the twain will meet. The hospitality sector is about to have three winters in a row: we had last winter, this summer is a winter, and next winter is a winter. It is in trouble – it is in serious trouble. And there are some that are in more trouble than others; I am not particularly one of them, but I am aware of other portions of the sector that are in trouble. And we know recently we have heard from, I think it was Deputy Trott, that is, and happy to ... has put together through public funds voted through by this Assembly – so it is not by individual – a rescue package of around £6½ million, is it, for ...? Yes, around £6½ million for the hospitality sector. But if I can give Aurigny any encouragement at all, is what I want, as someone who is in –

1540 Please, Deputy Trott.

1545 **Deputy Trott:** Well, only that the £6½ million is the ongoing cost. Of course there have already been millions expended on behalf of the taxpayer supporting the hospitality industry.

1550 **Deputy Inder:** Understood, sir, and I think hospitality should not forget that. They certainly should not forget that. And I absolutely agree with him: without full exposure of books they should not get a single penny. We are not giving away public money just because someone rocks up and asks for it. That is my absolute clear message. This is public money we are spending and if you want to dig into the grant it is full disclosure or you do not get a penny – well, that is what I would do anyway. But you know what I am like.

1555 So just talking briefly about Aurigny and Visit Guernsey, it is likely what I think some of us want – and it is not all of us – we do not necessarily need an injection of cash. What we need is an injection of people. We just need a better Easter. If Aurigny and Visit Guernsey between them can get people into the start of 2021 as a decent summer, 2020 will have gone away. So that is my encouragement to Members of the STSB, Economic Development, whatever they will be, is get those two units together, Visit Guernsey and Aurigny, buy one get one free, be a little bit more dynamic, and maybe for a short period of time look like a low-cost airline and get bodies in beds. If there are bodies in beds in Guernsey they will spend money in the economy; if there is money being spent in the economy all the taxation will come. So that is one thing.

1560 There is also, I think I read, over the Covid process, something like 200 new businesses have started over the Covid period, and it is the butcher, the baker, the candlestick maker, all those kind of people and there might be the odd guy who might have lost his job as a mechanic and found that he is now fixing minis in his shed somewhere. But they do have and this is back to really planning I would ask Policy & Resources and Planning to get together – *(Laughter)* What is so ...? I do not really understand what is so funny about that. So I am asking – no, I am not giving way – I will ask Policy & Resources and Planning to get together and find a way of – Deputy Gollop, please. 1570 If he has got something to say I will give way to him –

Deputy Gollop: I did not want to say anything, sir. I was just pointing out Deputy Oliver is behind you and you could not see her because she was behind you.

1575 **Deputy Inder:** I am not giving way –

The Bailiff: Just for a moment, Deputy Inder. Can I just remind Members that the Give Way Rule is not an opportunity for people to wave their arms, cough or draw attention to anyone? Any Member who is on their feet needs to be aware of the full population of this Assembly and to keep

1580 an eye out particularly if they have got people behind them. Deputy Inder has indicated that he is not giving way and therefore Deputy Inder is to continue, please.

Deputy Inder: Sir, I would have been finished.

1585 Briefly what I am asking is of those 200 people that may or may not find that they are falling foul of potential planning laws depending on, they might be using their lounge for something, they might be using what is defined as a shed, what I am asking – or possibly a greenhouse in a corner – as part of a future plan, is for Policy & Resources and Planning together, recognise where they are at the moment and maybe for a one-year or a two-year period just lift the planning restrictions, leave them where they are and just let them carry on.

1590 Finally, sir, what is really important. I do not think too many people have mentioned this. I know Deputy Le Clerc is concerned, I know I have spoken to Deputy Langlois and possibly Deputy Green. We have got 1,600 unemployed in this Island; 1,600 unemployed and it is the worst since probably when I left school in the late 1980's. I remember there was something like 1,100 but that came at the collapse of the growing industry.

1595 Now what I do not know and what I hope somewhere between ESS possibly and again Policy & Resources it appears to be that we have got a disproportionate amount of our citizens in the 20 to 29 year group who are now unemployed. Now, I do not know what that means. I can guess that it is hospitality related – that is all I can do. I think we really need to know before we build into any plan the data revolved around that and more concerningly, and again I might have a couple of years out there seems to be a disproportionate amount of people in the 35- to 51-year-old range that seem to have lost their jobs. Now, that should have a lot of concern for a lot of people because quite clearly when you start adding into the 51 range actually you are less likely to get a job in the future. You get into that range between 50 and probably 55 when you are starting to head towards retirement, where you just become unemployable, no-one wants to take you on, things start falling off. *(Laughter)*

1600 So I would ask Policy & Resources, possibly ESS, when they do come back can we have some data on what ... and possibly with Education, it might be greater adult learning, greater skills based or something between that for us in some way to deal immediately and quickly if we can with the effectively 1,200 more unemployed than we had three months ago. I do not know if it is possible, but if they could tip their hat towards that I would be grateful for those three to get ...

1610 Finally, sir, I think it came from Deputy Ferbrache when he stood yesterday, he spoke about a task force or something like that, and I have sort of touched on it, on when government can be efficient. Over the years, and this again, sir, these are all ideas, things for Policy & Resources to pick up, what I have seen or possibly hear and I have certainly experienced is businesses wanting to come to Guernsey, we have a brand like something called Locate Guernsey or Business Guernsey or whatever it was last week in various versions you get, people want to come and invest in Guernsey and what they need is five licences, they need someone to cut some slack on a warehouse down on Pitronnerie Road, for example, they need a bit of free verse on getting a few more people in, and they need to deal with the population management in some way.

1620 Now, in other countries there is actually a single person that would do that. They effectively say, 'Right, we can get you this, we can get you that, we can get you this, we can get you that', but I do think our system works like this. If we have got a unit which currently might be Locate Guernsey or it might come in through the backdoor through Economic Development, it is very difficult for any unit or any committee to effect things particularly quickly, and it reminded me when we wrote last month to Dr Nicola Brink to ask her to respond directly about the public health concerns we might have over delivering the Election, I remember we asked her very politely could you reply in seven days. Thankfully, she replied in seven days.

1625 I think we need to get to that point where if we play that sort of *It's a Knockout!* joker, we have got something very good here. There should be some ability either via Policy & Resources or whatever this task force that Deputy Ferbrache touched on where effectively a letter can come and the DPA have to respond in seven days, Economic Development must respond in seven days, or

possibly Population Management has to respond in seven days. If we have got good things which are going to benefit the economy, let's please try and find some efficiency within the system to get these things going very quickly.

1635 That ultimately, sir, is all I have got to add and I have got a few more bits and pieces that I will feed in. I think the Island could be better because we have shown that we can do ... when we are free and unencumbered, we are probably at our best. The more procedures, the more policies we have got, I guarantee nothing will happen. So I would encourage Guernsey to get back to the Guernsey I think I remember that just used to get on and do things. **(A Member: Hear, hear.)** I think
1640 I remember that. That was the Guernsey I remember and we have got to the point where it is just like wading through treacle.

So, sir, in terms of responding to a green paper which is for noting, I will support it and I hope Policy & Resources may take on some of those thoughts and comments.

Thank you, sir.

1645

The Bailiff: Before I call the next speaker, Deputy Leadbeater, is it your wish to be relevéd?

Deputy Leadbeater: Please, sir.

1650 **The Bailiff:** Can I remind Members that they should not stand until the previous Member has finished speaking.

I will call Deputy Le Tocq.

Deputy Le Tocq: Thank you, sir.

1655 I will be brief and certainly before the end of this morning's session.

A lot of what Deputy Inder said resonated with me and I will not repeat what others have said in terms of the high level nature of the Revive and Thrive document.

1660 Like others, I would have liked us at this stage to be considering far more practical, tangible projects. But I think that touches on the area of governance for the future that Deputy Inder was alluding to really and it is covered to some degree in section 9.

I remember during the last term in Government somebody who did not know me so well came to see me and said, 'I have worked out what your main strength is'. So I said, 'Oh good', looking for some encouragement, as you always do in a political role. He said, 'You're good in a crisis, aren't you?'. I was sort of initially encouraged by that and then realised that that was probably indicating
1665 that I was not good when there are not crises around. *(Laughter)* But I use that illustration to say that I think that, yes, is the situation with us. I think we can be good in a crisis.

Now, similarly with the Civil Service; and I will just start with them, sir, because others have alluded to it. I think during the recent Covid crisis and our acceptance as a community that we were going to have to take quite a big hit in terms of restrictions on our freedoms and changes in the way in which we could work and for some people that meant becoming redundant, the Civil Service acted very swiftly. And certainly from my perspective, huge amounts of time were put in and compared to normal the ability to move staff where absolute urgent need was necessary was done very efficiently and very quickly, and we were able to get the good will and the buy in of people to make those changes. However, that is not sustainable for very long. I wish it was but I do not think
1670 that sort of environment or the high level adrenaline that goes along with it is sustainable or in fact healthy for anyone to deal with.

1675 So how do we make things better in the way that Deputy Inder and others have alluded to in terms of decision making in terms of our ability to focus on what is absolutely essential and be able to put aside priorities which we have struggled as an Assembly and probably more so in this Assembly than any other Assembly to prioritise. Because our resources as a small community are always going to be small compared to elsewhere. We cannot do things the same way as they are done elsewhere.

1680

1685 But Members who have spoken are right that in the past when faced with similar problems, and this is now primarily for us an economic problem, it is a problem of employment, it a problem of creating and recreating an environment where we can see the majority of our population who are of employable age having opportunities for employment.

1690 We have an opportunity to do things differently and we should not miss that opportunity. But we will be in danger of doing so, and particularly the new Assembly will be in danger of doing so, if we just go back to the normal working patterns. And part of that is the need for us to compromise, collaborate, negotiate well and accept that we are not going to find a perfect solution to things. We have got to make some mistakes – we have got to be willing to do that.

1695 Any investor knows – and a large chunk of this is about the need for us to invest, to take the lead as Government – that there are risks and what that means ... ‘Risks’ is just another way of spelling ‘mistakes will be made’. It is a shorthand for that. There will be some things that work and some things that do not. And over the time, certainly that I have been in the States, and I think Deputy Inder’s slightly rose-tinted spectacles of the past, I have seen how we have because we have responded quickly to problems of overspends in capital projects and problems of things being done in ways that the general public perhaps did not like or proposals being made and there is outrage from there, we have responded by adding more and more bureaucracy and to the degree that now 1700 it becomes almost impossible to do anything effectively in a timeframe that means we are responding to the need as it is in real time. What happens is we end up doing something, things have moved on and it is no longer appropriate. I am not just talking about construction here I am talking about the sorts of initiatives we desire to bring in.

1705 So certainly in the area of governance we desperately need to do something there. I hope, sir, that Members of this Assembly will be committed to doing that because that is the only way in which we are going to see new opportunities for employment emerge.

1710 I will not go into detail, sir, but I am certainly of the view that with regards to the digital economy we have already had, and along with Deputy Dudley-Owen I have been involved in the sub-group that works in digital, we have already seen the emergence of new start-ups, creative industries linked into digital that are dealing with the global marketplace, as I think Deputy Roffey way back when we started this debate referred to, and bringing investment into Guernsey because they are employing people and putting Guernsey on the map.

1715 I think that is essential in the future because that means our population will not have to grow beyond a certain level, although I am in favour of it growing some and taking that risk in that area and we need to decide where we would do that and I want to come on to that in a moment.

1720 But I think digital certainly is something that we have done well. We have demonstrated during the crisis that as a Government we can do that well and I have been actually amazed at the swiftness in which some people who I considered to be laggards in the area of digital have moved very swiftly to learn new ways of working. And that is essential both for us as politicians but also for the Civil Service and the public service generally.

1725 So I think there is more that can be done there. We are at the beginning of this partnership with Agilisys Guernsey. Economic Development is one of the pillars developing new opportunities through that partnership which is creating capacity and we need to invest in that certainly. So I will be a big supporter of that in the future particularly if I get re-elected. But even from the outside I would support that because that means jobs here in Guernsey. That is not putting extra strain on our infrastructure but is providing opportunities that can grow elsewhere, and not just fintech, but obviously fintech is connected to that and builds on the success of our already existing financial services.

1730 But, sir, I want to just allude to one other thing and it is to do with our capital St Peter Port which is definitely the crown, the jewel in the crown of the Channel Islands as far as harbour capitals go, and – will I use my words very carefully there, but – I think also the opportunities because of the crisis and what has happened and in our High Street and so I certainly agree with some of the things that Deputy de Lisle was referring to.

1735 I have made it clear on many occasions that it seems to me that a number of problems that are
seen by different groups of people in Guernsey, traffic issues, housing issues, supporting local –
which I certainly hope, and I have not got time to go into it now, but I certainly hope that we get
more self-sufficient in terms of growing our own produce. That seems to be the case
(**Several Members:** Hear, hear.) and in terms of agriculture and fisheries that is something that I
want to support. I think we have got opportunities to do more than just supply our own there, but
1740 again we will not go into that.

But just to allude to there is a number of different issues and each of perhaps representing more
strongly in some areas different parts of these problems that have existed for some time. But
focused in on St Peter Port particularly, it seems to me, and it has seemed to me for a number of
years now, that there is a huge amount of unused space even in the old St Peter Port. And it is used
1745 for storage perhaps, it is empty in some cases. I have been through some of the second, third and
fourth floors of properties here and perhaps at one time there were people living in there, other
times there were small offices, they have moved out of Town now. There is an opportunity for
people to move back into and live in St Peter Port. (**Several Members:** Hear, hear.)

I am glad that there is a little bit of momentum and traction on that now, because it seems to
1750 me – and I have said this again many times – that we could increase the population of St Peter Port
by 5,000 or 6,000 pretty easily and no one would be able to tell any difference in terms of congestion
here because these would be people living in St Peter Port, but the benefit would be they would be
buying, drinking, socialising and doing all their stuff in St Peter Port as well. Many would not need
a vehicle; if they did, it would not be parked on a pier somewhere.

1755 Years ago if you had said that to me when I returned to Guernsey and when we did look at a
property in St Peter Port, but I did not want to live in a flat. My children are very happy to live in
nice apartments, even converted Victorian apartments; and there are some but there are very few.

Now, I do not know what the potential is here. I have not worked that out. But it is something
that I am committed to do and working with others as well. But I know that some of the blockers to
1760 that have been individuals who have sat on properties for a long time and the way the economy
has worked out in the old regime has been that they could do so and there was no incentive
whatsoever for them to release space that otherwise is sky space, it is above that, because their
focus has been on perhaps a retail unit below or whatever it is, that needs to change, sir. (**A
Member:** Hear, hear.) It must change. Sir, I think the pressures therefore on our, what in the past
1765 we would have called 'countryside parishes', would be less if there was more opportunity there.

Sir, I am speaking to some degree anecdotally, but now having said this for five or six years I
think the time has come for us to grasp this nettle and to really invest in St Peter Port. Not just in
that area; I would like to invest in the Harbour, I think there are things we could do in Belgrave, etc.,
things with transport as well that would help. But the primary thing that I think is within our grasp
1770 now ...

I will give way, sir.

Deputy Oliver: Thank you, sir.

Is that not why we have the Seafront Enhancement Area Group?

1775 **Deputy Le Tocq:** Well, it may well be, but I know very little of what they are doing. I know that
we have got that debate to come. (**A Member:** Hear, hear.) But I raise it in this debate because it
seems absolutely apt now we have had that Seafront Enhancement Area Group, well, since I was I
think knee-high to a grasshopper. I mean, it was around during my first term in the States. The
1780 problem is it does not do anything. It just comes back with great ideas, most of which I have ticked
and said, 'Yeah! Great! What are we going to do about it?'. What I am saying is we now need to *do*
something not just talk about. (*Interjections*)

So sir, as I have said we do need to do something and not talk about, I am going to sit down
and shut up. (*Laughter*)

1785

The Bailiff: Well, thank you, Deputy Le Tocq – that is perfect timing. So we will now adjourn until 2.30 p.m.

*The Assembly adjourned at 12.31 p.m.
and resumed its sitting at 2.30 p.m.*

**Revive and Thrive: Our Recovery Strategy for Guernsey Together –
Debate continued –
Proposition carried**

The Bailiff: Deputy Smithies.

1790 **Deputy Smithies:** Thank you very much, sir.

If I can ask Members to cast their minds back to before the luncheon interval, I will try to keep this short. In fact if I can paraphrase one of my great friends Sir Winston Churchill, I will keep this speech rather like a Scotsman's kilt: long enough to cover all the points of interest but short enough to arouse interest.

1795 What Deputy Inder described just before lunch was actually how business operates in the real world: process is subordinate to need, not *vice versa*. Commercial activity drives the machine. Deputy Ferbrache actually focused on the need to start to cut through some of the red tape and the regulation.

1800 There are opportunities to start to move forward but doubtless we will be reminded about international regulation. Well, we need to be compliant, obviously, but not too compliant. Let's try to free up business relax restrictions where possible and translate the vision of this document we are discussing into a fully-fledged strategy and a can-do plan. Get the economy right and all goods will flow.

Thank you, sir.

1805

The Bailiff: Deputy Mooney.

Deputy Mooney: Thank you, sir.

1810 I just have a very simple question, shall we say, for P&R. Planning are going to play a major role in this recovery and the only question I have is: why is their name not on this document? Is there an actual reason, is there a purpose or is that for the future in the more detail? But they are definitely going to play a major part in it, so I do think they should be part of the actual document.

Thank you.

1815 **The Bailiff:** Alderney Representative Roberts.

Alderney Representative Roberts: Thank you, sir.

1820 Alderney's Policy & Finance Committee have welcomed the publication of Revive and Thrive, a recovery plan for the Bailiwick. Alderney sees this as a first step in a wider exercise. It envisages partnerships to recover post the coronavirus – Bailiwick-wide economic prosperity.

We note this first document sets out the mechanisms for assembling a recovery plan. In short, the goal – quoting from the document itself – is to:

... build on our inclusive community values and capitalise on our many strengths to make Guernsey a safe haven based on sustaining health, wealth and community.

We have only one comment on this goal, and that is instead of the single word Guernsey we would have like to have seen the phrase Bailiwick of Guernsey as in fact it is used in other places in

1825 the document – although, I might add, not on the front page. While we are assuming this is an oversight we would welcome a reassurance from those who put the document together that it is indeed a plan for the Bailiwick within the wider goal.

Alderney has noted and welcomed the three envisaged action elements for a sustainable Bailiwick economy, health and care and community. We note that these will be supported by fiscal and funding and investment strategies over a three-year period and we again welcome this.

1830 Colleagues, this document was discussed at our Policy & Finance Committee last week and during these discussions the Committee indicated their support for the plan and requested that Alderney's officers and senior politicians collaborated as much with Guernsey's officers and politicians. Further consideration that our priorities could be seamlessly and appropriately incorporated into the wider Bailiwick plan.

1835 Alderney Representative Snowdon and myself feel this document and the work that follows on creates the opportunity for Alderney to work closely with those charged with economic planning in Guernsey. It is my hope that this could start a new relationship that might continue long beyond the coronavirus epidemic and which will be mutually beneficial to both Islands.

1840 What I would also like to see is a review on connectivity to Alderney to rejuvenate and attract new income streams, so ending the long last few years of stagnancy, costly losses to the Bailiwick in airline provision and lost tax takes. We clearly need to change that to thrive, revive and thrive. Undoubtedly it cannot go on, as solutions and conversations have to be had to improve Alderney.

1845 Alderney wants to help itself, so a form of a change needs to be negotiated for the good of both Islands and use entrepreneurial advances to achieve that aim.

We have got a marvellous opportunity with Harrison Aviation in the interim using Islanders to taxi around all the Islands supplementary travel for Alderney and eventually putting the Bailiwick at the very forefront of electric travel as a world green leader.

1850 As other airlines return to Alderney, as they will, Aurigny may become the elephant in the room as much as we are so grateful to have it at this time. Please support and invest in our Island, part of your Bailiwick, so we can generate up the great potential that Alderney really holds for all.

1855 Sir, you would see a great investment return on this investment. Plug the hole in the bucket and you stem loss. It will pay dividends, but it needs investment. In every downturn there exists opportunity. In every downturn there exists winners. But only when these opportunities are sourced and carried forward with political will will they succeed.

I have always been an optimist, so include Alderney in these plans and turn us into a paying economy. It is time for change and it shouts common sense.

1860 Let us not forget the environmental issues as these are future for the Islands. The lockdown has underscored these areas undoubtedly. Please think of the green economy opportunities. As an opportunist, I see this as a great opportunity. I look to P&R to support these areas included in Deputy St Pier's very good speech and support some not in the document that need to be redressed.

As Deputy Green said, let us get it right.

1865 **The Bailiff:** Deputy Gollop.

Deputy Gollop: Thank you, sir.

1870 Mindful of the fact that we are very behind in our time schedules and the average speech, until this afternoon when they have sped up, was about 20 minutes in duration, I want to get to the point quickly especially as we have already heard so many useful and excellent speeches that have covered everything from digital issues to the cycling – recycling too, probably.

1875 I welcome the document too. I think it has been useful to hear from Representatives from Alderney, Mr Roberts and Mr Snowdon, their perspective, because I have an asset in Alderney now and one or two other people here do as well, but I think Alderney's economy has been in a state of semi-crisis for a number of years and Covid has, if anything, just pulled the Island together more where I think they have had a successful more against the virus, you could say. But nevertheless it

has flagged up, not only their essential integral nature of being part of the bubble, part of the Bailiwick, but the necessity of looking again for creative, cost-efficient connectivity solutions for both their commerce and tourism, and their air and sea links.

1880 I want, rather more than the general level discussion, to focus on the document and its strengths, and in a way its shortcomings. Because I too, perhaps like Deputy Dudley-Owen, was puzzled by some of the wording – the word ‘wealth’. But if everyone turns to page 6 of the preamble letter that has been given us by the Policy & Resources Committee, paragraph 3.3, it has some real facts or at least some projections. And Deputy Trott has identified, or would identify if he was our treasury
1885 minister, collectively that:

Initial estimates suggest the impact on public revenues ... could total £75m across ... all revenue streams. ... it is likely that much of this lost revenue will be restored in 2021 as activity resumes ...

But:

... receipts in 2021 could remain some £30m to £40m short of their 2019 level.

Now, Deputy St Pier has identified that there is a possibility, an ambition, an aspiration that with the right political strategy and investment we could have a stronger economy in a few years’ time than would be the case if we muddled along without the international coronavirus. But nevertheless
1890 that is a big ask, because going back to the wording in the paragraphs 3.2:

If we do nothing that will translate into a fall in taxes received by the States and a gap in public finances of roughly £400m over that 10-year period.

Now, that is not as bad as it might appear to the layperson, because Deputy Trott, Deputy St Pier and many other Members of the Assembly know we have overcome adversity in the past, particularly when we lost corporate revenues. At one point I think there was a downturn of up to £100 million a year and very quickly the States maintained if not enhanced economic growth and
1895 brought us back to a situation of even-stevens, of being in budget.

But the more interesting paragraph is 3.3, because this is where the policy comes in. It says:

This underlines the importance of adopting a recovery strategy designed to accelerate growth in the economy ...

Now, I am not sure all the Members of this Assembly and maybe the future one to come have the same definition of growth. Deputy Dudley-Owen said she is in favour of growth but not untrammelled growth which undermines our society and our perhaps environment, whereas other
1900 Members over the years have suggested that growth is an outdated concept to follow. But other Members, I think particularly Deputy Ferbrache yesterday is very keen on economic growth as the best way of paying our infrastructural costs and enhancing our survival as a society.

So going back to the text, it poses a question, unusually, for an example. It says:

Should we not do so the States would be in a position where they would have to exhaust reserves or borrow (or both) –

– Deputy Laurie Queripel talked about both in a way –

– simply to balance the books. This would inevitably lead to the need to radically cut public services and also likely result in higher taxes.

1905 Well, I think that is a bit of a nightmare scenario that Policy & Resources have tried to resolve in a better way, in a more forceful way, not a simple turning on the tap to austerity. But nevertheless there has been on the ground perhaps, if you sit in committee land, a very real attempt by Policy & Resources to encourage Committees to be more disciplined in their expenditure in their projects and the essentiality. I think there is a tension there that the Assembly will have to resolve and have
1910 to know exactly how much money is available before we go on to the next stage. Because Revive and Thrive has a lot of context and, as Deputy Inder I think said, photographs and graphs and all

kinds of things, but not too much hard core, as Deputy Dudley-Owen again said, visionary, passionate policies that you could quickly jump on.

1915 There was a lot, as was said yesterday and today, of emphasis in Deputy St Pier's visionary speech – and I thought Deputy Roffey made an equally impressive speech covering lots of topics – a lot of talk was made about environment and the impact of transport on nature and so on. But the environment is underrepresented in this document. In fact there are three plans, and I at first thought the three plans were really the classic environmental, social and fiscal. In actual fact the two others are the community recovery action plan and the health and care.

1920 Although I think we have seen the importance of public health and health and care, and the need to move even faster to achieve the vision Deputy Soulsby, Deputy Tooley, Deputy McSwiggan and others on Health & Social Care have been moving towards, I think it might be an artificial distinction to separate community and health and care because the two are inexplicably interlinked. And when you turn to community ideas like fostering whole community well-being and resilience, 1925 ensuring the community has access to education and lifelong learning, working to support those in hardship, focusing on improving cohesion and connectivity, a lot of them have clearly a health element as well as a cultural element.

I am not going to criticise anything Deputy Lester Queripel said yesterday and would entirely endorse his views on arts and sports. But of course, there is a conversation as to how much money 1930 Guernsey it prepared to allocate to those areas. We will have a debate hopefully soon on supporting Guernsey's identity through its language.

But I have been perhaps a little bit surprised at the pushback from some in the community about keeping something that is basically part of, not just our history, but our brand. The main argument they used is that £300,000 sounds like a lot of money. Now, we are talking more like £300 million 1935 across the *piste* and so we have to focus on how far people wish to spend.

I think a key point people have not focused on yet, although I think Deputy Merrett, and Deputy Graham with his very interesting speech about how education can perform even in supposedly difficult areas, and Deputy Dudley-Owen partly covered, is the skills gap we have in the Island. I think it has been mentioned a few times, but particularly on page 18, it was noted by people who 1940 have an interest in the subject that under 'People and skills':

The strategic review of population management will be restarted with a revised scope to identify the people and skills our economy needs to recover and grow –

– that is important for Home Affairs to be aware of and ESS and other Committees with an interest in that area –

– and to set out the changes needed to ensure we can do that at pace. We –

– meaning all of us, Policy & Resources say –

– will also start work on a human capital strategy that combines attracting the people we need from off-island with the training and equipping of our on-island population to meet the challenges of recovery.

1945 Well, that is a big ask, because it goes beyond what Deputy Parkinson was saying about the university. It is about retraining and re-educating people of all skills and abilities, and all ages. We should not discriminate on any potential ground, so everybody has a fighting chance of gaining employment opportunities, the level of income, the level of standing in the community and hopefully independence that they can.

1950 But I think a global skills strategy of that nature definitely means more than just a component of recovery. It is about investment in people and pulling together disparate Departments of the States, bringing in the private sector and actually not just focusing on the unemployed short- to long-term needs, but on the underemployed.

1955 We hear of people ... Who was it? Deputy Inder said when you get to be 53 or 55 bits start falling off. I do not quite know what he meant by that, but he meant that the employability of people can be hampered by an impact of age and we need to work to overcome that.

Turning to other real policies here, there are not that many, but we see again on page 18 in which we see the Seafront mentioned. We see:

The review of the use and licensing of 5G technology ... an overhaul of our existing telecoms strategy ... clear recommendations for future investment for business ... we will build a data infrastructure –

– this is a commitment –

... that is resilient, secure and world class. We will become a recognised global leader in respect of data.

And:

Transport connectivity must be addressed. [...] There will be clear recommendations on the future role of Aurigny as an economic enabler, the provision of long-term resilient lifeline sea links, the potential for investment in our ports, and the network of destinations we need to connect into.

1960 Well, it is not specific, it is high level. But out of those random promises we actually do need to see where the Government, where all of us, stand on air subsidies, on utilising Aurigny and other airlines as economic enablers, on the ideas Deputy Trott identified as initially an emergency strategy, but he and many other Members are more than capable of pushing together, to perhaps build a new ro-ro ferry for Guernsey use and maybe even Alderney use as well, that would be a different
1965 kind of vessel.

Another argument that comes out of this is a whole policy of attracting through subsidies and other ways air links to the Island and the price we are prepared to pay through subsidies or bonuses to, let us say, link to Holland or France or UK airports or whatever. We need to be very clear that such policies will be robust. They will not be supported by everybody in the community. People will
1970 not necessarily wish to see resources directed for business development, or inter-Island transport links, or perhaps encouraging communication. But we need actually to be clear about those plans.

If we are going to also have a stronger digital strategy of perhaps outclassing and outperforming even our neighbourhood island of Jersey, we need to spend that money on the infrastructure using perhaps private or public money, or a combination, and get on with it. If we are going to spend,
1975 spend, spend, we need to have clear ideas of the buildings and premises we wish to encourage. Because Deputy Parkinson made an interesting speech, as did others in Economic Development, but there was a little bit of pussyfooting about our role as an Assembly in attracting connectivity to the Island even in the short term.

We have seen this week in Jersey the peculiarity of a more ministerial government, with a formal
1980 Chief Minister and a sort of cabinet, go down the route of making pronouncements and then deciding to include the Assembly in a vote to ratify them on kind of liberalising their borders. We have done exactly the opposite, despite having a consensus system because of our charismatic leadership and wise advice, we delegated all those powers to a small number of people. But I think at some point as the summer progresses we will have to consider as Members whether to follow
1985 Jersey, monitoring from a health and safety risk and all other possibilities how successful they are in what they are trying to achieve and the negatives that may come out of it or not. I think it would be irresponsible for us to go on in our bubble regardless of the economic or social consequences whilst seeing a competitor race ahead. Maybe they have made the wrong move, but we can at least look at that and we need to be alert to debates on that kind of subject rather than some of the stuff
1990 lined up on our agenda.

So I just think, move on from a glossy document and come up with more specific policies. In some ways the STSB's upcoming report on the Dairy contains more meat, as well as milk and cheese, *(Laughter)* for us to get stuck into.

1995 **The Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

I want to say something initially about the status of this report, how the plans will be developed, then something about things which relate directly to my Committee's mandate and then about capital projects and culture, and try and put some numbers around some of the points that have been made earlier in debate.

Now, first of all this has been submitted as a green paper. I must say I am not sure how the Policy & Resources Committee has got away with that, because Proposition 1 is:

To agree "Revive and Thrive ..." as the strategic framework governing the scope of future initiatives of the States ...

That does not seem to me like the kind of Proposition that lends itself to a green paper debate. The effect of Proposition 1 is that all of the existing strategic policy plans are put to one side and replaced by this Revive and Thrive Strategy.

Now, if at any time the Policy & Resources Committee had submitted, let's say, the Policy & Resource Plan and said, 'This is what is going to guide the States for the next few years, where are not going to allow you to amend it', the States would have kicked back against that. But that has not been possible. I think actually that is a mistake.

I am not saying anything I have not said in the meetings with Committee Presidents. I think this debate would have had more form and there would have been more political ownership of the outcome if this had been a conventional debate where Members could have laid amendments if they had wanted to.

So I make that remark in passing, but I think this is quite a significant Proposition 1 because it means this document becomes the strategic policy planning framework, and it does not really read like a strategic policy plan. In one sense it is quite ambitious, in some places it is quite nebulous; I am not criticising it, it has been put together at short notice and I think it is actually quite a good starting point. But to be a strategic policy framework ... I do not necessarily think it can play that role.

Members know I have concerns about timing. I think it is very odd for a Government two months before an election campaign starts to put in place a new strategic policy planning framework. Perhaps it was unavoidable because of the way in which the Election had to be deferred and the need to begin the process of recovery but I do think it is slightly unsatisfactory. I would not be at all surprised if when the new States are elected they rip it all up and say, 'Actually, what's needed is ... We want to start again because we want to put our own imprint on the whole strategic policy framework'.

Related to that, I think when Deputy St Pier sums up I would be grateful if he could provide some clarity about what the level of political ownership will be as the Recovery Strategy evolves into recovery action plans. Who is actually going to produce the recovery action plans? What is the role going to be of the six Principal Committees in the recovery action plan?

I have a sense that what is envisaged here is that by and large officers, working perhaps with some stakeholder groups in the community, will go away, will produce recovery action plans which essentially the Policy & Resources Committee will adopt, they might amend very slightly, but they will put them before the States and the argument will be, 'Well, these are owned by the States because they went through a States' debate'. Well, I just do not buy all of that. I do not think that you establish political ownership just by having a debate in the States.

I think the creation of the thing has to be politically owned. It has to be owned in the way in which it is developed and I cannot see, there is not really any explanation in the policy letter about how Principal Committees and States' Members will have proper ownership of the recovery action plans as they develop.

Now, referring to my Committee's mandate, there is not much to say about culture and heritage because there is something in the policy letter about culture and heritage, so there is some kind of direction or acceptance that initiatives and policies relating to culture and heritage need to be

2045 carried forward into the recovery plans, but as Deputy Graham said, there is no mention at all of sport and physical activity.

Now, I would like to believe that this was an oversight, but I actually got in touch with the Policy & Resources Committee or some representatives thereof and pointed out to them that in the draft that sport and physical activity was absent. I had a response to say that my view had been noted. I then went back and offered to draft some words that could be inserted into the plan and then the plan was published with no words about sport and physical activity at all.

2055 So I would be grateful when Deputy St Pier sums up if he could confirm that this is an omission and that the Policy & Resources Committee and the work that is being done to develop the Recovery Strategy does accept and respect the important role that sport and physical activity has in reviving and thriving. I mean this is a very sporting, physically active community. I do not think that we can revive and thrive – which is a slightly funny title; it sounds like a 1980's hip hop band, but (*Laughter*) – really revive and thrive without some acknowledgement of the role that sport and physical activity play in Island life. So I would be grateful if Deputy St Pier could refer to that when he sums up.

2060 Deputy Graham is right: the words around education, though there are some, are pretty unambitious. I cannot remember exactly what they are. Deputy Graham told us what they were, something about ensuring the community has access to education and training or something like that. Well, almost every community in the world has some form of access to education and training and I think if we limit our ambitions to that we are not doing very well as one of the wealthiest jurisdictions in the world.

2065 The issue is, as far as reviving and thriving is concerned, we have to have educationally a relentless focus on the outcomes of our students and on the experiences and the opportunities which we provide for them.

2070 I think that requires, very briefly, as Deputy Graham referred to, a new Education Law, because we are operating in an education framework designed for the 1970's – although even then it is based on the 1944 Education Act – and it simply does not provide the kind of environment for professional school leaders and others to operate as we enter the third decade of the 21st century. So that work is essential. My Committee will submit a policy letter on the Education Law before the end of this term. It will not now be debated by this States but hopefully it will be by early in the life of the next States.

2080 In terms of the primary phase of education I think that the number one priority is ongoing curriculum reform. Actually, the primary phase is in quite a good place. There are some issues around the fabric, particularly at La Mare de Carteret, and the States have already approved the redevelopment of La Mare de Carteret Primary School contingent on a review of capacity in the primary sector; and that work is now underway. But the ongoing curriculum development work needs to be accelerated and needs to be an essential part of the recovery action plans; wherever education is going to sit in the suite of these plans, I hope that that is part of it.

2085 In the secondary phase, well – and I will refer to this in a moment when I talk about capital projects – successive States have spent five or six years going around in circles on secondary education. Multiple Committees have developed reform plans, they have initially been accepted, then they have been reversed; literally millions of pounds have been spent and I hope that the recovery action plan developed in relation to education includes at its heart the need early in the life of the next States to determine what the future structure will be. Clearly it has to be a structure which is sufficiently acceptable to a broad enough range of stakeholders, and then the States have got to see it through. Because where we are at the moment, we are stuck in a model which, not universally perhaps, but by virtually common consent is unable to provide and promote the highest possible standards for our students, and it cannot demonstrate value for money.

2090 The fabric, the construction, the configuration of the schools is such that we are ... Almost every alternative model that is developed is capable of generating two or three million pounds of efficiencies per year without compromising, indeed in a way which promotes higher outcomes and higher standards. Surely part of revive and thrive has got to be demonstrating value for money and

spending wisely every pound the States are prepared to invest in essential public services, and reform of secondary education is absolutely central to that.

2100 I would say in the next 12 months the States have got to determine a structure which the community can live with and which the States can get behind and support, and it is not going to be the present structure. And that phase of education is currently in review. I think it might be a good idea if my Committee puts on a presentation to States' Members to go through how we are going about that review because I think that will, I hope, aid confidence of colleagues that it is being carried on in an open way and that the Committee's objective is to get back to the States, not necessarily with one option, although there will have to be a recommendation, but with a range of options, different models which the States can compare and contrast and can then decide openly which model they want to go with and then stick to it. Because another reversal of another model that is under development will be not just wasteful but disastrous for secondary education.

2105 We have got to get off this cycle of despair which has persisted now for the past five or six years. Numerous States' Members have been involved in this process over the course of at least the last three Committees, so I think almost everybody is well aware of the frustration, the challenges and the difficulties. And it is incumbent on all – well, it will be the Members of the next States now – to address that and find a way forward.

2115 In relation to higher education and further education, there is very widespread support for the course of action set out by my Committee which has been approved by the States now multiple times and involves bringing together the three providers of further and higher education in the Island and developing them as part of the Guernsey Institute. And, of course, that includes a capital project, primarily to free up necessary space on the Princess Elizabeth Hospital site and also to provide the College of Further Education with facilities which are not outdated and dilapidated as sadly some of their facilities are at the present time.

2120 The Policy & Resources Committee has an opportunity as it seeks to convert the fine words in Revive and Thrive into some reality in relation to the Guernsey Institute because this is a capital project which is more or less ready to go. We are only a few months away from being at the point where we could put spades in the ground.

2125 We have heard a lot in this debate about the need to ensure the community has the skills and the training necessary to face the economic challenges of the future and the Guernsey Institute is right at the heart of that work. There is currently a funding request in with the Policy & Resources Committee to allow my Committee to get to the next stage of that project and I hope that if the Recovery Strategy is going to be successfully converted into action that we will obtain cross-States' support to accelerate that project.

2130 Now, sir, I want to say something about capital projects and culture. Somebody in this debate said that Guernsey was a beacon of stability politically. I think it might have been Deputy Prow, but others have referred to that. Deputy Prow is shaking his head. It was sufficiently memorable for me to recall the phrase but not to know who said it. *(Laughter)* Anyway, it is true Guernsey is known as a politically stable jurisdiction. But there is a very fine line between stability and inaction. *(Laughter)* We want to be a stable place, not least because that helps to create a predictable, consistent environment for business. If we become an unstable political jurisdiction we will have an unpredictable environment for business and without a vibrant private sector thriving we will not have the employment opportunities our community needs and we will not generate the kind of tax revenue necessary to pay for the essential public services which our community requires.

2135 But I think we have crossed the line from stability to inaction. I think this has been a States notable chiefly for inaction. I think the States have done some good things but it has been marked by inaction. Deputy Roffey referred to the number of areas of policy where we have debated strategic directions that are very high level but we have not really converted them into action.

2145 I think we are too risk averse. We are terrified as a Government of making errors. We are terrified that one in 10 or one in 20 of the decisions that we make might end up being the wrong decision and therefore we do not make any decision on the 10 or 20 issues. Because the problem we face I think, or the challenge we face, is that the price of inaction is never visible. Nobody ever calculates

2150 the cost of not changing. Nobody ever campaigns or organises a march against the *status quo*, or very rarely – occasionally, but relatively rarely – whereas action doing something does tend to provoke anxiety, it often provokes resistance and that leads to the States shying away from it.

Deputy Roffey referred to his experiences when he was first in the States. Of course in those days nearly 50% of States' Members were not directly elected by the public. They were either Douzaine reps or Conseillers. I think 24 seats? (*Interjection*) Twenty two seats, right. Now, if you have an Assembly where 40% of the Members never face the public in an election, you inevitably create an environment where the Government feels more empowered to take risks and make difficult decisions. I am not saying that we should go back to those days, because clearly that would not be democratically acceptable in 2020. But we have failed to find a way of replicating the kind of, not necessarily ambition, but the risk taking which was possible in that type of Assembly in an Assembly which is fully democratically elected.

2160 When I was first in the States almost all of the criticism about the way the States operated was directed at the Committee level of Government. Now, I would say this having been involved in the 2016 reforms, but I think we have got the Committee level about right. I am not saying it could not be improved further, but I do not think there is a serious problem with the way States' Committees are operating any longer, whether it is in a crisis or whether it is business as usual. But we have a massive problem with the way this Assembly operates, (**A Member:** Hear, hear.) and we all share some responsibility for that.

Now, I take as an example: capital projects. I asked yesterday for a full list of the current status of the capital portfolio for the period 2016-20, the current round of capital projects. And the Treasury in amazingly quick time has produced a considerable amount of information for me, out of which I have been able to calculate that although we set aside £50 million to £60 million a year for capital projects – which over the course of an Assembly is £200 million to £250 million in terms of expenditure on projects – in the current capital portfolio we have spent £93 million, despite having the policy objective of setting aside, and by implication spending, between £200 million and £250 million.

2175 Now, of the £90-odd million, £10 million was spent on the Revenue Service programme. That is a worthwhile programme, but I do not think that is what most Members of the States or the community would conceive to be as a conventional capital project. And £32 million, that is a third, more than a third, of the total expenditure was the Waste Transfer Station and the recycling station which were meant to be funded by users and were imported into the capital portfolio at the eleventh hour. So they were not meant to be funded from the 2016 or 2017-20 capital portfolio.

In terms of projects which were meant to be funded from the £200 million to £250 million set aside in this States, we have managed to spend less than £60 million. That is a damning commentary, in my view, on our ability as an Assembly to agree, develop and implement capital projects, and we know that capital projects are an essential, central part of the Recovery Strategy.

2185 Now, I also looked ... I do not have exactly the figures because I did not have time to go through it in this much detail, but we have spent millions of pounds developing projects which have either been paused and stalled, reversed, or have not yet got off the ground. The PEH Modernisation Programme and the schools redevelopment programme, I mean, literally millions and millions and no spades have gone in the ground yet.

2190 Now, we could have a long debate and must not, and I suppose I must not contribute to it, on exactly why that has happened. I think there are some very easy narratives: the Treasury staff are to blame; Policy & Resources are to blame; the people who scoped the project originally are to blame. Essentially: everybody is to blame except myself. That is the narrative which one often hears. I think we are all, all 39 of us are responsible for the inaction in relation to capital projects which has built up over the last few years. Our capital programme, to use a phrase which Deputy Trott once amusingly used in the States in another context, moves at a pace which would not trouble an asthmatic tortoise. (*Laughter*) (**A Member:** With crutches!) With crutches! (*Laughter*) And it must change.

2200 It will not change just by writing words on a page that say infrastructure projects must sit at the heart of revive and thrive. If the processes do not change the level of expenditure will not change. So when Deputy St Pier replies to this debate I would like him to provide us with some indication of ways in which he envisages the process of developing and approving capital projects, how he envisages it changing in the years ahead to allow capital projects, which in some cases the States
2205 have already agree actually to go ahead, and to get off this cycle where millions and millions of pounds are spent in developing and scrutinising capital projects without anything actually happening.

We have a process which invites deferral and obstruction because I remember sitting on the Education Department. Ten years ago we proposed the capital redevelopment of Les Beaucamps School. I think the policy letter was 21 sides of A4, it was around £40 million, it was approved by the States after about two hours of debate and the diggers were on site within six weeks. There were people who were opposed to the project, they had no chance of coming along later on and saying, 'Oh, we do not like this very much', because the thing was half built by the time they had got their act together.

2215 Something has changed. We are now stuck in a process – Well, Deputy Dudley-Owen says oversight, but is it oversight or is it inaction? You can build so much scrutiny and oversight into a process that you adopt the view that we will not move forward until every single person is happy with every single element of a project.

2220 **Deputy Gollop:** It is called consensus government!

Deputy Fallaize: Well, Deputy Gollop says it is called consensus government, but consensus government has existed for a lot longer than the inaction over capital projects has existed.

2225 So of course there needs to be oversight, of course there needs to scrutiny, because we do not want to have a situation where capital projects run millions of pounds overspent and massively behind schedule because they were not planned properly. But we have gone right to the other end of the continuum where we are stuck in treacle to such an extent that it is almost not possible at all to get capital projects off the ground or out of the ground.

2230 Surely that has to be addressed as part of the Island's Recovery Strategy. I think there is a will to address it. I think Deputy St Pier and his Committee have a tremendous amount of authority and leadership capacity, particularly at the present time in the wake of Covid-19, and they should capitalise on that and help move the States into a position in relation not only to capital projects, but in particular to capital projects, where we are able to make progress and we are able to actually get on and deliver some capital projects.

2235 It is not just my commentary. The figures bear it out. About a quarter of the expenditure set aside for capital projects in this current round has been spent. Three quarters remains unspent. By the time of the likely transfer into the Capital Reserve on 1st January next, we will probably have more than £300 million in the Capital Reserve. It is completely pointless to continue to make these transfers into the Capital Reserve and not invest in our infrastructure.

2240 So I think, sir, the key challenge in developing the Recovery Strategy is actually how we are going to move from words and objectives to action. What that really requires is what I would refer to, perhaps it is too simplistically, as action plans. What is needed is for the States to produce action plans which say in this area of policy this is what we are actually going to do, in very simple terms, this is the objective and these are the actions that are going to be taken by these dates at this cost and this is the outcome that we are trying to produce.

2245 I sound quite critical and pessimistic. Actually, I am not. I think at this very moment we have the best opportunity we have ever had under the leadership of the Policy & Resources Committee, working together in the spirit of Guernsey together, to address some of these challenges which have put the States in a straightjacket and to some extent put the community in a straightjacket for too many years. I think we can break free of that and we can use the Revive and Thrive Strategy as
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the basis for that. But it is going to require a lot of compromise; it is going to require much more consensus than there has been in this States.

2255 I have been a Member of three States and this one, by a country mile, has been the most fractious
of the three, where it has been the most difficult to reach consensus. (**A Member:** Hear, hear.) By
and large in the past, there have been very often heated, contentious debates, but once decisions
are made – there are some examples like solid waste where it has not proven to be the case, but –
2260 by and large once initial decisions have been made it has been possible for the States then to swing
behind the decision. It is emblematic of the fractious nature of the current States I think and the
problem we have with process that the Policy & Resources Committee even, despite its leadership
role, is operating with one hand tied behind its back.

If you think of the capital projects process, long after the States have agreed a capital project
and long after the States have voted for the investment, months and months after, the Policy &
Resources Committee has been set up in the process we now adopt as a kind of giant scrutiny
committee, still applying scrutiny and oversight before any funds are released.

2265 Now, I understand the need for that, but the Policy & Resources Committee is the senior
Committee of the States. Its primary role is leadership. And yet we get months down the road after
projects are agreed and whereas their predecessors – not so much the Policy Council because that
was a completely useless body, (*Interjection*) but its predecessor the – Deputy Graham says CRAG. I
do not know what some people imagine CRAG to be. I can assure Members that it really is not
2270 terribly exciting and it is not doing anything that is particularly decisive. It is sort of an advisory body
to the Policy & Resources Committee.

But there was a time when the senior Committee of the States was able to stand in front of the
Assembly and drag the States, if you were dealing with policy which was already established policy
or agreed capital projects, into saying, 'Look, we are already halfway down the road on this. We are
2275 already implementing these policies. Now is not the time to start reversing'. And we have lost some
of that in the processes of approval that are now set up, where the Policy & Resources Committee
has been recast as a giant scrutiny committee. They have lost the ability, or the capacity, to offer
the kind of leadership to the States that the Assembly needs and that the Island needs.

I am very optimistic that this is a moment where we can shift gears. I read in this document a
2280 real willingness to do that, but I think we need to see a more concrete demonstration of how that
is going to happen.

The Policy & Resources Committee needs to work with other Committees to secure some early
wins in the journey of simplifying States' processes and moving us from lofty objectives to action.
And if this document can help us unlock some of the padlocks which have been placed on action
2285 in recent years then I welcome it, and I urge them to work with all States' Members to get on with
it.

Thank you, sir.

The Bailiff: Deputy de Sausmarez.

2290 **Deputy de Sausmarez:** Thank you, sir.

When we debated the nexus of the Recovery Strategy earlier this year, I brought a successful
amendment explicitly adding social and environmental objectives into what had originally been
described as the economic and fiscal recovery strategy. The response from Members to that
2295 amendment included a fair bit of indignation the thrust of which was, 'Well, of course the Recovery
Strategy will centre on social and environmental factors, that goes without saying'. But I brought
the amendment because when things go without saying there is a risk they actually just do not get
said at all, and that is why I felt it was important that we started out in a States' Resolution for the
avoidance of doubt and I was relieved that in the end the amendment was so strongly endorsed.
2300 Not a single Member opposed it, if I remember it correctly.

So when the Revive and Thrive was published, I read it with particular attention looking for those social and environmental objectives everyone had agreed were so important. Certainly when it came to the environment I had to squint.

2305 Now, I know from long, pragmatic experience that money talks and it talks so loudly that it can be difficult for anything else to get much of a word in edgeways. I get that, and I get why. Compared with social and especially environmental factors, economic factors are easy to quantify. They can be neatly translated into rows of numbers that can be quickly added up and understood. And those numbers are *really* important. I am not for a moment suggesting otherwise. As a Government and as a society we need a sound economic base to do the things we want to do and be the things we want to be.

2310 But to me a strong, thriving, vibrant economy is not so much an end in its own right but a means to an end, that end ultimately being the best possible quality of life for the people of Guernsey and the Bailiwick now and for future generations. To look at it another way, we could have the most impressive economy per capita in the world but if our people are miserable it would ultimately be pretty meaningless.

2315 Our job as a Government is not just to create and support the conditions in which our economy can thrive but also to ensure that that thriving economy translates into tangible benefits that contribute to a thriving community and the well-being of all the individuals in it. Otherwise, frankly, what is the point?

2320 In a similar way environmental factors are absolutely fundamental in shaping our quality of live but they are often not given the credit or recognition they deserve. Too often the environment is taken for granted until it is too late.

2325 Deputy St Pier has saved me quite a lot of time by talking in his opening speech yesterday about the importance of our natural environment. He rightly pointed to how the role it plays in our well-being was brought into sharp focus during lockdown. Many people spending those precious hours outside, enjoying, exploring, connecting with or finding solace in the natural environment that we are blessed surrounds us. That is the fluffy, feel-good side of it I suppose. But my decades of experience in advocating for the environment has taught me that to be taken seriously it pays to translate its value into the metric that seems to matter most because, well, money talks.

2330 In his opening speech Deputy St Pier also referred to a recent report by PwC, that calculates that 50% of GDP globally is moderately or highly dependent on nature, and the most recent Global Risks Report by the World Economic Forum which ranks biodiversity loss alongside climate change as one of the most serious and impactful threats we face and one of the most likely risks to materialise. There are many arguments I could put forward about the value of nature in its own right and its value to human health and well-being. But I know that while those arguments will resonate with some of my colleagues, the economic arguments are likely to find traction with many more.

2335 So let me put it this way. Our economy is underpinned by nature. We neglect our natural capital at our economic peril. The risk is real and the risk is high, both at a global and at a local level, and we need to start acting accordingly. We have taken our environment for granted for too long but many of these losses, the species extinctions, the eco-system failures, are irreversible. So we cannot take nature for granted any longer.

2340 The rate of biodiversity loss we are experiencing at a global level is severe and it is accelerating. In the last 40 years the world has lost on average 60% of its animal populations, its mammals, fish, birds, amphibians and reptiles. To put that into context, a 60% decline in the human population would be equivalent to emptying North America, South America and many more continents. It is the scale of the impact that we have had on the animal world in my lifetime, and that rate of loss is between 100 and 1,000 times faster than at any point in the last several million years. Even worse that rate is, as I said, accelerating.

2345 We are not immune from this here in the Bailiwick and in fact our local data reflect the same bleak picture. We are losing our natural capital. We are losing habitats that support our eco-systems. We are losing our biodiversity. We are endangering the very systems on which we depend.

2355 The better news though is that we can do something about it. The much respected IPBES report, which drew on huge amounts of research and data from all around the world, showed that acting to conserve, protect and enhance nature at a local level is highly effective. This is a problem that we can tackle in practical ways. And not only will those actions support our equally important efforts to mitigate climate change, they will also help us to adapt to the effects of climate change and help us to become more resilient to it. Nature will, if we support it and work with it, deliver mutually inclusive benefits on these twin front lines.

2360 So I very much welcome and applaud Deputy St Pier's acknowledgement that the role of nature and climate change should play in our Recovery Strategy. However, I cannot gloss over my disappointment that his fine words are not better reflected in the Strategy itself. Despite the unanimous endorsement of the inclusion of social and environmental objectives through the vote on mine and Deputy Tooley's earlier amendment, they did not play as prominent a role as I would have liked.

2365 Reading Revive and Thrive, I felt the environment had been a little bit sidelined. The vision does not mention it at all. It talks about economic prosperity and wealth and it mentions community, but the environment does not get a look in.

2370 Had this policy letter been brought under a Rule that allowed amendments I would have suggested alternative wording for that vision that makes it clear and explicit that the environment is a core pillar of our recovery. I would be more comfortable with a vision along these lines: we will work together to recover and reinforce our economic security, expand our inclusive community values, protect and enhance our natural environment, and build on our many strengths to make Guernsey a safe haven based on sustainable health, prosperity, community and natural capital for this and future generations.

2375 Looking at the document as a whole, its balance is telling. There are three full pages on the economic landscape, and in fairness two pages on the community landscape. But there are no pages, nor even a single sub-heading, on the environment. Just a few individual comments dotted here and there. There are, however, plenty of pictures of our amazing environment, (*Laughter*) including a whole full page at the end.

2380 There are action plans for an economic plan, a health and care plan, and a community plan. There is one missing though, in my view, and in the view of Deputy Gollop and many who have contacted me since reading it, and that is an environmental action plan.

2385 I have a horrible feeling that even if P&R enthusiastically agree that we should add an environmental action plan their hands would be tied by the combination of the Rule that this policy letter has been brought under and the nature of the Proposition which, as others have noted, is not to note but to agree the Strategy before us today.

2390 One of my chief concerns with what is in the strategy we are being asked to agree is about the potential conflicts inherent in it. It is currently at a high enough level that it can promise apple pie in generous quantities to all the hungry people at the table. But my fear is that when it comes to carving up the pie, some of those promised will miss out.

2395 I cannot help feeling, for example, that the ambitious level of economic growth is difficult to reconcile with the one environmental aspiration that has been clearly articulated in the Strategy: the commitment to tackle climate change. This is because economic growth as we know it and as we tend to think of it by default is highly dependent on the linear consumption of resources, a core factor of course in the vast majority of greenhouse gas emissions.

2400 The kind of economic growth that we are familiar with and that I fear is alluded to in this Strategy is to some extent incompatible with action on climate change. Greta Thunberg referred to governments' fixation with what she called 'the fairy tale of eternal economic growth'. But before anyone mutters, 'Well, she would say that, wouldn't she?' under their breath, it is worth pointing out that she is in very good company. In April this year the UK Treasury published a report on the 'Economics of Biodiversity'. That report says:

Simple estimates of our total impact on Nature suggest that maintaining the world's current living standards with our current economic systems, fuelled by unsustainable production and consumption, would require 1.7 Earths.

I think I do not need to add that we do not have 1.7 Earths. To continue:

Economic growth has put such strain on the biosphere that economists are now being urged by environmental scientists to re-judge our relationship with Nature if we are to protect and enhance both biodiversity and our prosperity.

2405 Deputy Roffey illustrated this inherent tension between economic and environmental aspirations in his speech yesterday with the example of physical connectivity, and at this point in time it is very difficult to see how an increase in air connectivity can be in any way compatible with reductions in our carbon footprint. Developments in electric aviation may well start to change that paradigm as noted by Alderney Representative Roberts just a little earlier. But if the aim is to build back better we must be careful not to fall back into the patterns that exacerbate the problems of the past.

2410 Economic prosperity and environmental sustainability do not have to be mutually exclusive and in fact there are ever-increasing opportunities to ensure that they are mutually inclusive instead. Green finance is an example that has been mentioned several times, I am glad to hear, is an obvious example where economic benefits and environmental benefits are well aligned and symbiotic. Money talks, but we have been talking the talk for long enough. Now is the time to step out in front and walk the walk at pace.

2415 I hope that we are on the front foot when it comes to reimagining economic opportunities and that we focus on making our economy more sustainable and circular. This is something our businesses are doing again in ever-increasing numbers, not least because it makes sound economic sense. So I ask that in aiming for economic prosperity P&R focuses keenly on sustainability not just in the economic sense but in the environmental sense as well.

2420 I will briefly take this opportunity to strongly endorse Deputy Roffey's suggestion to focus on improving our on-Island transport. Our current system is inefficient. It is time inefficient, it is space inefficient, it is resource inefficient and it is economically inefficient. And, to rub salt in the wound, transport is also the single biggest contributor to our direct greenhouse gas emissions. If even Deputy Trott is coming round to the benefits of alternative forms of transport then a positive transformation is arguably overdue. Improving choice, improving the efficiency and improving the experience of travelling round the Island has economic, social and environmental benefits. It is a win-win-win and exactly the kind of opportunity our recovery should endorse and embrace.

2430 The kind of economic vibrancy for Town that Deputy de Lisle and Deputy Inder quite rightly aspire to, along with I am sure every single other Member in this Assembly, is as all the evidence shows best delivered not through increased parking but through the kind of improved, more efficient and more equitable transport system that gives people more choice and better access to places like Town and the Bridge.

2435 All the groups of people that Deputy Laurie Queripel was worrying about in his speech, people with limited mobility, people with lots of children – I will put my hands up, I am one of them – people with heavy guitars and amplifiers to lug around, and specially people on low incomes, those are the very people who have the most to gain from a better, more equitable transport system.

2440 The presentation by the Dutch Cycling Embassy yesterday touched on many of these benefits and finished with the surprising fact, perhaps, that the Netherlands is consistently voted the best country for drivers. The key difference is that the vast majority of those drivers also ride bikes, take public transport and walk, depending on what is most appropriate for each journey. They, from the very young to the very old, have a range of choice that we struggle to even imagine. That limitation of our imagination, or perhaps more accurately that limitation of our understanding, is one of the first barriers we need to overcome to take advantage of the opportunities for our community and for our economy that many might not even be aware exist.

2445 So a brief word on social factors. I welcome Deputy Merrett's comments earlier today and Deputy St Pier's reference to working parents in his speech yesterday and I would like to expand on that very briefly. I am concerned that we may see, when we are able to step back and have a look at the

2450 patterns, a disproportionate impact on women, who we know are more likely to work part-time due in turn to the disproportionate childcare burden on them, and therefore potentially may be more likely to be vulnerable to Covid-related redundancy.

We should bear in mind that as the pre-Covid PwC report on women and work in the Channel Islands illustrated unlocking the economic potential of women could reap very significant benefits for Guernsey's economy. So I hope that this will be a particular focus going forward.

2455 It speaks also to a broader point that we need to be aware of where any disproportionate impact falls. The pandemic has already affected different sectors and different demographics in different ways so we need to be alive to these differing impacts and ensure that the recovery is as even-handed as possible, giving more help to the sectors and the people that need it most.

2460 On that note I would ask my P&R colleagues to remember who this recovery is for: not just the people of Guernsey or the Bailiwick today, but future generations of Islanders as well. Let's keep today's young people – and I can picture them in great numbers on the climate change march last year and at the Black Lives Matter protest more recently – let's keep them at the heart of the action plans, because it is their tomorrow more than ours that this Recovery Strategy will most directly shape. I also support Deputy Roffey's request that these action plans are fully integrated with each other and not developed in isolation.

2465 P&R is asking us not just to note, but to agree Revive and Thrive as our recovery strategy and that does put me in a difficult position because as I have already explained I think it omits an important emphasis on and commitment to environmental factors.

2470 I hope Deputy St Pier can assure me when he sums up that those crucial environmental factors, climate change, biodiversity and sustainability will not just be peripheral considerations but will be explicitly acknowledged and fundamentally integral to all the action plans as they are developed.

I would like to be able to support this strategy but I will need some serious assurances on this point in particular. Otherwise, I will abstain.

Thank you.

2475 **The Bailiff:** Deputy Meerveld.

Deputy Meerveld: Thank you, sir.

I share the concerns raised by Deputy Inder and other Deputies. I must say I am very disappointed with this green paper. It is supposed to be a:

... strategic framework governing the scope of future initiatives of the States ...

2480 I read through this document eagerly searching for the strategic framework and the defined scope of future initiatives, but found none. It totally lacks substance, although as Deputy de Sausmarez mentioned it does have some very pretty pictures.

2485 This green paper reads more like a marketing document filled with political rhetoric and platitudes fobbing off everyone who may need support with a mention but never suggesting how they may be helped.

2490 This is simply not a strategic scoping document. A strategic scoping document should define parameters and deliverables within a clearly defined strategy. I would argue that this green paper provides no more direction than simply telling the relevant bodies to produce recovery plans without any guidance. Maybe Deputy St Pier could tell us what the actual strategy is when he sums up.

2495 What we in our community urgently need are detailed plans for recovery initiatives with clear costings which we can consider and then implement. This is one of the reasons I voted against an October election yesterday, as an October election will distract current and new Deputies for the better part of three months at precisely the time when we should be considering and implementing those detailed recovery plans. (**A Member:** Hear, hear.)

Deputy St Pier's opening speech yesterday also gave me great concern regarding the underlying direction which P&R may steer the recovery plan. In the absence of a clearly defined strategy and

2500 scope which should have been approved by this Assembly based on a type of policy letter I was hoping they would deliver, what kind of projects are we likely to push forward as part of the recovery plan? Deputy St Pier gave us a hint of his thinking yesterday. One of the few specifics he mentioned was the seafront enhancement project. It is interesting to note that when the Island's association members ranked the 23 priorities listed in the 2019 Future Guernsey Plan produced by Policy & Resources Members, members of the association ranked the seafront enhancement project as the lowest priority out of all 23.

2505 I am very concerned that our recovery strategy may be hijacked to pursue personal pet projects at the cost of millions, tens of millions, or possibly hundreds of millions of pounds when their ultimate benefit to our Bailiwick will be limited and the next two generations will be burdened with higher taxes to pay for them. If the seafront enhancement project comes forward as part of our detailed recovery strategy, I will point out that when someone faces a financial crisis it would not be a good idea to borrow money to fund redecorating their house.

2510 So what do I believe we should be doing to both stimulate recovery and turn this crisis into an opportunity for positive change? To facilitate economic recovery we need to utilise the borrowings we have secured to fund projects which need more money to rapidly circulate within our Bailiwick economies. I say Bailiwick, as nowhere in this plan are Alderney, Sark and Herm mentioned.

2515 Big capital projects will not achieve this in the short term due to the nature of big projects and the time they take to implement. The limited distribution of expenditure a few local contractors and their sub-contractors and the fact that a significant amount of the expenditure will end up going outside the Bailiwick to pay for consultants and imported labour.

2520 What we should do is quickly initiate many small projects with limited or no bureaucratic or planning requirements. The States are notoriously neglectful of our property portfolio, doing little or no maintenance on our properties until they deteriorate to the point they have to be demolished and replaced. This is well illustrated by the policy letter we will debate shortly regarding replacing the Guernsey Dairy.

2525 If we want to quickly and efficiently stimulate our economy we should initiate a broad programme of maintenance, renovation and improvement of our property portfolio. This could engage the majority of our local construction companies of all disciplines, not just a few large firms. The construction industry would need labour to deliver, creating job vacancies almost immediately to help with reducing our unemployment. Small maintenance contracts would utilise materials from a broad range of local suppliers rather than the bulk materials imported for large contracts at reduced costs.

2530 The main cost to construction companies is labour. Small contractors predominantly utilise local labour. Those employees then pay tax and spend their wages in the Bailiwick. This will increase money supply and stimulate the broader economy through the trickle-down effect. Not only will this stimulate the economy quickly it will also significantly reduce future maintenance costs for the States at a time when we will need every penny of revenue to pay the debts incurred.

2535 Besides States' stimulus investments, we also need support packages for specific industries, such as tourism, transportation, etc., to help sustain them until they recover. At the same time, we must utilise this as an opportunity to think outside the box and pursue initiatives which positively reshape our environment, economy and community for the future.

2540 I want to see more funding provided for the third sector alongside a delegation of some of the responsibilities, responsibilities which would be much better serviced by volunteers than civil servants. I support Deputy Lester Queripel's desire to see sports and arts provided more funding for both the physical and mental well-being of Islanders. I agree with Deputy Dudley-Owen and particularly her sentiments regarding utilising this as an opportunity to develop our green credentials and position ourselves for those increasingly important industries while also improving our local environment for the benefit of all, including the opportunity to support our finance industry by supporting them in developing green finance products and services.

2545 There are many creative ways that some of the capital we are going to spend on our recovery could be directed into areas which can reshape our economy, our environment and our society for

2550 the better. I hope we will not squander both this opportunity and potentially hundreds of millions of pounds and will instead seize these opportunities for the benefit of all.

Thank you, sir.

The Bailiff: Deputy Leadbeater.

2555

Deputy Leadbeater: Thank you, sir.

The lockdown has affected many people in many different ways. People such as those vulnerable members of our society that struggle with their mental health, those with autism, those with complex needs. Many of these peoples' lives have been turned upside down. I should declare an interest, sir, I have a son with autism and complex needs whose mental health has deteriorated considerably since the restrictions came in.

2560 Before the lockdown HSC did not have the resources to be able to adequately provide appropriate care for many vulnerable members of our community. That is no criticism of HSC, by the way. The Mind review of last year highlighted the lack of a crisis centre and a crisis team. This was desperately needed before the pandemic hit and if we had one would have been a godsend for families like mine during the dark days of the lockdown.

2565 I want to see HSC, as a matter of priority, be given the funds they need to put together a team capable of caring for those vulnerable members of our community at the times when they need help. A team that can ease the pressure on law enforcement, because currently it is they that ultimately have to pick up the pieces.

2570 I would like some reassurance that we are going to build back better in the area of mental health. The prevalence of those with mental health issues across the Bailiwick should not be underestimated and we are currently not providing them with anything like adequate support. This is one thing that I would like to hear Deputy St Pier say when he sums up: that it is going to happen and is going to happen soon.

2575 Moving on to the economy, in 1.5 of the document it states:

It seeks to build a more sustainable economy, growing new sectors and whilst also addressing pressing social and environmental issues. It will deliver improved infrastructure through major investment, in turn supporting local industry. And it will look to improve our health, wellbeing and build on the strong sense of community already present and shown over the last few months.

2580 Growing new sectors, sir, a new cannabis industry in the Bailiwick can play a key role in our economic recovery. I should declare an interest, sir, not that the whole world and his dog is not aware, but just for the record (*Laughter*) I have interest. This new industry needs support from Government to be able to flourish. I would like to see assistance for those wanting to enter the industry and proper dialogue with the businesses currently operating within it in order to understand the challenges they face.

2585 I can tell Members now that an industry body is in the process of being formed by the groups in the Bailiwick that are currently licensed. This association will be perfectly placed to work with the States in order to facilitate growth in this sector. The cannabis industry will help to diversify our economy. It is already revitalising the rapidly declining commercial growing sector, creating many jobs, creating business for the support services to the industry, paying top rate 20% tax *etc.*

2590 So if Deputy St Pier could also assure me that the States will work with business in this sector in order to allow the industry to grow and put the Bailiwick of Guernsey firmly on the map as a progressive, well-regulated centre of excellence in cannabis cultivation, cannabinoid extraction, research and development, whilst at the same time demonstrating to the world that we are a sound jurisdiction in which to invest.

Thank you, sir.

2595 **The Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you very much, sir.

2600 I have not written a particularly long speech. I have just made some notes and I was hoping when I allowed the General Housing, or rather conceded that it could go further down the order, that it might focus the minds and Members would press on rather than read very long prepared speeches, bearing in mind it is green paper. But there we are.

2605 This idea that there has not been the inclusion environmental issues in the Revive and Thrive document that people would expect. Deputy Fallaize actually pointed out that there are not the references to sport that he would like to see. You will not find a dedicated section dealing in any real detail at length with education. You will not find areas covered in the ESS mandate covered in any great detail. But there are references in this document to the natural environment.

Now, what we can do at E&I is use the existing policies that we have and use the mechanism of Revive and Thrive to further underscore and help us deliver them.

2610 This Assembly has already approved an Integrated Transport Strategy. It has already approved the update on that Strategy. It has approved an Energy Policy plan which – I was having a conversation with Deputy Parkinson a moment ago – the Energy Policy does deal with aspects of infrastructure. We will be delivering a plan for nature, environmental. We have had the Environmental Pollution Law approved and we will be bringing the climate change mitigation and action plan to this Assembly. So we have all of that that informs the Revive and Thrive document. It is not a document that sits alone in isolation.

2615 I make this point now, because again – I have made it before – when environmental issues are under the nose of representatives in this Assembly I hope that they can bring themselves to support them as they are now in this debate. And I would have to cite the Icart biodiversity project, which actually met a fair bit of opposition and was not universally popular, met with some resistance and now is seen as a great success.

2620 I am bound to mention to you that the best environmental solution to the realignment of a beach were the proposals that we brought to this Assembly, and to touch on a theme that Deputy Fallaize picked on, the inaction, that proposal kept coming back to this Assembly and actually we have made no progress and we are happy to see a piece of redundant infrastructure slip into the sea putting the Common at risk.

2625 Pedestrianisation: I hope people will be more supportive. The Quay closures are immensely popular. I would like to promote the Quay closures with colleagues in Economic Development; they are not of one mind on the Quay closure. I would like to promote the Quay closures with colleagues at the Home Committee, but they are not in one mind or overly supportive of Quay closures, which are a fantastic use of the public realm.

2630 What lockdown has shown and demonstrated to the community is that people have got re-engaged with the public realm, with green lanes, and I do not like to talk about the opportunities within Covid but what it meant is that people reconnected with the environment and actually we have a policy, we have active travel, and it is the active travel that was embraced and supported through that lockdown period that I hope people in the community will carry on supporting.

2635 There are lots of ... Deputy Roffey gave a fantastic speech. I think there are aspects such as, I will be specific, Trinity Square is a fantastic opportunity again to pedestrianise, to connect the restaurants to the top of Mill Street, and we are trying to connect Mill Street at the bottom with pedestrianisation through Market Street. All these things are doable. They can be done. They will be met with a little bit of local resistance but they are worth doing and we should pursue them.

2640 I will be specific again because it is viewed sometimes that I think that environment talk about environment and then they talk about infrastructure issues. I am desperate to see the Fermain sea wall repaired. We do not have the resources in house to deal with that. It is incredibly frustrating and the minor capital process is excruciating, which leads to deferrals, which ultimately adds to cost.

2645 I want to see the Vallette steps rebuilt. If we are dragging people ... Sorry, if we are *encouraging (Laughter)* people down the Vallette to enjoy the great facilities that are there, you will not take the family to see a landslip. So we need to do something about that.

2650 Our coastal defences: we are playing catch up on our coastal defences and all the lessons of history are there. If you look at La Mare de Carteret School when the economy was, as other people have referred to, the downturn in growing, we had an opportunity to take a gamble, to invest, but thought that that was not the thing to do. We scrimped. A lot of the old, redundant infrastructure we have around the Island, the nettle was never really grasped at the time and even at this period in time, with the opportunities we have for borrowing etc. sometimes we are still not being ambitious enough in dealing with the challenges that are there with regard to infrastructure.

2655 We will be debating the Dairy either tomorrow or sometime in 2026 (*Laughter*) and what we need to do is realise what the Dairy gives us by way of biodiversity, what it gives for us in our green lanes, what it does for the natural environment and what it does for Guernsey as both a brand and the Guernsey breed, which is crucial.

2660 I just make one reference to ... I hear conversations about cutting red tape. Well, I think I would like to cut some of the internal red tape on occasions to make processes easier for E&I and all Committees. But I do get worried when I hear people talk about cutting red tape around planning. I think that is altogether different. Two small examples: the UK government I think said at one time no planning is necessary on conservatories and so therefore people did not use building controls. I think the UK are now saying you do not need planning permission for a loft extension, you can do what you like. Guernsey cannot do that because of the proximity in which people live and so not all regulation and red tape ... it is there, a great deal of it, for a reason.

2670 People are cynical about the Seafront Enhancement Area and I understand why that cynicism is there. But we should not lose the potential that is in there, because if we can have some of the proposals come to fruition that would be hugely beneficial to the arts. We would see real regeneration within St Peter Port; and again, it is bold and it does move at a slow pace, but I think it is something that we should continue to support and endorse.

Thank you, sir.

The Bailiff: Deputy Dorey.

2675

Deputy Dorey: Thank you, Mr Bailiff.

I will try not to repeat the points that other people have made but I agree with both my Presidents' speeches in relation to education, and environment and infrastructure.

2680 Deputy St Pier in his opening speech said prudence has got us into a strong position. In January the review of the fiscal framework identified that we needed to do a long term review of revenue raising options, as over the next five to 10 years between £79 million and £132 million per annum were the known pressures. I think we should all consider that in the back of our minds; those two statements, which are entirely different and also what we need to do in relation to recovery.

On page 4 of the Strategy it says:

Guernsey has been fortunate in that the finance sector has ... been minimally impacted by the crisis, to date ...

2685 I think we are in a very fortunate position as a community that the engine of our economy has not been very affected. Although it does go on, on page 7, to say:

However different parts of the finance sector will be impacted in different ways and by different factors. The challenge is to support the different parts of the sector in remaining competitive in a significantly changed global environment and the inevitable global recession.

I think those words are very well written and – I will give way to Deputy Le Clerc.

Deputy Le Clerc: Thank you, sir.

2690 I wanted to just say at that point that actually in our latest bulletin, that was released last week, that 25% of the unemployed have got skills relating to admin and finance. So I think it is just really important to say that finance has not been untouched in this crisis and I thank Deputy Dorey for giving way.

2695 **Deputy Dorey:** Those are the words I just read out and there were two almost statements which did not entirely agree but what is important is the point that Deputy Ferbrache made yesterday that we need to innovate in the finance industry and because we have got so many unemployed, and Deputy Parkinson also referred to it, so that we need to make sure that regulations are not holding back innovation and they support innovation because it is the engine of our economy.

2700 On page 4 it also says in the paper:

Several sectors of the economy, such as tourism, hospitality, aviation, retail and construction have been, and continue to be, severely affected.

There is no doubt that tourism, hospitality industry and aviation are severely affected, although they are hopefully showing some improvement, along with retail, now that we have staycation and we are in Phase 5.

2705 The biggest improvement we could make is moving back into Phase 6, but I would just like, in relation to the construction sector, to just read from ... I contacted one of the significant contractors in the Island and he said – I am not reading it all:

The quarantine issue has been significantly alleviated by a change in policy whereby a class of specialist contractors have been added to those deemed to be essential workers. This allows them to come here and work without 14 day quarantine but with strict isolation and distancing measures to be met.

As an example how we can actually help parts of our economy by trying to relax some of the regulations. He goes on to say that:

The wider problem is a lack of confidence that has been created and we have had a few cancelled orders. So in our industry it is not business as usual but it could be a lot worse. It would be wrong to portray the construction industry as severely affected at this time. I would not put it that strongly.

2710 So I would just urge people not to be too down and some of the words in this report actually do not reflect what one of the major contractors in the construction industry has said.

I go back to Phase 6. In the exit strategy part of the document it says that the key release triggers are:

Vaccine available and good evidence that neighbouring jurisdictions have adequate control of COVID-19.

2715 And it is very important it is 'and', not 'or'. I just think that is too tight. I think if we are going to recover our hospitality industry, our tourist industry and even part of the benefits they do to the other parts of our economy, we need to actually reduce that key release trigger because it is too harsh. If I look at what some other places are doing, we have got an air bridge to the Isle of Man, if you look at Isle of Man today they have got two flights to Liverpool, one flight to Manchester and one flight to London City. Those are daily flights. Iceland has since 15th June opened up and they have got testing on arrival. They have tested as of yesterday over 15,000 people who have arrived.
2720 Of those which tested positive, 20 were non-infectious, four infectious and three awaiting results. We know that Jersey has opened their borders with testing on arrival.

2725 I think we have missed an opportunity with our pilot because we should be testing on arrival as well as testing at seven days so we can actually monitor if there is benefit in terms of testing on arrival as opposed to just testing on seven days. Because if it is, then we can move to what places like Iceland and Jersey have done. But we have to be prepared to take a risk. I do not want us going back to Phase 4, but we have to take some measured risk.

2730 One other area that the report mentions is connectivity. We now have open skies policies and we have spent money on subsidising or encouraging air route development. But if we look at the figures for last year they have not been very successful in terms of visitor market. Departing visitors by air was actually down 3%, but departing visitors by sea was up 6%. So we put all our resourced into air, but in fact the growth has been, in terms of visitors, those coming by sea. But if we look at

2735 local residents as a comparison, departing Guernsey residents by air has grown by 15%. That is from 19% compared to 18%. But departing Guernsey residents by sea has fallen by 19%. So there has been, because we have subsidised air fares, effectively, by subsidising Aurigny and also by the policies of allowing competition which has increased Aurigny's losses (**A Member:** Hear, hear.) and also by encouraging routes to be developed and subsidised them, we have encouraged locals to travel by air and stop travelling by sea. So effectively, Condor has been the loser, but it is lucky that visitors have increased by sea to make up some of those losses from locals.

2740 But any investment in connectivity needs to be carefully reviewed to ensure it encourages visitors, and not just with subsidising locals going on holiday because there is no point spending our money on that.

2745 Capital projects: I think Deputy Fallaize said that no one counts the cost of inactivity. Well, I think Deputy Green in his speech this morning referred to the Scrutiny Panel Review, which I am a Member of, which has been looking at capital projects. And it would have been nice if it had been here today – but I think it is going through the last fact-checking review which he mentions – because that is precisely what it does. It looks at the cost of inactivity and the effect it has had on our economy.

2750 At the end of May we had £280 million, just short of £280 million in our Capital Reserve. We have failed to invest, partly because of flip-flop government and other factors. Others have criticised the business plan process that has delayed projects. I think part of the problem is there has been an absence of support for Committees to develop business plans and I urge P&R to ensure ... because I think in the actual budget for the capital portfolio there was money there which has not been spent to ensure that Departments have the resources in order to develop them.

2755 But one of the key parts is the business plan and I think one of the most important parts is the options appraisal. This has failed because we have had for the secondary schools a pause and review, which I think should have been called a stop and rewind. If the States was not happy with the option appraisal at the time it came to the States it should have been able to clearly see what the other options were and rejected the proposal and supported another option.

2760 You could say the same thing in relation to the L'Ancrese wall where there was a clear option appraisal at it. But if we are as a Government going to support a project at one point when the option appraisal is there and then at another point lack the political courage to stick with our original judgement, we are not going to get anywhere. So perhaps it is the option appraisal process that is not strong enough, but I urge P&R to ensure that they look at that process, because that to me is one of the values we get from the business plan process.

2765 The ownership of the capital portfolio sits with P&R, in my view. They are the one who have proposed it. But the problem is they are also the gatekeeper for any projects. And the combination I do not think works. P&R should own the portfolio of projects and should drive it and should be judged on the progress of it. But of course, they are also checking value for money and checking as they go on, and I think they are two roles that do not sit well within one body. What happens is that they initially support it then they come up to the process of being the gatekeeper which means they do not always pass that process.

2770 My concern with capital projects is that – they are proposed in the strategy – the process needs to be improved to ensure that we do not waste money on projects that the States subsequently reject. We just cannot carry on doing that. We are just wasting money. We need a process that ensures that once they are supported they move forward.

2775 Any programme of course also needs to ensure that it is a balanced programme and that does not overheat the construction industry. The worst thing that we can do is what happened in the early 2000's when we had an overheated construction industry and we just do not want the States contributing to that.

2780 Borrowing: any money needs to be carefully spent. Any project needs to show that it will generate a return to repay the interest and the capital borrowed. That is what we did with the money we borrowed before.

2785 The best way forward for our economy is to ensure that we have an attractive Island that is not
overpopulated, because if we do I think we would lose the attraction that makes the Island what it
is. We have a good quality of public services and laws that allow business to prosper, so we attract
enterprise rather than investing in those businesses or subsidising businesses. I think that is what
we should be trying to do is to ensure that we have the right culture to encourage business. Perhaps
we need to do some support of business in terms of having a business support service but I am not
convinced that borrowing money to invest in businesses is the right way. Government has an
2790 appalling record of getting it right.

On population, I agree with the point made by Deputy Roffey that growing your population does
not result in an increase of GVA per capita, as what Jersey found.

2795 Deputy Le Tocq spoke this morning about having 5,000, 6,000 more young people and he said
we could build the flats in Town and they would be happy to live in Town. That is fine, but then
people get older and when they get older they start having families and they want to move out.
That is typically what happens. And they want a house with a garden for the children etc. They are
not willing to live in the flats in Town. So it would just result in more development, out-of-town
development, which is what we have always had in the past. So I do not believe that his solution is
right.

2800 Also that the demands of a larger population mean that you need to grow your services. As
Jersey has found with their new hospital, you just reach a point where your existing services cannot
service your population – you might get an initial gain from that increase in population, then you
have to improve your services.

2805 Unemployment: this is the most significant area that we need to improve and as soon as possible.
Deputy Roffey referred to schemes in history. I do not think he mentioned North Beach, which was
at the beginning of the 1980's, but we also did glasshouse clearance. I think that it is not the biggest
project, but it is something which we could do. We could clear up some ugly sites in the Island and
we could go back to what was learnt in the past and clear some of those sites.

2810 We also – and I agree with Deputy Inder and others – need the information of the skills of the
unemployed. I know Deputy Le Clerc just referred to some of the skills. I know I asked her
Committee's officers for some information and they gave me some information on the ones which
are on unemployment benefit, but not on those which are not on unemployment benefit, about
their skills. But I only asked at the last moment. But we need to know what their skills are and how
they can be developed and how many will be employed if we move to Phase 6. There is no point
2815 developing projects which when we move to Phase 6 those people will be taken back into
employment in those areas.

2820 We also need to ensure that our employment system and permit system, which we do not get
information on – and I did ask Deputy Lowe, but I accept I asked late about where we are with the
Employment Permit system, which was designed to be flexible. We cannot be giving out permits
when we have so many unemployed unless they really are skills which cannot be developed from
our local unemployed people.

I will conclude by saying my vote in support is not a vote to borrow. I am not convinced at this
point in time. Deputy St Pier is smiling, as he knows that is my view in the past. And it is not a vote
to grow the population, (*Interjections*) but it is a vote to support recovery.

2825 My concern was, I mentioned at the start, what he said in his speech: prudence has got us into
a strong position. We now have considerable demands for additional expenditure and we want to
borrow which will just add to our costs and we should use our Capital Reserve and Contingency
Reserve and make best use of those funds for the development of our Island and not borrow.

Thank you, sir.

2830

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Thank you, sir.

2835 I think Members should not forget that it is only because of the sacrifices made by Islanders over
the last few months that we are now able to focus on recovery; and do it, not just talk about it. This
is a position hard fought for and easily lost, and something we need to remember as we consider
how and when we open the borders. You only have to listen to and see the faces of those business
people in Leicester this week to see the real effect imposing lockdown restrictions has on
communities. We do not want, and can least afford, revive and thrive to have a relapse. A balance
2840 is required of course on a risk-based approach, something we have adopted over the last few
months and something that will hold us in good stead for the future.

I believe this document is a good start; that it provides the framework we need for the coming
months and years. Deputy Inder says there is not much to it. Well, quite honestly this was effectively
written in a month. If he wanted *War and Peace* it would not have got there this side of the Election.

2845 Deputy Green says there is not enough information in it and I would actually say given the
situation we are in this is more than enough. Now is not the time to write 200-page documents
along the lines of the Future Guernsey Plan, or massive, great strategic documents that take over
two years to write, then get debated in the States and then most of which never are completed
because the money is not there – SLAWS being a classic example.

2850 Now is the time for getting things done, thinking differently, working differently. So many here
have said how we need action. No one so far has said what form that action should take or, rather,
how we go about it. It is simple to say we need action but another to determine what and, possibly
more importantly, how we go about it.

2855 Yes, processes need reviewing and there are clear areas where these can be improved, the capital
prioritisation process being the most obvious. A lot of time has been spent today debating that, as
it has done over the last two, three, four years.

2860 It means taking risks, but then it requires this Assembly and the next to accept that and not for
Government to be put through the ringer where the risks do not pay off. The reason why we are so
stuck up in red tape is because of a zero-risk approach developed over time. And it is funny how
those most likely to criticise inaction are generally the same ones who criticise when things do not
go to plan.

2865 So I am concerned that time will be wasted developing great tomes that are described as action
plans. Personally, I think action should be divided between what we need to do in the three-month,
six-month, 12-month and two-year time period. The action plans should be integrated. They should
not be one for economy, one for community, one for health and care. They should be integrated.
They should be short and to the point, on one side of A4 and they should guide us through the first
half of next term. We have not got time for pages and pages of stuff.

Deputy Green says there is not much detail in here but on the other hand says we want action.
Well, you really cannot have both.

2870 Deputy Laurie Queripel talked about bringing a policy letter to the States setting out priorities.
Well, that sounds great in theory. But really what will that mean in practice? It will take months to
put together a huge great list of what Government is doing, more months for Committees to then
hammer it out and then P&R to decide what on that list is prioritised, then to write a policy letter,
then to wait a couple of months for 100 amendments to be developed and then a debate. And who
2875 is to say there will not be a sursis instructing P&R to go away and do it all differently? (*Interjections*)
I say it again we must think differently and work differently. Frankly, I think our system of
government will be the biggest impediment to revive and thrive; that it matters less what we say
we are going to do than how States' Members approach it.

2880 Anyhow, we do not need a huge action plan for health and care anyway. We have already
designed the new model of health and care – the 'Partnership of Purpose' – and that is what is
referenced on page 19: the holistic sustainable health and care system centring services around the
needs of Islanders that are accessible and affordable.

In answer to Deputy Laurie Queripel, the Committee has already agreed the short-term priorities
and narrowed down the focus of transformation over the coming months. These include the

2885 electronic patient records because data will be a key aspect of transformation, well as supporting health care in its wider sense, as well as Hospital modernisation and restructuring primary care.

Just to respond to Deputy Leadbeater, as he may be aware the Committee *for* Health & Social Care prioritised the development of a mental health centre that he describes, as a service development in the last Budget. There is now a freeze on such expenditure and I cannot say when that will take place. But for the reasons he has put forward, it is something the Committee would wish to see brought forward as soon as possible.

2890 There will be considerable challenges to come, not least of which will be bringing waiting times down that have grown due to the necessary restriction of services through lockdown, although – and I think it is really important to point out – here we are in a far better place than many other jurisdictions because we have been able to get out of lockdown as quickly as we have, as well as the fact services did continue as far as possible, including outpatient clinics. But it will be a challenge, as we are unlikely to be able to rely on using the UK health services given the far worse situation over there. The NHS is already making it clear they will need to work with independent, or what they call private providers, to improve their position.

2895 However, the most important aspect of all this is improving population health outcomes through addressing the wider determinants of health. That is the last bullet point on page 19, but for me it should be front of page one. This is the ultimate outcome we should all be seeking, but will become increasingly difficult if levels of unemployment rise and austerity measures are brought in. This is why we cannot just focus on the economy without considering the environment, health and care. If we do not, we could see rising inequality in a community, not less. That is why green initiatives are important; one thing, as I mentioned in the energy policy debate, potential grants for home insulation.

2900 Sir, I could go on but I think this debate has gone on long enough. The time really is for action and not words, and the longer we sit around here, the less time we have to actually make things happen.

2905 So I do support the Revive and Thrive Strategy. It sets the right balance. But whether it is successful will very much depend on the mindsets of States' Members. What we will need is an end to the divisiveness and the beginning of a can-do attitude of Members supported by officers working together in an atmosphere of trust and mutual respect for the benefit of the community.

2915 **(A Member:** Hear, hear.)

Thank you, sir.

The Bailiff: Deputy Trott.

2920 **Deputy Trott:** Sir, thank you.

This is the first time I have spoken in the Assembly in maybe five days of debate and I do not have the luxury of summing up. That is Deputy St Pier's job. So I have a free rein to talk about a few things that have been discussed during the last few hours.

2925 Now, throughout this recovery Revive and Thrive document, this recovery document, there are some guiding principles. Three of them I am going to focus on. One is care about each other, another is innovate and the third is take an integrated approach.

Now, these are excellent guiding principles and they are guiding principles that are fundamentally important to our recovery. But growth is not a dirty word, or at least it should not be, and there will be more on that later. But recession is an awful word, and the reason it is an awful word is because recession is regressive. I would not want anyone in this Assembly to lose sight of the fact that recession is regressive because it hurts earlier and longer the most vulnerable in our economy. Recession is bad, growth is good, particularly if it is the right sort of growth.

2930 Now, let's give an example of the right sort of growth: the Guernsey Investment Fund, which I think Deputy Dudley-Owen referred to earlier, and possibly Deputy Gollop. That is an example of one of this Assembly's consummate successes. It funded this vehicle, it made sure that there were some good people at the helm, and it asked it to invest in innovative, sustainable projects and it

2940 said, 'I hope you do not mind, but could we have a return on that as well please?'. And do you know what? They did all three things spectacularly well. They have innovated, they have invested wisely. And it has been not only to the benefit of the taxpayer in terms of the growth of that asset but fundamentally it has stimulated the economy. Most of you have not even seen it happen but it is real – very real.

Now, I think it is important to remind everyone what the primary objective that we are hoping to achieve is and it is summarised as such:

Guernsey has revived the large majority of economic activity in 2021 and exceeded the previous growth path ... within three years which allows our community to thrive.

2945 Now, sir, over the last few years, dare I say decades, Guernsey's economic success has been to a large part because of its focus on employment. We have had incredibly low levels of unemployment by any international measurement and as a consequence we have not only had the benefit of the taxes that those people's earnings provide, but also we have not had the impediment, the negative, of having to pay out significant amounts of public assistance – well, until quite recently, and I will come back to that as well in a moment.

2950 Now, I think it was Deputy Ferbrache in a very good speech earlier on in this debate reminded us that:

Economic modelling for the impact on the Guernsey economy in 2020 predicts a loss of GVA of an estimated 8% in real terms (based on the current accelerated exit from lockdown).

2955 But that does not mean of course that our economy will be 8% smaller by the end of this year. Our economy will actually be 10% smaller by the end of this year because we would not have the benefit of the 2% economic growth that we were relying on for a whole variety of reasons, economic growth that this Assembly has accepted time and time again as being a sustainable target.

That paragraph goes on to say that:

This is a very significant recession, equivalent to the loss of more than 10% of the workforce over the course of the year.

2960 So in terms of the cost 10% of the workforce, I do not know, 3,250, 3,500 people, it is the same effect of not having their output, their productivity, their taxes, and for context we are reminded that 'the 2008 global financial crisis resulted in a loss of' only '2.6% of GVA'. Yes, we have had a good crisis. We have been very well led throughout it. But the economic impact has been material and it will be felt for some time to come.

2965 Now, when it comes to social objectives, have we not demonstrated we care about each other? I think we have demonstrated that in spades, haven't we? Because as an elected body we have been prepared to bear the very considerable cost necessary to support our community in its time of need and its time of crisis, and I am sure that all out there recognise that for what it is. That is an inclusive, collective, caring community response.

2970 Now, with regards environmental objectives, some have talked about coastal defences and how important it is. I think it was Deputy Brehaut, unsurprisingly. This is a perfect example of the sort of project that should be accelerated. Why? Because it has a very strong environmental objective and at the same time is the sort of project that can be delivered on Island by on-Island employees and on-Island businesses primarily. It is a very good economic enabler that ticks the right environmental objectives.

2975 It was Deputy Ferbrache I think, sir, who first talked about the fact that we are too risk adverse. Others have majored on it since, and of course they are right. One of the most spectacular periods of economic growth in the UK's recent history occurred back in mid-1980's when the then Prime Minister Margaret Thatcher deregulated the City. What followed was a period of massive expansion, job creation, which saw homeownership in the United Kingdom in particular rise very substantially, partly as a consequence of that. Economic growth is not a dirty word.

2980 Now, Deputy Green also talked about a number of barriers. He talked about the capital processes
being complex and slow; and it was during that speech it struck me that Deputy Green enjoys
enormously being the Scrutiny Management Committee President. He loves to analyse his peers'
actions. What he is not very good at is taking off that hat, in my view, and becoming a Member of
this executive, (*Laughter*) and giving us his ideas as to how he thinks we should drive the economy
forward. I am sure, sir, if he did not have the shackles of that particular role (*Laughter*) he would be
2985 far more able to articulate his thoughts in a positive way.

Deputy Parkinson I thought was very competent in his delivery of the key issues and mentioned,
as I knew he would, sustainable and green finance. Of course the innovation within this sector
continues to be essential and progress is being made.

2990 He talked about the marine economy, he said it is very important, and he talked about the health
tech sector and what an opportunity that presents. I agree with him on all of those things.

Now, sir, I do not normally talk about my commercial interests in this Assembly. But I am going
to on this occasion because I am very proud to have been for the last seven or eight years the
chairman of an international mining fund and its third vintage got off the ground yesterday. It has
about US\$1 billion, its performance has been absolutely spectacular. But it has combined care for
2995 the environment in every sense with very significant growth.

It has a superb policy of environmental and social governance that ensures that it remediates its
projects when it is finished. And it concentrates on two very specific sectors: copper, which is
essential for the delivery of fibre to our houses in order to drive the digital revolution; and other
essential components needed to make batteries more efficient and to provide scrubbing
3000 mechanisms in catalytic converters in certain fuels that require it. It is a spectacular example of
everything that Guernsey does well. The fund is administered here, it pays fees here, it generates
jobs. It has produced phenomenal returns at the top of its peer group and it has massive
environmental credentials.

3005 Just because some Members do not jump to their feet and talk about environmental issues every
time they speak does not mean that we do not care. That is a perfect example of Guernsey green
finance at its best.

Now, Deputy Laurie Queripel – Please, sir, may I ask him to take his seat? Would you mind? I do
not like to see him standing there, sir – not at his age, it is not fair. (*Interjection and laughter*)

3010 He said two things. I am sure he will not mind me saying this: he has had a spectacular
misunderstanding of the States of Guernsey's debt position for some time. (*Laughter and
interjection*) I am sure he will not mind be saying that, sir. He knows I mean it in good faith.

3015 He said it is normal for debt to grow. Well, of course debt grows if the funding is unsustainable,
i.e. it is funding a structural deficit or something of that nature. But otherwise debt does not grow.
It actually becomes less of a burden as time goes on. Inflation inflates away the value of the debt in
real terms in a positive way for taxpayers.

3020 He said it is a principle of investment that you do not borrow to invest. Well, sir, please do not
tell that to the City of London because the absolute opposite is true: it is a principle of investment
in some case to do precisely that and leverage up to gear investment, and there are a very significant
number of vehicles that are administered in Guernsey very successfully that do precisely that.
(*Interjection*)

3025 Sir, I am going to finish by returning to I think the key message in this document. And if people
are not happy with this, then do not vote for it. But then explain to the unemployed and to those
who have been severely compromised economically over the last few months, explain to them why
you are not, because this is what you are being asked to note, and agree to in fact, that Guernsey,
the key focus is that:

Guernsey has revived the large majority of economic activity in 2021 and exceeded the previous growth path ... within
three years which allows our community to thrive.

That will not be possible without investment and that investment, some of it, will come from borrowing. That is a fact. So do not support this unless you accept that principle because to do so would be to be disingenuous on an absolutely spectacular scale.

3030 **The Bailiff:** Deputy Tindall.

Deputy Tindall: Thank you, sir.

3035 I will start with the Exit Framework; and I endorse everything Deputy Prow said so eloquently a while back and thank all of those in the Bailiwick for playing their part. As a Member of HSC, I am pleased to have played my part and I am also pleased that the Island Global Research survey said 89% of 501 Guernsey respondents are in agreement with the Island's exit strategy. Enough said. This policy letter itself states it seeks our approval:

... for the ambition, approach and direction of travel established by the policy principles within the Recovery Strategy.

And that Strategy says its economic aim:

will be to develop and invest in initiatives which demonstrably improve the recovery curve and accelerate the return of jobs and wealth to our community.

We are told that:

Decisions will balance action and desired outcomes with risk. They will focus on the outcome set out in the Strategy and consider the need for positive action, speedy responses and certainty.

3040 We are asked to demonstrate that the Assembly 'understands and will maximise' this opportunity 'to rethink its approach'.

But what change are we actually being asked to make? We are not being asked to take positive action. We are not being asked to provide a speedy response, and through this document we are certainly not providing certainty.

3045 More importantly, why did it take a pandemic for us to adopt this approach? I believe it is because this Assembly is risk adverse, there was a reluctance to borrow, there was a distrust of our processes and there is the need to scrutinise to the nth degree. There are too many people involved in the decision making and too easy a reaction to a vocal minority.

3050 Any and all of those reasons have got us where we are now. So what is different with this strategy? It will not be this Assembly who forms the new underlying plans, the real work. We can only hope that the electorate in October choose those with vision who can take Guernsey through to the other side.

The key therefore, for me, is the governance structure to ensure there is the consultation promised and these promises are not empty. We are told:

To be successful, this Assembly must truly work collaboratively; fully accept the democratic prioritisation of policy development, capital investment, and transformation of service provision.

3055 To do that P&R and the Covid-19 Recovery Advisory Group, or CRAG, need to see the bigger picture. But without the involvement of all policymaking Committees, how can they see the bigger picture? (**A Member:** Hear, hear.) To see the vision you need to be sighted on what it all means. Making statements of intent to follow an unknown path does not help.

The strategy says to be successful we must:

... be ambitious and bold, to work collaboratively, and to plan to thrive.

3060 And that:

CRAG will continue to work with the Policy & Resources Committee as part of the process developing the recovery action plans ...

But that is not being collaborative, that is not being inclusive and it is certainly not good government.

3065 Deputy Inder asked of Deputy Lester Queripel only the second speaker in general debate why the DPA were not telling this Assembly what we will do and what we need to do it. As this States' meeting is the only occasion that has been given to the DPA for us to speak on the recovery to all States' Members, including Members of P&R and CRAG, I, as President, tasked with giving this message, will not miss the opportunity. Unfortunately, Deputy Inder may do so.

3070 Whilst we have set out our own ideas and the DPA's recovery plan in a letter sent to all States' Members on 22nd May, which I will refer to later, I think it is important to understand what we can offer to the States to help recovery, because ensuring good development through planning of the built environment is vital for our Island through the Island Development Plan. Throughout the rest of this speech I refer to this planning, this role of the DPA and the planning department.

3075 Planning originated as a public health intervention by clearing slums in Victorian times and helping the UK rebuild after World War II. In the decades that followed planning evolved to reflect wider objectives. Improving access to public parks and open spaces; setting standards for high quality and affordable housing; protecting cultural and historical assets; and shaping neighbourhoods to provide a mixture of local services and help offer a choice of sustainable, healthy modes of transport. It will be critical as the recovery gains pace for directing investment to solutions which balance economic, social and environmental objectives. For this reason the involvement of the DPA is critical for the three underlying plans, which I believe intended to be the action plans which Deputy Fallaize seeks. But perhaps P&R can confirm that later.

3080 Deputy Roffey made an excellent speech which I was listening to avidly next door while stretching my legs. One point he made was to refer to the insulation of buildings to reduce heat loss. He made it clear that insulation could be considered to form part of all the three underlying plans. I agree, and as insulation is in the DPA's mandate we should be involved in the preparation of all three plans, including ensuring we have those with the right skills to help.

3085 But this is just one item. Our mandate covers so much more that could be in all or any of those plans. Although of course, being on HSC, I do happen to agree with Deputy Soulsby about the fact that the Partnership of Purpose is done and dusted and one of those plans.

3090 In order to make such policy the DPA obviously benefits from advice from planners here in Guernsey who are experts and members of the Royal Town Planning Institute. This Institute, the RTPI, champions the power of planning in creating prosperous places and vibrant communities. In June 2020 they issued their research report entitled Plan the World We Need, which represents the contribution of planning to a sustainable, resilient and inclusive recovery. The paper contains a multitude of ideas and actions – a jolly good read if I may say so – that can be taken by planners. And this sentence sums it up:

To recover from Covid-19, we need to make plans. These must be holistic in nature, integrated in structure, and resourced for delivery. They need to accelerate progress to a zero carbon economy, increase resilience to risk, and create fair, healthy and prosperous communities.

The report covers how planners can help with health and well-being and the disproportionate impacts of Covid-19 on vulnerable groups, economic sectors and the:

Changes to the economic landscape, including the loss of employment in at-risk sectors, growth in others, and the shift towards remote working

Travel and transport and:

The challenges of reallocating road space to enable walking, cycling and social distancing –

3100 – not that we need that now, but –

– especially in areas designed around the car.

Net-zero carbon and the:

Risks to the investments needed to decarbonise buildings, energy and transport, delaying progress towards carbon reduction targets

And those that know about such things know that people enjoy car-free spaces, and the income of shops in car-free spaces increases as a result.

3105 The report goes on to talk about the actions, how planning can help tackle 'place-based inequality' by the delivery of:

... affordable and high quality housing in the right locations, regenerating ... areas for the benefit of existing communities, and improving access to key services, amenities and infrastructure

Planning can help enable a 'green industrial revolution' by:

Actively planning for the growth of sectors which deliver emission reductions, environmental gains and jobs, while helping places adapt to shifting economic and labour markets

Planning can help by 'Prioritising healthy and sustainable modes of transport' by:

Integrating temporary active travel measures into strategies which lock-in behaviour change and support regeneration ...

We need to:

... plan for growth that helps public and shared transport to recover

And accelerating:

... **the deployment of zero carbon infrastructure:** ... for energy efficiency, renewable energy, smart grids and nature-based solutions to flooding and overheating, guided by ambitious policies and standards

3110 We need to be sustainable, by:

Accelerating progress towards zero carbon by retrofitting existing buildings and advancing standards for new development ...

The DPA have started by changing the building regulations, but we need to do more.

We also need to avoid investments:

... which are incompatible with a net zero carbon economy or which increase exposure to risks.

We need to be resilient by:

Future-proofing buildings and infrastructure to the risks of flooding, overheating, drought and fire...

3115 We also need to increase 'tree planting, permeable surfacing and multi-functional ... green spaces' in our centres:

... providing a choice of affordable and safe transport options; and moving towards a circular economy that operates within ecological limits and places greater value on health, wellbeing and resilience.

We need to be inclusive by:

Creating healthy and equitable places by targeting support ... and improving capacities and processes for democratic community participation in decisions about the future.

3120 We have seen great examples of this in planning consultations over the years here, including Future Guernsey and most recently for the Leale's Yard Regeneration Area. All of these actions are within the DPA's mandate and ready to be part of the recovery in this way – but it takes money. But resources invested wisely in this work could bring a return many times greater than the costs.

The RTPI report:

identified how Covid-19 could exacerbate existing patterns of socio-economic inequality within the built environment.

– in the UK, and many aspects they mention are relevant here. But:

Tackling this goes beyond ‘people-focused’ solutions such as welfare spending. It also requires place-based solutions to poverty and inequality, supporting the delivering of homes, services, amenities and infrastructure that improve health and wellbeing for all, tackling the rise of chronic non-communicable diseases like diabetes, cancer and obesity; mental health issues including anxiety, loneliness and depression; and the health impacts of climate change.

Planning can also contribute in the following key areas:

- **Meeting the land, housing and infrastructure needs of sectors which can deliver emission reductions, environmental gains and job growth.** This will require strategic planning ... and close engagement with businesses groups, trade unions, skills agencies, infrastructure providers and investors.
- **Identifying and coordinating the upfront infrastructure funding needed to maintain viability in weak housing markets.** Public-sector masterplanning –

– Leale’s Yard, for example, with close involvement from infrastructure providers; sustainable green finance.

3125

... can provide confidence for developers and local communities, and ensure that measures taken to stimulate construction are coupled with the investments needed to deliver sustainability and resilience.

- **Planning for mixed use communities with accessible local services, digital connectivity and networks of green and active transport infrastructures –**

– another.

This investment will capture the benefits of more flexible and remote working patterns, reduce pressure on both local and strategic transport networks, freeing up capacity which avoids the need for costly upgrades.

Regenerating, revitalising and diversifying town centre and high streets and:

Maintain a town-centre first approach by taking a holistic, plan-led approach to the integration of high-quality affordable homes, and the repurposing of vacant commercial space for uses which support community resilience and environmental sustainability.

Deputy Le Tocq will be pleased to note that the conversations about mixed use of the regeneration areas in Town have been had and, if P&R confirm we can have the resources which were allocated last year, we can progress those development frameworks.

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The DPA through planning will response to these new challenges and opportunities, supporting the economic recovery while tackling inequality, accelerating progress towards net-zero carbon, build in resilience and continue to reverse habitat and biodiversity loss. But while we must deliver new housing, the health, economic and climate crisis demands a greater emphasis on the renewal, repurposing and retrofit of existing buildings.

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By including the DPA, we can use the tools we have in the IDP to attract:

... the investment needed to enable sustainable development, tackle inequality, boost resilience and cut emissions.

There is only one specific reference in the whole Recovery Strategy to the DPA’s mandate. Nowhere else does it acknowledge our role, probably because the DPA was not invited to the CRAG meetings, was not able to explain the plethora of possibilities that Members of the DPA see so clearly to improve the built environment to help recovery. It says:

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We will also ensure that the Island Development Plan is used as the tool to meet our objectives and secure the outcomes our community needs.

3145 But Deputy Ferbrache has said in the past he wants to rip it up, and he is not alone. But that helps no one. We do not have the time or money to do that. What we do have is the opportunity, as we did with empty roads, to show how the IDP is ahead of the curve and how it really works, and not repeat the myths and falsehoods that have been perpetuated by those who want to stop local developments.

How do we do that? The RTPI report sets it out clearly:

... another problem is a loss of faith in the concept of planning. Over recent decades, successive governments have increasingly favoured market-led solutions to key challenges: whether that be to stimulate innovation and economic productivity, tackle the housing crisis, or cut carbon emissions. Government expenditure was thought to displace private sector activity, with the role of the Treasury limited to balancing the books.

Proponents of this view tend to perceive planning as a tool for managing the negative impacts of land use change and market-led development: a reactive and regulatory function, rather than a positive way to direct change. With this narrow perception, it became possible to see planning as a barrier to growth, which can be temporarily scaled back during times of crisis. As the scope was narrowed, it became easier to assert that planning is unable to tackle modern challenges: a self-fulfilling prophecy.

[...]

As the current crisis creates new complexities, all levels of government must work effectively to shift from crisis management towards enabling positive change, in a democratic and equitable way.

And planning is no different.

We must strengthen and invest in planning for the recovery to set ambitious visions which direct stimulus measures towards solutions which address the challenges and opportunities –

3150 – I have only briefly touched on, ‘to improve sustainability, resilience and inclusivity’ in Guernsey. Deputy Green mentioned Boris Johnson’s plans to review the planning regime in the UK. There is a two-page narrative on the gov.uk website which details the areas they wish to review. The main aim of the review of the UK government is to try to resolve the problem which is caused as a result of the different decision makers involved, the devolved governments and the local authorities. This problem is of course one we do not have in Guernsey. The deregulation in practice will cause issues
3155 over the experimental provisions for change of use of commercial buildings to housing without the need for planning permission, and it is a great concern because of the resulting quality of those homes for occupiers.

3160 The creation of new homes from the regeneration of vacant and redundant buildings does relate to the DPA’s wish to bring in what we call Section 46, a topic which is very close to the heart of my diligent Vice-President, Deputy Oliver. Section 46 will provide the DPA with the necessary power to address instances where the use of land or dereliction of existing structures or sites causes significant impairment of amenity.

3165 The other two parts of the plan for UK planning is investment and the effective use of public land. The ‘First Homes’ pilot will be interesting and we will keep a beady eye on this scheme. I am informed though that Guernsey has tried this several times in the past, Millmount, Les Pecqueries Grandes Maisons Road developments without any success of making it operate in perpetuity or indeed beyond the first purchasers who gained a large windfall.

3170 The other scheme, of the effective use of public land, is again nothing new. But again the problems in the UK lie in the multitude of bodies and jurisdictions that have made coordination necessary to do this, so this is next to impossible. So whilst interesting, Boris’s aims have been examined and proven of little worth and no doubt they will discover what our expert planners already know sometime next year.

3175 So when the DPA was told it was not going to be part of the Advisory Group on the Recovery Strategy we went to all Committees represented on CRAG, copying in the remaining States’ Members, explaining the reason why the DPA should be involved in the discussions. We enclosed the DPA’s recovery plan and the schedule listing interaction between the mandate of the DPA and other States’ and Committees’ strategy and policy developments and implementation – 37 items. We set out the projects we are involved in across Government and what we could do to help, hospitality, tourism, retail and of course the construction industry, to promote recovery; what we

3180 can do for the blue and green economies for the health and well-being of Islanders through the built environment. We set out projects that could have a spade in the ground this year. We explained our value.

I take this opportunity to thank all those Members who have, and I know will be, supporting the necessity of our involvement. We also asked that the DPA recovery plan and our willingness to work collaboratively be taken into account so that any barriers, wherever they exist in the States, are identified and rectified in the simplest and most effective way and that the Planning Service is not used as a scapegoat for any delay; delay which could be avoided if we are consulted openly at the earliest possible time. (**A Member:** Hear, hear.) But a letter is not enough.

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3190 As we said in the Five Year Review of the IDP debate, the States needed a joined-up approach and we need a holistic overview. How can we prioritise work on a housing allocation site development framework when the infrastructure plan remains unwritten? How can we work on an office survey, something Deputy Roffey also touched on in his speech, if Economic Development decided to pull their funding from the project? They did not, but they could have done without having an overview of where we are going. Although unfortunately we are still waiting for the tourism strategy and:

an assessment of the current stock of visitor accommodation ... necessary to support the future viability and growth of the industry.

– as per the 2016 States' Resolution.

Sir, how can we change the building regulations to ensure better insulation if we do not know what sort of funding will be available to help Islanders? How can we offer the service we want without being able to explain the benefits of the front-loading of resources for Planning if we cannot prioritise through a lack of joined-up vision on what we are to do with Guernsey's built environment?

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3205 If Planning's contribution is recognised and provided with the adequate resources rather than sidelined and seen as a barrier, there is so much that can be achieved. Without that engagement from other States' Committees, the DPA is unable to act to the extent needed, but we will do what we can until we are properly consulted.

Whilst I fully support the Seafront Enhancement Area project because of the major benefits it can provide and as it is the DPA's responsibility under the IDP to bring a local planning brief for the Harbour Action Area to the States, I would say that, wouldn't I?

3210 However, I would still prefer the States not to repeat the debacle of its membership. For three years the DPA told P&R and the States that the work was the responsibility of the DPA, three years of saying the DPA should be represented at the Seafront Enhancement Area Steering Group meetings. This argument was finally accepted at the first meeting I attended when an external consultant had been employed to tell them the membership of the group. I am sure Members, sir, can guess what they concluded: yes, that it should include the DPA. You could not make it up.

3215 P&R should not keep repeating that mistake again and again and involve the DPA from now on: allow a Member of the DPA to attend CRAG. It may not be exciting or a decision-making body, but if the DPA are not there than how can we be considered relevant enough to the next States or the public to be involved in the recovery? (**A Member:** Hear, hear.)

3220 Deputy Brehaut said that E&I could use the mechanism of the Recovery Strategy to ensure the environmental side can be covered, but the DPA are not involved in this process. So that again highlight the omission.

3225 Members I hope will be pleased to hear, however, that I am meeting with the President of P&R next week to discuss the DPA's involvement in the Recovery Strategy. I have already met with Deputy Le Clerc and I am meeting with Deputy Ferbrache hopefully next week. Deputy Brehaut, Deputy Parkinson and Deputy Fallaize, will agree to a meeting date to be fixed. Deputy Soulsby will probably agree with me that she sees me too often already and does not want another meeting. (*Laughter*) It would of course save all our time, however, if I was on CRAG and hence my continued calls for the same.

3230 Whilst some aspects of the action plans to which Deputy Lester Queripel referred have had to be put on hold, namely the five year review, all of the other actions however have been completed. We have many more ideas and we are working with the planning team to continue to improve working practices, to adapt to the new regime of working post-Covid and to see what we can do to be able to offer an even better service to the public, both for the applicant, be they household or a developer, and those who want advice or wish to make an objection. We are looking at the statutory fees we charge, to support a speedy and more effective service. However, to do that we will need more resources up front and support from this Assembly to be able to make any changes.

3235 I could go on with very many aspects of what the DPA are involved in, and should be involved in, because our mandate touches on all Committees of the States and the lives of all Islanders. However, I hope that what I have said has made the point and shown our worth. I hope so because, 3240 sir, the DPA do this not for our Committee, but for the next. We do it for our planning team, who are excellent professionals, who are experts in their subject, who should be valued and appreciated, who worked so hard during the lockdown to maintain the best service they could and who do not deserve the abuse they receive on social media. It is a disgrace the way our civil servants, who work so hard for all of us, are treated on social media and should be called out when seen. This abuse is 3245 as a result of a lack of understanding and appreciation of their expertise in planning policy.

Sir, as there is an identified need for further education on the broad determinants of health, so there is a need for further education to understand the benefits of the IDP, and the DPA will continue to provide this.

3250 So in the aftermath of the 2008 global financial crisis, recovery measures saw massive injections of liquidity to prop up the economy followed by a decade of austerity. This recovery must be different, with no alternative but to rebuild in a way that creates a more sustainable, resilient and inclusive society. A failure to act now will simply defer costs to future generations and the most vulnerable, with the risks of climate and ecological breakdown, to a weak economy, becoming rapidly unmanageable in scale and complexity.

3255 We not only need to revive and thrive: we need to build back better. We need to include planners and we need to include the political voice of the planners.

Sir, I have said little on the rest of the Recovery Strategy because I said most of what I needed to say during the preparation and at the debate of the States' Economic Development Strategy. What I needed to cover was what was missing regarding planning. And I could have said much 3260 more, but as Deputy Laurie Queripel said, the Strategy is a skeleton, but necessarily so, at this stage.

I urge Members to read the Institute's report on what planning can do for the recovery, which I will send shortly. I urge Members to reconsider the value of the IDP to support the climate change action plan and a green recovery; to support E&I and the DPA to do that and to include the DPA in CRAG.

3265 Sir, in order to fill the few gaps left which our two Committees do not cover, I ask Members to support the Recovery Strategy and most importantly I ask Members to help support the people of Guernsey and the Bailiwick to recover by making forward-thinking and speedy decisions.,

Thank you, sir.

3270 **The Bailiff:** I invite the President of the Policy & Resources Committee, Deputy St Pier, to reply to the debate.

Deputy St Pier.

3275 **Deputy St Pier:** Thank you very much, sir. Thank you to everybody who has participated in the debate.

It is interesting that I have been asked to provide some categorical assurances on a number of issues that stretch way beyond either my personal or indeed P&R's mandate, but in relation to the arts, and sport and mental health and goodness knows what. But I will seek to express some personal views nonetheless to the extent that they are of any interest or help to anyone.

3280 Deputy Roffey made the point that we should not be 'desperate' for growth, was a phrase he used, and I think that has been addressed by a number of other people in understanding that it needs to be rounded and in the context of the wider recovery objectives. But he also called for courage and I think I absolutely agree with that.

3285 Deputy Lester Queripel's reference to the arts and indeed Deputy Graham and Deputy Fallaize to sport and physical activity as being noticeably absent from the document before the Assembly today. I think those are valid observations and again, expressing a personal view, it is entirely appropriate that that does represent a clear interest of the community that does need to be reflected in the recovery action plans. And indeed Deputy Fallaize did make the point about the role which sport and physical activity of course plays in the link to health and care, in particular in the prevention of long-term diseases.

3290 Deputy Dudley-Owen and Deputy de Sausmarez of course placed a lot of emphasis on the environment and Deputy Dudley-Owen in particular expressed disappointment that there was not more – well, actually both Deputies expressed disappointment that there was not more – specifically in the document. But I think it is weaved through. I think we definitely take that point – I certainly take that point – on board and I obviously sought to address and redress some of that in my opening speech. I am happy to repeat that here and I will return to the matter of the environment later. I think that does actually reflect the benefit of this being a green paper debate because it does allow the opportunity to pick up those kinds of observations and comments.

3295 Deputy Laurie Queripel asked for assurance in relation to prioritisation of capital. I am not sure it will necessarily be the next policy letter but I can assure Deputy Laurie Queripel that it is a matter which is of great concern to Policy & Resources and indeed we are anticipating receiving papers on that for our own Committee's consideration before, no doubt, further decisions will be required by the States.

3300 He also sought assurance that all subsequent policy letters would be put through a revive and thrive filter, a revive and thrive test, and of course the States will have that opportunity very shortly when they have to consider matters such as the Dairy project. So that is a matter really for the States rather than for P&R alone. We can merely express a view.

3305 He also sought assurance that it is a living, flexible document that will be informed by the data. I can give him that assurance, it absolutely will be, and he is right also to note that the actual performance of the economy and public finances will feed in and flex into the state of our reserves, for example. And of course that could go one of either way, depending on whether we have further waves of Covid-19 to deal with and to what extent that impacts the ability for us to keep our economy fully open.

3310 Deputy Merrett, this document is not delegating authority to the Presidents of any Committees in relation to any particular areas. She did make some, quite a lot of comment in relation to debt, as did of course Deputy Dorey. This is not a debate obviously about debt and borrowing. To the extent that borrowing is or will be required then further Propositions will have to come back to the States for further substantive consideration, debate and decisions in due course.

3315 Deputy de Lisle wanted us to cut taxes and charges and indeed of course avoid any borrowing and therefore rely entirely on our reserves, which I think would run out pretty quickly on that model. So I think it was an irreconcilable set of objectives from Deputy de Lisle. But I can give him the reassurance he was looking for in relation to the corporate tax regime and merely repeat the comments I have made many times in response to Deputy de Lisle in terms of keeping these matters under review, together with of course others that have similar regimes as the international corporate tax environment continues to evolve and develop.

3320 Deputy Inder wanted us to – he said do not lose the efficiency, and indeed I guess to some extent that weaved into Deputy Fallaize comments of the price of inaction being the other side of inefficiency. Well, yes, absolutely. I absolutely agree with the sentiment. But I will perhaps return to how we can avoid that towards the end.

3330 Deputy Tindall I think really has also addressed Deputy Inder's point about the Development & Planning Authority needing to be integrated into the action plans, and Deputy Tindall has spoken to that and I obviously confirm that I will be meeting with her in due course, as she has said.

3335 Deputy Fallaize made some comments about the ... really seeking clarity of where the political ownership for this lies for the development of the action plans. Sir, in my view it is quite clear the Policy & Resource Plan lies with Policy & Resources and indeed I think these action plans do as well. There will clearly need to be consultation, as there is and has been in the development of the Policy & Resource Plan in the past. But it is the responsibility of P&R to develop these and to bring them forward in due course.

3340 Quite a number of Members, I think including Deputy Fallaize, spoke about capital processes and there was quite a lot of focus on the plan process and capital processes rather than ideas for, as Deputy Trott noted, in terms of actual specific actions.

3345 I think the comments about capital processes are to some extent valid, but actually of course most of the capital projects that have not progressed have been stopped by this Assembly, not by the process. So whether it is the hurdles for Longue Hougue South, whether it is the L'Ancrese wall, whether it is the schools, that have not progressed for several Assemblies now, I do not think we can really blame the capital process for that. We have sought to streamline the process by giving delegated authority to Policy & Resources to enable projects to proceed when the States have given authority and of course the States have not settled for that, effectively recalling matters to the floor of the Assembly through a requête, which is absolutely of course the entitlement of the States. But
3350 I think we should be fair to where the challenge lies. It does not necessarily lie in the process itself, it lies very much with Members of the Assembly.

A good example of something where process has not got in the way is the Hospital modernisation. Of course the Assembly has given authority for that to proceed. The Policy & Resources Committee has recently met with the Health & Social Care Committee for phase 1 of that first phase of that project has inevitably changed as the project has been developed and Policy & Resources are quite content to continue to allow that project to progress rather than demanding further hurdles to be crossed. I think that was a concern of the Health & Social Care Committee that we were able to address quite swiftly when we met only this week.

3360 Deputy de Sausmarez spoke I think absolutely right in terms of identifying that sustainability is not merely about economic sustainability, and that is referenced in the document, but also in environmental sustainability. Interestingly in her references to Island transport the one thing that she failed to make the link to which others did, including Deputy Fallaize of course is the link to health improvement and prevention and the determinants of health, which Deputy Soulsby spoke about. I absolutely agree with those sentiments and also the sentiments which she expressed that
3365 as she referred, 'it is their tomorrow', in other words, those that come after us rather than it merely being our generations for whom the recovery plans are important; and I agree.

3370 She also sought assurance that the matters of climate change, biodiversity and sustainability should be fully integrated in the action plans. I can give Deputy de Sausmarez my personal assurance that I absolutely agree with that. I think it is absolutely right they do need to be integrated into all the action plans. But again, I introduce that caveat that I made at the beginning that as Members well know, despite the challenges they have given to me seeking assurances, that these matters are not matters for me alone.

3375 Deputy Leadbeater spoke very much about the challenges of those with autism and complex needs. I am certainly very sorry, as I am sure other Members are, to hear of the challenges which his family have had; and seeking assurance that when we build back better, we build back better in relation to mental health as well. I think Deputy Soulsby sought to comment and respond to that. Again, for myself, I agree with the sentiment. But I cannot really give much more of an assurance than that. I think it is an appropriate challenge which should be addressed.

3380 I think also commenting on autism, the experience that some with various conditions found that actually, particularly in the education system, they were better able to engage with education by not being in the environment which may stress certain students in certain environments. How do

we ensure that we build back better for them is another challenge which the Committee for Education, Sport & Culture are going to have as well. That is the flip side perhaps of Deputy Leadbeater's family's experience.

3385 I just wanted to expand a little bit on Deputy Trott's comments about the role of the Guernsey Investment Fund and I know Deputy Graham is keen to understand what has happened to funds which have been earmarked for that Fund – £40 million or so. There are a number of transactions which are pending, so they are the subject of some commercial sensitivity. So I will not go into too much detail other than to give the headlines which I think really emphasises the point which Deputy
3390 Trott was making, which is that we expect the property cell to draw down round about £30 million over the next couple of years for a couple of projects and that will trigger a development or developments estimated to be of a value of £52 million, of which the Fund, the Guernsey Investment Fund's share of that would be 50%. So it will be geared, which is emphasising Deputy Trott's point in relation to responding to Deputy Laurie Queripel, but in essence £30 million of State's funding will
3395 trigger £52 million of investment into the local community and of course with an anticipated return for us as investors.

So I think that gives us some sense of the role which investment can make into the recovery, and of course doing that in partnership with others. It does not always have to be simply the States writing a grant cheque to somebody.

3400 Sir, the crisis I think has afforded us the ability to stop doing some things either because we already knew they were not fit for purpose or because the crisis has rendered them obsolete. Post-crisis, the challenge is to let go of those obsolete aspects of pre-existing systems. Not only those things the crisis has rendered impotent, but also those things that we know are no longer fit for purpose.

3405 I think the greatest danger is not the crisis. It is to act with yesterday's logic in building the recovery and effectively we need to be offering palliative care, but no more, to some of those old systems and old ways of working. I think that has been historically difficult, particularly of course in the public sector, where new initiatives get layered on top of existing ones which simply compounds the problem. This approach also triggers the default resistance to change at both a political and at
3410 an officer level in which the *status quo* and those best served by it will react to prevent change – and we have certainly seen that in the past.

Yet letting go of what we no longer need will release trapped resources for work that is a better strategic fit and we are seeing the attempts at trying to deal with some of this in the way the public service is seeking to rebuild the public service in bringing people back into work and not just
3415 allowing people to come back and do exactly what they were doing before the crisis.

We had to temporarily stop doing other things in order to divert capacity to the crisis response; of course dozens of people, for example, in supporting the business support initiatives. But we of course are going to have to restart some of those things again, and the core challenge in these areas post-crisis is to figure out how to restart these measures in a way that is sensitive to the
3420 changed context and not simply a blind copy and paste of the pre-virus methods of working, which just of course reinforce old systems.

Some things that we have had to do in response to the immediate demands of the crisis, and I mentioned business support as an example, of course are inappropriate to become part of the normal. We would not want them to become part of the new normal and ending temporary
3425 measures should be the most straightforward endeavour. There has been less time for them to become baked into our system and they are likely to be high cost; and once the crisis demands fall, the need for them will fall away.

The opportunities opened up by the crisis for experimentation – and we have seen that – and change of course vary from volunteering and how the third sector has engaged to the sudden
3430 increase obviously of working from home, and from telephone GP consultations and how that is going to change primary care, to businesses having to change and pivot to new business models or simply finding new ways of doing old things.

3435 The crucial point here is that the crisis can, if we seize the opportunity, cut through years of
institutional and systemic inertia presenting the imperative, and I would suggest the possibility, of
change and with determination we can seize the strategic opportunities presented by the Covid-19
crisis, whether in the transformation of our public services, whether in using technology in new ways
or reclaiming the public spaces we enjoyed in the lockdown that Deputy Brehaut referred to; and
with big, bold and brave plans to invest in our infrastructure both capital and social. Not just built
things, but social infrastructure as well, and with a resolute commitment to make a step change in
3440 our climate change and environmental impacts.

Now, all of that may be impeded by our system of government as Deputy Soulsby fears.
(A Member: Hear, hear.) My fear actually is that it is far more likely to be impeded by the people in
our Government and that actually of course is ultimately going to be a challenge for the people of
Guernsey to address through their ballot box choices on 7th October.

3445 With that, sir, I encourage Members to support the Propositions.

The Bailiff: Members of the States, there are two Propositions. I am going to put them to you
together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare both Propositions duly carried.

3450 Now, as it is fast approaching 5.30 p.m., unless anyone is desperate to hear from Deputy Brehaut
opening debate on the next matter, then I am going to suggest that we adjourn now until 9.30 a.m.
tomorrow morning.

Greffier.

The Assembly adjourned at 5.29 p.m.