



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 5th September 2024

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Present:

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Law Officers

M. M. E. Pullum, K.C. (H.M. Procureur)

People's Deputies

S. E. Aldwell	J. P. Le Tocq
C. P. A Blin	D. J. Mahoney
A. H. Brouard	A. D. S. Matthews
Y. Burford	L. J. McKenna
A. Cameron	C. P. Meerveld
D. de G. de Lisle	N. G. Moakes
A. C. Dudley-Owen	R. C. Murray
J. F. Dyke	V. S. Oliver
S. P. Fairclough	C. N. K. Parkinson
S. J. Falla	R. G. Prow
P. T. R. Ferbrache	L. C. Queripel
A. Gabriel	P. J. Roffey
J. A. B. Gollop	G. A. St Pier
M. A. J. Helyar	A. W. Taylor
N. R. Inder	L. S. Trott
A. Kazantseva-Miller	S. P. J. Vermeulen
C. J. Le Tissier	

Representatives of the Island of Alderney

Alderney Representatives S. Roberts and E. A. J. Snowdon

The Clerk to the States of Deliberation

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

E. Gallienne Esq. (Deputy Greffier) (Afternoon)

Absent at the Evocation

Deputy T. L. Bury (*indisposée*); Deputy H. L. de Sausmarez (*relevée à 9h 35*);

Deputy S. P. Haskins (*indisposé*); Deputy M. P. Leadbeater (*relevé à 10h 09*);

Deputy H. J. R. Soulsby (*relevée à 9h 39*)

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States of Deliberation

The States met at 9.30 a.m.

THE DEPUTY BAILIFF *in the Chair*

PRAYERS

The States' Greffier

EVOCATION

Billet d'État XIII

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

4. Amendments to the Statutory Minimum Wage Arrangements to come into force on 1st October 2024 – Proposition carried

Article 4

The States are asked to decide:–

Whether, after consideration of the Policy Letter entitled 'Amendments to Statutory Minimum Wage Arrangements to Come into Force on 1st October 2024', dated 1st July 2024, they are of the opinion –

1. To approve the Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) (Amendment) Regulations, 2024 (as set out in Appendix 1 to this Policy Letter), which, pursuant to sections 1(3) and 3(1) of the Minimum Wage (Guernsey) Law, 2009, prescribe the hourly minimum wage rates set out below with effect from 1st October 2024:

a. Adult Minimum Wage Rate: £12.00 per hour (for workers aged 18 and over), and

b. Young Persons' Minimum Wage Rate: £10.80 per hour (for workers aged 16 and 17).

The States' Greffier: Billet d'État XIII, Article 4, the Committee for Employment & Social Security – Amendments to the Statutory Minimum Wage Arrangements to come into force on 1st October 2024.

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The Deputy Bailiff: Just before I ask Deputy Roffey to address us in relation to this Proposition, Deputy de Sausmarez, do you wish to be relevée?

Deputy de Sausmarez: Yes, please madam.

10

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: I was going to push the button, but there is no point as I do not think my microphone is working, but I will speak even louder than I normally do. Oh okay ... Is that allowed?

Madam, whilst –

The Deputy Bailiff: I am terribly sorry, Deputy Roffey, that one ... *[Inaudible] (Laughter)* We are just having a little bit of musical chairs.

Deputy Roffey: I always knew one day His Majesty would recognise *(Laughter)* his need for my services. That is not serious by the way.

Madam, while setting a minimum wage level is, I fully accept, by no means an exact science, ESS believe there are several factors which point to £12 an hour being the correct figure for adults in Guernsey over the year ahead.

The first reason is that it gets Guernsey's minimum wage to the place that this Assembly agreed it should get to when it set its minimum wage target back in 2018. That is to say, to 60% of median earnings based on a 40-hour working week. It is true that that was a five-year target and will have taken almost seven years to get there. The reason for that is the pandemic and our concerns over its possible impact on Guernsey's economy.

With the benefit of hindsight it is clear, as Deputy Trott said yesterday, that Guernsey's economy bounced back incredibly strongly from COVID but we could not be sure of that at the time so we erred on the side of caution and put as little strain as we possibly could on local businesses. As a result, we will be nearly two years late reaching the State's agreed target, for which I apologise.

Talking of medium-term targets, States' Members will notice that we are not recommending setting a new one for the time being. That is not to say that we, or our successors, will never consider doing so but we do believe that this would be the wrong time to do so because of two forthcoming changes in the data which is going to be available to us.

The first is that quite soon we will start to get real data – hallelujah! – on how many people are actually paid the minimum wage and the second is that the States' Data & Analysis team is due to make changes to the way that the median earnings data is calculated. So, put simply, it would be foolish for us to lock ourselves into a new medium-term plan until all of that information is known. So that will be a matter for our successors.

In the meantime, we will continue to recommend changes to Guernsey's minimum wage based on the original criteria agreed when the concept was first introduced and if Members are interested these are set out in paragraph 3.1 of the policy letter. Key amongst them, the first one that is mentioned, is comparison with the rates in Jersey, the UK and the Isle of Man.

At the moment, Guernsey's minimum wage is the lowest of any of these jurisdictions, not something I take particular pride in. By setting it at £12 an hour we would, at least briefly, overtake Jersey, by a mere 36 pence, but only for six months because Jersey's Social Security Minister and, indeed, the Council of Ministers have recently announced that their minimum wage will increase to £13 an hour from April next year.

Likewise, we will temporarily leapfrog the UK and the Isle of Man but they too will, almost certainly, go above us again when their respective review dates come along. In the UK, that is 1st April and in the Isle of Man that will be 1st July. All of this is set out in table 2, but what it shows us is that these proposals from the ESS place Guernsey firmly in the pack, but towards the back of the pack as far as minimum wage rates are concerned and as the rates in these other territories have been given to us by the States as a key criterion for setting our own minimum wage, then we are probably more or less where we want to be, at best, towards the back of the pack if ESS's proposals are passed. If you look at the other criteria in paragraph 3.1, they all support the proposals that we are putting forward.

Madam, there is also a proposal for the minimum wage for 16- and 17-year-olds to be set at £10.80 an hour which, again, is in line with the agreed States' policy of setting this rate at 90% of the rate for adults. In setting this rate we must remember several things: there is no minimum

65 wage for those below 16, Guernsey's school leaving age is 16, so some of these young people on the reduced minimum wage may be wholly supporting themselves in the world of work and the minimum wage does not apply to apprentices.

In closing, I will point out that there is one other key criterion which is not listed in the policy letter, but which is equally important when setting Guernsey's minimum wage and that is: does it
70 feel right? Madam, given the high cost of living in Guernsey I have to ask, do Members really feel it is justifiable for local businesses to pay adult members of our community less than £12 an hour for their employment? We on ESS certainly do not think so, but we respect that this judgement is one for the Assembly.

75 **The Deputy Bailiff:** Thank you. Deputy Soulsby, do you wish to be relevée?

Deputy Soulsby: Yes please, madam, thank you.

The Deputy Bailiff: Deputy Inder, your amendment.

80 **Deputy Inder:** Thank you, Deputy Bailiff.

The Deputy Bailiff: Do you wish the States' Greffier to read out your amendment?

[Amendment 1](#)

To renumber the Proposition as Proposition 4 and insert the following immediately before that Proposition:-

1. To agree the following hourly minimum wage rates with effect from 1st October 2024:

a. Adult Minimum Wage Rate: £11.25 per hour (for workers aged 18 and over), and

b. Young Persons' Minimum Wage Rate: £10.15 per hour (for workers aged 16 and 17).

OR if that is not approved:-

2. To agree the following hourly minimum wage rates with effect from 1st October 2024:

a. Adult Minimum Wage Rate: £11.55 per hour (for workers aged 18 and over), and

b. Young Persons' Minimum Wage Rate: £10.40 per hour (for workers aged 16 and 17).

AND, in the event that Proposition 1 or 2 is approved:-

3. To direct the Committee for Employment & Social Security to revoke the Minimum Wage (Prescribed Rates and Qualifications) (Guernsey) (Amendment) Regulations, 2024 and to make new regulations giving effect from 1st October 2024, or as soon as possible thereafter, to the minimum wage rates agreed by the States.

OR, in the event that neither Proposition 1 nor 2 is approved:-

Rule 4(1) Information

a) The proposition contributes to the States' objectives and policy plans by aligning with the 'Grow Economic Competitiveness' strategy portfolio within the Government Work Plan 2023 – 25.'

b) In preparing the proposition, consultation has been undertaken with the Committee for Employment & Social Security and the Policy & Resources Committee.

c) The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

d) There are no direct financial implications to the States of carrying the proposal into effect. However, it is possible that a slightly lower Minimum Wage Rate could indirectly increase expenditure on Income Support; albeit this is not easily quantifiable given there is limited data on the number of individuals who are paid at the minimum wage

85 **Deputy Inder:** No, he will be here for a week. No, thanks, hopefully everyone has read it. I will explain it, but thank you, Madam.

Right, Members, this amendment is to insert or is asking whether you would consider inserting two other options on the Adult and Young Person's Minimum Wage, one supported by the Committee for Economic Development, the other one supported by P&R. It does not delete ESS's original proposal, it just puts them in order and there would be a cascading vote.

Members, while we understand the reasoning behind the Committee for Employment & Social Security's proposals, and we have heard as much from Deputy Roffey in his opening speech, for increasing the minimum wage, we feel that feedback from the industry justifies the laying of this amendment and our view is that the States should be able to consider alternative options to those proposed by ESS. Primary concerns raised by the industry are: the proposal, a 12.7% increase to the adult minimum wage rate is significantly higher than both the rate of inflation at 5.5% RPIX and the increase in median earnings at 7% as of 31st December 2023.

Employers are already facing higher costs, notably the introduction of secondary pensions and increased Social Security contributions, all things that we have voted through and have been imposing on business, of which I was one of them. It is worth looking at some of the anecdotal data that we have got behind this and some of which has actually come from Deputy Roffey. Deputy Roffey, by his own admission, does not really know how many people are on minimum wage at all, he said as much, and this has been an ongoing concern in collecting data and preparing these proposals.

But the Senior Economist at the States' Treasury wrote to us with the quarterly employment updates, not too long ago, between March 2023 and March 2024 the following sectors decreased in terms of numbers of employment roles: manufacturing, construction, wholesale, retail trade, transportation and storage, real estate activities, arts, entertainment and recreation. All other sectors, except the information and communication sector which stayed the same, increased the number of roles. So there are stresses within, what we would call, the real economy and there are multiple reasons for it. But not everything is just as it seems and we have to draw our evidence from multiple areas of information that we all get piled into us in a regular basis.

I have expressed that employers are already facing higher costs and the combined impact is a significant pressure on employers who employ a high proportion of low wage employees and it would have a potential wage inflationary spiral, that is undoubted, creating continued upward pressure on prices which may slow the transition of our economy back to typical levels of inflation.

Particular concern was expressed by the Guernsey Retail Group who represent local retailers and I just mentioned that the retail industry has flatlined, if not decreased, and they oppose the proposals urging the Committee for ESS to reconsider and I think they wrote the same letter to ESS, or maybe they did not. No, I will withdraw that, I assumed they had but my apologies, they did not write that to ESS but they did write to us and they have asked us basically now effectively to reconsider ESS's proposals, hence the amendment.

The Chairman noted that at the proposed £12 an hour the adult minimum wage will start to have an impact on businesses lower pay grades, even when businesses pay above the current adult minimum wage of £10.65 an hour. The Guernsey Building Trades Association made a very similar point, saying that 'increases in the minimum wage will, inevitably, feed through to average wages and that then pushes up the median wage and we will end up in an inflationary wage spiral.' Two different business bodies saying practically or exactly the same thing and they went on to say, 'We think the minimum wage should be based solely on an evaluation of the cost of living.'

It is a statement of fact that in 2019 the adult minimum wage was £8.10 an hour and that the Committee for ESS is proposing from 1st October 2024 the adult minimum wage to be increased to £12 an hour. That is almost a 50% increase in the adult minimum wage rate over five years and is significantly above the rate of inflation over that period.

We are, therefore, asking the States to consider two alternative options: Proposition 1, increasing the adult rates at a level in line with the rate of inflation at 5.5% RPIX; or Proposition 2, increasing the adult rate by deferring the full increase to 1st October 2025 and raising the rate

before 1st October 2025 to a half way point between the current rate and the 1st October rate, an increase of 8.5%.

The half way point in Proposition 2 aligns with the request from P&R who wanted them to consider deferring the increase to 60% of median earnings by a year to 1st October 2025. Under Proposition 1 the hourly rates from October 2024, based on an increase in line with RPIX would be: adult minimum wage, £11.25 an hour; young person's minimum wage, £10.15 an hour. Under Proposition 2, the hourly rates from October 2024 will be deferring the full increase for a year, would be: adult minimum wage, £11.55 an hour; young person's minimum wage £10.40 an hour. These alternative hourly rates are both lower than the significantly above inflation increases proposed by ESS: the adult of £12 an hour and the young person's at £10.80.

It is worth highlighting that four of the five members of the Committee *for* ESS support Proposition 1, an increase in line with RPIX. Deputy Falla recused himself as a member of ESS. The alternative approach set out in Proposition 2 is the approach suggested by P&R of deferring the full increase to 60% of median earnings by a year to 1st October 2025. The Deputy advised the Committee when we wrote to him on the subject that he would not support it and asked us, effectively, to put the amendment in. Yesterday morning I asked him whether he would support this amendment for insertion, he said no.

Thank you.

The Deputy Bailiff: Thank you. Deputy Vermeulen, do you second the amendment?

Deputy Vermeulen: I do second it and I will explain why.

The Deputy Bailiff: So, you are taking your opportunity to speak right away?

Deputy Vermeulen: I am, yes.

The Deputy Bailiff: Thank you, Deputy Vermeulen.

Deputy Vermeulen: We have had tremendous feedback, as Deputy Inder has explained, from industry voicing their concerns over it and I think it has happened all at the same time. They are facing increased freight costs to get goods into the Island and harbour dues and harbour fees have gone up to get their materials in. As explained, the secondary pensions has come in for employers above 35 and huge increases over the last few years in Social Security contributions. So it is almost the perfect storm which we have got.

Now, the clue is in the title, it is the minimum wage we are discussing here today. It is not the median wage we are discussing. So there is a little clue there, but I believe the majority of business owners in Guernsey are responsible people and have integrity and pay well above the minimum wage.

Nonetheless, it is seen, the percentage increase, across the piste in all industries, if 12.7% is seen as a fair increase for the minimum wage that then becomes the negotiating chip to go on for pay rises. Now Guernsey is, on the face of it, quite buoyant but there are many companies this year, prosperous companies, which are urging cautions and pay restraints with their increases. So, they are all feeling the pinch.

We have got to remember that 62% of all businesses in Guernsey are small businesses and whilst it would be very nice to get to what Jersey are going to pay next year – not this year, next year – we have got to remember that we are not the Isle of Man, we are not Jersey, we are Guernsey and we can be very proud that we tailor things to suit our economy.

So I would urge Members to support this amendment, which does include an increase, but not as much as 12.7%, it is a sort of half-way house if you like. You have got to remember that there are 4,500 people across the Island employed in retail throughout the Island and that when they were initially faced with the 12.7%, people said that they thought that was utterly preposterous.

So it is time to rethink it, you will have next year to consider what you do, those of you that are lucky enough to get re-elected, you will be able to review the minimum wage again next year. So, yes, I would urge you all to support this amendment because there is concern from all industry in Guernsey on this increase.

Thank you, madam.

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Madam, I just rise to say, I think it is wrong and any way, I have business interests in the hospitality sector. I declare that interest. **(The Deputy Bailiff:** Thank you.) I do not intend to speak further on this amendment and when the vote is called, I will abstain.

The Deputy Bailiff: Thank you.

Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

I am not sure whether it serves me to leave my microphone on, but I might just have to pump up the volume from my own voice. This amendment, as Deputy Inder has explained, adds in options that would be lower than a smaller increase than the Propositions, the proposals, put forward by the Committee *for* ESS.

The first thing I would like to explore really is the claim that industry feedback suggested that an increase of the proposed level would be difficult for employers, particularly in the retail sector. Now ESS is obliged by legislation, in fact, to consult with representative bodies and that is exactly what we did ahead of this exercise, as we have done ahead of every similar exercise that has preceded it.

We wrote to 20 stakeholders, including States' Committees, industry representative organisations, unions and the third sector organisations and we received six responses from the following organisations; P&R, CAB, CGI, the Guernsey Hospitality Association, Unite and the Committee *for* Economic Development; and details of those responses are included in the policy letter.

The only feedback received from industry was from the CGI and the Guernsey Hospitality Association, neither of whom said that the proposed increase would be difficult for employers. The CGI, in fact, said that it recognised that those on lower incomes should be supported, particularly given the rapidly rising cost of living. The CGI also said that increased staff and other costs would be passed on to customers, but there was no mention that this would be difficult.

The Guernsey Hospitality Association Executive Board were in favour of the rise. The Committee wrote to the Chamber of Commerce and to the Guernsey Retail Group, but did not receive responses from these organisations. We have not received, to the best of my knowledge at least, the letter referred to by Deputy Inder.

So Deputy Vermeulen has said that they have received 'tremendous' feedback from industry and specifically retailers. May I suggest, if any of those are listening, it really would be helpful to future Committees were they to respond to the consultation from ESS. So it is great that they have engaged, but it would have been even better had they engaged and responded directly to us at the point that we directly consulted them. **(A Member:** Hear, hear.)

So some of the things mentioned by Deputy Inder and Deputy Vermeulen, when they have talked to this amendment, have been that the original proposals, the proposals as put forward by ESS, would cause an inflationary wage spiral. Well not necessarily.

I give way to Deputy Inder.

Deputy Inder: I just wondered, Deputy de Sausmarez, this amendment is purely about insertion, there is always a danger that we are actually discussing whether it should be inserted or

not, we are effectively heading towards general debate and, of course, if this does get through Deputy de Sausmarez will have an opportunity to say exactly the same thing later on.

245 **The Deputy Bailiff:** It is the nature of the amendment that is put before the States at the moment that the larger includes the smaller, I am afraid, it is the nature of the sort of amendment we are not asking you to knock them out. So I am afraid it is almost inevitable there is going to be some crossover.

Deputy de Sausmarez.

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Deputy de Sausmarez: Yes, thank you.

Absolutely, but really it is Members' choice whether they want to insert these proposals. I would say it is not entirely neutral because, of course, they do change the order of voting. So there is an implied advantage to the lower rates should this amendment be agreed, should the amendment be carried and these additional Propositions agreed.

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So I think it is actually relevant for Members to take that into consideration and what I would say is that if Members are not minded to increase the minimum wage by the lower levels suggested by the amendment, I would urge them not to support this amendment for that reason because it increases the likelihood that our minimum wage will, in fact, be lower than it would be under the Committee's proposals.

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So some of the issues mentioned by Deputy Inder and Deputy Vermeulen were the inflationary wage spiral and this is not necessarily the case and actually from memory, I think, our policy letter actually does touch on this very point. There are lots of things that employers can do to minimise knock on impacts. Deputy Vermeulen said something that actually is our Committee's understanding as well, which is that there are actually relatively few people who are being paid the minimum wage probably. Very frustratingly, we do not yet have that data but we will as and when we get the data back from the secondary pensions, because the systems will then be able to provide us with the hours that people work.

265

So I think, the danger that has been alluded to of minimum wage increases is that there will be knock on effects, even though there are relatively few people, we think, being paid the minimum wage, that could have a knock on effect through organisations. Now, of course, it is absolutely not the case that employers have to make a percentage increase across all the bands and, in fact, they do not have to maintain the current differentials between the bandings at all. They can, and many employers do do this, compress the differentials between the different wage bands. So that is one example of ways in which employers can minimise knock on impacts of a rise in the minimum wage.

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There was a suggestion from Deputy Vermeulen that, I think, he said came from the people who were feeding back to the Committee for Economic Development to say that minimum wage should be based solely on an evaluation of a cost of living. Well, my first question is, whose? Whose cost of living, because it is a very different cost of living –?

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I give way to Deputy Vermeulen.

The Deputy Bailiff: Deputy Vermeulen.

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Deputy Vermeulen: Yes so I think they prefer to see the comments that we had from more than one of the industries, not just retail, there is construction, would like to see it linked to RPI and I am afraid, much as Deputy de Sausmarez might like, that is their view and that is my job. I represent retail, I represent construction, I represent tourism, so there are concerns out there and, I think, the majority of those responses wanted it linked closer to RPI.

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The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Well, the Hospitality Association confirmed to us that they were supportive of ESS's proposals.

295 So if we break this down back to its basics what this amendment is doing is inserting Propositions that give the Assembly the opportunity to vote for a smaller rise in the minimum wage. Now, as Deputy Roffey has just outlined, Guernsey is not exactly at the head of the field in this respect at all, in fact, quite the opposite and were a lower rate than the one that even we have proposed to come into effect, for that to be agreed then, I think, we would be a significant outlier and not in a way that, I think, paints Guernsey in at all a good light.

300 There may be an argument to support that if we had a significantly lower cost of living than those comparable jurisdictions but, sadly, that is not the case either. So I really do not think there is much of an argument. I will flip it onto the positive, I really do think there is a much stronger argument to say that the Committee's proposals are the more appropriate and I think we should reject this amendment on that basis.

A Member: Hear, hear.

The Deputy Bailiff: Deputy Aldwell.

310 **Deputy Aldwell:** Thank you, madam.

I have got a very little to say, really. I just wanted to say that I will not support this amendment, my conscience will not allow me to do that. So I have been thinking about this a great deal and I wonder when we have much needed people coming to work here in the hospitality or retail would they come here and earn £60 less than Jersey next year? I do not think so. But I think the minimum wage of £12 is still low but, as I say, my conscience will not allow me to go any lower, so I just wanted to put my thoughts forward.

Thank you.

320 **The Deputy Bailiff:** Thank you, Deputy.
Deputy Gollop.

Deputy Gollop: Thank you, Madam Deputy Bailiff.

325 Picking up the point, I entirely agree that the nature of this amendment, perhaps regrettably, means you stray into general debate to a degree, which I will do. Deputy Aldwell has made a commanding point about her conscience, it makes me feel even more guilty, like little Pinocchio and Jiminy Cricket in his ear, because I am sitting on the fence a bit here, I must admit. I expressed opposition at P&R and also in an email chain to Deputy Inder and others, partly because of my commitments, like Deputy Aldwell, to raising the standard of living of the least well off and ensuring that we get people back into work, and also migrant workers who we need.

330 But my other reason for supporting it is long-term support for ESS and the goals that we set, indeed not just in this term, but when former Deputy Michelle Le Clerc led the Committee. I am also aware of the arguments Deputy Vermeulen and Deputy Inder have been putting across and also another factor I will come to in a minute. In a way, Deputy de Sausmarez hit the nail on the head that there is an implied hierarchy here and the amendment would be more pleasing in a way if it was the other way round, that we voted first of all on the £12 and then went down lower because I certainly would not support the £11.25 per hour and I have not worked out whether to abstain or oppose the £11.55 which P&R, certainly by a majority, support and I will go into that for other reasons.

340 But if the £11.55 win I would not be crushed by it and I will go into the reasons for that in a minute; £11.25 is not competitive, I think, with the way things are going generally. Deputy Roffey, of course, made a good case for the £12 but he could have actually, in a way, have made an even stronger case because since the policy letter has been written there appears to be a probability that the new Labour government in the UK will increase the minimum wage and they are looking,

345 perhaps, at an increase of between £11.61 and £12.18 and in late August it was announced that
with an additional subsidy to lower paying employers the new all singing, all dancing Jersey
government, with its reform Deputy Farnham coalition, are actually going for £13 rather than the, I
think, the £11.65 in this report.

350 So, the differential, as Deputy Aldwell has reminded us, is increasing and I think we do need to
ensure that we attract workers, we also need to ensure that they are paid relevantly according to
Guernsey's economic conditions and cost of living and that we do not become uncompetitive and
that is a balancing act because what, perhaps, has not come across was we on Policy & Resources
had to consider the wider, with a degree of advice, economic arguments as well and they are not
just the rising cost of living of secondary pensions, which is new this year, and cost of living
355 increases.

But I think P&R, more than any other Committee, are committed to reducing the eroding
impact of inflation and we certainly had concerns given to us that these rises would be
inflationary. But I think there is another point that I should mention here that when one is involved
in pay negotiations with staff across the piste, although I appreciate that very few States' workers
360 will be on a minimum wage, there is a point that maybe one or two on piecework would be, the
differentials are important, the overall envelope is important and if we, just like that without due
consideration, vote to increase the minimum wage it will have an impact in a much bigger way
and not just on the minimum and so we have to consider the wider economic framework and the
issues of our pay packet. We heard yesterday that we have not got infinite money, we had a
365 setback with the loss of revenue of £16 million from a key taxpayer and as much as possible we
have to restrain expenditure.

So I am going to vote for this amendment to be debated. I personally will not support the
£11.25, which seems to be Economic Development, I think Employment & Social Security have
already made a gesture there which I think the hospitality sector has approved of which is not to
370 raise, by quite the same amount, the offsets on accommodation and food.

The £11.25 is unrealistically low. I will vote for the £12 when it comes, if it comes, but I would
not be displeased if the middle one, the compromise one, and although I may abstain on that, I
do see the merit of the States considering carefully, because I think the P&R proposal, and this is
important here, is actually just postponing the rise.

375 It is not resetting it, as I think the Economic Development Proposition is. This is very much
more about being cautious and moving gingerly and carefully in what are uncertain times,
uncertain times politically, in the world, with America, with Germany, with the wider European
Union, with the new UK government maybe and ensuring that we do not get unforeseen
consequences on the Island, such as smaller businesses going out of business.

380 As Deputy Inder and Deputy Vermeulen will say, we should all try to be pro-business Deputies
as well as pro-employee and we do not know whether people on the margins are paying
minimum wages, including for young people, will suddenly say, I have had enough of this and
shut up shop and, actually, if you dial down into the ESS report although it is good news, mostly,
there is a subtle reference to unemployment having risen from 260ish to 315ish and that is like a
385 10% rise in a year, admittedly from a low base, and my worry is the most marginal businesses will
go under and, of course, people who are working for unacceptably low wages will receive a top up
from the State. That is not satisfactory long term but it is, nevertheless, something to consider. So
I will support the amendment to go in the package and reserve my right on the Propositions, if
that is achieved.

390 **The Deputy Bailiff:** Deputy Leadbeater, do you wish to be relevé?

Deputy Leadbeater: Yes, please, madam.

395 **The Deputy Bailiff:** Deputy Queripel.

Deputy Queripel: Pleasure, madam.

One of my favourite singer songwriters of all time is a guy called Ray Davies. He was the leader of the Kinks and massive in the 1960s and 1970s. He wrote pop classics like *You Really Got Me*, *Sunny Afternoon*, *Tired of Waiting*, *Dedicated Follower of Fashion*, *Waterloo Sunset*, *Autumn Almanac*, *Day, Stop Your Sobbing*, *David Watts*, which was a hit for The Jam, and *Dead End Street*; and in support of the proposals from ESS and in opposition to this amendment I just want to quote a few lines from *Dead End Street* and the lines I want to focus on are as follows:

On a cold and frosty morning
Wipe my eyes and stop me yawning
And my feet are nearly frozen
Boil the tea and put some toast on
... We are strictly second class
We don't understand
Why we should be on dead end street
(Dead end!) People are living on dead end street
(Dead end!) I'm gonna die on dead end street ...

(*Interjection and laughter*) And we have a lot of people living on *Dead End Street* in Guernsey right now. Despite the fact they work, often at two jobs, they simply cannot earn enough to get themselves out of dead end street. Now, some of my colleagues, madam, may feel I am overegging the pudding somewhat but with the utmost respect to my colleagues on Economic Development I feel they themselves have overegged the pudding somewhat and I will expand on that a little more in a moment.

But just over the 12-plus years I have been a Deputy, like many of my colleagues I have worked with dozens of our fellow Islanders who work all hours God sends and still cannot earn enough to attain any quality of life in this incredibly expensive Island in which we live. So they depend on Income Support for their very existence and although they are extremely grateful to their fellow Islanders for financing the Income Support system we have in place, they are extremely demoralised by the fact they have to rely on their fellow Islanders for their very existence. They would much prefer to be totally self-sufficient and receive the kind of wage their efforts week in, week out, thoroughly deserve.

So the reality is if we do not increase the minimum wage to the level ESS are proposing, then everyone else here in the Island will continue to subsidise businesses. That is detrimental to the Island in the long term and anyway an increase just to keep up with inflation, although welcomed by lower earners, does not do a great deal to lift their spirits. Whereas an increase above inflation will not only help them financially but will help to lift their spirits and seeing as the number one objective of this Assembly is to improve the quality of life of Islanders, then I ask my colleagues, madam, through the Chair, to take this opportunity to do just that by rejecting this amendment and supporting ESS.

The explanatory note of this amendment tells us that industry are concerned that an increase to the level that ESS are proposing would be difficult for employers, especially in the retail sector. Yet, as Deputy de Sausmarez has already said, the odd thing is when ESS provided retail with the opportunity to engage and comment on the proposed increase, they chose not to.

I give way to Deputy Inder, madam.

Deputy Inder: Thank you. I know I have taken advice before to probably wait to summing up but I think it is important because these things are said by one person, reconfirmed by another and they are just not true. I am going to read something and this was written to Deputy Roffey at peter.roffey@deputies.gov.gg, cc to myself, Deputy Vermeulen, Deputy Falla and all Members of Economic Development on 4th July from Mr Creasy, who is the Head of the Retail Group:

Thank you for your letter received yesterday re median plan consultation, median wage. I am afraid I have not had time to draft a polished letter hence I am forwarding a rather brief and raw email.

Now I do not know why Deputy Roffey either did not read it or did not send it to ESS but I do object to Members of ESS standing up and suggesting that professional bodies, who employ thousands of people on this Island, do not respond to consultations. (*Interjection*)

Well, I am afraid Deputy Roffey can play with words all day long but right there is the evidence that the Guernsey Retail Group wrote to ... and when we do finish I will talk about the Chamber of Commerce because they wrote to ESS as well. The fact that Deputy Queripel did not receive or has not had that passed on by the either officers or Deputy Roffey, I cannot answer that question but both Chamber of Commerce and the Guernsey Retail Group wrote to ESS.

Thank you.

The Deputy Bailiff: Deputy Queripel.

Deputy Queripel: I will give way to Deputy Roffey, madam.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: Thank you.

I would like to ask a few things in regard to this amendment. This really is quite simple, ESS went out to consultation to a number of groups, including the Guernsey Retail Group and they completely did not respond to that. One individual email somebody might have sent to me or to others is irrelevant. There is a formal consultation process and they chose not to engage in any way and that is absolutely the case.

Deputy Inder: Madam.

The Deputy Bailiff: Can I ask Deputy Queripel, will you give way to Deputy Inder.

Deputy Queripel: I am a good chap, madam. So, yes, I always give.

Deputy Inder: I was actually going to get up because, in my view, and it probably is not appropriate, but Deputy Roffey is entirely misleading the Assembly because the evidence is sitting here.

The Deputy Bailiff: Deputy Queripel, if you would like to carry on.

Deputy Queripel: Let us see how far I get before someone else interrupts. (*Laughter*)

The Deputy Bailiff: It is always up to you, Deputy Queripel, whether you give way to somebody.

Deputy Queripel: I know I am relatively new to the Committee, madam, but as far as I am aware retail did not respond (**A Member:** Exactly.) to our consultation (**A Member:** They did not.) and Deputy Inder can stand up and (**Deputy Vermeulen:** Point of correction.) wave as many pieces of paper –

Sorry point of correction I believe, madam.

The Deputy Bailiff: Point of correction, Deputy Vermeulen.

Deputy Vermeulen: They have indeed responded.

A Member: They have not.

The Deputy Bailiff: As I understand it a consultation happened and then a separate email from an individual was sent and ... *[Inaudible]* that is not formal consultation. So that is where the difference is. So, Deputy Queripel, can you carry on please.

495 **Deputy Queripel:** I would love to, madam.

I think we have cleared that one up. There was no formal response, so Deputy Inder can wave as many pieces of paper as he likes and get as irate as he likes, which is always very entertaining, but the fact is there was no formal response. So there is no point in anyone else getting up and saying yes, they did respond. There was no formal response, so let us hope we will put that one to bed. So they did not respond when they were given the opportunity to do so.

500 Now I understand why Deputy Inder and Deputy Vermeulen and their colleagues on Economic Development, apart from Deputy Falla, feel like they need to pursue this because they have a duty to represent and support local businesses. There is a potential, though, for this amendment, if it succeeds, to be counterproductive and backfire because, I think, Economic Development are adopting far too narrow a view, bearing in mind their remit is to support the wider economy and all of its component parts.

505 I feel they should have adopted a much more holistic approach, and why do I say that, well it would do no good to local businesses whatsoever if Guernsey lagged behind other jurisdictions in regard to minimum wage rates and we hear a great deal now from the business sector about how hard it is to recruit and retain staff so surely we need to consider how much more difficult it would be to recruit and retain staff if this amendment succeeds.

510 What employers, in my view, need to realise is they cannot have it both ways and regardless of the tendency to blame other factors, such as population management for the housing crisis, connectivity, etc. offering the most attractive package they can will surely only help their cause and it is them, they really need to do, in my view, to look at what they can do better, as well as looking to the States for assistance.

515 Now obviously increasing the minimum wage to the levels proposed by ESS may result in the sort of market adjustments none of us want to see. A business ceasing to trade with jobs lost, for example, but if a business's margins are so tight that they cannot factor in increases of this magnitude then their long-term viability must be in question, surely.

520 However, on the up side, when it comes to labour demand greatly exceeds supply because there are hundreds of vacancies throughout the Island right now. A prime example, surely, of market forces at work. And the benefits for Guernsey, socially and economically could be at least threefold if this amendment is rejected and ESS's proposals are supported.

525 Number one being States' revenues are increased; number two there will be less demand on Income Support which, in some cases, can appear to be more of a business subsidy than a helping hand for low earners; number three it may just take a little pressure off of the demand for low cost housing.

530 As I said, I have the greatest respect for my colleagues in Economic Development and I know they work really hard. They are concerned, as we all are, about costs increasing for businesses but with that in mind, I think they would be better off focusing their attention on other issues like, for example, the high rental costs of commercial premises and the TRP rates for commercial premises. They have gone up 100% since the introduction of Zero-10. They are highly inflationary and relentless, especially for smaller businesses. So, in closing, madam, I would encourage Economic Development to bring proposals to the States that address those issues.

535 Thank you, madam.

The Deputy Bailiff: Deputy Burford.

540 **Deputy Burford:** Thank you, madam.

My first point is just an observation and that is that low wages disproportionately affect women as most of the jobs that we are talking about, caring, cleaning, shop work, hospitality, are

actually held by women. So I will just put that out there as a consideration that people might want to look at.

545 The other consideration is that low wages risk pushing people into benefit top ups, which means that other taxpayers are subsidising businesses that pay low wages. We might feel, as an Assembly, that certain businesses are sufficiently important to the economy of this Island that we want to support them if they are not viable to support themselves and still pay a reasonable wage. But that has to be a separate decision we cannot do it on the basis, I do not believe, of simply
550 endorsing unreasonably low wages.

I have sat through quite a few of these debates. Every single one of these debates that I have sat through follows the same template and I would best describe it as jam tomorrow. One Member after another stands up to say how they, of course, support increasing pay for the lowest paid people in our society, before going on to say, but not today, conditions are not right today,
555 we will do it next time. Well, people need to clothe themselves, feed themselves, house themselves today, not next time as next time actually never comes. So I will be voting against this amendment and supporting the proposals from the Committee.

Thank you.

560 **The Deputy Bailiff:** Deputy Mahoney.

Deputy Mahoney: Thank you, madam.

This is another one, isn't it, where I am not actually sure what problem we are trying to fix here because ESS say they cannot actually give us the numbers, and I understand why, and that
565 perhaps secondary pensions might assist in that although, of course, not everyone is immediately enrolled in that, it is just large businesses to start with and then it is rolled out over two years or something like that, sorry I cannot remember the exact details.

So presumably it would be a couple of years before we actually have proper data on that. So, even next year when we start here or sorry when whoever is sat here, they will still have the issue
570 of not knowing how many people are on minimum wage, so there is that struggle to contend with.

The other one is whether there was official feedback or not, no one really caress. There is clearly a letter of some description which Deputy Inder has. But I do agree with some of the other comments that it would be really useful if when business groups, as naturally they would, they
575 come out in screams and wails that this will kill us, etc., I understand that, I would do the same if I was them, but it would be really useful for Members of this Assembly if when people are doing that in the future, they could actually put some meat on those bones and say because in our industry, retail, hospitality, whatever it is, we have 4,000 members, 1,000 members are currently on minimum wage and this would be the effect on businesses net across the Island.

580 Merely just to say, 'Ouch, we cannot afford it,' can appear as a bit of a knee jerk response, which is entirely understandable, and I understand that. However, Deputy Vermeulen says that 62%, I think was the number he said, of businesses on the Island are small, classified as small – I am not entirely sure what that means whether there is a definitive definition of that and I would certainly take his word for that – but as we all know 50.2% of stats are made up on the spot, so I
585 have not got a clue.

So we really do not know what sort of problem we are looking at. If you do just look at the numbers though and, again, Deputy Roffey correct me if I have got this wrong, I think the minimum wage would then be at the 40 hours, which I think it was, would be £24,960 a year if it goes up to the £12.60, which would take it to 60% of the median wage of £41,600.

590 So that is the 12.7% increase over the current rate of £10.65 which, again, on the flip side – so I have spoken about why we should not do it, but on the flip side – of why we should support the amendment is that 12.7% is quite a lot of money when inflation was at 6% or 7% – whatever it was, sorry I do not know the exact number – and the two choices of amendment there at £11.25

or £11.55 represent 5.6% or 8.45% increases. So I am minded actually to say well 8.45% is not a bad increase actually, it is certainly above inflation.

That in itself is another £800 or £900 per employee that that would cost every employer on Island, which is not an insignificant sum of money when we are talking about the type of people that might be earning minimum wage. But, again, overarching all of it we actually do not know how many people are earning minimum wage. This could be six people we are talking about, it could be 600 people, we simply do not know.

So I would urge any trade groups going forward if they think they are being hard done by, which they may well be, then at least put some meat on the bones so that for people here ... If they had said there are 3,000 people affected by this, I do not think we would be having this debate, I think we would be saying well that is a lot of people, we need to do something about it; if it is six people then I am not so sure.

But just bear in mind that a £900 increase, even on part two of Deputy Inder's amendment, is still £900-odd quid and that is not an insubstantial amount for a shopkeeper, a small business or whatever description, white van man, etc. if they happen to be paying minimum wage to then stump up on top. An 8.45% is not too bad, it is certainly an above inflation increase. So I think I am minded, unless I hear another better argument, that I will probably support the second part of the amendment, up to £11.55, which still represents a higher than inflation increase.

Thank you.

The Deputy Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, madam.

I am not going to support the amendment. I am going to support ESS. To be honest, I would like to have seen it a bit higher but clearly ESS have done their homework and they have set the rates at what they think are proportionate and fair, and I agree. We are always told we need to support business, we need to support retail, we need to support hospitality but what about the people that work within retail and the people that work within hospitality? The people that keep the wheels moving, (**A Member:** Hear, hear.) the people that without those people, the businesses would not survive at all.

We have Chamber, we have the Guernsey Retail Group; who is representing them, who is representing the people that are earning minimum wage? Us, that is our job, ESS's job and that is our job and that is what we are here to do today. My local pub has just put his beer up, it is my local pub, Deputy Cameron will know, I drink Peroni £4.80 for a bottle of Peroni in a local pub, absolutely preposterous; £4.80, we have not even had the budget yet! It is ridiculous. (*Laughter*)

But the people that work in hospitality can only work in hospitality, they cannot afford to enjoy that hospitality at these prices. Who here could survive on £12 an hour? None of us, could we? I could not, not a chance. I would be on Income Support straight away. We are forcing people already onto Income Support by paying these low wages and I understand that a lot of industries cannot pay –

I will give way to Deputy Vermeulen.

The Deputy Bailiff: Deputy Vermeulen.

Deputy Vermeulen: I appreciate Deputy Leadbeater giving way to me.

So if we look at hospitality you will remember that the majority of businesses have their own staff accommodation so they provide accommodation for them to live in, they provide staff meals and there are many other employers as well on the Island giving other benefits, tips in hospitality. I am sure when you order your pint of Peroni or whatever it is, you give a generous tip to the barman to help him along the way so he can have a drink himself. So there are other benefits there as well.

Thank you, sir.

The Deputy Bailiff: Deputy Leadbeater.

Deputy Leadbeater: I will give way to Deputy de Sausmarez.

650 **Deputy de Sausmarez:** I would like to thank Deputy Leadbeater for giving way. Just to point out that actually, of course, one of the things in reference to what Deputy Vermeulen just said, such employers that do provide accommodation or accommodation and food can then pay their employees less as a result. That is the discount rate.

655 **Deputy Leadbeater:** I thank Deputy Vermeulen and I thank Deputy de Sausmarez for highlighting that very important point.

I need to declare an interest because I am a director of a company that operates retail stores in Guernsey and in Jersey and we do not pay, we already pay above the minimum wage that has been proposed by ESS, but anyway, that is by the by.

660 So, yes, I think I said this last time we had a discussion on raising minimum wage and we had this similar sort of debate. I really do not think that we go far enough with this because, I think, it has probably been pointed out by several Members but Deputy Queripel I heard point out that the taxpayer is going to be subsidising business because of Income Support topping people up to the levels that they need. So anyway, they are the points I need to make. I am not going to be supporting this amendment and I encourage other Members to do so as well.

The Deputy Bailiff: Deputy Kazantseva-Miller.

670 **Deputy Kazantseva-Miller:** Thank you, madam.

I agree with Deputy Burford that it is basically the same debate every year and, to me, it has been the same debate every year because from an Economic Development's perspective we have said exactly the same thing every single year from the beginning of this political term. We are operating in a complete data vacuum and the data vacuum is that we absolutely have no clue whether we have got a problem, how big a problem it is and actually what effect it has on the whole wage banding for employers.

675 So not only do we not know how many people may be on the minimum wage but, critically, we also do not know how many of those people will then be affected by the benefit system and require further Income Support. So there has been a lot of scare mongering (**A Member:** Hear, hear.) here to say that if we do not accept the current proposals, which are above inflation, we will continue to subsidise businesses and rely on more Income Support.

680 It may be the case, but it may not be the case, there is absolutely zero evidence – and I am saying this, zero evidence – from the Committee of Employment & Social Security to indicate that this is the case and this is the problem of us, as Government, trying to make decisions. We are just trying to make them on a good feel factor and, in fact, that is what Deputy Roffey said.

685 There is little empirical evidence and it is sometimes just about does it feel right and that is what it has been consistently; does it feel right? Well, does 12% of our inflation feel right? I am not sure. We are here to represent our whole community and our whole economy. We are not here to just represent the employers or employees, we are here to represent and hear all the views.

690 We have had clear representation from the Retail Group and I have seen this email, it has been sent to Deputy Roffey, Members of Economic Development, also Members of P&R. Whether it has missed the official consultation process, so computer says no, I think that is beyond the point. Clearly those views have been presented and I absolutely have seen them and Deputy Roffey has been in copy.

695 I think the key part of this, to me, which I think came most strongly through the meeting we had with the Guernsey Construction Forum on a separate subject, but Deputy Vermeulen was

present there and he actually asked the Guernsey Construction Forum about the minimum wage proposals and the Forum said that it is not just about the people who may be on the minimum wage, it affects other wage bands because the wage bands are structured with the benchmark of the minimum wage and then they go up.

So an increase in minimum wages absolutely has an effect on other wage bands, especially at the lower scale. So, when we increase the minimum wage it absolutely has an effect on the rest of the wage spiral, whether it becomes a spiral and what the exact effects of it are I do not have the proof, but this is what businesses, employers are telling us.

The construction sector said exactly that, it is about how the minimum wage increases wash through the rest of the wages. It is exactly what the retail sector said, the same, but the problem is, again, we have absolutely zero evidence and information from the Committee for Employment & Social Security what actual secondary effects the minimum wage has.

So, again, we continue operating in a complete data vacuum. We follow a policy of the 60% median wage. This Assembly, we have not explored whether actually that makes sense, what the rationale for setting up that percentage was, whether in the current climate and the cost of living and everything we have gone through, that still stands. I do not know, I actually do not know because, again, we have zero evidence to indicate whether this 60% goal is the right way forward.

But what we do absolutely know is that we have gone through a very significant inflationary period. We are hopefully just coming out of it and it does, absolutely, feel disproportionate given that we have got complete lack of evidence to show that there is a problem to support such an above inflationary increase.

So I do not think the amendment is unreasonable. I think it gives Members an option to pick from, P&R has certainly indicated support for one of the options in that amendment and I think we have to be absolutely mindful of how difficult it is to operate in this economy for small businesses and, again, because we have got no evidence to show that we have a problem, again, we are just operating with a finger in the air, on a good feel factor.

So it is very challenging but, I think, we should be supporting the amendment to give Deputies the option to vote for the different options and if Members still strongly feel that ESS proposals are the right way forward, they can vote for them. Alternatively, they have other options to vote for which, I think, are certainly worthy of your consideration.

Thank you.

The Deputy Bailiff: Deputy Le Tissier.

Deputy Le Tissier: Thank you, madam.

I wish I had tried to speak earlier. A lot of the speakers have said things that I agree with, but as anyone that knows me would know, I take a *laissez faire* attitude. Less Government, less spending and let the market decide. However, there are issues where the Government has to intervene in the market, both for social reasons and its own self-interest.

At the risk of sounding like a broken record, I am going to repeat my views from last year and they have not changed. As others have said, a low minimum wage is in effect a subsidy for low paying employers. Well, the States might have to provide Income Support to top up that person's income.

Now we have no money, as many people say and even less now since Deputy Trott mentioned that we are £16 million down. So, to me it makes no sense to, potentially, increase the States of Guernsey's spend at this difficult financial time. But there is one aspect that no one has mentioned and I will move on to that now.

Option 1 in this amendment, £11.25 an hour and it proposes cutting the increase to 5.5% in place of the proposed 12.7%. So why? Well, it is public perception, we Deputies received a pay rise of 7.5%. I am not going to get into a debate with the rights and wrongs, it is not relevant, but that is the fact.

750 So, to me, it does not look good trying to reduce the minimum wage increase to 5.5% while we give ourselves 7.5%. (**A Member:** Hear, hear.) Now we are supposed to be all in it together, to coin that COVID phrase, the States, the public and employers, and this reduction, the Option 1, does not seem to be in that spirit. So, I have to say, I cannot support my colleagues in voting for option one; that is £11.25 an hour.

755 Option 2 covers this point but that does leave my first point unanswered; that is the potential subsidy. Some employers have complained and that is their right and I would not expect anything else, but it is our job to balance the options and not be persuaded by any one particular interest. Some say they cannot afford to pay this increase, but it is okay for the States to subsidise them. Money comes from somewhere.

760 So, to wrap up, I am not going to speak for very long, while I support the full increase, I would not be too concerned if Option 2 passes. So, in that respect, I agree with many of my colleagues and, in particular, when Deputy Gollop spoke. So that is all I need to say.

Thank you very much.

The Deputy Bailiff: Deputy Meerveld.

765 **Deputy Meerveld:** Thank you, madam.

I will speak now, rather than in general debate, as my comments may stray beyond, purely, the amendment. I will support the amendment being put into the policy letter and the proposals, but I am minded not to support the options. That might come as a surprise to Members as I am, I think, 770 recognised as a fiscal conservative and somebody who wants smaller Government and lower expenditure and less intervention in the markets.

But I am picking up points here from Deputy Leadbeater, Deputy Le Tissier, Deputy Sasha Kazantseva-Miller. I think it is safe to assume, whilst I bemoan the fact that we do not have the data to prove it, I think it is safe to assume that those on minimum wage are a significant 775 percentage, if not a majority, are also on Income Support, because, I think, we can all agree that £12 an hour is not a living wage with our cost of living in Guernsey without some kind of social support.

That means, as other Members have pointed out, the Government is effectively subsidising businesses that pay the minimum wage and we do not know whether that is six people or 600 or 780 6,000 people in Guernsey on minimum wage, because we do not have the statistics. But Government is subsidising them through the Social Security and benefits schemes to be able to live.

I am a person who would like to incentivise more people to go out to work (**A Member:** Hear, hear.) and to not live on benefits. To be able to do that we need that higher wage strike point. 785 (**A Member:** Hear, hear.) I also am concerned about Government subsidising businesses across the board who are paying minimum wage and enabling them to, potentially, make profit from that.

790 So, as I say, I will support the amendment because I would like the general debate to cover those issues. The only reason that I would say, okay fine £12 seems like a reasonable amount for minimum wage, especially when you start looking at the other jurisdictions around us who are going to be around that level or either are or will be around that level or higher. The only reservations I have is the points that are raised by other Members as well about this being introduced at the same time as, basically, secondary pensions, which is a cost that –

795 **Deputy Roffey:** That could have been six months earlier! (*Laughter*)

A Member: Good point.

Deputy Meerveld: I take on board Deputy Roffey's point but the introduction of secondary pensions, which has been delayed because of fiscal impacts and the fact that it is significantly above the rate of inflation.

I will listen to the rest of the debate but as I say even as a fiscal conservative and somebody who is very conscious of the needs of business and wants less Government intervention in the commercial world, I think, as Deputy Leadbeater pointed out, we have to represent all areas of our community and I am concerned that Government is inadvertently creating subsidising and biasing a free market away from the wages that should be paid if people were paid enough to live independent of Social Services.

Thank you, madam.

The Deputy Bailiff: Thank you.
Deputy Dyke.

Deputy Dyke: Thank you, madam.

I will just speak to the amendments rather than the substance. This debate at the moment is clearly about inserting the options. As I see it, our job as Deputies is not to represent any particular section of society, but to try to balance things out as between the low paid on the one hand, businesses on the other, States' revenues on the other. So we have to do all of that.

So to my mind, it is it is right and proper that we should have the debate between the options and try to come to an appropriate conclusion. This is always a very sensitive area that you have got people like us in probably easier circumstances than most of the people we are talking about, which makes the debate difficult.

Questions of comparisons with Deputies pay increases and that sort of sensitive option and, as Deputy Kazantseva-Miller has so sensibly pointed out, we are actually working without detailed knowledge of what exactly the position is. We are grappling around in a fog, probably a bit like Aurigny. *(Laughter)* But having said all that, I think, we should have the full debate between the options, so I would recommend that we do put in those options and then debate them.

Thank you.

The Deputy Bailiff: Deputy Gabriel.

Deputy Gabriel: Thank you, madam.

I find myself in an unusual position in that I am agreeing with Deputy Meerveld. *(Laughter)* Much of what he said struck home with me and when Deputy Burford mentioned the subsidies that we are potentially offering through Income Support for people who are on minimum wage that struck home with me; and also the demographic involved, the females or those on certainly lower living conditions, perhaps, than we all enjoy.

I really must state the people put us here, we are people's Deputies so we must be doing what is right for the people and I, like Deputy Aldwell, have a conscience. I am sure other people do too, as well *(Laughter)* but I am really listening to my conscience today. I do like data and I do like the detail and I am disappointed that we still do not have that and we do not really know what we are voting for or how many people these will affect.

So I do welcome the data capture from the YIP program in the next two or three years. But equally, I like democracy too, so I probably will support the amendment and then see what happens in the general debate. I am glad that the cascade option is in there but I am likely to support the ESS provisions so that we are not subsidising through Income Support and we are, in my view, doing what is right for the people of Guernsey.

Thank you.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, madam.

I need to declare a business retail interest in this matter and really in terms, of course, increasing the minimum wage each year I fully support an increase in the minimum wage and it is a matter of uplifting this probably as quickly as we can. It is all about how quickly we can actually lift the minimum wage and I note, for example, in the last two years, if the £12 goes through, it will be a 25.65% increase. You can say a 26% increase in two years, that is quite a jump and, I think, one has to consider that in the round in terms of other pressures on the retail trade and the hospitality trade at the current time.

Thank you, madam.

The Deputy Bailiff: Deputy Matthews.

Deputy Matthews: Thank you, madam.

I will not support the amendment because I agree with the general principle that ESS have presented, that we should be trying to support those who do some of the most difficult and hard work often over long hours and in some of the most difficult jobs. That people should be paid a decent rate of pay for what they are doing and I think, of course, there are always going to be difficulties in terms of whether businesses can afford to do it but we should be trying to lift up those who are at the bottom end of the pay scale.

A lot of people have said, and Deputy Inder opened up by saying, that we do not know how many people are on the minimum wage and a lot of other Members have made reference to that, that we have this lack of data about that, but in a way it does not really matter because the point is, and a few people have mentioned about the differentials, is that what we should be trying to do is lift up those people who are at the bottom.

So the number of people who are paid the exact amount of the minimum wage is not really the question because if there are people who are paid £1 above minimum wage when you raise the minimum wage you raise the whole bottom end, the whole wage structure there and that is actually something that we should be setting as an ambition that we should be trying to do, we should be trying to share the benefits of our economy with those who have been struggling the most.

So when Deputy Vermeulen said it becomes a negotiating chip for increases across the board, I think good that is a good thing. We should be trying to lift up those people who are not as fortunate as ourselves, up to where we would like to get to. The type of wages we are talking about here are half a Deputy's wage and none of us here could really survive on the type of pay that we are talking about at minimum wage and most Deputies have much more income besides their Deputies pay as other interests. Trying to survive on the amount of a minimum wage would be incredibly difficult for most people to achieve.

But one of the other things that has been mentioned is about how it should be in line with RPI and the RPI Deputy Inder talked about since 2019 has been much less than that, 25%, I think, is a cumulative RPI since 2019. But people who are at the bottom are really struggling and we know that prices have gone up a lot and we want people to be able to succeed and to be able to achieve.

One of the things that has gone up an awful lot in that time is rent. Now, I know that most people who will be on minimum wage will probably be renting, or contributing to rent, and trying to survive and trying to better themselves. In that time, since 2019, I am reading it from a from a graph so I do not have the actual exact numbers here, but the Local Market mix adjusted average rental price, if you look at a chart, it just looks from 2019 onwards, because that was what Deputy Inder referred to, it looks like a mountain. It has gone up, it has skyrocketed. The rental prices have gone up from approximately, I am reading from about £1,300, I think, was the average rental price around 2019, up to over £1,971 the average rental price, so a 46% increase.

For the people who are at this bottom end and are really struggling my fear is that we are in danger of becoming a real two tier society in Guernsey, where people at the bottom are not able

to enjoy the success that people further up the chain are and are not able to share in the benefits and are not able to get on and achieve what they want to achieve. So for that reason, I am going to reject the amendment and support the increase to £12 an hour.

Thank you.

The Deputy Bailiff: Deputy Le Tocq.

Deputy Le Tocq: Thank you, madam.

Probably for all the similar, or same reasons, that Deputy Matthews will not support the amendment I will support the amendment. I have to say, madam, that, again because of all the reasons that Deputy Kazantseva-Miller mentioned, I find these debates rather academic and I do wonder, hearing some Members speak, whether they have ever been involved in running a small business (**Several Members:** Hear, hear.) or businesses in Guernsey.

A Member: I have, yes, I have.

Deputy Le Tocq: Now, I do at the same time care about the lower paid and those who are on minimum wage in Guernsey but another reason that I find it academic is that I do find the whole mechanism of our Government debating these things and thinking we are doing some good is cumbersome, oversimplistic and does not, probably, achieve what we think it achieves and, as has already been mentioned by several, because we have not got effective data it is very difficult to tell whether we are doing that.

So we can pat ourselves on the back but in the end I am not sure that any of these proposals that the amendment suggests are going to actually achieve what we think it should. I have had members of my family on minimum wage but really we should be seeking to find ways in which we can increase our economy and that is a delicate balance to supporting diversification in the economy and employment.

At the moment some Members, even my colleague Deputy Gollop on P&R, and I know he is going to support the amendment, said it is all about competition and I do not believe we are in the business of setting standards for competition with Jersey or anywhere else by doing this. I think that needs to be outside of it and, to be honest, the amendment is, I think, a sensible way forward because it gives everybody in this Assembly various options and that is all, really, that we should be focusing on at the moment, setting some options in place for what seems reasonable and, as Deputy Roffey said, it is just what feels reasonable to each one of us here.

We have not really got any strong arguments that we can make because we have not got the data to support those things and in any case it will make a huge difference depending on the individual because in every case people work different numbers of hours, they have got different personal circumstances and we are living in a very small community anyway.

So, we should not make it into some huge scientific, academic exercise because even if we had the data, I think, we would find it very difficult to find trends, (**A Member:** Hear, hear.) to make any logical conclusion on this. So can we just vote on the amendment, I hope it passes so then each one of us can vote according to our conscience.

The Deputy Bailiff: Deputy Falla.

Deputy Falla: Thank you, madam.

Deputy Queripel has just stepped out of the debating Chamber but I was going to indulge him by quoting 1970s British rock band Stealers Wheel because I am *Stuck in the Middle* ... on this matter. I was recused from the Economic Development deliberations and that was really in order to be consistent because, based on officer advice during my early time on the Committee and given my membership of ESS, I was advised to do that.

I have just been consistent on that, perhaps with some regret. But I have ended up in the middle of what the tabloids call a tug of love between Deputy Roffey and Deputy Inder (*Laughter*) and as such I think I am going to have to abstain from voting on the amendment and also on the main Propositions.

Thank you.

The Deputy Bailiff: Thank you.
Deputy Blin.

Deputy Blin: Thank you, madam.

This is sort of a *déjà vu*, but I still remain the same. I am always not keen when Government gets involved with market forces and the same comment as was mentioned regarding Deputy Gollop when he mentioned about we need to be more competitive; we do not need to, we are the Assembly, we are not running a business. If we were employing people it would be a very different conversation.

The feeling I get here is that we can all have these academic thoughts on the impact on the wage rates and everything else and, as Deputy Kazantseva-Miller pointed out, we are in this information vacuum as well ... So, basically, I go back to the first time this was discussed, is if there is an increase, so rather than being controlling market forces, if there is an increase in minimum wage, and remember this is part of a bigger picture of the living wage, my question previously and now again would be what income, what is the correlation between the amount of money paid out on Income Support as the minimum wage goes up?

The other aspect, I saw there was a lot of disagreement, in effect, between the definition of consultation where bodies were consulted to go there and as Deputy Inder had direct communications with bodies with information and that is how the consultation works. One of the issues with consultation is you do not get the full picture. So, for example, it has been mooted several times during debate already regarding hospitality, for example, which we know is one of the largest ones there, although we also know they tend to do more hours than other sectors.

But in speaking in the same way that Deputy Inder had communications with other bodies, I had communication with GHA in particular; and GHA did say back, as Deputy de Sausmarez had confirmed, that they were in agreement with the increase there. However, there were other provisos included, or conditions they were asking for to be included in there, and they were, for example increasing the threshold or considering the under 18 minimum wage. By the way Deputy Roffey, specifically on that point said, well, remember there are a lot of people who finish school at 16 and go into work – (**Deputy Roffey:** I said some.) Okay, I stand corrected, 'some' but there is a number there.

But the other reality is, there are also a lot of us and I am including here ourselves who have children who want to get into jobs and those jobs will lead to opportunities for work experience. But very often when it is such a high rate they cannot even have them sitting in as pseudo interns getting experience because they have to start off at £10 or something an hour.

So by interfering in market forces, we are stopping the ability for people to have the opportunity onto the working ladder and I am aware that this was one of the points raised by the Guernsey Hospitality Association during their consultation with ESS on this. So it would be nice that these aspects are included as well because if not, we are back to the beginning. I still do not know if there is a correlation between income support benefits reducing, or Income Support rather, reducing as minimum wage goes up.

So, in effect, this whole argument and some could say it is academic or ideological, but it is not just about the economics it is about what type of society we want to be, we want to live in and we have to determine prioritising fairness and living standards against our economic stability and job creation. So, I too, will be supporting this requête so that we. (**The Deputy Bailiff:** Amendment.) Sorry amendment! Apologies. Ideas just got bigger. Yes, I too will be supporting this on the basis I

1005 would like to have the full debate to have the chance to discuss this, so that we can actually share this opinion and decide finally on it.

Thank you.

1010 **The Deputy Bailiff:** Thank you.
Deputy Prow.

Deputy Prow: Thank you, madam.

1015 I am minded to vote for the amendment in the sense that the other Members have already said around giving the choice. My preference is actually the proposals coming from the Committee. But what I would like perhaps, madam, is your guidance as to how the voting will evolve because, as I understand it, it is quite complicated getting to the point for those Members who wish to vote for the ESS proposals.

1020 **The Deputy Bailiff:** Yes, it is.

Deputy Prow: I am glad you agree with me.

1025 **The Deputy Bailiff:** Well, I was not the one who drafted the amendment, but I do understand His Majesty's Comptroller assisted in this process, so I am going to turn to His Majesty's Procureur, who I know was not directly involved in it but it is something we have discussed, just to make it clear how it will work.

Deputy Prow: Thank you, madam.

1030 **The Procureur:** Well, madam, this is one of the cascade type amendments which the Assembly has seen before it and simply, therefore, it proposes renumbering Proposition 4 as a new Proposition 4. Either the States will agree the new rates set out at £11.25 and £10.15; or if that is not approved they will be voting to agree the increased rates, at £11.55 and £10.40; and if either of those are approved, there will have to be a consequent amendment to the legislation, because
1035 the fact that the policy letter was submitted with the legislation means that even if different rates are approved there will still need to be amendments to those Regulations. So you cannot approve the current Regulation that is here if you are going to also approve the Propositions to change those rates.

1040 **The Deputy Bailiff:** So, in essence, you agree 1 or 2 and then you direct 3, what is the current 3, or you agree 4, which is effectively ratifying what the Regulations are currently. Is that right?

The Procureur: Yes, that is my understanding, madam.

1045 **The Deputy Bailiff:** Should I say that again? (*Interjections and laughter*) So, if the amendment goes through your option will be to vote for 1 or you vote for number 2 and if 1 or 2 pass then it will go to 3, because that applies either if 1 or 2 are passed because basically you have to direct Employment & Social Security to revoke what they have done already. But if you reject 1 or 2 you then vote for what is now number 4, which is the original Proposition put forward by Employment
1050 & Social Security. It is a little bit complicated, but we will go through it very slowly when we do the ultimate voting, if the amendment goes through.

Deputy Dudley-Owen.

1055 **Deputy Dudley-Owen:** Yes, I will not speak for long. I think the debate has been pretty wide ranging and covered both sides of the argument very well. I sit with those who are going to be supporting the Committee for Employment & Social Security and given what you have just said

and your explanation of how the cascade will work in practice, I am now minded to vote against the amendment

1060 Taking into account what people have said about democracy and giving people the choice it is because I just feel that having the ESS proposals as the last on the list it will inevitably give it the least chance of success and it will be effectively splitting the vote. So, for strategic purposes, I am afraid, because I do want the ESS proposals to win out, I will be voting against the amendment.

1065 But I fully support the Economic Development Committee in having brought this forward, doing their job, pushing forward the voice of business. I have been a small business owner, I do understand the pressures; I often did not pay myself in favour of paying people who worked for me. I am very sure the cost of running a business is not cheap and a lot of people think that it is but actually there are some business owners there who do want the profit at the expense of the people that work for them.

1070 So, in the same way that this is complex around each individual's working patterns, that Deputy Le Tocq very eloquently articulated, it is complex in terms of the businesses themselves as well because no one business looks the same as another. So we are in uncharted territory here in terms of not having the data to really look at the trends and I am looking forward to that coming through, but for this particular vote I will be voting with the ESS Committee and I will be voting against this amendment.

1075 Thank you.

The Deputy Bailiff: Thank you.

Deputy Roffey, to reply on behalf of the Committee.

1080 **Deputy Roffey:** Thank you, madam.

I want to refer to a few of the individual points that were made during –

The Deputy Bailiff: I am sorry, Deputy Roffey, I am going to ask you to swap places with –

1085 **Deputy Roffey:** With the Governor, I am honoured, thank you very much. *(Laughter)*

The Governor: It is just a positional change.

1090 **Deputy Roffey:** Yes, I want to refer to a few of the individual points that were made by Members during the debate on the amendment, but before that, I think, there were a few general ones to refer to.

1095 Several people said, why would we object if it is just putting the options in for people to discuss? But, I think, Deputy Dudley-Owen put her finger on it. This is, as the Procureur described it, a cascade amendment, but the cascade is the wrong way round. Normally when we discuss anything in the Assembly the more far reaching things are decided on first and if they are not able to be approved then we go down to the more moderated, nuanced options.

1100 Let us see a situation, I know I do not think I will get into it ... okay, here we are going to be faced with, say the RPIX 1, the option 1, if this is inserted, is rejected, which I hope it would be because that would actually be reducing the percentage of median earnings that the minimum wage would represent, then people would face option 2. They do not really want option 2, they want to support the ESS proposals but they know that there are people in this Assembly that do not support the ESS proposals and if they do not then vote for option 2 they may get absolutely nothing because option 3, they are not sure about.

1105 So we may well end up with a result that nobody really wanted but because of defensive mechanisms they have to go for it. So had Economic Development brought a cascade in the opposite order, saying £12 and if not £12, then what is now option 2 and if not that option 1, I would have had no problem in asserting it because I am a democrat and I want a debate. But this

is just skewing the whole process in the opposite direction and for that reason anybody that intends to vote for the Propositions from ESS –

1110 Oh, go on then, I will give way to Deputy Meerveld.

The Deputy Bailiff: Deputy Meerveld.

Deputy Meerveld: I thank Deputy Roffey for giving way.

1115 I said I was going to support the amendment but based on his comments and the ones from yourself and the Procureur and the understanding of how that might impact on the legislation, I have now changed my vote. I will now change my vote and vote against the amendment.

Thank you, madam.

1120 **The Deputy Bailiff:** Deputy Roffey.

Deputy Roffey: Even a clock is right twice a day, isn't it? So I am delighted to have Deputy Meerveld on board. On the general points, people have said, 'Oh, well this is well above inflation.' Yes, this Assembly decided that our minimum wage was much too low, we needed to move it up to 60% of median earnings.

1125 You cannot get from there to here without having above inflation increases, it is just the reality. If somebody wants to propose scrapping that aspiration and that target then they should have the guts to actually do that and say we no longer want our minimum wage to be circa 60% of median earnings based on a 40-hour working week.

1130 This bit about feedback from retailers, let me just try and nail this one. We went out to consultation to a number of different organisations, they had a month to reply, they knew they had to reply. From the Retail Association we heard nothing. Not only after that period, but so long after that period that it was after we had actually submitted the policy letter to Propositions, Mr Creasy sent me, to my personal email address, an email, which was not actually a representation it was a copy of a letter he had sent out to his members.

1135 Clearly that is not a response that could possibly be taken into account, it was relating to a policy letter that had already been submitted and I do urge organisations with a legitimate interest please engage in these consultations, we do seriously listen to what comes in. In fact, we really stopped and consider the representation from P&R, we did not agree with it at the end but we gave it very serious thought and consideration.

1140 Quite a few other people have said this is in a fog because we do not have the numbers. Frankly, whether it is 200 people or 2,000 people we are talking about not permitting exploitative levels of wage in this Island and it should not matter how many people may be at risk of that. We want to make sure that nobody is, although I do agree that we at ESS are as keen as anybody else that when the Statistics Department can actually, or Revenue Services, can provide us with the data we will be very keen to see it.

1145 I think those are the main general ones. Going through some of the individual things that are said, I am slightly worried about the Deputy Inder's statistical ability. He said that the minimum wage had gone up from just over £8 a few years ago to, if this goes through, £12 and he said that would be an increase of nearly 100%. Well, no it will not, it will be an increase of just a tad over 50% because it is a £4 increase on £8, which is 50%, not 100%, but that is just in passing.

Deputy Vermeulen said he speaks, amongst others, for the hospitality sector. Well, great, they support this increase to £12. So I am looking forward to his support.

1155 **Deputy Vermeulen:** Point of correction.

The Deputy Bailiff: Yes, Deputy Vermeulen.

1160 **Deputy Vermeulen:** I think the comment from the Guernsey Hospitality Association is that we are broadly in favour of an annual RPI increase every October.

The Deputy Bailiff: Deputy Roffey, please continue.

1165 **Deputy Roffey:** The feedback that we received to the official consultation said that they were supportive of our proposals. Deputy Vermeulen, I know has a track record, he does not agree with the whole concept of a minimum wage. He said that he opposes the whole concept of a minimum wage and I view his comments in that context and he has absolutely got the –

1170 **Deputy Vermeulen:** Point of correction.

The Deputy Bailiff: Yes, Deputy Vermeulen.

1175 **Deputy Vermeulen:** I have not said that. I think economists do not think that a minimum wage actually creates jobs. I think you are missing ... I think you are completely twisting what is actually being said.

The Deputy Bailiff: Are you saying the point of correction is that you did not say that you do not believe in a minimum wage?

1180 **Deputy Vermeulen:** I do not think it –

1185 **The Deputy Bailiff:** That was a point of correction, Deputy Vermeulen, which is what you have stood up and asked for. You are saying you have never said you do not believe in a minimum wage?

Deputy Vermeulen: Not in this debate, that is for sure.

1190 **The Deputy Bailiff:** That is not what Deputy Roffey said. Anyway, I think we can just move on. Thank you.

Deputy Roffey: I will go back and find it in *Hansard*, but he went on to say you would not find a single economist anywhere that would support the concept of a minimum wage, which is a bit bizarre because, I think, you will find a vast majority that do. But there we go.

1195 Deputy Aldwell, I thank her for her support. I think basically she is right, this is a matter of conscience. Are we really happy that adults having to support themselves in this expensive Island and working full time to support themselves and often their families should be paid less than £12 an hour? I do not think that this Assembly should be happy with that and it is not really a matter of competition with other places, but we are instructed, and this was the instruction, to have regard for what is happening elsewhere.

1200 In Jersey, actually, the £13 next year is just a staging post; they intend to go to 66.6, two thirds of median earnings which, at their current rate, would be about £14.20 something, so that is where they are heading. I am not suggesting that we should follow them there because I think there may be some dangers in going that high, but at £11 something we would be falling way behind the pack.

1205 Deputy Gollop surprised me. He sort of said, 'It is okay, anybody on unacceptably low earnings will get a top up from the States.' Well, what an attitude. (*Laughter*) But I am encouraged because Deputy Gollop is a member of P&R so, obviously, if our Income Support budget requires to be boosted as a result of a low minimum wage, I know that P&R will be fully behind us. (**A Member:** Hear, hear.)

1210 Deputy Falla is *Stuck in the Middle* ... that is Stealers Wheel, isn't it? I do not know how much he
quoted but it was, '*Fools to the left of me, jokers to the right,*' (Laughter) '*Here I am, stuck in the*
middle with you.' Well, what I would say is that actually £12 an hour is not only stuck in the
middle, compared with our competitors and our comparators like the Isle of Man, Jersey and the
1215 UK, it is actually going to put us towards the back of the field. So actually, he probably does not
think ESS is going far enough if he wants a middle ground solution.

I will not go on. People know what they feel they want to vote for for a minimum wage. The
point is, does this amendment open up the options in the correct way and I am afraid it does not.
It skews the whole thing towards voting for the earlier options in order to get something
approved and the earlier options were the lower options. That is not the way we normally do
1220 things in this Assembly, we normally put the more radical options first and then work our way
down. For that reason alone, this is a totally inappropriate amendment and I ask Members to
reject it.

A Member: Hear, hear.

1225 **The Deputy Bailiff:** Thank you.
Deputy Inder.

Deputy Inder: The amendment is entirely appropriate. As you cascade through anything, that
1230 which wins, wins and if no one wants the ESS amendment then they vote on the first two and that
is how it works. The fact that Deputy Roffey does not like it is an entirely different matter.

Right, Members, thank you for those who support that bit of democracy when we actually get
to general debate and not stop it in its tracks.

I am going to go through a couple of points. Deputy de Sausmarez, she opened with, and she
1235 is quite correct, the CGI said that, 'The CGI recognises that those on lower incomes should be
supported, particularly given the rapid rising cost of living in the Bailiwick.' But in the same
response, and we are all capable of reading what we want to read, they also said:

Any increase in staff costs along with the current rises in utility bills, raw materials, together with the introduction of
secondary pensions means businesses have no alternative but to increase charges, which will be passed on to the
customers. When the minimum wage is increased firms then have to raise their own wage structure to keep parity with
other employees who are paid above the minimum wage. It is inflationary.

Deputy Roffey said, I think he said, I made reference to 100%, I did not, I made reference to
50% but I am getting quite bored of getting up and correcting him all the time.

1240 Deputy Kazantseva-Miller, she is spot on, as, I think, other people have raised and consistently:
a policy position based on absolutely no data whatsoever. By Deputy de Sausmarez's own
admission, they think that there are a few people on the minimum wage. Well, that is just not the
way to be doing business, but this is not peculiar to this Assembly, it is a problem with ESS full
stop. They have got a lot of difficulty in interpreting their data and that falls back to the former
1245 President who effectively said the same thing.

I think the retail group did give some data in that email. I can accept that it came post the
submission, but when you are a retail group employing thousands of people building, effectively,
one of the biggest investors in the high street, you have got other things on your mind. So, you
can be critical of it but I will never be critical of people who are putting their own hands in their
1250 own pockets, building our high street, employing thousands of people on the floor of this
Assembly. That, I am afraid, is a bit snidey and a bit out of order and deserves our respect and we
should show these people more respect. These are the people that drive business, create
employment, create wealth and pay for every single block, every piece of wood in this Chamber.

I think it was Deputy de Sausmarez that said Chamber did not respond; is that correct? Yes, she
1255 has not stood up and told me off. Well, they did. And again I will get to the response for the
Chamber of Commerce, which apparently did not respond.

I will deal with the Hospitality Association first off actually. The Hospitality Association, the GHA for want of a better word, said a number of things.

With regard to the latest proposals for the minimum wage our Executive Board are broadly in favour of the rise to £12 an hour but do consider the rate differential with the young person's wage should reflect the considerable differences in the levels of work experience and learned skills.

1260 Now I do not remember that being said or mentioned when Deputy de Sausmarez spoke. She told you what suited the argument. So there are two things that they actually said. They said they agreed with the £12 an hour rate but they mentioned they had concerns over the young person's age.

1265 But unfortunately the GHA being the GHA then wrote to us again. They then said, separately, they agreed with the £12, they did not agree with the young person's rate; they mentioned, I think, as Deputy Blin said, the personal tax allowances and they also went on to say, in a separate email:

So I feel there is little we can add other than that we are broadly in favour of an annual RPI increase every October.

1270 That is what they have said and, like other people, I am seeing the bit that I want to see. They said *annual* RPI increase and they made mention of the adult rate, which has not been taken into consideration in the policy letter.

Let us move on to the Chamber of Commerce, which I was getting to, the one that apparently the ESS did not get. The Chamber of Commerce response, right, they are actually spot on. That was March 2024, you are right. (*Laughter*) Now they did receive one on March 2024, by email subject, 'Consultation regarding the medium term plan for the minimum wage and associated.'

1275 **A Member:** That is totally different.

Deputy de Sausmarez: That is a different consultation, sorry.

The Deputy Bailiff: Do you give way to Deputy de Sausmarez?

1280 **Deputy Inder:** No, I am not giving way. This often happens, I will get it wrong and then, maybe, Deputy de Sausmarez can point to correct me. There is a consultation regarding the medium term plan for the minimum wage and associated rates 2025 to 2030, (**Deputy de Sausmarez:** That was later.) which was much later. So before I make a fool of myself, (*Laughter*) I will drop that completely. So Deputy de Sausmarez is absolutely spot on, the Chamber did not respond to that one completely and I thought I had her there.

1290 So what other comments did we have and I am glad, at least, many of the people are going to, well I am certainly glad Deputy Falla is going to abstain, but I would encourage Deputy Ferbrache to, at least, he may choose not to vote for any of the Propositions given his position at the time, but I would encourage him, at least, to vote or put some vote in, or recognise the vote to allow that to be debated.

1295 Now I have lost the rest of my notes. I think it was Deputy Burford, I believe, that spoke about, and other people, the idea of it is a good thing that wages should rise to lower levels. I do not entirely disagree but that is no good if you start closing businesses. That is the reality. If some of these businesses are marginal and I have made reference to manufacturing, some are retail, from the data that we received from the Treasurer. It is a great concept, I absolutely agree, but what is the point if businesses close? They are under significant pressure, a lot of it imposed by us.

I will give way.

1300 **The Deputy Bailiff:** Deputy Dyke.

Deputy Dyke: I thank Deputy Inder for giving way.

1305 He has raised the point about businesses closing. Just to help him with that, I think we do have an example of the Carrus Motor Company, the vehicle maintenance company in Landus de Marché that has closed, or announced it is closing, and it has specifically stated that all of the extra costs that are going on, the increased social insurance payments, the secondary pensions and all that sort of thing had caused it to close.

1310 **The Deputy Bailiff:** Deputy Inder.

1315 **Deputy Inder:** Yes, thank you. We have got to be ... and I thank Deputy Dyke for that, but broadly, and I will just remind people what I said in the opening speech, the Senior Economist States' Treasury quarterly employment figures, between March 2023 and March 2024 the following sectors decreased in terms of numbers of employment roles: manufacturing, construction, wholesale, retail trade, transportation, storage, real estate, arts, entertainment and recreation.

1320 So that is a reduction in employed persons. I do not know how many people within those organisations might be on minimum wage, but we need to start listening to what we are actually seeing out there. So, to Deputy Burford – and I cannot remember, I think it might have been, I cannot remember who I was going to respond to, but it was certainly Deputy Burford who said it first – great, I entirely agree, raise everyone up.

Deputy Burford: Point of correction.

1325 **The Deputy Bailiff:** Yes, Deputy Burford, what is your point of correction?

1330 **Deputy Burford:** As Deputy Inder has referenced me several times I did not actually say, in any way, that I am happy for businesses to close. The point that I made was much more specific than that. It is that if a business can only stay open by paying rates below what we deem to be the minimum wage then I think that rather than paying low wages and expecting a potential subsidy from the taxpayer that the more appropriate way is to have a decent minimum wage and for the Committee for Economic Development to come forward with proposals on how those businesses should be supported so that we can make actual decisions based on the facts rather than just on a broad brush.

1335 **The Deputy Bailiff:** Deputy Inder.

1340 **Deputy Inder:** Well, I am not entirely sure Deputy Burford is correct, she corrected me on something I did not actually say. So Deputy Burford – and I actually found the note – and I think what I said was, she shared increasing pay is a good thing and, I think, actually I said in my sum-up, which is nothing to do with the point of correction, I did not disagree, is what I said. I do remember saying that, but if it closes its business, no one wins that one. So she has corrected something that, through you, madam, I did not say.

1345 So there we are, Members. This is effectively an amendment that allows this Assembly to have a broader debate on the subject. I am happy to take it. If you do not want that democracy, you do not want that debate, do not vote for it. But be careful because there could be a danger that ESS could lose the whole policy letter because I do not really know, right now I am feeling there are quite a lot of people that actually want to have that debate and there is a potential danger if you do not vote the amendment to get to that point ESS could lose the whole policy letter. There you go.

1350 **The Deputy Bailiff:** Thank you, Deputy Inder.

Well, Members, you have before you the amendments. As Deputy Inder has just said the amendment is to insert the entirety of the Propositions 1, 2 and 3 in and would renumber the current Proposition from ESS to number 4 on that Proposition list and it will be a cascading vote.

So, therefore, Greffier, having given that little explanation would you kindly open the voting please on the amendment. I am just going to interrupt, you can carry on voting, but Deputy Bury do you wish to be relevée.

Deputy Bury: Yes, please, madam.

The Deputy Bailiff: You are relevée and you can enter the vote.

There was a recorded vote.

Carried – Pour 16, Contre 19, Ne vote pas 3, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Aldwell, Sue	Falla, Steve	Soulsby, Heidi	Haskins, Sam
De Lisle, David	Brouard, Al	Ferbrache, Peter		
Dyke, John	Burford, Yvonne	Snowdon, Alexander		
Gabriel, Adrian	Bury, Tina			
Gollop, John	Cameron, Andy			
Helyar, Mark	De Sausmarez, Lindsay			
Inder, Neil	Dudley-Owen, Andrea			
Kazantseva-Miller, Sasha	Fairclough, Simon			
Le Tocq, Jonathan	Le Tissier, Chris			
Mahoney, David	Leadbeater, Marc			
Moakes, Nick	Matthews, Aidan			
Murray, Bob	McKenna, Liam			
Oliver, Victoria	Meerveld, Carl			
Prow, Robert	Parkinson, Charles			
Roberts, Steve	Queripel, Lester			
Vermeulen, Simon	Roffey, Peter			
	St Pier, Gavin			
	Taylor, Andrew			
	Trott, Lyndon			

The Deputy Bailiff: There voted in relation to the amendment, Pour 16, Contre 19, there were 3 abstentions, 1 person was not in the Chamber at the time of the vote and we have got one absentee. I, therefore, declare that the amendment has not been passed. So, therefore, we will go on to general debate in relation to the Proposition put forward by ESS. Who wishes to speak?

Deputy Taylor: Can you hear me okay? Okay.

I do not have a huge amount to add, madam. I expect no one has anything to add anything yet as I am first to speak. I would have liked to have seen a split between the young persons, 16 and 17, and the adult minimum wage for reasons I have put forward in previous debates. So I am not going to go into any more detail on that and it is not going to put me off voting for the Propositions.

But I want to address this suggestion that for businesses this is almost coming out of the blue or that they are going to struggle suddenly planning for this. It is set out quite clearly in paragraph 1.2, for the avoidance of doubt, that this direction was given in 2018. So any business that has been in operation since 2018 will be aware if they are paying minimum wage around October time every year they have to revisit their salaries. It is not a new thing.

So I would contend that any business worth its salt that is making major investments or capital investments into its properties for the long-term future, it should be well aware that their salaries, if they are paying minimum wage, are going to go up. So I do not think that is quite an issue that

people are making it out to be and, as I say, if you set up a business since that time you should have this on your radar, it should be part of good business planning.

1390 The only other point I want to address is that there is this suggestion that if you are faced with the option that if you increase your salaries for those people on minimum wage and you cannot afford it, you just have to go bust. I do not believe that the margins, and I stand to be corrected if there is a retailer or anyone in industry who wants to come forward to demonstrate that this increase in minimum wage will cause them to go bust. I would be open to hearing it, but I would
1395 say that in itself is just a questionable business model to begin with.

It is not their fault; that might be the situation they are in. Their options are they can either increase their price, which may have a knock on effect, but there is always the option to reduce margins and I want to raise this because it has come up a few times in the planning side of things where developers are tied to this 20% profit on costs even when they acknowledge that their
1400 business model is not sustainable and they will not be able to get funding because they cannot reach the profit margins that they need, yet they still progress.

So there is always an option to reduce your margin, madam, and as the owner of the business take a smaller cut because otherwise it is the States that are picking up that tab for you. (A Member: Hear, hear.) So I hope everyone will get behind both (a) and (b), you have not really
1405 got any option, and I hope this would be a fairly quick debate, madam.

Thank you.

The Deputy Bailiff: Thank you.

Does anybody else wish to speak in general debate? Well, in that case, I will turn to you, Deputy Roffey, to reply.
1410

Deputy Roffey: I hope that we will pick up from there. I am not going to say very much, I do not want to incommode the Governor in order to reply. Nothing fresh has been said but, I think, just generally there is, Deputy Inder was right that the failure of the amendment leaves one of two
1415 options now on the table, voting for a £12 minimum wage or reducing Guernsey's minimum wage in real terms by five point something percent by sticking with last year's minimum wage which would, I think, send out the most appalling message.

Even with our proposals we are going to be at the back of the pack of the British Isles again by next year. If it is not passed, then we are going to be more than just an outlier we are going to be, actually, outlying so far as to, I think, be in a fairly shameful position. So I think Members know
1420 whether or not they are going to vote for the proposal. I hope that they all do. I hope that nobody will not, but it will be interesting to see the voting. I do not think anything I will say now will persuade people one way or the other. So let us go to the vote.

The Deputy Bailiff: Thank you. States' Greffier, would you open the voting on the Proposition, please.
1425

There was a recorded vote.

1430 *Carried – Pour 33, Contre 2, Ne vote pas 2, Did not vote 2, Absent 1*

Pour

Aldwell, Sue
Blin, Chris
Brouard, Al
Burford, Yvonne
Bury, Tina
Cameron, Andy
De Sausmarez, Lindsay
Dudley-Owen, Andrea
Dyke, John

Contre

De Lisle, David
Helyar, Mark

Ne vote pas

Falla, Steve
Murray, Bob

Did not vote

Inder, Neil
Parkinson, Charles

Absent

Haskins, Sam

Fairclough, Simon
Ferbrache, Peter
Gabriel, Adrian
Gollop, John
Kazantseva-Miller, Sasha
Le Tissier, Chris
Le Tocq, Jonathan
Leadbeater, Marc
Mahoney, David
Matthews, Aidan
McKenna, Liam
Meerveld, Carl
Moakes, Nick
Oliver, Victoria
Prow, Robert
Queripel, Lester
Roberts, Steve
Roffey, Peter
Snowdon, Alexander
Soulsby, Heidi
St Pier, Gavin
Taylor, Andrew
Trott, Lyndon
Vermeulen, Simon

The Deputy Bailiff: In relation to the Proposition, there voted 33 Pour, 2 against, there were 2 abstentions, 2 Members were not in the Chamber at the time of voting and one Member is not here in the Chamber at all. So, therefore, I declare the Proposition was passed. Thank you very much. States –

1435

States' Greffier: Yes, madam.

The Deputy Bailiff: I was going to ask His Majesty's Procureur something, but she has disappeared, so I will ask her later. So please carry on.

STATES' TRADING SUPERVISORY BOARD

5. Guernsey Electricity Limited – The Annual Report Accounts – Proposition carried

Article 5

The States are asked to decide:–

Whether, after consideration of the policy letter entitled 'Guernsey Electricity Limited - Annual Report and Accounts' dated 6 June, 2024, they are of the opinion:–

1. To note the Annual Report and Accounts of Guernsey Electricity Limited for the period ended 30th September 2023.

1440 **States' Greffier:** Article 5, the States' Trading Supervisory Board, Guernsey Electricity Limited – the Annual Report and Accounts.

The Deputy Bailiff: Deputy Roffey.

1445 **Deputy Roffey:** Thank you, madam.

I am having a busy day and I am not the only one. (*Laughter*) The Rules say that these Accounts need to be laid before the Assembly. They are fairly historic, we are talking about a

period, basically, from two years ago to one year ago. I know that Members do not have any detailed questions because there is a long convention that if anybody has a detailed question on accounts of any sort, that they are submitted in advance and I have received nothing.

However, I think, it might be worth just highlighting one feature of these particular sets of accounts. It shows that the capital expenditure carried out by GEL increased from £4.6 million the previous year, the year before these Accounts relate to, to £12.9 million in the year under consideration.

That is a massive increase and it is not before time. It is something that has been desperately needed in order to see the investment in the electricity infrastructure that is required in the Island and it is going to continue to be required for many years going forward. I do not want to broaden it out beyond the Accounts so far, but just to say that that has been partly facilitated and funded through the tariff increases, that unfortunately we have had to agree after 10 years of them withering on the vine, but even with those tariff increases it has required yet more borrowing by GEL in order to do that level of capital expenditure.

Now that is fine except that they are way up near to their limits and the States have approved an Electricity Strategy which will require very large investment in things like second interconnectors to France. Now, all of the modelling done by GEL shows that that transition will be cheaper over the next few decades than if we carried on doing what we are doing now.

But as these Accounts show, what cannot happen is that GEL just borrows large amounts of money because they cannot, they have not got the headroom, in order to do the front loaded investment. I may be going to be on the Accounts so I will maybe leave it at that but I just flagged that up that coming down the road will be a debate about how the Electricity Strategy is best funded. But I am delighted that in the period under consideration, we saw a real step change in the amount of capital investment the GEL is making and I can assure Members that the instruction to them is to continue and to accelerate that where possible.

The Deputy Bailiff: Thank you. Does anybody wish to speak in general debate?
Deputy Gollop.

Deputy Gollop: It is a shame when we get busy agendas that we sometimes ignore these opportunities. Certainly 2023 was a good year for electricity in that there seemed to be containment to costs and a slight rise in income but nevertheless the impact of pensions, taxation, cost of finance and, funnily enough, derivatives seem to make a slightly more negative situation.

But I draw Members' attention to the broader strategic issues and we certainly sometimes have quite challenging conversations with other Members from time to time on these topics because the Chair's statement says at the front of it,

Critical to the company's ability to deliver the chosen investment pathway set out in the Electricity Strategy for Guernsey, is the development of sustainable funding and financing strategy so we can secure the right infrastructure, people and systems. Whilst income prices have been kept well below wholesale market prices due to the company's historical price setting strategy, which has fixed a large proportion of our cost base ...

– and the green energy is mentioned there –

... all other costs are facing ongoing inflationary pressures and higher debt financing costs. Prevailing market conditions will lead to future increases in cost. In order to sustainably fund the ongoing capital further tariff increases will be necessary.

Then there is also a wider discussion of the energy policy objectives, including the decarbonisation of energy to net zero.

Clearly, there is a warning here that is given to us, but also the wider community, that there may, in fact, there will be costs and the cost of energy. It will not be a taxation, perhaps, but it will be a cost imposed by a state utility to reflect market and other conditions and the need for investment; and we should realise that not only do we probably need more income for taxation

for infrastructure projects but the community, whether it be individuals or companies, will pay for the energy strategy and the electricity improvements through increased charges and we cannot move away from that and that has to be central to our economic thinking, thinking generally about the budget and the economy, and the longer term sustainability of public funds and policy. So this below the surface is not entirely a comforting report.

The Deputy Bailiff: Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, madam.

I thank the President of STSB for introducing these Accounts to the Assembly and having looked through them, once again, my eye is always drawn to a matter that has been under contention, which is the remuneration for the Board and it is not the NED part of it, it is the executive part of it.

Yet again, we are looking at a rather large number of £860,000 and when split between, obviously, the three Executive Directors we are looking at a sum of close to £300,000 each, £286,000 each and, obviously, that covers their fees, salaries and other benefits which, I think Deputy Roffey has mentioned before, are bonuses.

Now last year it hit the news in the UK about fat cat bonuses and the Conservative government was really hammered about the level of energy firm bosses pay, which in one newspaper report in 2022 was deemed to be enough to power 23,000 homes for a year. Now, many of these companies are privately owned with individual shareholders or pension shareholders or different funds, etc., but that is not this business, this States' Electricity Board or Guernsey Electricity Limited now, as we know it, it is owned by the States of Guernsey.

I wonder, I query whether it is entirely appropriate that a Government-owned business is paying its executive members this much. Now, you look at comparative sectors and it is really difficult to say what is the norm because this is a very small energy business. It is unusual insofar as it is Government owned and so to be comparing it to Centrica or EDF or Total or some of these really massive global corporations is not an equal comparison.

But for Guernsey, where we have an increase in tariffs, where we have an increase in borrowings, where we have a very big ambitious Electricity Strategy coming down the line, which is going to cost a lot of money and where the shift to decarbonisation is also going to be a burden on the taxpayer, on the community, well it is, we know that it is, by trading in your fuel car for your ICE for an electric vehicle is a cost.

Does this rest easy with us as politicians? Deputy Roffey is looking out the window as I speak, so he does not seem to be, he is nonplussed about this, clearly. But I do not like this. I do not like the figures that every year come out of this particular organisation about the fees; 2022, £969,000. There is a lack of clarity about what we are paying our executives.

I realise that in private company accounts that is their imperative. I think, that for business accounts for publicly owned companies, we should be providing more clarity and more detail about what we are paying our executives and I would seek to have some of that clarity on the floor of this Assembly, if not in a response by email to Members, please.

Thank you.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, madam.

The financial performance for 2023 reports an operating profit of £3.6 million against a 2022 £2.2 million loss and a pre-tax profit of £2.3 million. So I was disappointed that GEL will not be reporting a dividend again this year at the annual general meeting. It seems to be all take and no give.

While pleased with the turnaround in the Accounts, I am not pleased with the above inflation tariffs being wrought on electricity consumers or the direction of the strategy pathway being

followed. Consumers faced a 9% increase in tariffs in 2022, 13% in 2023 and just in July another 10% increase; double the inflation rate; plus, of course, the uplift that consumers have had to bear in standing charges.

So consumers are being taken to the cleaners by their own Government-run electricity monopoly and no independent regulator to reverse and to oversee fair and accountability to consumers. I would ask Deputy Roffey, please bring back the independent regulator for the benefit of the consuming public.

Madam, the report notes that Guernsey Electricity was forced to agree with EDF to offset input of electricity supply in 2023 and to look at the impact of imposed import restrictions in future or complete curtailment of supply. As a result of the uncertainty and needs of France's energy supplies it has become a net importer of electrical energy now.

This sends out a warning, surely, about investing further in another cable direct from France at a cost of £80 million to £100 million. Already, 90% of the Island's electricity needs are met through the existing cable to France, through Jersey, and that £80 million to £100 million spend on another cable to France, plus the consequent tariffs to EDF for the supply, could be spent – *could be spent* – working towards home self-sufficiency on Guernsey homes.

The answer is consumer self-sufficiency through private electricity generation and storage of solar PV by householders and businesses in front of the meter, if you like, and a large offshore wind array offsetting consumption from the grid. Investment in our energy transition has to work for the people of this Island in lowering the cost of electricity to the consumer.

It is about spending our limited reserves on Island rather than offshore to the continent of France. (**A Member:** Hear, hear.) The £80 million to £100 million spend on an additional interconnector to Europe is roughly equivalent to £3,000 per household. Now that spent locally would not only help with the cost of solar installation to homes and businesses Island wide, but it would stimulate the economy and renewable growth and employment in Guernsey rather than in France.

Guernsey has fallen behind, madam, in the provision of solar power (**A Member:** Hear, hear.) generation and only contributes approximately 0.2% of the Island's annual electricity requirements and does not generate any wind or tidal power. The eyes of a group of Deputies exploring wind, tidal and solar renewable energy opportunities for the Bailiwick of Guernsey were really opened to the huge potential of renewables for the Bailiwick in its energy transition.

In the report, Guernsey Electricity states the increase in on-Island renewable generation is an important step in the journey towards energy sovereignty, but it misses the massive role that micro renewables can offer a potential far greater than the 50 mw of solar installed by 2050 to supply 8% to 10% of Guernsey electricity demand that they are working towards.

Deputy Roffey: Point of order.

The Deputy Bailiff: Yes, Deputy Roffey.

Deputy Roffey: I am always interested in a re-run of the Electricity Strategy debate, but we are supposed to be debating simply the accounts of GDL for the year ending in September last year.

The Deputy Bailiff: To be fair to –

Deputy Roffey: I cannot help feeling that this is going way beyond.

The Deputy Bailiff: To be fair to Deputy de Lisle, he was referring, just now, to what was in the report.

Deputy de Lisle: Yes, that is right.

1595 **The Deputy Bailiff:** I must admit I was also erring towards that, but then he brought it back to the report and that is what he is doing. So, Deputy de Lisle, you may carry on.

Deputy de Lisle: I thank Deputy Roffey for his intervention, but please can we have an independent regulator? That is where he has to concentrate from now on, while he is in office.

1600 **The Deputy Bailiff:** I think that part does go beyond the report, Deputy de Lisle. *(Laughter)* You may refer to what is in the report about renewables, that was fair enough, but please carry on.

Deputy de Lisle: Anyway, if I can just briefly continue because I am almost through my epistle.

1605 **The Deputy Bailiff:** As long as it is on topic.

Deputy de Lisle: Yes, as I said, the electricity company are missing, really, the huge, massive role that micro renewables could play in Guernsey and all they are doing is reacting, of course, to the chosen pathway D set out in the Electricity Strategy, which will not create energy independence or energy resilience but will increase reliance on external countries and global forces. That pathway will require further, above inflation, tariff increases on consumers to pay for the significant capital investments that Deputy Roffey has been referring to.

1615 So the Electricity Strategy, ladies and gentlemen of the States, needs a major overhaul and with it, the direction –

The Deputy Bailiff: Deputy de Lisle, I am afraid now you are going beyond the report. So please try and keep to the report.

1620 **Deputy de Lisle:** Well, I am just concluding madam. It needs an overhaul and with it the direction that Guernsey Electricity is taking within this document, this account document, to prioritise electricity supply they must, through renewable generation in addition to the existing GJ1 interconnector and diesel generation.

1625 Thank you, madam.

The Deputy Bailiff: Thank you very much, Deputy de Lisle.
Does anybody else wish to speak on the annual report?
Deputy Dyke.

1630 **Deputy Dyke:** Thank you, madam.

I would like to raise a question that is tangential to the financial statement, if that is okay? Can I ask Deputy Roffey what the plans are, insofar as he can tell us, in terms of our negotiations with EDF to renew the current contract? My particular point, in principle, is how do we approach the issue of, if the allocation between local generation and importing through EDF, if the price from EDF massively goes above the cost of generation on Island, there is a very interesting conundrum coming up there, I think, if he could comment on that.

1635 Whilst I am standing, I think, I owe him an apology for the content of the private WhatsApp message that Deputy Taylor disclosed yesterday. I am afraid that reflected my frustration and slight bad temper rather than any disrespect for him and I do apologise for that.

1640 Thank you.

The Deputy Bailiff: Thank you, Deputy Dyke. Deputy Murray.

Deputy Murray: Thank you, madam.

1645 I just want to make a brief comment. I think it is patently obvious that a subscale marketplace such as Guernsey and its energy needs, which are paramount to our economy – *absolutely*

paramount – and with the increasing costs that are being confronted and referred to in the report and the needs of the Electricity Strategy, which are also referenced in the report, we are going to have to countenance subsidy.

1650 I cannot see, to maybe Deputy de Lisle's point, how local businesses, but more particularly individuals, are going to be able to afford the amount of investment or the cost of repayment of borrowing that is going to be required to be able to ensure that we keep the lights on. There are various roads to this but at the end of the day currently the situation is that renewables, by and large, need to be subsidised.

1655 At the moment we are actually getting our electricity, by and large, from France. We have been advised and been put on notice and we know from the market perspective that is going to go up quite dramatically from where we have been because we have had it held down because of, obviously, very sensible negotiations some time ago and the existing contract. But that will change and it is quite likely also that the nature of the contract itself will change in terms of how we pay and when we pay and what we pay for; which might impose, again, additional costs that we are going to have to find.

1660 Guernsey Electricity cannot increase its market. It cannot. It could look, maybe, to work with other partners, potentially, but by and large, to exist in the Guernsey marketplace, it is not going to be able to do that with the amount of investment it requires; partly, perhaps, because 1665 historically and for very right reasons prices were kept very low to the local marketplace and I would have agreed with that and I do agree with that, but there comes a point where you recognise that if energy underpins our entire economy then Government is going to have to accept that it may have to impose or provide subsidy to ensure that continuation and I think we are approaching that sooner rather than later.

1670 We do not have the money to do that and we need to do that and I am not saying for one minute we should not because I think it is going to be the saviour of Guernsey that we maintain an economy which, actually, will probably be even more greedy for energy than it currently is, when you start to bring in things like AI and the requirements of that and so forth.

1675 So I am putting, probably, the Assembly on notice that we are going to have to consider serious subsidy to be able to maintain an acceptable rate of cost of electricity for all subscribers, and how do we pay for that, you need to address this because there is nothing spare in the current accounts.

1680 Unfortunately, to Deputy de Lisle's point, and he makes this point very regularly, cost of living is not going to cut it. So we are going to have to raise more revenue to be able to subsidise everybody, both business and local consumers, and the only fair way do that is through taxation in some shape, form or other.

1685 So I do put you on notice that if you refuse to accept the need to look at taxation seriously and an increase in taxation, things like the energy strategy, or the Electricity Strategy, and the needs of Guernsey Electricity will not be able to be met. They will not be able to be met without severe penalty on users because if you just try to pay for this through users pay you will find yourself actually penalising users hugely beyond their ability to do so. So please, do accept the warning that is implicit, I think, in this report at the moment that costs are going to be increasingly unmanageable in the way that we are currently dealing with it.

1690 Thank you, madam.

The Deputy Bailiff: Deputy Inder.

1695 **Deputy Inder:** I think it is entirely appropriate for Deputy de Lisle to make mention of energy strategies because when we note these Accounts we just do not note the numbers, we look at the forward as well and the forward is submitted there for all Members to debate. I am going to make reference to page 20, paragraph 2:

Governments across the world have made commitments to reduce these emissions, to limit the global average temperature increase and preserve our environment in Guernsey.

It then makes a direct reference to the Climate Change Action Plan and Energy Policy which this Assembly has agreed, if not the one before. I am going to encourage Deputy Roffey to send a letter to himself in his other role as President of ESS. Members, last week we got a letter from Mrs Gill, from Chamber of Commerce, asking about what we should be doing for climate and where is the leadership.

So, Deputy Roffey, could I ask you to write a letter to the President of ESS asking about his leadership under climate action and to support, in fact, the energy strategy because there is an application for 2023/2024 1335 public information site address land at Rue le Cour Binyar Les Oberlands, application type, ordinary application, applicant name Guernsey Housing Association and it is to, development description, omit solar panels to southern blocks, west elevation roofs and omit balconies to north eastern overlay elevation of all four blocks of apartments.

Now we do many things in the Assembly, a lot of it is telling what other people should do. So when we have got an opportunity to support the Electricity Strategy, Deputy Roffey as President of ESS, who has some control over GHA, but he is probably going to say he has got nothing to do with them whatsoever apart from buying a lot of land that they are never going to build on which seems to be quite wet at the moment ...

There is a lot of greenwash going on in politics at the moment. We tell this Island to do certain things and people like myself and other Members and a lot of people out there go out privately and invest in solar work, yet Government from the STSB President, who assisted in the strategy, is now, effectively, I assume supporting the omission of solar panels to southern blocks and so on.

Deputy Roffey: Point of correction.

Deputy Inder: I am not finished.

The Deputy Bailiff: That was a point of correction, Deputy Inder, you do not get to choose. *(Laughter)*

Deputy Inder: Alright, okay.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: ESS are doing no such thing.

Deputy Inder: Here we go.

Deputy Roffey: GHA know nothing about ... until I saw the application and actually submitted a variation request to the DPA. I personally expressed my deep disappointment that they were looking to omit solar panels but the GHA is not controlled by the Government. They were looking at their own cost of development together, presumably, with their private development partner and, therefore, made that application. It was not endorsed by ESS, it did not come to ESS for endorsement or comment and I think it is important to make that clear.

The Deputy Bailiff: Thank you. Deputy Inder.

Deputy Inder: He is probably entirely right because it sounds like under his role as President of ESS, we have been running around –

The Deputy Bailiff: Deputy Inder, we are supposed to be debating the electricity –

Deputy Inder: But I was just going to respond to the point of correction.

The Deputy Bailiff: He was giving you a point of correction, which was an acceptable point of correction. Please can you focus on the electricity report?

Deputy Inder: Well, the electricity report is exactly that and irrespective of whether we do, it has got nothing to do with me, it clearly has got something to do with us and I disagree with Deputy Roffey's point of correction because we seem to be running around the Island buying a lot of wet land in the Island, that GHA did not want. So had we spoken to them in the first place we probably would not have bought half of the salt plants.

So, I do not understand Deputy Roffey's thinking because it has got nothing to do with me until it has got something to do with me. So in that regard I think it is entirely appropriate for Deputy de Lisle to pick this up, we are not delivering on the Electricity Strategy as we should be and Government is basically failing and I would encourage, as I have mentioned to the DPA, I would not mind them picking this up actually because at the moment it was received on 29th July and it is valid to 1st August.

The Deputy Bailiff: Deputy Inder, this is not about the Guernsey Electricity report. This is not about the Guernsey Electricity report, please can you debate on it? I notice Deputy Oliver, are you making a point of correction, are you?

Deputy Inder: I think it's a giveaway.

The Deputy Bailiff: Are you giving way on the electricity report?

Deputy Oliver: Just a comment on the DPA. I have actually emailed the Director of Planning but, unfortunately, he is in Alderney because Alderney do not have a planning person over there at the moment. So I will get back to the Assembly on the matter when he returns.

The Deputy Bailiff: Thank you. Can we keep to the electricity report, please.

Deputy Inder: Okay, so to the matter in front of us, the Guernsey Electricity Annual Report and Accounts, of which there is a forward and I am referring to, I think it is a pretty raw deal for the Island where quite clearly the Guernsey Electricity have made reference to the Electricity Strategy and they are quite clearly supporting it but we, as Government, appear not to be by omission and planning application, as I have pointed out here.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

I have no idea whether this microphone is working, so I will speak up just to try to maximise my chances of being audible.

I just thought it was important, there have been a few comments made during the course of this debate, particularly by Deputy Dudley-Owen, Deputy Murray, I think, Deputy Inder, I did not follow every twist and turn of that one, about the cost of the Electricity Strategy and transition to a green economy and pathway to net zero, etc.

I just want to make the very basic point that was very well understood, I thought, in the Electricity Strategy debate that while, of course, demand for electricity is going to go up and while, of course, as Deputy Murray says, we can expect the costs of electricity to go up, that was one of the cheapest options of all the alternatives.

So I do think it is important that we keep that in mind and also a lot of the strands of the Electricity Strategy are about the demand side, about efficiency, it is about making sure that we can reduce the cost to householders as far as possible. There are multiple work-streams going on at the moment, there is some work in relation to the Electricity Strategy and most specifically,

perhaps, some of the offshore wind work and I can assure Members and members of the community that affordability to the public and, of course, to the Government are very central concerns and considerations and a key focus of all the work that we are doing.

1805 So I would just like to correct what, I think, is quite a misleading narrative which is to present the energy transition, which is a global transition, and Guernsey's part in that, as somehow relatively expensive. It is not expensive relative to the option of extending what we are doing now.

1810 So, even though there are costs involved, I do think it is important that we are clear on the narrative that, relatively speaking, yes, there will be some increased costs, yes, we have to pay for that, yes, we have to minimise the impact on Islanders and, of course, on the public purse as far as possible but I do think it is important to just be clear that in relative terms this is the more affordable route compared with just extending the status quo. So these investments are really important investments, not least because they help to keep costs down.

Thank you.

1815 **The Deputy Bailiff:** Does anybody else want to speak before I turn to Deputy Roffey to reply? No. Deputy Roffey.

Deputy Roffey: Thank you, madam.

1820 Deputy Gollop was first in and said that he thought that reading the report and reading between the lines that there were higher costs coming. I think he is probably right. I think our arrangement with EDF and particularly with the price hedging that went on, has done an incredible job in shielding, I know Deputy de Lisle has gone on about the percentage increases in tariffs and he is right over that, but the wild fluctuations in the international energy price have driven some horrendous changes in other countries. Sometimes they have come down again
1825 afterwards but they have been very difficult for ordinary people to cope with in other places and I believe that we should congratulate ourselves, as an Island, that we largely insulated ourselves from that and that has been incredibly positive.

Deputy Dudley-Owen was interested in remuneration of the board and, in particular, the Executive Directors and, I think, she made three points: are we paying too much, should so much
1830 of it be in bonuses and should we be more transparent? I will take those in reverse order. So, transparency was an issue that a number of Members of this Assembly raised a year or two ago and the STSB has taken that on board and we have given the assurance that we will, on an annual basis across all of our incorporated businesses that we act as shareholder for, follow exactly the same route as the States of Deliberation do for their own employees in publishing, in a banded
1835 form, the amount of money that the executives actually earned.

Are bonuses a bad idea? I think I will turn that on its head. Should we pay regardless of performance, or should there be an element of performance related pay in the Chief Executive and the other leading executives' remuneration? I believe, very much, that it ought to be an
1840 element of their pay that they can only access if they actually put in a satisfactory performance and that should not be paid if the performance does not hit the benchmarks that are, actually, put in for them to achieve. So I think, it would be wrong just to have a flat rate pay and I think most commercial companies of a certain size would absolutely agree with that.

As for whether we are paying too much well, obviously, the immediate pay packages are set by the REMCO of the company but we oversee that and we insist on benchmarking exercises. Deputy
1845 Dudley-Owen referred to scale and, yes, when we get those benchmarking exercises done by independent experts we make sure that scale is taken into account and we are absolutely convinced, at the moment, that the pay scales are appropriate.

Deputy de Lisle, why no dividend? Well, because the level of profit at the company is not
1850 remotely high enough to pay for the capital investment that the Island needs in its electricity infrastructure. It would be perverse to suck more money out at a time when, actually, they are having to borrow money and increase their debt burden in order to make the investment that Guernsey needs.

He refers to the need to boost solar and I agree and, I think, that the report does point to the fact that that has been ongoing. I think in the period under consideration there was something like a 20% increase in the amount of community solar deployed by the company, in particular the Ladies College installation and the Grow Limited installation were particularly significant ones that went on, but if he is saying that that needs to increase and accelerate, I completely agree with him.

I do not see that it is an alternative to having something like the secondary connector to France because you need a base load, you need something when the sun is not shining to make sure that you have sufficient electricity. I like the idea of generation on Island and being independent to the degree that we can be, but I think unless there is a step change, a total sea change in the efficiency of storing energy, I do not believe that we will ever become completely independent unless it is through, either, thermal generation or whatever else which is something, I think, both of us would not want to see used more than necessary.

He talked about the fact that there is no independent regulator. Well, let me just make clear, there is a difference between price regulation and the Competition Law; and GEL falls under the Competition Law just as much as it always has done. It is not exempt in the way that we will be asked to deal with Sure and Airtel later this month.

It is not exempt from the Competition Law but the previous system of price regulation just had failed for a decade. Letters from GEL saying please can we make an application, we are told we have not got any resources to even consider it and as a result the base tariffs are a couple of pass-throughs, but the base tariff remained basically unchanged for a decade and that is why we have got the chronic underinvestment (**A Member:** Hear, hear.) and the basket case we have got at the moment that we are having to address, which is why I cannot get anywhere in this Island because GEL are trying to catch up – at the same time as we are trying to put fibre in as well, of course.

Deputy Dyke, well yes the STSB is not negotiating because it is GEL and Jersey Electricity together who are negotiating. And it is not just with EDF, of course; they are the prime candidate and there is quite a high likelihood the new contract will be with EDF but they can buy from any generator on the European mainland, basically, that feeds into the European grid. So they are not limited to just discussing with EDL but my understanding from Jersey Electricity and Guernsey Electricity is that they believe the process is going well and they are encouraged with where we are.

I fully accept his apologies for WhatsApp. I actually did not mind any of it apart from the bearded bit, (*Laughter*) in fact I was thinking that maybe in the discrimination ordinance facial hair should be a new protected characteristic to actually put in there. (*Laughter*)

Deputy Murray opened up a big issue, and it is a big issue, and he is right. I do not agree that we will, necessarily, need to see revenue subsidies on people consuming electricity but, I think, there will need to be some public money going in to the transition that the Electricity Strategy envisages and that we are all committed to it, we have debated it and signed up to it.

Deputy de Sausmarez is right that that is not because it would be more expensive than carrying on doing what we are doing. All of the modelling by Guernsey Electricity shows that it will be cheaper over a 30-year period and that consumers will have less of a burden over a 30-year period. But the problem is it is front loaded and to get there a heck a lot of the capital investment will be over the next five to 10 years.

So, for instance, if the new interconnector goes in, that is £100 million. Now, how is that funded? STSB think it is unfair on today's consumer to have to have massive price hikes in order to pay for that when even though in 20 years' time their children will really benefit because the increases will be a lot less.

So I think we need to discuss with Treasury and others how we smooth that across and make sure that everybody who is going to benefit from it contributes, the future consumer as well as the current consumer. The normal way, if they had no debt on their book, would be for them to just say, well, let us go and borrow and then it will be future consumers that will pick up the

interest payments and the repayments but they cannot do that because they already are exposed so much to debt.

So, there is a real issue here and Deputy Murray is right to flag it up and I will not be here when we discuss tax but, sooner or later, that bullet is not going to be able to be dodged anymore. It is remarkable how the States have dodged around that particular bullet. I am not sure I can say anything else other than just to reiterate that Deputy Inder, despite my correcting him, keeps making false allegations that Government is, somehow, backing the removal of photovoltaic cells from a development in the Oberlands. Government are not doing that in any way, shape or form. I hope Members will approve these Accounts.

The Deputy Bailiff: Members, you have before you the Proposition on the SEV. The States' Greffier, would you kindly open voting.

There was a recorded vote.

Carried – Pour 33, Contre 0, Ne vote pas 2, Did not vote 4, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	None	Roberts, Steve	Helyar, Mark	Haskins, Sam
Blin, Chris		Snowdon, Alexander	Mahoney, David	
Brouard, Al			Soulsby, Heidi	
Burford, Yvonne			Trott, Lyndon	
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Inder, Neil				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
St Pier, Gavin				
Taylor, Andrew				
Vermeulen, Simon				

The Deputy Bailiff: In relation to this Proposition, there voted Pour 33, there were 2 abstentions and 4 Members were not in the Chamber at the time of the voting. Therefore, I declare the Proposition is passed. To save Deputy Roffey's voice slightly, His Majesty's Procureur has got an answer in relation to Deputy Dudley-Owen's query about the KG5 Amendment Law and the trustees, the specific mentioning of names, and so I will ask His Majesty's to address that now.

The Procureur: Thank you, madam.

Yes, in response to Deputy Dudley-Owen's question the reason that the trustees were specifically named on the face of the legislation was to ensure consistency with the Law that it was amending; but also because that statutory trust is effectively the trust document, it ensures clarity of the names and there is no need for a separate document appointing those trustees. So that was why it was consistency and also because that is, effectively, the trust document. I hope that answers your query.

Thank you.

The Deputy Bailiff: You may ask a question, yes, Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, madam.

And does that mean, therefore, that every time one of those individuals changes in that role that that document is going to have to come back to the States for approval?

The Procureur: Yes, there would be a need to amend the legislation if that happened, it is not something that tends to happen regularly but if need be, yes, we would need to amend that document because it is, effectively, the trust.

The Deputy Bailiff: Thank you. States' Greffier, what is the next item please?

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

6. Repeal of the Country Hospital Charitable Fund Law, 1958 – Propositions carried

Article 6

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled 'Repeal of The Country Hospital Charitable Fund Law, 1958', dated 1st July 2024, they are of the opinion:

- 1. To bring the trust established by the Country Hospital Charitable Fund Law, 1958, to an end.*
- 2. That the assets of the trust, comprising both the trust property and accumulated income arising from said trust property, be transferred to the Committee for Health & Social Care to fund capital works and the provision of essential equipment at the Croft, with the remaining balance, if any, to be transferred to the Friends of the Princess Elizabeth Hospital.*
- 3. To repeal the Country Hospital Charitable Fund Law, 1958.*
- 4. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.*

States' Greffier: Madam, Article 6, the Committee for Employment & Social Security – Repeal of the Country Hospital Charitable Fund Law, 1958.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: I am having a busy Meeting but only 10 months to go!

First of all, let me just fess up in front of the whole Island, this policy makes it clear that I have been breaking the law for several years, *(Laughter)* and I did not know this fund existed but I did have a legal duty to make sure that it was audited and made public every year and I failed in that. So if I do not reappear after lunch you will know what has happened. *(Laughter)*

Other than that I believe these proposals are, probably, fairly uncontroversial. It is simply, Members are being asked to agree that the dormant Country Hospital Charitable Fund is closed and the balance of the Fund be used to improve the environment at the croft, a cause which I hope, I am sure, all Members would agree is an extremely worthy one.

I would venture, maybe wrongly, but I would venture that not many Members are especially familiar with the Country Hospital Charitable Fund. Despite that, the Fund does have a long and really quite interesting history. Having originated from parish donations in respect of the Country Hospital, which has been known since the 1950s as the C  tel hospital and the Country Hospital was actually established 270 years ago, at a time when it was the responsibility of Guernsey's Poor Relief System to care for the most vulnerable members of our society; before the days of minimum wage.

The Hospital was funded by way of donations from the nine country parishes and the trust property that remains is the Country Hospital Charitable Fund. Conveniently this, thankfully, no longer includes wheat, barley and chickens, which counted amongst the fund's assets as recently as 1958 when the States agreed to transform the real and personal property into a trust fund.

As of 31st December last year the Fund had a balance of   31,000, which is held by the Treasury. Although this does not, necessarily, seem like something that the Committee *for* Employment & Social Security would be responsible for, indeed, I have absolutely no idea why we are, nevertheless, over the years the Fund has come to be held in trust, specifically by the Presidents of those Committees and the Law which governs the Fund imposes a duty on the President of ESS to submit accounts of the trust property for audit on an annual basis.

So, I will be in the next cell to Deputy Le Clerc, who will be in the next cell to Deputy Allister Langlois I guess because none of us were aware of our duties to do this. (*Laughter*) In fact, awareness of the requirements really just got lost over the years. The Fund is now dormant and it has been really for quite a long time.

So rather than allowing the Fund to remain unused or just to erode its value through the payment of annual audit fees, ESS is proposing to wind-up the Fund and to put its balance to good use. The governing Law stipulates how the Fund shall be used and which parts of the Fund can be donated. The Law permits the donation of income arising from the Fund, but not from the trust property itself, but that is awkward because, perhaps, surprisingly given the Fund at one point included things like crops and livestock, it is no longer clear how much of the Fund's current balance is comprised of the trust property and how much of it is income arising from the trust property.

So, just to cut through that Gordian knot, ESS is proposing that the repealing of the legislation as a whole and providing the entire assets of the trust, comprising both the trust property and the accumulated income arising from such said property to be transferred. ESS consulted with the Committee *for* Health & Social Care about how best to use the value of the Fund in order to benefit patients receiving care in Guernsey because that was indicated in the trust documents, which would be the preferred route for the use of funds.

HSC has suggested that the balance of the Fund could be used to pay for essential improvements at the Croft. As Members are, I am sure, know the Croft provides invaluable support to children and young people with moderate to severe learning disabilities and/or complex physical disabilities.

If any money is left over after this work is completed, ESS proposes that it be transferred to the friends of the PEH to assist in the important work that they do in providing services for patients receiving treatment at the Hospital. I think this is probably not the most controversial thing we have to debate during the week, and I invite Members to support the ESS's proposals to bring the trust established by the Country Hospital Charitable Fund Law, 1958 to an end, and to use the balance, as I have set out.

The Deputy Bailiff: Does anybody wish to speak in general debate? Deputy Brouard.

Deputy Brouard: Thank you very much, madam.

2010 Just to thank ESS for the offer to put funding towards the Croft. As Deputy Roffey said, I think it is a very worthwhile cause and we are very grateful for that support.

The Deputy Bailiff: If nobody else wishes to speak, Deputy Roffey, do you want to reply?

2015 **Deputy Roffey:** No, thank you.

The Deputy Bailiff: No. States' Greffier, would you open the voting then on this Proposition to repeal the Country Hospital Charitable Fund Law, 1958?

2020 **The States' Greffier:** There are four Propositions there.

The Deputy Bailiff: Yes, sorry, there are four Propositions which are set out in the SEV before you. I do not think anybody is seeking for them to be dealt with separately, are they? No, so we will deal with them all in one go.

2025 Thank you.

There was a recorded vote.

Carried – Pour 33, Contre 0, Ne vote pas 0, Did not vote 6, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	None	None	Helyar, Mark	Haskins, Sam
Blin, Chris			Leadbeater, Marc	
Brouard, Al			Mahoney, David	
Burford, Yvonne			Roberts, Steve	
Bury, Tina			Soulsby, Heidi	
Cameron, Andy			Trott, Lyndon	
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Inder, Neil				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
St Pier, Gavin				
Taylor, Andrew				
Vermeulen, Simon				

2030

The Deputy Bailiff: In relation to this Proposition, there voted Pour 33, 6 Members were absent at the time of the vote and we have our 1 absence. I, therefore, declare the Proposition is passed and we will now adjourn for lunch.

Thank you very much.

2035

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

**Procedural –
Advice from the Procureur**

The Deputy Bailiff: Good afternoon, everybody. Just before we start the next item of business, first, if anybody who has not taken off their jackets wishes to take their jackets off you are very welcome to; she said pointedly. And His Majesty's Procureur just wanted to add one additional element to the advice she previously gave in relation to the KGV Playing Field Trust Amendment.

2040

The Procureur: Thank you very much, madam.

I just wanted to add something for the benefit of the States. I did clarify it to Deputy Dudley-Owen after the 12.30 p.m. rise. That was simply that we would not need to have a fresh Law every time for trustees because there is a power also to enable the Bailiff to appoint. So, we could have a new Law, but there is a power for the Bailiff to appoint. I realise that is a small point and it may not have been on Members' minds throughout lunch, but I did think it was important to clarify.

2045

Thank you.

The Deputy Bailiff: I am very grateful. Greffier what's next on the agenda?

STATES' ASSEMBLY & CONSTITUTION COMMITTEE

**7. Candidate Expenditure Limits and Criminal Conviction Declarations –
Debate commenced**

Article 7

The States are asked to decide:-

Whether, after consideration of the policy letter entitled "Candidate Expenditure Limits and Criminal Conviction Declarations" dated 1st July 2024, they are of the opinion:

1. To agree to set the following candidate expenditure limits:

- i. Up to £7,500 in money or money's worth for individual candidates*
- ii. Up to £15,000 in money or money's worth for political parties*
- iii. Candidates supported or endorsed by political parties have the option of transferring up to half of their expenditure allowance to fund their political party, provided the total of all transferred expenditure does not exceed the party's expenditure limit prescribed in (ii).*

2050

The Deputy Greffier: Madam, Article 7, States' Assembly & Constitution Committee – Candidate Expenditure Limits and Criminal Conviction Declarations.

The Deputy Bailiff: Deputy Meerveld.

2055

Deputy Meerveld: Thank you, madam.

Before I start the official speech, I would just like to say that I am sure that this matter will not be controversial and not too many people will want to speak on it and, hopefully, we will get finished business today, with a fair wind and all that.

Madam, the matter set out in the Committee's policy letter has been discussed by the Assembly earlier this year, in January and May. Both these debates resulted in successful amendments, directing the Committee to carry out additional work and report back to the Assembly with the results.

This policy letter before the Assembly today discharges the Committee's responsibilities in this respect. I will start by considering candidates/party expenditure limits, a topic which stimulated a great deal of debate in May. Members will recall that SACC's recommendations, at that time, was that candidates' expenditure limits should be raised from £6,000 to £7,500 for an individual and party limits from £12,000 to £15,000.

In May, the Assembly agreed expenditure limits of £6,000 and £12,000 for candidates and political parties, respectively – lower limits than those recommended by the Committee at the time – and directed the Committee to explore lower expenditure limits and to submit a policy letter detailing its findings for the consideration of the States no later than the end of September 2024.

The principles that underpinned expenditure limits were set out in the policy letter that was debated in May and are repeated in the policy letter under consideration today and, I think, are very much worth emphasising as we consider the matter. They are as follows: that candidate expenditure limits should allow candidates to communicate with voters so that the voter is engaged and able to participate meaningfully in the process; deter excessive spending to prevent the perception of undue influence over the outcome of the election; not to set so low as to detrimentally constrain reasonable levels of expenditure which could impact on trust in the system.

These are not principles that my Committee has devised, they derive from the UK Electoral Commission, a much respected source of guidance on such matters, and I would urge Members to keep that in mind as we debate this important issue today. Following the May debate, the Committee set about revisiting its original conclusions with regard to party and candidate expenditure limits. As part of its deliberation, it carefully considered a range of limits, aware that the Assembly was looking for the limits to be lowered. However, after much deliberation, informed by national and international expert guidance, the Committee concluded that it could not justify recommending lower limits than those it had previously arrived at, namely £7,500 for individuals and £15,000 for parties.

The extensive research carried out is detailed in the policy letter and I will not repeat it here, but I would emphasise that the matter of election expenditure sits at the very heart of our democratic process. It is clear from the advice quoted in the policy letter that limits must be sufficient for candidates to reach the electorate directly, i.e. independently of the considerable support provided by the States, should they wish to do so.

The Committee considers it is imperative they should have this choice. The figures recommended are realistic, if they wish to exercise this choice and it would run counter to democracy to deny them this opportunity. The revised candidate expenditure limit recommended does not represent a real terms increase from 2020, it is simply a re-flated figure in line with the advice from the Venice Commission that it is best that limits are designed against inflation.

Every single Member of this Assembly benefited from the £6,000 limit that was in place for the 2020 General Election. How can it be right for us to determine that those seeking to become Deputies in the 2025 term should have, in reality, lower expenditure limits than we did? Any current Deputy who decides to stand in the General Election will have the advantage of having been in the public eye for a minimum of four years and eight months, visibility that money cannot buy. So can we turn around and tell new candidates that they will have to get by with a lower expenditure limit in real terms than the one we were able to take advantage of?

I will suggest that this feels very much like pulling the drawbridge up behind ourselves and does not sit well with the principle of democracy, which should allow everyone to compete on a level playing field. The limits are realistically pitched to enable those who want to do so to reach the electorate independently.

The Venice Commission recognises the high expense of modern electoral campaigns and the proposed expenditure limits reflect this reality. Of course, there are some Deputies who claim that the proposed limit is too high and this will act as a barrier to less affluent Members of the community who may be considering running for election.

To such challenges I would respond that there is no requirement for candidates to spend anything. The States already provide significant support that goes beyond anything seen in other jurisdictions. We have the combined manifesto booklet, the website where the candidates can upload videos and manifestos, the opportunity for all candidates to meet the electorate. All this and more is available at zero cost.

What other modern democracy provides such support for its election candidates? They are far more likely to require deposit, returnable only in the event that a set threshold of votes is reached. Surely that is more of a barrier to low income candidates than anything we are proposing. It should also be borne in mind that candidates do not need to be able to fund their campaigns independently. The Reform Law provides that donations may be accepted provided they meet the criteria set out therein and are appropriately declared. Consequently, a candidate's personal financial circumstances need not be a barrier to election expenditure. I would urge my colleagues to take all the above into account in determining how they vote on this matter and ensure that they do not, perhaps with the best of intentions, inadvertently interfere with a matter that sits at the heart of the democratic process.

Now, I will address the issue of criminal conviction checks, another matter that initiated considerable debate earlier this year. There are two aspects to criminal convictions declarations and checks that are relevant to election candidates. First, there are certain convictions that will render a candidate ineligible to stand for the Office of People's Deputy. In summary, this is that a would-be candidate who has been given a prison sentence of more than one year and who is still serving that sentence or is unlawfully at large, cannot take the office of Deputy.

In addition, all candidates must submit, as part of their nominations, a criminal convictions declaration setting out all unspent convictions that resulted in prison sentences in any jurisdiction in the world, provided that the offences would also be considered offences here in Guernsey. These declarations are available for inspection by the public. The Assembly directed the Committee to consider whether candidates should, instead, have to declare any conviction imposed by a court anywhere in the world, including consideration of whether there should be a time limit. However, researching the matter carefully, the Committee concluded that the current provisions are fair, reasonable and relevant.

They do not require candidates to reveal spent convictions that could relate to relatively minor offences, while still making it highly likely that anybody guilty of committing a serious offence will be required to disclose that conviction, as these are the least likely to become spent. Furthermore, there is a need to be careful in our approach to this emotive subject. The current system relies on the judgement of those in our judicial system; only they have the knowledge of the context of the perpetrator's crimes and sentence them accordingly. We are potentially entering dangerous territory if we believe it is appropriate to substitute our judgement for that of the judiciary and require candidates to make declarations that extend beyond convictions that have resulted in a prison sentence.

The Committee was also charged with determining whether all candidates should be required to undergo a standard or enhanced DBS check with the results, potentially, being made available to the electorate. Initial enquiries into the Disclosure and Barring Service locally made it clear that this is not a requirement that can be posed on an election candidates at this time. The reason for this is that only registered employees can request such checks in respect of individuals who are

going to be employed in specific roles. As States' Members are not employed there is no employer to seek such checks. (**A Member:** Hear, hear.)

2160 It is acknowledged that voluntary organisations request stringent DBS checks as part of the recruitment when volunteers will come into contact with children or vulnerable adults, but nowhere does the guidance, or eligibility criteria, extend to elected Members. Furthermore, it is unlikely to be logistically achievable to ensure that approximately 100 election candidates can all undergo DBS checks in a relatively narrow window of time that will be available.

2165 The Committee believes that it is important to remember why standard or enhanced DBS checks are initiated. Their purpose is to protect vulnerable individuals who may come into unsupervised contact with employees, volunteers, etc. Deputies do not usually fall into this category, thereby rendering DBS checks, in this context, of limited value.

2170 This is not to say that the Committee underestimates the concerns of the community about this matter, but the fact that it is not a solution that is deliverable for the 2025 General Election nor is it likely to be achievable in the future unless the UK changes its stance given that changes to UK legislation will be needed before checks could be implemented for Guernsey election candidates. In summary, the proposals in this respect are put forward by the Committee and are considered to be pragmatic and deliverable and I would urge my fellow Deputies to support them.

2175 Thank you, madam.

The Deputy Bailiff: Thank you, Deputy Meerveld.

2180 Just before I ask Deputy Falla to deal with his first amendment, we are going to deal with the amendments in the order in which they are; 1, 2 and 3. My understanding is that Deputy Roffey will not lay his amendment if the first amendment is passed, so something for Members to take into account. Deputy Falla your amendment, please. Would you like the Greffier to read out your amendment?

Amendment 1:

In proposition 1, to substitute the figures £3,000 and £6,000 for the figures £7,500 and £15,000 respectively.

2185

Deputy Falla: No thank you, madam.

2190 This amendment is quite simple and straightforward. The amendment seeks to reduce candidate expenditure limits for the June 2025 General Election of Deputies to £3,000 for individual candidates and £6,000 for parties. Madam, the reason for bringing this amendment is to reflect the view that was clearly expressed in the last debate on this matter in May, when SACC was directed to go away and explore the merits of lower candidate expenditure limits.

2195 They have now done so and whether they are great explorers or not remains for us to decide, but they have returned with a policy letter retaining exactly the same proposed limits that were presented to the May debate. SACC is at pains to justify this position but at the very least, I believe, this Assembly should have the opportunity to challenge SACC's evidence, comparators and assumptions as presented in the policy letter.

2200 The Committee says that it looked at expenditure limits for the 2016 and 2020 Guernsey General Elections, also the rationale for these limits, expenditure limits in Jersey, the Isle of Man and the UK, guidance on campaign finance from the Venice Commission and the Commonwealth Parliamentary Association, the cost of campaign materials and the benefits in kind introduced for the first Island wide election in 2020, including the combined manifesto booklet. Those are the areas they have reviewed.

2205 Now, madam, taking the first point, the limits for the 2016 Election when parties were a mere twinkle in the eye of Guernsey politics, the limit for individuals was £2,300 which, at today's prices, equates to the £3,000 limit that this amendment proposes. Now, admittedly there was not an Island wide election in 2016, some might say for the better, and SACC says it presumes that limit

was set on the basis that candidates could send a manifesto to every household in their then electoral district.

2210 But, of course, neither did the 2016 Election involve a combined manifesto booklet, which love it or hate it, we now have and which is provided to all candidates free of charge. Immediately prior to the 2020 Election SACC set a limit that would, indeed, enable a candidate to reach every household on the electoral roll with their own manifesto, should they wish to do so, in effect duplicating the purpose of the combined manifesto booklet.

2215 Now, madam, to repeat, the decision to set this level was taken when the combined manifesto booklet was still an unknown quantity. It was during a period of electoral transition. Today we have the benefit of hindsight. Today the starting point should be from a position of knowledge gained during the first Island wide election in 2020. Knowledge such as the Scrutiny Management Committee Review of Island Wide Voting Report in November 2023 noted that of those who participated in the review, the Manifesto booklet delivered free to all homes and produced by the
2220 States, was used by 87% of electors when deciding how to vote; 87% of electors looked at the manifesto booklet provided by the States and under 50% of electors thought that candidates' own information, leaflets and flyers were useful information sources.

In feedback to Scrutiny, Mr N Bowden was quoted:

2225 It is asking far too much of the electorate to expect them to look through, say, 80 manifestos and make informed choices. It becomes a sticking the tail on the donkey exercise.

2230 Secondly, SACC has looked at expenditure limits in Jersey, the Isle of Man and the UK and while it can be worthwhile to look outside the Guernsey goldfish bowl when deliberating on how we should do things here, none of those other jurisdictions have similar electoral systems to the one that Guernsey, in its wisdom, has adopted and, therefore, we are comparing apples with pears.

2235 Statistics can be sliced and diced, crunched to say whatever you want them to say and the comparisons used in the table on 2.25 of the policy letter cannot just be viewed through an adjustment of constituency size, it is simply not a like for-like-comparison. Only this morning, Deputy Vermeulen said, we are not the Isle of Man, we are not Jersey we are Guernsey.
(A Member: Hear, hear.)

In Guernsey's 2020 Election most of the candidates, 98 of the 118, spent 50% or less of the £6,000 limit; 70% of the successful candidates, those of us sitting here today, spent less than half of the £6,000 limit. In a previous policy letter, SACC itself said:

2240 Election success was possible with minimal expenditure and it was not necessary to spend anything close to the £6,000 limit in order to be successful.

2245 That is SACC's own words. This amendment has been labelled as hair shirt by Deputy St Pier in his *Guernsey Press* column previewing this week's States' debate but, madam, the Guernsey man and woman is unapologetically shrewd and careful with their money, not wasteful or spendthrift and it is unsurprising that this approach was reflected in candidates who were reflecting the Guernsey spirit, the Guernsey way of doing things in their political term, if successful. Do they really need to spend up to £7,500 to get their message across to electors? And what does that say about their attitude to spending public funds when it comes to making decisions in this Assembly, if elected?

2250 Similarly, looking at the perceived wisdom of the Venice Convention and the Commonwealth Parliamentary Association can only take us so far. Yes, it is good to observe best practice and that is one of the reasons I, personally, appreciate the CPA but everything has to be viewed through a Guernsey lens and delivered as such for it to be workable and appropriate to our community.

SACC itself says in the policy letter:

Guernsey is in a unique position where the States provided combined booklet, website and online manifestos and videos and meet the candidates events provide all candidates who wish to be included and to take part the channels to run equally resourced campaigns and thus the equal opportunity for an effective campaign.

2255

They could have stopped there, but they do not. They go on to say that

expenditure limits should be high enough for candidates to also run their own personal campaigns and to communicate with the electorate in the way that they feel would be most effective.

It is really down to one's subjective interpretation of what is an effective campaign.

2260

Great store is set in the policy letter on the ability for candidates to effectively duplicate the combined manifesto booklet by providing each household with a further printed candidate manifesto. But what of the waste involved in this? The waste of paper, the waste of money. Based on 118 candidates, in the 2020 Election, producing a four-page manifesto to be delivered to 18,000 homes that is 8,496,000 pages for people to read and remember that is on top of the booklet and that is without the postage.

2265

Is a manifesto to every home on the electoral roll really such a must that the limit needs to be set so high as to allow for it? In 2.38 of the policy letter Guernsey Post has said that it would not be deliverable if all candidates wish to individually post personal printed manifestos to every household; it cannot be done. So, even if we voted for SACC's expenditure limits today, in this respect, it is, in reality, impossible to set a level playing field. Hair shirt or not, do we really think candidates are incapable of the intelligence, wit, creativity and ingenuity to work out how best to spend up to £3,000 in addition to the States' funded resources to put their message across?

2270

In 2.47 SACC says:

It is also important not to set such high limits that candidates of more modest means become unable to compete with more affluent candidates.

2275

My assertion is that by setting a limit of up to £7,500 we are unwittingly doing just that. The perception to somebody without access to £7,500 could be that it is too expensive to put one's name forward and risk losing up to £7,500 if unsuccessful. It is an election, not a night at the roulette table and I fear that setting the level this high risks us actually ending up being undemocratic. As Deputy Bury said in the May debate, £7,500 is a lot of money to a lot of people.

2280

Now, we do not know for certain whether there will be any in the next election, but in regard to parties, to misquote a biblical reference, you will hear of parties and rumours of parties but see to it that you are not alarmed. In any case, the amendment reflects SACC's proposals by doubling the individual candidate budget, which is actually quite generous in that a party is, after all, only a single entity reaching exactly the same number of voters, similar to an individual candidate in terms of getting its messages across, unless the ambition is to turn Guernsey elections into the kind of circus of battle buses and baby kissing that we see in the UK and the United States.

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Madam, my hair shirt is starting to itch so I will draw to a close. SACC stresses that £7,500 is only the index linked equivalent of £6,000 in 2020, but 2025 will not be 2020; 2020, the first Island wide election, was a guinea pig of an election full of unknowns and at that time the then SACC put forward what they believed to be the right limit in those circumstances.

2290

With the benefit of hindsight we now have a clearer picture of what the 2025 election will look like. The view of some electors was that they were swamped, drowning in information in 2020 as they attempted to select up to 38 candidates. There is no imperative to stick to the 2020 rules and perpetuate the clunkier elements of that election.

Thank you.

2295

The Deputy Bailiff: Thank you. Deputy Aldwell, do you second this?

Deputy Aldwell: I do.

The Deputy Bailiff: Thank you. Deputy Brouard.

2300 **Deputy Brouard:** Thank you, madam.

Can you hear me from here? I am not usually known as a conspiracy theorist (*Laughter*) but this really does look like Big Brother or Big Falla, (*Laughter*) the controlling hand, so for your election to our Government this is how I read the lack of funding to allow a proper campaign: 'You can only use the Government handbook. We, the Cabal, will advise you how you will present to this election, the size and clarity and the number of pictures, whether you can show your pet, (*Laughter*) the limit on the number of cats and dog photos,' so poor Deputy Dyke is going to be in trouble, (*Laughter*) 'the size and the type of font and where in the Cabal's handbook we will allow your name to be placed.' It is probably going to be alphabetical, but you never know.

2305 'We will also have a ban on certain fonts, you will not be able to have goth because it is very similar to gothic, you cannot have sans script because it is too authentic and organic and, in fact, you will have no choice because we will tell you what font we will publish your manifesto in. (*Laughter*) We will not allow you to visit the electorate as the time frame we set will not permit you to visit every household as you simply cannot, physically, in the window we will set and we do not want you to do it because it will clog up the roads anyway.' (*Laughter*)

2315 'You will be forbidden from sending your own manifesto as the Cabal is nervous that it will not have control of what and how you present to the public. The power of the Cabal is also concerned that it does not want posters or pictures of Deputy Meerveld' (**A Member:** Hear, hear.) (*Laughter*) (**A Member:** Sealed it!) 'of large size around the Island (*Laughter*) but will tolerate his entry in the Cabal handbook,' probably a blessing.

2320 Anyway, in all seriousness, we need to allow individuals who want to stand for office to do so freely and with sufficient resources to be able to get their individual message across, with or without the Cabal's handbook. I do appreciate the need for a limit in a small Island. We do not want a bought election and, to be honest, knowing some of my fellow Islanders they will spot a candidate trying to buy a seat and vote contre anyway.

2325 I am not taken by the argument that if I do not have £5,000 or £6000 to spend on an election manifesto you cannot either, I do not think that works. I think, this Assembly is a special place and we will welcome candidates as they stand in 2025 and they can use the Cabal handbook and some will make use of that but you will restrict the choice for many who do not want to use it, they want to do their own campaign and enable them to have a seat in this in this Assembly. They will need to, or believe, they should be able to, express their manifesto and individually outside or inside of this Cabal handbook.

2330 I do not think it is very fair to compare the Island wide election prices with the parish prices, which we had previously. So I think, he mentioned the limit was about £2,000-plus in the parish; we have got 10 parishes so, therefore, if you extrapolate that up we should be at £20,000. That is how I read it.

Deputy Falla: Just on a point of correction. That was actually districts, Deputy Brouard.

2340 **Deputy Brouard:** Okay well, even at districts, six districts, I believe there were – (**A Member:** Seven) Seven districts. Seven, twos is £14,000. So that logic does not work at all. Of course, it is not the Guernseymen, apart from me and you and the other candidates who stand, who will be paying, it is not the general Guernsman, it is the people who are standing that will pay up to the £7,000, if they want to, they do not have to, they can use the Cabal handbook but if they do want to pay ... if you want to really put your hair shirt on properly what you should be saying is, 'We as a Government are not going to pay for your election, we are going to take the handbook away and save ourselves tens of thousands of pounds.' That is where the real savings are, that is the taxpayer who is paying it.

2345 They could not care less whether Deputy Brouard or Deputy Meerveld dip into our own pockets and our own savings to stand for election. They are more miffed that we are getting a

2350 free ride in the Cabal handbook. So, please, reject this and let candidates have a fair crack how they want to in this particular election coming up.

Thank you, sir.

The Deputy Bailiff: Deputy Burford.

2355

Deputy Burford: Thank you, madam.

The quote Deputy Falla takes from the Island Wide Voting Report was referring to the manifesto booklet and not individually sent out manifestos so, I am afraid he rather took it out of context. Additionally, the majority of respondents across all age groups to our survey were dissatisfied with the paucity of information in the manifesto booklet on which to make an informed choice.

2360

However, I am not basing my primary argument on the manifesto booklet. While it undoubtedly has validity, there is a much more pressing reason as to why Members should vote against this amendment. In the same way as Christmas adverts for the latest must-have toy appear earlier every year, media interest in which Deputies will be re-standing comes earlier every term and as a result we already know that the vast majority of Deputies in this room intend to put themselves forward once again.

2365

Madam, the Deputies in this Assembly were the first to be elected under a new and radically different system of election. For better or for worse, we are going to give that system another outing in 2025. It has long been held that sitting Deputies have an incumbency advantage and although that is not always true, it certainly largely is. Indeed, under Island wide voting where meeting or speaking to a sizeable proportion of the electorate is simply not possible, incumbency name recognition counts for even more than it did under the previous electoral system.

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Members of this Assembly had the opportunity to spend up to £6,000 on getting themselves elected, whether or not they availed themselves of some, most or all of that figure, and having been elected they now have incumbency advantage and I would say to any Deputy who is considering re-standing having had the opportunity of that spending limit, how can you square it with yourself to now pull up the ladder and tell your competition in 2025 that they can make do on a much lower real terms figure? (**A Member:** Hear, hear.)

2375

Some Members may be thinking to themselves, well, I did not spend anywhere near £6,000, so I am not creating an advantage for myself. Well, let us look at that. The figure proposed in this amendment is £3,000, in real terms that would have been the same as having had £2,400 to spend last time. So I took a look at the spending data for the last election, it shows that 22 candidates spent more than £2,400 but, crucially, 14 of those 22 are sitting in this Assembly today.

2380

So there are 14 Deputies here who, if they vote for this amendment, will be saying to their competition next June, 'I had the advantage of actually spending more to get elected than I am going to allow you to spend.' (**A Member:** Hear, hear.) I truly hope all Members can see the rank unfairness evident in that approach.

2385

I understand the main argument for reducing limits, which is that many people cannot afford £7,500. There will be people who cannot afford £3,000 either, so where do you draw the line? Taking this argument to its logical conclusion, there should either be a zero limit or a fully funded States' grant because any other limit will have a degree of economic unfairness.

2390

As is so often the case in this Assembly, the issue we are trying to resolve is not the root of the problem. The root of the problem is the system of election that requires candidates to market themselves to 30,000 people. I am not calling for an end to Island wide voting, I support it, but in a rolling form, which would solve the current issue. But that is a debate for another Assembly.

2395

However, it must be understood that the whole reason we are having this debate today is because of the system of election we have adopted and one of the by-products of the system is the difficulty of getting your message out to those 30,000 people on the electoral roll in your own personal style, whatever that may be.

2400

SACC, in the previous States, recommended a limit of £9,000 and that Assembly cut that down to £6,000. There were amendments to take it lower but £6,000 won the day. It is incumbent on us to continue with that limit, re-flated for as long as we have this system of election. That is exactly what happened under the previous system at each election. I do not believe that as incumbents we can fairly impose a real terms limit on our competitors in 2025 that is less than what we had the ability to utilise ourselves.

Thank you.

The Deputy Bailiff: Thank you.

Deputy Inder.

Deputy Inder: Only briefly, I have been here before in variations of this. In fact, I remind Members that after the Referendum I was one of the newer Members of the Committee, SACC, and Deputy Roffey and Deputy de Sausmarez did not like the result of the election and resigned immediately and left me in the Chair, expecting it to fail and they were wrong (*Laughter*), it did not fail, it worked because I took on some good people. I had Deputy Le Tocq, I had Deputy Ferbrache, Deputy Merrett, I believe it was, and the other person was so good I have completely forgotten, oh, yes, Deputy Yerby, who at the time was one of my first choices because I knew what I wanted to say and I knew she knew how she could make me say it. (*Laughter*)

I just find it quite incredible, if not cynical and I resonate somewhat with Deputy Burford and certainly Deputy Brouard, that we have got candidates who came into the States nearly four or five years ago with limits of £6,000 for the individual, which they could have spent, and £9,000 for the parties, of which Deputy Falla was in, and are now asking the States to reduce the figure to £3,000 of what they enjoyed as individuals and to limit the party spend to a smaller amount of (£6,000. It feels like a closed shop to me.

It feels like some people who have played the populist card for the last four years, making absolutely no decisions at all, who are going to put pictures of fields that they saved and they voted no to GST are going to preclude absolutely everyone else who has actually got policies, I mean, it is very easy in our world, there is no cost to opposition in our system, no cost of opposition. You can oppose absolutely everything for four years, put a picture at the top of your manifesto with a five bar gate and a couple of cows over the top, so you did not vote GST, you will not have to spend a penny. What are you worried about?

I am not even too sure some of us are actually politicians. We are actually Deputies and this is a mistake the media makes, it always refers to us as politicians, we are not we are Deputies. Politicians actually have policies. Not liking a policy is not a policy. Saying I voted against a policy is not policy making. That is not policy making.

Now it really does feel slightly, I do not know what the word is, I tend to say Orwellian, but Deputy Burford always wonders if I have ever read anything by Alan Allwell. (**Deputy Burford:** It is Alan Orwell) Joke! (*Laughter*) So it appears to be no to candidate expenditure but yes to regular pieces in the *Press*, that is allowed.

Now, it is worth mentioning to people that I was an advertising man once. When we used to spend an awful lot of money with the *Guernsey Press*, we were paying something like £1,500 a page, (**A Member:** A page!) £1,500 a page for advertising. You cannot ignore the value of that page presence, it was national advertising for cigarettes and you can understand that we always pay top rate, Deputy Vermeulen. Well, that is what we told the clients anyway.

We cannot ignore the fact that there are a number of Deputies who run to the media. The media used to tell us that we would not do anything where a Deputy says something. Well, if we have not just had the last four or five months of people running to the *Press* where a Deputy said something, which has a value and Deputy Falla should know that because he is a media man, he should know that every time he gets something in the *Press* it raises his profile.

It does not raise the profile to the other Deputy Falla or the other Steve Falla, who no one has ever heard of, who has not got that kind of profile, but it raises his profile and he must know that

because he is a media man. So it is no to new candidates to full and unfettered access to a reasonable budget, but it is yes to Deputies running to the camera more times in a day than my daughter runs to the mirror! *(Laughter)*

I think this is cynical, I genuinely think it is because it smells cynical. SACC, as a Committee, have got it spot on, they genuinely have and I am no fan of parties, I can tell you that for free, but it is not reasonable, as Deputy Brouard pointed out, for individual Deputies to assume how someone might market themselves; you have not got a clue.

There may be someone up in the woolly wilds of Torteval who has never left the parish, who might think that they need some presence down in the Vale. They might want to spend more money in the Vale. The way that anyone markets themselves through the secularisation is not just this kind of slightly simplistic view that everyone wants to spend £6,000 just on a manifesto, it is worth reminding people that the manifesto booklet itself is a redacted version of the 4pp manifesto, because I think it was restricted words. I think I am correct on that, there is a restricted amount of verbiage in there. I think, Deputy Brouard was quite famous, he practically did his own booklet, I think, it was gatefold, pop-up family or all that stuff. It was pictures of him, it was more like a photo album than anything else.

But the point remains, I do not think this is fair it is entirely unfair for people who came in to the States who actually do not even like Island wide voting, we hear enough of the same people who did not like Island wide voting did not mind standing but they now want to reduce, on the second Island wide vote, which is fairly substantial and bear in mind, I know there is a lot of people here that do not really do not like this, but this was voted by the people of this Island not the people in this Assembly and I just find it very cynical that there are Members of this Assembly that want to reduce the funding for our second Island wide vote which they enjoyed. I am just not comfortable with this at all and this more feels more like inequality and exclusion rather than equality and inclusion.

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Gosh, Deputy Brouard and Deputy Inder have very much amused me with their speeches. I might not agree with much of what they say but they have amused me. I am not quite sure whether they have had too much to do with what we talk about. *(Laughter)*

I was on SACC under the excellent leadership of Deputy Inder, it does not pain me to say it, he was an excellent leader because those that did not want Island wide voting thought it would collapse, they thought it would be impossible to achieve in the period of time and I have mentioned it before in a debate, when the civil servants came along and said, this will cost £3,000, he said, 'No, it will not, it will cost £500. We cannot do that for six months. No, you will do it next week,' and that worked, that leadership worked because Island wide voting.

But let us look at some of the things he said. Those that were against Island wide voting, I was not, I, with Deputy Meerveld, were two of the main people that led it. He went round and put all the posters up with Deputy Mahoney, they had the odd argument or two and I fronted it in relation to the media, by and large

He said, in relation to being populist, I do not think I have been populist over the last four years because I voted for GST, I voted for building in the field, if we had done that we might have actually had some accommodation (**Several Members:** Hear, hear.) for the nurses there instead of having another talk about it and another report, another six civil servants at £70,000 a shot. We could have done that, we could have actually done something.

So I do not think I have been cynical. Of course Deputy Burford is right, of course Deputy Inder is right, of course Deputy Brouard is right when they say if you are an existing Member, but that has always been the case: in the States you have an advantage. It does not mean that everybody gets re-elected if they stand but their names are there and if certainly people have got to pick 20 or 30 people there is going to be a goodly number, they think, well, I am going to pick Fred, Ena and Sybil but I might give Inder a vote because I recognise his name and he is always being angry

2505 and saying speeches at this stage. (*Laughter*) Or I might give Deputy St Pier a vote because he is writing in his newspaper every week. We might have that kind of stuff and, of course, the *Guernsey Press*, as we know, only allows certain people to write certain things. They do not want to respect the views of other people, but that is by the by, that is not what we are having today.

2510 The point in relation to this is that, and I am surprised because £7,500, to a lot of people in this Island is a lot of money. The topic that took up most of this morning was the minimum wage, £12 an hour, £480 a week. So at £480 a week, £7,500 is something like 15 or 16 weeks of your money. Every penny you have got. If you are on the average wage of circa £40,000 a year, you have got a family to pay for, you have got a mortgage to pay for, you have got rent to pay for, you have got all those things, you have got kids to pay for, you are going to have a heck of a job in a year or
2515 two accumulating £7,500.

So those who say that they are protecting democracy by keeping the level as it was roughly, and I appreciate the inflation, as it was four years ago are actually allowing people with deeper pockets a considerable advantage to be elected. Of course, the parties, we had the parties; I am not sure why we give any ... I mean in a way I am going to vote for Deputy Falla's amendment, it
2520 might only be me, him and Deputy Aldwell but at least it gets three votes. (*Laughter*)

But in relation to that, the parties, I can remember seeing a picture of, I think it was called the Guernsey Party of Independence, it did not last very long because they, apparently, were not co-aligned when they were, and I remember seeing the smiling faces at the front of the picture of Deputy Trott, Deputy Soulsby and Deputy St Pier, and behind them was another group of, I think,
2525 18 or 20 people looking adoringly at their three leaders. (*Laughter*) What on earth happened to that group of association?

Then we had Deputy Helyar's party. Well, I think two of them hardly speak to the rest of them now (*Laughter*) in relation to anything. So that was another great success. Then we had another party where nobody got more than about 1,800 votes from all of their candidates, I think. So I
2530 would not give a penny to a party but I am not going to amend the amendment or seek to amend the amendment because there is nothing to stop you on your leaflet or the booklet saying, I am a member of the whatever Deputy St Pier's next party will be, whatever that is going to be, we know he has already canvassed lots of people, so we will find out those details in the due passage of time as to what that is.

2535 The party of the great, the good, the independent, and I have not been asked to join but I do not fall into any of those categories, I suppose, and I am not standing for election, I am out now, I am not standing for election next time. So I have got no grounds for saying that in relation to any of this that there is any benefit to me.

But the people of Guernsey, I am sorry, overwhelmingly I do not care what the survey said, to
2540 Deputy Burford's survey when they had that thing ... The people of Guernsey that speak to me and there are quite a lot of them that speak to me, say this debate is unedifying. (*Interjection*) This kind of money shows that the politicians are being unrealistic, they are the ones that are being unrealistic because if they think a 25-year-old who might want to put his or her name forward, or a pensioner who might want to put his or her name forward but they have not got £7,500 ... I
2545 know they do not have to spend it, they can just spend £3,000 but then they are campaigning against people and, I think one or two of our candidates did nearly spend all their £6,000 last time, that to me is unfair, grossly unfair and is undemocratic writ large.

If people do not want this booklet, and Deputy Burford has referred to that in her survey that she looked at, and they do not think it is up to it that is fine. A lot of people actually thought the
2550 booklet was a good thing. There is nothing to stop you still ... I know it is a 24.5 square mile Island, 30,000 houses or 27,000 houses actually, to go around and put your leaflets through.

I can remember walking along, I think it was Bailiff's Cross Road going one way and Deputy Roffey was going the other way delivering leaflets, and our paths crossed in relation to that. Now you are not going to be able to go to 30,000 or 27,000 houses but you go to some of them, you
2555 have a mixture and you can put out your own leaflets at less cost than anything else, you can hire a hall, a group of six or eight of you could hire a hall or three or four halls, or you could even put

your name on a bus, a little van. I wonder who was there. (*Interjection*) One of them was good looking, the other three accompanied them (*Laughter*) that went round.

I give way to Deputy Roffey.

Deputy Roffey: I thank Deputy Ferbrache for giving way. I have always wanted to know was the parking ticket for that van actually declared as an election expense? (*Laughter*)

Deputy Ferbrache: Well, we did not have to pay the driver and the petrol was free. But in relation to where we were ... But seriously, it is a good point, but we all had our different ways of campaigning and other people did it. Some people did not walk any streets and that was fair enough, other people delivered leaflets and certain things.

This is the Guernsey way and I actually found it, just before about 2.20 p.m. I am walking up the High Street Deputy Meerveld was walking down the High Street twiddling his umbrella and stroking his hat and looking very smart; and a lady that I never knew came across and spoke to me and she said, listen to what they are saying. She was listening to the States, she said, 'They are all saying things that you said in the last three or four years. Why didn't they listen?' They did not listen because they wanted to be, to use a phrase, to use a word that Deputy Inder used, they wanted to be populist.

The people of Guernsey, generally, have got good wisdom. They will elect the men and women that they think are the best candidates. They will not always get it right because, well I better not say that I will get in trouble, they will not always get it right. But in relation to where we are I actually think £3,000, it is a lot ... well I am a Guernseyman so £3 is a lot of money to me because I do not like spending it, but £3,000 is a lot of money to a lot of people.

My good friend, and we get on really well, Deputy de Lisle, we joke about each other, he is one of the few States' Members that is older than me, and I do not mention that very often, but Deputy de Lisle and I do not like spending money. I bet Deputy de Lisle has not spent £3,000 in all his 42 election campaigns (*Laughter*) over the last 204 years (*Laughter*) that he has been a Member of this States.

But in relation to all of that, being serious, do what the people of Guernsey expect you to do. Be modest, have regard to the fact that we are in a different world. It is not pulling up the drawbridge. I voted in favour. I was a fool, I know Deputy Inder said this on many occasions, I was a fully signed up Member to SACC's last time, I supported their recommendations. The world has moved on. We are in a much more difficult position now, people expect us to set an example.

The Deputy Bailiff: Deputy Aldwell.

Deputy Aldwell: Thank you, madam.

I am sorry you are so cynical, Deputy Inder, but, you know, I have said before, I spent just over £500. I was from the smallest parish on the Island, (*Laughter*) actually, nobody knew who I was. I spent the time going around every single parish, different areas, I went and talked to people and I was the first letter in the alphabet in the book, fair enough. But, you know, you do not have to put whole pages in the *Press* and things, you can do it another way.

Anyway, madam, through you, this amendment, was purely laid to give Members an option. We are reminded every day that our Island, as every jurisdiction, is a community of those who have and those who have not, not least this morning with the minimum wage debate. The policy letter certainly feels, to me, that it was written for those who have, up to £7,500 may be, to the haves, loose change in their pocket and I am sure in this Assembly there may be a few Members here where that is the case.

There will be those who wish to stand in 2025 who would probably not bat an eyelid at the thought of spending up to £7,500 for what, ultimately, is a gamble to gain a seat in this Assembly. Whereas those who have not would not even contemplate spending the price of a small second hand car, possibly all of their hard earned meagre savings or borrow to run a campaign.

Madam, over the summer volunteering, as I always do, at Scarecrow Festival where show and grow, along with my regular shopping haunts in the upper parishes each weekend, I have had the opportunity to speak to many people and, madam, though it may not be the lofty echelons of Westminster, this is the heart of our community. They are attended by every working sector on this Island and every parish. Goodness, even our Chief Minister, with his winning bean jar in hand (**A Member:** Hear, hear.) attended, which in essence is Guernsey. (**A Member:** Hear, hear.)

I was asking the question, what do Islanders actually think, enabling me to complete a survey of my own, on candidates expenditure? This is what I learned. Overwhelmingly, Islanders like the manifesto booklet produced by the States from the last election in 2020. They enjoyed meeting at restaurants and pubs with friends using the manifesto booklet to make their choices. They enjoyed holding dinner parties and afternoon teas with friends and family, again using the manifesto booklet to choose candidates.

I was told by many they were not on social media and so the booklet was key. They enjoyed the *Press* coverage and some even listened to the radio coverage. The majority did not want extra individual manifestos the booklet was quite enough through the door, thank you. A suggestion was made for the booklet, less artistic photographs; they take up too much space and more information was what was needed on key subjects.

I had feedback from those who had attended the meet and greets at Beau Séjour and found it useful. Some who enjoyed the video online which, personally, was the most frightening part of the election campaign for me at the time and I hear they will no longer be produced. So good news in my eyes.

Many missed the parish hustings and the suggestion that the *Press* will facilitate their own hustings, are welcome. We also hear BBC Radio Guernsey have a few hustings arranged at the Les Côtis also and meet and greets at the Beau Séjour over three evenings, giving plenty of opportunity for Islanders to ask pressing questions.

From my own experience those who seriously wish to find out more about my position on different relevant topics, and I am sure a lot of you would have had this as well, I probably had about 130 to 150 emails and I remember answering them late into the early hours and I also had about 20 or 30 calls, which I was always happy to take.

With all the information available in the booklet including contact details, social media with three meet and greets at Beau Séjour, hustings by the *Press* and BBC Guernsey Radio, hustings along with the media coverage, is there really a need for candidates' expenditure to be in excess of £3,000?

Is it responsible for candidates to spend £6,000 or £7,000 on promoting themselves? Is it a necessity or a nicety when so many people on this Island are struggling to make ends meet? Does it really give a good impression? Does spending thousands on postage sending out a duplicate manifesto make sense to just end up in the recycling? Not very green. My feedback has been we do not want single manifestos, thank you.

Paying thousands of pounds for advertising in the *Press* to discredit another candidate as was seen in 2020, is this what we want from high candidate expenditure? I would hope not. I believe the two parties in 2020 spent just over £6,000 each to promote 10 and 20 candidates, do they really need £15,000 to do the same job?

I am sure we will hear some argument today from the United Nations, Human Rights and the Venice Commission to send out individual manifestos to each household and I would turn that around and say, what about the right of the Guernsey householder not to be flooded with duplicate individual mug shots?

This is a sensible amendment, it allows candidates to be creative in promotion but does not frighten off those candidates who do not have a high level of disposable income, feeling they are at a disadvantage from the outset. We need to level out the playing field from the off. There will be an array of free promotion available to every candidate and, I hope, the Assembly will be mindful today not just of the haves but also encouraging the not haves to stand.

Thank you.

The Deputy Bailiff: Thank you.
Deputy Helyar.

Deputy Helyar: Thank you, madam.

2665 I just wanted to add some facts and figures and I hope that Deputy Dyke and Deputy
Vermeulen do not mind me speaking on behalf of a party I used to be a member of because I am
still, obviously, aware of what the figures were. There were nine candidates in the Guernsey Party. I
do very much support this amendment and will be fully supporting it and the primary reason for
that is there is no real reason or need to spend anything more than the figures that are in this
2670 amendment.

Turning to those facts, there were nine candidates in the Guernsey Party, all of them were
newbies. Okay, we have had a lot of talk about newbies, it is more difficult than others. I managed
to come fourth, who knows why. (**A Member:** Hear, hear.) Hear, hear, he says. (*Laughter*) We spent
on average just over £2,000 each, so we are pretty much bang in the middle of what the
2675 expenditure was. The party spent £6,200; for that it managed to hire a shop in Town, we had three
public meetings of our own which we organised, we had all of our own personal materials and
business cards and all of the stuff that went with that.

We did not get anywhere near the amounts that we are talking about in this amendment and
we could have spent less if we had wanted to. There is simply no reason for the higher limits that
2680 are being suggested in other amendments and in the original proposals. It is just not necessary.
And one of our members, God rest his soul, Rick Lowe, managed to beat every other member of
the Alliance Party even though he had already passed away. (*Laughter*) I am sure he would be very
proud of that if he knew about it. Anyway, God rest his soul, Rick. He was a great inspiration to us
all. (**A Member:** Hear, hear.)

2685 There really is no reason, and it sets a terrible example for us to be voting to spend more
money on this, there really is not any need for it and I would urge Members to support this
amendment.

The Deputy Bailiff: Deputy Gollop.

2690
Deputy Gollop: Well, me and Deputy Matthews are probably not alone in musing that maybe,
despite Deputy Meerveld being annoyed about it, we could have persisted with bringing back the
dream of paying the candidates to stand because if people want fairness, the fairest thing is not
just to do the booklet, and I hope the videos stay despite what Deputy Aldwell said, maybe not as
2695 long as they were before, but to get everybody on a level playing field because we have seen the
other amendments return.

In relation to Deputy Aldwell's point of the west show I met people there, although we did not
talk much about the election expenses, but I was one of the judges for the bean jar and I did not
know who I was choosing at the time. So there was not any dodgy things with the ballot paper. So
2700 that is one point I would make.

Another one is, I am not sure about kissing babies but I would like more of a battle bus to go
around, although I was on the picture at the back of the bus at one time, and indeed the former
Conseiller Laurie Morgan, he entered the States after a successful campaign promoting himself on
the buses, I remember, and that was an expense allowed in the era.

2705 I am leaning, I must admit, much more to the perspectives of Deputy Brouard and Deputy
Inder. Deputy Brouard, I think, made the point, or maybe it was Deputy Meerveld or Deputy
Burford actually, yes, that 14 out of 22 people who spent more were successful and I have to
admit that, not to be hypocritical, I was one of the 14 who spent higher, I think, than £3,000.

2710 The thing is, although it is a huge amount of money especially for someone like myself, and I
was sharing expenses with other candidates in some contexts which is a way of doing things a bit
cheaper, like a party, but you want to give yourself the maximum chance to put across your views
and your perspective and your manifesto and stand out from the crowd because somebody said,

we may have 100 candidates next time, well we had 119 last time, we may have 200, I do not know, you cannot predict what the nature of the economy and feeling of the time will be and however much effort is put in to a booklet, which will be more than a booklet, more like a telephone book or War and Peace if there are 200 candidates, however much effort is put into that it is a one size fits all.

As Deputy Burford and other Members have said, Deputy Brouard, there is no choice necessarily about text, about style, about format, about originality, about trying to put things across in a different way. I accept what Deputy Aldwell says that some voters would consider it wasteful or non-green to have extra bits of paper in the door but, generally speaking, those candidates are more successful than not and it has been a right that most of us, when we had the £3,000 for the seven districts, within that budget, just about, you could do a mailshot to the larger districts within that.

I know Deputy de Lisle is always economical in every way, especially with his campaigns, but I think on one occasion he gave out one or two pens. Everybody does campaigns differently and, of course, it worked for him. I would argue Deputy Ferbrache has had one of the greatest electoral reputations in modern times, three times topping the poll in three different districts, coming in the top five, top 10, again, Island wide. In fact, he is probably the only person who has won twice Island wide.

But it does help if you are Deputy and Advocate Ferbrache who, as he often reminds us, has had 40 years of tip top court experience and, I think, some candidates because of their reputation, start with a greater advantage than others. The point was made relatively few candidates who were at the lower end of the alphabet did well in the election. So maybe we should randomise the booklet so we are not As all the time.

We all know in the past the late, great Eric Walters topped our poll and he was a W and Deputy Vermeulen did particularly well but, I think, Deputy Vermeulen is another example of somebody who was pretty well known long before he became a Deputy and so, I think, we should give candidates the option to spend if they can.

What we do not want to see is Mr or Mrs Moneybags splashing the cash. But there is the opportunity, surely, for candidates to be sponsored by like minded people. There is nothing to stop somebody who wants to stand from a youth perspective or a working person perspective or an environmentalist perspective or anything to spend as much as they can and not just on paper manifestos, many would say we are moving more into an online era but online can be expensive.

Media advertisements, if you are allowed them, there are restrictions on that, are definitely expensive and they should not be negative. We do not want negative campaigns but there is no doubt if you study the world of guerrilla marketing, I suppose, there are some techniques that work more than others and I think if you look across the piste in Jersey, where they used to hire hotels at great expense and do all those posters everywhere and you see in the UK and America different things.

I got told off this morning by various people for comparing us with Jersey because we are Guernsey and Guernsey is Guernsey, but until the last election, when we had a spectacular turnout of 80%, our turnouts were a bit like Jersey and lower than most of England at 40%. In fact, our turnout is still lower than it should be because there is still about 10,000 to 15,000 people who are eligible to go on the electoral roll who do not.

So, actually, we almost need campaigns before we get people on the electoral roll to inspire them. Is this too late, once the election started? If we had more parties who campaigned all the time, you would probably see activity all year; people would not like that. I think, when you look at the apathy that exists in Guernsey, especially amongst younger people, less well off people, people perhaps from other backgrounds, they do not vote.

Deputy Aldwell, I am sure, is right that many people, perhaps, who represent the core of Guernsey who did sit down and meet up with friends and go through the manifesto booklet, I actually think postal voting was a game changer there as well, but others are still marginalised in the process.

2765 You will not see, I believe, much voting from social housing estates. One knows that because you can only look at the roll and see that there are significant gaps. We need to maximise interests, maximise turnout, have campaigns that are innovative, especially from new candidates. Whether being a Member of this Assembly is a vote winner is debateable, actually, but it could be a vote loser even perhaps.

2770 Regardless of whether a person is an ex-incumbent or an incumbent or a high profile individual or low profile individual, people need the freedom to work together to spend reasonably and if we do accept the £3,000 amendment it represents a very substantial drop on last time and a significant drop when we had seven parishes and will be well below comparable areas like the Isle of Man and Jersey and it will change the nature of the election because, maybe, 2775 candidates will then have to constantly do emails for free or Facebook posts when they would rather have the opportunity to post to people a manifesto for people who are not keen on online.

You are taking away the rights of the posted manifesto, for example, because no way could even candidates clubbing together seriously be able to post a manifesto to most, if not all of members of the electorate, especially if the electorate expands because of a successful campaign 2780 to get more people on, which we have to bear that in mind as well because we may have a larger electorate at the next election and so all the figures in this book are wrong. I think, effectively, if we vote for this today we are reducing choice of candidates, choice of people who might want to sponsor candidates and we are reducing the options that candidates have to communicate their message.

2785 **The Deputy Bailiff:** Deputy Mahoney.

Deputy Mahoney: Thank you, madam.

I have got to start off by saying I loved Deputy Brouard's speech. I can only imagine he must 2790 feel a lot better having just got rid of some pent up something or other. So I thank him for that. That was certainly a bit of light relief, although I am sure he meant most of what he said. *(Laughter)* I must admit when I read this I thought I would then start hearing Sonny and Cher, I Got You Babe, come on the radio because this is certainly a Groundhog Day moment when this fell into the inbox.

2795 We had this exact debate in May. It has taken a lot longer than I thought it was going to, actually, I thought this was going to be a really quick one and in that debate we all know that whilst they were running for the hills SACC promised to review it to lower limits, a review I beg your pardon, re lower limits and perhaps we should have guessed what the outcome would be.

2800 Despite the current limit that we agreed on that day of £6,000 and £12,000, I think it was, having passed by 26 votes to four on that day, just 105 days ago, we managed to get the same policy letter back again. I think various of us, many of us, can probably see behind the curtain that the huge limit of £15,000, a ridiculous limit of £15,000, would favour Deputy St Pier and his party when it eventually shows up under whatever name it ends up having, and Deputy Meerveld, 2805 someone that did spend large in the last election but still managed to occupy the tail end Charlie seat, he will want to spend as much as possible again and, in fact, in a case of delicious symmetry the pair of them bookended the successful candidates in 2020.

As expected, Deputy Meerveld and others, I think, have rolled out the, 'We have an unfair advantage. We are in the chairs and we have an unfair advantage because we are the incumbents.' But so did the 2016 Assembly over the, was it, 18 or 19 newbies **(A Member:** More.) that got in in 2810 2020 and always will.

As incumbents you will always have that advantage and I am really not sure what you can do about that unless anyone has got any great ideas. Do we give the newbies more money as an option? It is ridiculous, you cannot do it. You will always have an advantage if you are a name or whatever else we want to call it.

2815 It is interesting that those most vocal so far for the high spending themselves, spent highly in the last election and presumably would have plans to do so again. Deputy Burford plays with the

numbers and I do not doubt her facts re 14 people was the number; however, it is half a story because I understand that 10 of us here spent between £285 and £1,038. So that is 10 of us, some of us, who would have been newbies, still managed to get in.

2820 But overall, to cut through it the most important consideration here, for me, is the affordability and the fairness of this. Even at £6,000, let alone £7,500 that is out of reach of the vast majority of potential candidates. Even £3,000, which I fully support this amendment by the way, is still a huge amount of money in the real world.

2825 Deputy Ferbrache mentioned it, look back to the debate that we had for two and a half hours this morning re minimum wages and the worse off or the less well off. They would be excluded from this. It is unfair to expect someone to only have £500 in their pocket and go against a lot of other people that have got £3,000, £6,000 or, ridiculously, £7,500 in their pockets.

2830 Most of us spent well under that figure of those amounts and I am very glad that Deputy Falla highlighted the actual amounts, much more accurately than I have been able to do. I urge Members, please, be sensible about this, be reasonable £3,000, even, stated in this amendment is an awful lot of money to an awful lot of people. Let us be sensible about this, please.

The Deputy Bailiff: Deputy de Sausmarez.

2835 **Deputy de Sausmarez:** I am not sure whether this microphone is working. Thank you, to the people at the back for confirming that it is not.

2840 Tempting, though it is to start by correcting some of what, I consider, to be pretty inaccurate and misleading things in Deputy Inder's speech, I am not going to but I would say I am quite uncomfortable with how personal some of the references in this debate have been and I would urge people to just bring it up a level if possible. (**A Member:** Hear, hear.)

2845 Deputy Brouard's speech, though, I agree was very amusing even if it did get a little bit personal, but his speech on the Cabal handbook, as he characterised it, suggested that candidates would not be able to communicate independently with the electorate unless we gave them a spending limit of £7,500. A spending limit of £3,000 would be absolutely sufficient to print enough individual manifestos, should that candidate choose to do so, for every household on the electoral roll.

2850 It would not be enough (*Laughter*) to post those manifestos to each household and therein lies the ruck and this is the canard that I would like to shoot. SACC's premise is that each candidate in a fair and free election needs to be able to communicate with the electorate by posting a manifesto to each household and I do not agree.

2855 I am going to use an example from the UK and I picked a constituency won by an independent candidate in the recent UK election, Islington North. It has 73 – (*Interjection*) Yes, I know. I will get to the point of incumbency advantage in a moment. It has 73,970 electors, it has 51,700 households. The candidate spending limit during the election period was £17,307.84. That is, 23p per elector, 33p per household.

2860 Now, a second class stamp for a standard sized letter or, say, a trifold A4 leaflet costs 85p. A second class stamp for the next size up, say, a manifesto costs £1.55 and that is just the postage, printing, etc. would obviously necessitate costs on top of that. In short, there is absolutely no way that the spending limits for independent candidates in the UK enable them to post a manifesto to each household on the electoral roll; not even close and let us not forget that none of these candidates even had the option of their constituency authority distributing their manifesto to all households as part of a directory and having their individual manifesto and videos, etc. published by the constituency authority online.

2865 I give way to Deputy Burford.

The Deputy Bailiff: Deputy Burford.

Deputy Burford: Thank you, Deputy de Sausmarez.

2870 Deputy de Sausmarez mentioned a figure of 23p per elector, now if we take our electoral roll as being 30,000 people that comes to a spending limit of £6,900, so I would probably compromise on that figure.

Deputy de Sausmarez: The point is, it is not enough to post a manifesto to each household on the electoral roll; that is the point.

2875 Now it is fair to say that in the example that I have used the successful independent candidate, in that particular constituency, had pretty good name recognition, given that he has represented the good people of Islington North in the UK Parliament since 1983. But other successful independent candidates were not well known and still beat incumbents and major party candidates, in some cases by pretty healthy majorities.

2880 However, even when you add in the additional spending limit granted to parties per constituency, it still works out in the Islington North example as 96p per elector or £1.38 per household. So, still not enough to post a manifesto to each household. In short, the UK's election spending limits do not enable candidates to post manifestos to each household in their constituency and yet I do not see the Electoral Commission or the Venice Commission or the CPA or –

Deputy Inder: Point of correction?

2890 **The Deputy Bailiff:** What is your point of correction, Deputy Inder?

Deputy Meerveld: Deputy de Sausmarez, if you multiply the numbers, the 23p per household in Guernsey, it is £6,900, we can post to all the households. Deputy de Sausmarez is assuming that 71,000 people in Islington North all live on their own. If the number of households –

2895 **The Deputy Bailiff:** I do not see that is a point of correction though, Deputy Meerveld.

Deputy Meerveld: It is misleading the Assembly.

2900 **Deputy de Sausmarez:** My costs were based on the number of households in that constituency as per the publicly available information for it. So the spending limits in place.

The Deputy Bailiff: Deputy de Sausmarez, I think we are having a hearing problem.

2905 **Deputy de Sausmarez:** Sabotage. *(Laughter)*

Deputy Meerveld: Force of habit. *(Laughter)*

2910 **Deputy de Sausmarez:** So the spending limits in the UK do not facilitate the posting of manifestos to each household on the electoral roll and they never have, incidentally. This was something that was, actually, brought up in the debate in 2019. That is not the basis of the UK spending limits and yet the Electoral Commission, the Venice Commission, the CPA and all the other revered bodies do not seem to have a problem with the UK spending limits. They still consider those to be free and fair elections on the basis that Deputy Meerveld outlined in his opening speech.

2915 So the central premise of SACC's argument for their spending limit is, therefore, significantly flawed in my view. It is the postal costs that necessitate such high limits but given it is not possible for UK candidates to post manifestos out under their limits, postal costs should not form the basis of Guernsey spending limits.

2920 As many candidates in Guernsey's 2020 Election proved it is perfectly possible to distribute manifestos to each household without paying the full postal costs, either by sharing costs with

other candidates or distributing them by hand or choosing to communicate with the electorate independently in other ways as well.

Notwithstanding my rejection of the suggestion that it is necessary to enable the posting of a manifesto to every household in order to facilitate a free and fair election, I would have been fractionally more sympathetic to the proposed limits if a proportion of it was permissible to spend only on postage and I say fractionally, and this is a point that has been brought up by other people, because if we just take a step back and recall why the directory or misnamed, in my view, booklet of manifestos came into existence at all it was really based on the idea, which I think is accurate, that electors do not really want 100, 120 or any significant number of individual manifestos landing on their doormat.

So the whole reason the directory came into play was, in a sense, to try to negate the need for the printing of multiple manifestos because it was the view of, certainly the Assembly in 2019 – and I think this was reflected to some degree by the report that the Scrutiny Management Committee put out – that the booklet was an easier way to access that information and I think, there are various other issues as well being touched on by other Members speaking.

However, the bigger issue I have is what else, besides postage, people could spend that money on if they have it. They could buy, presumably, quite a few full-page ads in the *Press* or buy some airtime on broadcast media or huge amounts of targeted advertising on social media and that gives wealthier candidates a significant advantage over candidates of more modest means and, indeed, we saw in the last election that 40% of those who spent close to the maximum limit were successful, whereas only 8.5% of those who spent less than £500 were elected.

Meanwhile, the very significant majority, as Deputy Falla has pointed out, of candidates spent less than half of the £6,000 limit in 2020 and only, by my calculation, around 20 candidates spent more than £3,000. The average spending for successful candidates was between £1,501 and £2,000. A third or less than the maximum limit of £6,000 and around half of those successful candidates were new Deputies not incumbents.

Deputy Mahoney most recently has touched on this idea of incumbency advantage and, certainly, that was what formed the basis of Deputy Burford's argument but I think when you take a look at the stats it seems that in the Guernsey system, certainly under Island wide voting, incumbency can also be a significant disadvantage as well.

The proportion of incumbents that stood for re-election in 2020 in Guernsey but were unsuccessful, and they included some very well-known names, was higher than the proportion of incumbents defeated in the recent UK landslide. How much we had to spend at the last election is, I do not think, particularly relevant. Deputy Inder, I think it was Deputy Inder, summarised the argument that this amendment was effectively saying no to new candidates but, I think, as Deputy Ferbrache and Deputy Mahoney have already argued, I think, some incumbency advantage or, indeed, disadvantage is unavoidable.

But, anyway, if you extend Deputy Inder's logic, under SACC's proposals, as Deputy Meerveld rightly pointed out in his opening speech, new candidates can, in fact, take part in our election at no cost to themselves. However, if you extend the logic of Deputy Inder on the Falla amendment to SACC's proposals on spending limits, then you could summarise the SACC's proposals as a policy of saying no to new candidates who have not got a spare £7,500 down the back of the sofa.

So I think, this is really about creating as fair a playing field as possible and, in my view, I do agree with many of the arguments that have been put forward to say that, actually, this more modest set of limits would still absolutely enable a free and fair election and it would absolutely enable candidates to communicate independently of any sort of Government means and I do think that it would reduce the barrier that many have mentioned that may be putting off candidates who do not have significant amounts of disposable income from standing because even just setting the limit that high may well be enough to deter candidates of more modest means from putting themselves forward in the first place.

So I do think that, actually, the proposals set out in the Falla amendment are reasonable without compromising any of the democratic principles that underpin the whole concept; and for that reason I do intend to support this amendment.

2975 **The Deputy Bailiff:** Deputy Moakes.

Deputy Moakes: Thank you, madam.

I want to start off by appealing or, in fact, trying to change the mind of Deputy Inder as the self proclaimed, I should say, Champion of Middle Guernsey. (*Laughter*) How many middle Guernsey people with young families and already struggling with the cost of living, mortgages, etc. can afford £7,500?

2980 This is £7,500, or that is the maximum, that is a huge amount of money for these people and it will automatically rule out many of middle Guernsey because they know that they cannot afford £7,500 and they will probably be outspent by so many people out there. So, why risk this incredibly important money which could be putting food in the trolley, paying for bills and things on a gamble which, potentially, they will never win because they cannot afford to go all the way up to £7,500.

2985 Tackling this from a completely different perspective, because I do not want to just repeat things that everyone else has been saying, and that is that given that Deputies are regularly accused of profligate spending, perhaps, a lower limit will help candidates to learn to work within a budget. (**Several Members:** Hear, hear.) For those that do get elected, it might actually be a useful skill given that they will then be given taxpayers' money and given responsibility for spending that.

2990 Thank you.

2995 **The Deputy Bailiff:** Deputy Oliver.

Deputy Oliver: Thank you, madam.

It does make me chuckle, this policy letter, because just previously we were talking about minimum wages and what everybody wanted for minimum wages and then here we are, this policy letter, saying well, forget about the minimum wage let us just spend £7,500 on one election per candidate if you have got that money. (**A Member:** Hear, hear.)

I just do not think half of the Deputies here are actually living in the real world. (**A Member:** Hear, hear.) I have got a family of three children, we have got a mortgage, the mortgage has increased by so much over the last two years because of interest rates, food has increased, trying to get healthy food into a family is so expensive and then you are saying, well it is really fair, what the fairer thing is is an expenditure of up to £7,500.

3000 You know, it probably would just make me go actually ... Like all of my friends at the moment, every one of them are saying, 'You know what, Vicky, we are having to dip into our savings each month because everything has gone up.' Oh, but candidates, do not worry! It is just going to create a real barrier for people of lower means to actually even attempt to try and get elected because you will have people that can send all their manifestos out to everybody, post them and everything like that, with calling cards, with posters. Some of them had giant billboards which cost a huge amount of money. Come on, Deputies, live in the real world, vote for this amendment and get on with more important things.

3010 **Several Members:** Hear, hear.

3020 **The Deputy Bailiff:** Deputy Leadbeater.

Deputy Leadbeater: Thank you, Madam Deputy Bailiff.

Yes, I think Deputy Oliver is right. I do not know if half the time this Assembly is living in the real world. (*Laughter*) It is interesting that every time we talk about rental property we have got half the Assembly declaring an interest because they have got properties that they rent out as well. So I just thought I would mention that.

I heard from Deputy Gollop saying that this amendment would be reducing the amount of candidates but what utter tosh. It is completely the opposite way round. (**A Member:** Hear, hear.) When I stood in 2016 if there was a limit of £7,500 it would have put me off and I probably would not have stood because I thought, well I am at a disadvantage now because I cannot afford £7,500 and there are probably people out there who are going to have an advantage over me because they can. So I think that argument is completely blown out of the water.

I mean even £3,000, some people do not even spend £3,000 on their family car; £3,000 is a considerable amount of money for a considerable amount of people that I know. Lots of my friends could not afford £3,000 to stand in an election, could not. But anyway, that is where we are.

Hustings is one thing I think we miss out on. Hustings do not cost anything. That was one thing that I really enjoyed in 2016. I was a complete newbie, I was up against it, there were some big guns that were on, Deputy Gollop was there as well, Deputy Parkinson, that were all in the same panel, Deputy Le Clerc, who I sat next to, and I really enjoyed that experience and, I think, that is something that everybody that is thinking of standing in this Assembly should take part in. (**A Member:** Hear, hear.)

They should give you the opportunity to stand in front of people and answer questions and know if you have actually got the mettle to do it. I really do think that hustings is something that needs to be brought back en masse.

I will give way to Deputy Mahoney.

The Deputy Bailiff: Deputy Mahoney.

Deputy Mahoney: Thank you, Deputy Leadbeater, for giving way.

It was just to update, Deputy Aldwell mentioned that she believed there were three hustings that were being arranged by BBC.

Deputy Aldwell: No, no.

Deputy Mahoney: A number of hustings that were being arranged by BBC. In fact, just in the meantime, John Fernandez has noted to her that there will be 10 hustings arranged by BBC.

Deputy Leadbeater: I thank Deputy Mahoney, that is really nice information to hear.

Again, the thing about posting, we have this book now, we have the election Bible, everybody has this free election Bible and everybody has got the opportunity to get their point across and it is fair. It is proportionate and it is fair because everybody has the same number of words and the same amount of page space to be able to get your point across.

Encouraging 100 candidates or so to distribute, what would be, over two million bits of paper across the Island, is that a wise thing to do when we have already got this booklet with pages of what they want to say? And, as we just heard from Deputy Mahoney, there is going to be opportunity for hustings this time.

I give way to Deputy Gollop.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Thank you to Deputy Leadbeater, I enjoyed being on the hustings with him although, of course, hustings are more complicated with large numbers of candidates.

3075 To clarify two points, when I said it might reduce the number of candidates, there might be candidates with disabilities or messages who would be put off but I was actually talking about reducing the choice of candidates. But in relation to the point that has just been made, I think – (*Interjection*) Yes, but the thing about the booklet is that it would be one size fits all and candidates would wish to put themselves across in a different way.

3080 **The Deputy Bailiff:** Deputy Leadbeater.

Deputy Leadbeater: Thank you, madam.

3085 I think candidates have got the opportunity to do that and we have got things called social media these days where you are connected at an instant. I can pick up my phone now and I can be connected to thousands of people across the Island and I can relay my message that way. I think everybody standing should have a website and all we have got to do is direct people to your website and you can have as much content on that as you want and that is free and we do not need to spend £7,500 to get there.

3090 I spent £285, I think I said that; that was all I spent last time. It is not because I am tight. Yeah, well I suppose it (*Laughter*) might be a little bit. But the format had changed from the 2016 Election. I did not have to go out and stuff envelopes and send them all out. The door knocking is something completely different but I did not have to go and spend all this money down at Melody Press getting my manifestos printed, I did not have to give the Post Office all this money to distribute them around the Island because there was a combined manifesto booklet and all I did was I updated my website and that was pretty much where the cost came, so a couple of Facebook's ads and ads on promoting the website.

3100 I think we are sending out the wrong message. I think a few people, Deputy Oliver has noted that we have been discussing minimum wage and saying that £12 is too much for businesses to pay. Jesus, come on! What is the optics of this to the public that is listening or reading the media stories about this? Deputies are saying, 'No, businesses cannot pay £12, oh yes, but we can spend £7,500 on trying to trying to become elected.' I think the optics are really wrong. I am going to support the Deputy Falla and Deputy Aldwell amendment, and I encourage all Members to do what the Island would expect you to do and vote for it too. (**Several Members:** Hear, hear.)

Thank you very much.

3105 **The Deputy Bailiff:** Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, madam.

3110 I am pleased that I followed Deputy Leadbeater, actually, because I do agree with his sentiment regarding the level would have been off putting for me as a working parent with very little savings, etc. when I first stood. Luckily I had the wherewithal around digital marketing at that time because of the business that I was running. So I would part company with him about the cost of setting up a website, which now, put on 10 years the costs of setting up a website are much more onerous than they were previously and I suspect, actually, that is where some people would like to spend up to that £7,000 limit.

3115 **Deputy Oliver:** Point of correction.

The Deputy Bailiff: Your point of correction, Deputy Oliver.

3120 **Deputy Oliver:** My website was free and I made it myself and I am not even a web designer or anything and I am not very good with computers.

The Deputy Bailiff: I do not think that is probably a point of correction, I think there is going to be all sorts of different things, but anyway, Deputy Dudley-Owen.

3125 **Deputy Dudley-Owen:** Thank you.

I do understand what Deputy Oliver is saying and, certainly, there is a spectrum of costs that you can apply and get a different look for each of those costs and if people want a polished, glossy, professional look they will be looking to spend at the top end for their websites and have other people do it for them as well, which is where some of those costs will be incurred.

3130 However, it does challenge an individual, as Deputy Leadbeater has rightly said, about managing a budget and what we are expected to do to make those hard decisions and prioritise and get the maximum impact for the money that we spend. I wanted to mention something that Deputy Inder had said on a couple of occasions about those disliking Island wide voting, therefore, you should not have stood.

3135 Well, I did not like Island wide voting. I am still not keen on Island wide voting but it was a democratic choice, (**Several Members:** Hear, hear.) therefore, I accepted it. The electoral system had no bearing on my desire to want to do the best that I could for my Island and to use the skills that I thought might be of use in this Assembly. So I am afraid that the logic there does not work for me. My preferred would have been the hybrid but it did not happen, but maybe in a few years' time it will.

3140 That leads me on to my next point. Deputy Burford has made quite a bit about the 14 Deputies benefiting from a higher level of spend when the decision was made in the last term around what the candidate expenditure should be, but that was uncharted territory. People did not really know what the Island wide voting would really be like and there was that leap into the dark.

3145 We now know. We now have the evidence of what people spent, the success rates and the correlating expenditure and that actually you did not need to spend a fortune in order to be successful and to get a seat in this Chamber. Therefore, because we now know that, I think that it is incumbent on us to use that evidence and say we can reign that down and make it affordable, make it more democratic for more people to be able to stand and not be put off by really very high figures that would make their eyes boggle and say, 'I could not possibly spend that much.' Even though you do not have to, a lot of people will want to spend up to that limit if they can possibly afford it.

3150 Just to add to Deputy Mahoney's point, the *Guernsey Evening Press* have also said that they are going to be holding hustings as well and the hustings – to lend weight to what Deputy Leadbeater has said – are essential and anyone in this Chamber who did not attend a hustings and did not get their mettle tested, you missed out.

3160 Yes, it is nerve-wracking. Yes, I cried after my first one, the first time I did it at the Houquette School because it was so nerve-wracking but you have got to do it to push through that comfort level because, actually, as Deputy Aldwell has rightly said, you have got to learn to be comfortable with discomfort, being a Deputy. And, certainly, you owe it as a candidate to the electorate to show them what you know, even if you are not aware of the actual facts, at least you know something and you are prepared to put yourself forward.

3165 So the hustings are an absolute must and the cost of the hustings was something we had to cover ourselves in the last election, which actually this election it looks like we will not have to because other organisations are going to give us that opportunity to those of us who are standing.

So I think that those are the areas that I would like to cover but just, if you have not guessed already, I am going to be supporting the amendment. I think I am really pleased that it has been brought forward and I would really encourage others to support it as well.

3170 Thank you.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: Thank you, madam.

3175 I have been sitting here wondering quite why this is such a polarised debate because ... I will just shuffle across a bit. Why is it such a polarised debate because, really, it is not a polar thing, is

it? There is a whole range where you could fit the electoral limits, spending limits and yet it does seem to have gone into two camps.

I think I know why. It is because when we brought in this electoral system we actually inherently created a tension between two totally irreconcilable aims for election spending limits. One is the bit that has been put forward by SACC, which is that everybody needs to be able, in a democracy, to communicate with the electorate and that should not only be through ... it is a bit over the top, but I agree with the sentiments of what Deputy Brouard said, that should not only be through conduits that are controlled and organised and designed by the existing Government, they should be free to do that in their own right and ideally that includes a paper manifesto.

I did that last time, so I cannot complain about that. I did not post them all, I found other ways to get them out, I have to say, and I think sometimes ... talk about learning to live within a budget, learning to use a bit of ingenuity and think outside the box and how you can actually communicate, might be a good idea as well.

But at the other end is the argument put forward, I think mainly, most clearly and simply by the seconder of this amendment, Deputy Aldwell, which is, you cannot, we should not, if we possibly can, disadvantage people with shallower pockets. That is where the SACC second argument, the argument about allowing people to communicate with their electorate, I fully get, this one about you should never actually set limits lower than they were at the last election, I find in real terms it is really odd. Because that means if any parliament ever makes a mistake and sets electoral spending limits too high, they can never correct that, not for the next 100 years or next 200 years because the advice they have got from worthy organisations is that you should always, at least, increase them by inflation. I do not buy that. I think if you have made a mistake you have got the right to put it right.

But all this business about, 'Oh, we will be shameful individuals if we deny the advantage to the next lot of people standing as we got when we first gained the publicity and the incumbent advantage, allegedly, of being States' Members well, I suppose we should not view things through our own lens but we all tend to, don't we, we all tend to think about our own experience and electorates in elections.

When I first gained that incumbent advantage was in 1982 and the electoral expenses were an awful lot lower than even under the district or parishes and they grew over the years. Deputy Aldwell says candidates may be the haves and the have nots. Well, I can tell Members, back then as a 23-year-old, I was a have not. I had very little money, but I felt very seriously about politics and I also did not expect to be elected.

That did not mean I was not a serious candidate, it did not mean I did not want to be elected, it is just that 23-year-olds, especially hippies, (*Laughter*) were not elected in the Vale in 1982. It was the big tomato growers that I was competing against and, frankly, if I had known that a whole bunch of us had the equivalent in 1982 terms of £7,500 to spend, and I really did not expect to be elected even though I really wanted to fight that election, I do not think I would have given it a go.

Maybe that would be a good thing for some people, it would have saved a lot of grief over the decades! But I probably would not have done. I either would have had a pathetic campaign compared to those spending a lot more or I would have had to spend money I did not have and lose out. So I do think that when we go on about democracy, we have to think also about the equality between the wealthy and the people with not so much wealth in this Island. Deputy Meerveld said, well, it does not have to be your own money.

I will give way to Deputy Oliver.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Thank you, Deputy Roffey.

Just one thing on that, worse still it could actually get a family into debt, as well, just for trying to do the election, which you would not want either.

The Deputy Bailiff: Deputy Roffey.

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Deputy Roffey: I am sure that is a possibility.

I just do not want people to be deterred from thinking that standing for election is an expensive business. I think that is our fault, in a way, by creating an electoral system where in order to try and satisfy the ability to communicate you have almost got to set the election expenses limit high enough that it will deter some people on lower earnings. So I do think we have to find a compromise and a way through this.

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I am really tempted by this amendment because it was said ... Oh, I was in the middle of making a point when Deputy Oliver asked me to give way.

Deputy Meerveld had said, it does not all have to be your own money, if you are a serious candidate you can get donations from somebody else. Well, what I would say is I hand delivered 5,000 manifestos myself but it does not just have to be me delivering it, if I am a serious candidate with supporters I can ask other people to go out and stick manifestos through a couple of hundred doors in their little patch of Guernsey as well. So this idea that postal delivery is the only way to get your message out, I am afraid I just do not buy.

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The question is where to put this balance and I really am very attracted to this amendment because although some have said, well if you want equality it does not matter where you put it some people have not got £3,000 either, have they? Clearly far more people would, and it does not have to be the full £3,000, you just need to be able to spend, if you are spending £1,500, at least you are halfway there and you do not feel totally outgunned.

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Yes, so there is some equality of arms, whereas if you can only spend £1,500 and somebody has got £7,500 to spend you feel, frankly –

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I give way to Deputy Gabriel.

The Deputy Bailiff: Deputy Gabriel.

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Deputy Gabriel: I thank Deputy Roffey for giving way and I would really like to understand and I know I am yet to speak, but I question the validity of him asking volunteers to deliver his manifestos by hand because I was under the understanding that the electoral roll information was given to us in confidence and, effectively, releasing address points to volunteers would go against that confidence.

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Deputy Roffey: I do not believe that is the case. I think you had the option of labels at some stage which you could stick on. I actually did not do that last time I went out, myself, and 10 hours a day went delivering. But I am sure you could get –

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Okay, I give way to Deputy Meerveld and if I am wrong there then.

The Deputy Bailiff: Deputy Meerveld.

Deputy Meerveld: I thank Deputy Roffey for giving way.

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My understanding is, actually, it would be considered a benefit in kind and one would have to basically put a cost against your campaign of the minimum wage, which is now £12 per hour.

Deputy Roffey: Yes, we could get an awful lot of manifestos delivered for £12, well in an hour so I think that in an hour, by that much. Anyway, the point I am coming to here is I do not think there is a perfect answer. I think that we are going to be, one way or another, infringing on these imperatives. Either we are going to set it so high that it is going to give an unfair advantage to the wealthy or we are going to set it so low that it is going to make it really hard for people trying to raise their profile to actually get out there, particularly if they have not been particularly well known before, they may be a really good candidate but just have not lived a life that is full of media exposure.

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So I do not really know where to go. I am attracted to this amendment but I then have to think to myself, £3,000 in real terms is 40% of what we allowed people to spend last time and I am wondering whether that is just coming down too quickly. Our reputation is important. If there are electoral observers who say, 'Hang on, you are now only allowing people to spend 40%
3285 **(A Member:** Fifty percent) in real terms to what you allowed last time. You are not even feeling your way into this, you are just really slashing the amount' ...

I will listen to the rest, I think the debate is nearly over, but I will listen to what remains and I will listen to the replies from both Deputy Meerveld and Deputy Falla. I wish you had pitched it a bit higher. I know I have got one that will come along, which is pitched quite a bit higher, I think
3290 there was quite a bit of room in between that, probably, but I think it is probably just too fierce.

I think that to go to 40% of the level that we allowed last time round is opening us up to reputational damage if people say, hang on, you are really trampling people's ability to communicate. So I think I am leaning against it despite having a lot of sympathy with it. But I will carry on listening to debate.

3295 **The Deputy Bailiff:** Deputy Trott.

Deputy Trott: Thank you, madam. Just a few comments from me because I have found the debate thoroughly amusing because I think there have been elements of hypocrisy in this debate
3300 **(A Member:** Hear, hear.) which are unusual, even by our standards. *(Laughter)* I will start with my good friend, Deputy Moakes, saying we need to set the budget at whatever it is, £3,000, in order to teach candidates to stick to a budget.

Well, if you set the budget at £7,500 they have still got to stick at it and if you set it at £500, of course, the same philosophy is true. So that is a completely irrelevant matter as far as I am
3305 concerned. But then, taking it to an extreme, admittedly, there is also the issue about the message it sends: 'So you are standing for election and the very first message we want to get across to you as a potential candidate is do it all on the cheap.' **(A Member:** Hear, hear.)

You know, it is all about doing it for the least amount of money. In other words, it is all about repetitive under-investment. It is all about doing things on the cheap. No it is not, it is about
3310 doing things in a sustainable –

I would be delighted to give way to my friend, Deputy Aldwell.

The Deputy Bailiff: Deputy Aldwell.

3315 **Deputy Aldwell:** It all depends on your perspective on cheap because £3,000 to a significant amount of people on this Island is not cheap.

The Deputy Bailiff: Deputy Trott.

3320 **Deputy Trott:** I could not agree with you more and £3,000, to a significant number of people on this Island, is cheap so it is important that both sides of the argument are given and we will come to fairness and equity in a moment. I want to give an example of where I would not want it to go.

A few years ago, a charming, madam, a charming man by the name of Rick Waddell, visited
3325 Guernsey. He was the Chief Executive of Northern Trust, the international Chicago-based bank and it was during the election, the Obama-McCain election, and he told me that his bank had donated half a million dollars to the Obama campaign and I said to him, well, isn't that a bit risky because there is still a chance that McCain could win. He said, 'Oh, no, no, no, we have hedged our bets. We have also donated half a million dollars to candidate McCain's election just to be just
3330 to be on the safe side!' Well, we would not want that.

But there is no question whatsoever that incumbency plays a big part in an election, notwithstanding some of the statistics that were given earlier by Deputy de Sausmarez and I will

3335 tell you why. I have an election website that I had last time and if I was to be a candidate again, I would literally only have to flick it back on, change the date of the election and a few of the words, words such as I very much doubt we will be able to resist raising taxes. An example of one of the things, and some examples that I gave as to how I would do that, would need to be changed because whilst the message is still the same, the numbers have worsened so one would need to fill in those gaps.

3340 But the point is that I have also got some calling cards left and some other things that I could use again. That gives me an immediate advantage. I do not need to start designing a new website, I have got one that is ready to go that I have already paid for. When I first when I first stood for election back in the year 2000, there would be some people in this Assembly that will remember, I pioneered the use of colour election posters. (*Interjection*) Indeed.

3345 I had a big choice. It was either have a couple of little adverts in the *Guernsey Evening Press* or print some colour ones out. So I went out and bought some cartridges and off I went. But I did it on the cheap. Forty-eight hours after putting them up there was a rain shower which turned the Vote Trott, which was emblazoned in green, it streamed down the posters, some would argue it was the original green washing, I do not know, but it made the front page of *The Press*. This poor young – I was the youngest candidate elected at that election – this young candidate, there he is, 3350 poor chap, and there I had probably the best free advertising you could possibly hope for. So we should encourage, not encourage people to penny pinch, we should encourage people to innovate because that is what we want, people who are capable of innovating.

3355 I now want to talk about ageism because I think it is a very real issue. You will all know that I do not do social media, any form of social media, and there are a number of people of my age group that do not do social media. Now, somebody like my friend, Deputy Leadbeater, he can do something called paid advertising on Facebook, I have no idea what that is but it is clearly something you can do on the cheap because I think he only spent £285.

3360 There would be many candidates that will stand at the next election that will have no idea what you are talking about. No access to social media, they will have to run an old fashioned, to many people in this room, campaign. They will not know what Twitting is or TikToking, although I cannot confess that I do not know what grinding is (*Laughter*) because I remember having a lecture on that from Deputy Mahoney some time ago. He is very knowledgeable about this particular social media site. (*Laughter*) The point is that those people are disadvantaged because you can reach an awful lot of people very cheaply, but they might not be able to.

3365 The bit that I find the most amusing is this middle class idea because if we wanted to be absolutely fair if we were genuinely concerned about the lowest common denominator, we would not pull a figure of £3,000 out of the air, or any figure for that matter. We would simply make no election spending on behalf of the individual allowable whatsoever because that is the only way you meet that target.

3370 But we kind of do that already because we do not insist upon a deposit, whereas most jurisdictions, of course, do insist upon a deposit and if you do not get enough votes, if you are perceived to be wasting the electors' time, you forfeit that. We do not do that because that simply would not be fair.

3375 So I have enjoyed this contribution simply by virtue of the fact that I think there needed to be some balance from someone who has no skin in the game. As things stand today I have no intentions of incurring any election expenditure next year.

I will gladly give way to my friend, Deputy Burford. Thank you.

Deputy Burford: Thank you, Deputy Trott.

3380 I just wanted to just, I am still not entirely sure which way you are going to vote on this, but I just wanted to pick up on your point about doing things on the cheap and I think one thing I would just like to stress which, again, came out of the pretty extensive survey we did on the Island wide voting review and that was although the manifesto booklet was the thing that people used most, and that is completely understandable because it sits there on your kitchen table, you do

3385 not have to look up 118 different websites, it is all very good saying have a website, but which person is going to look at 118 or 92, or whatever it is, websites?

But I think the thing that came across loud and clear from that review was that whatever form of information people used they felt they did not have enough information on which to make an informed decision. That was overwhelmingly the message on that part of that review and the more that the limit is cut down, the harder it is for people to have that information and whilst social media, all of these other things, you have still got to imagine the person sitting in their kitchen wanting to go through 118 candidates and no one is going to look on that number of websites, even if every candidate has one, or that number of social media feeds or whatever else, because it would just take forever.

3395 So it is no wonder that they use the manifesto booklet. But the feedback that came back is that there was barely enough information in the booklet, it was stylised and everything else and it had a maximum of about 890 words. They did not know enough to make an informed decision and we have to ask ourselves if electing our Assembly, our parliament, through a system where people say we do not have enough information to make an informed decision, is really a good thing.

3400 **The Deputy Bailiff:** Deputy Trott.

Deputy Trott: Thank you, madam, and thank you to Deputy Burford.

3405 So I will end by making clear how I intend to vote. I intend to vote with the States' Assembly & Constitution Committee and against this and any other amendments that seek to change their Propositions.

The Deputy Bailiff: Deputy Bury.

3410 **Deputy Bury:** Thank you, madam.

I will utter that infamous, I did not intend to speak phrase, because I did not in all honesty because I feel a bit beaten by the system on this one. We had this debate a matter of months ago. I could have just pulled up the same speech and said the same things and we could have got to the same result, which was quite strong support for a lower limit and yet here we find ourselves, again, having the same debate.

3415 So, yes, please forgive my slight exasperation. Thankfully, many of my colleagues have made many of the points that I did make then and would have made now and saved me the time. But the point I do want to make that came up speaking to people after the last debate on this matter and did not come up a lot in debate and has not today, that I think is important to make ...

3420 It has been mentioned briefly by a few people but was that the debate very much focused, naturally, from the point of view of the candidate and that is because that was our experience really of the election: what a candidate wants to do to promote themselves, how a candidate wants to get themselves out there to the electorate but how do the electorate want to receive it? One of the hottest topics on the doorstep when I was door knocking, which was a teardrop in an ocean of doors that needed to be knocked on, but I felt it was a rite of passage to do so, aside from education, was the election itself.

3425 People were saying, there is so much information, it is all coming in from all different directions, I do not know where to look, what is so-and-so like? I think, oh, I have not even met so-and-so yet because there are 118 of us. So I do think we need to think more from the perspective of the electorate.

3430 It was a complicated election, there was a huge amount of information and all coming in different formats. That is why the booklet was the favoured option, I think, because it was centralised, it was there, people could share it, etc. To Deputy Burford's recent point just made, is anybody going to have a look at 118 websites? Probably not, so they are also probably not going to read 118 individual manifestos either.

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I think the premise of SACC's argument that the limit needs to allow everybody to be able to print and post a paper manifesto to each household is flawed. However, if it is a valid argument, they have achieved it with their booklet. So we do not need everybody to then do it individually as well. Three thousand pounds allows people to then express themselves outside of the confines of the Government template but still having had a paper manifesto delivered to every household. And I think that the electorate were overwhelmed last time with the amount of information. The booklet does that job; but a limit to allow people to express themselves in other ways, whether that is hiring a room and talking to people directly or using social media, whatever it might be, £3,000 is plenty.

So that is the point I really wanted to make. I agree with many of the other points that have been made, and I am not going to repeat them. But at fear of opening a Pandora's Box, I do wonder that this whole debate, particularly when accusations are thrown around where people have got skin in the game because they might be creating a party down the line, it begs the question of whether us, as an Assembly, should be deciding this at all (**A Member:** Hear, hear.) and whether it should be something that is actually decided by someone completely independent, (**A Member:** Hear, hear.) based on the professional bodies, etc.

I am not saying that anybody would be doing it nefariously but when you have got skin in the game, you have bias so you are going to be thinking along those lines. So, apologies if that opens a Pandora's Box, but perhaps it is something that should be on this SACC's or a future SACC's radar.

Thank you, madam.

The Deputy Bailiff: Deputy Prow.

Deputy Prow: Please can I try Rule 26(1) please, madam?

The Deputy Bailiff: Deputy Prow has asked for a guillotine motion. Those who wish still to speak in debate will you stand in your place? Do you wish the motion to be put to the Assembly.

Deputy Prow: Yes.

The Deputy Bailiff: We will start off *aux voix*. Those in favour; those against.

Members voted Contre.

The Deputy Bailiff: Actually, I think Contre won.
Deputy Taylor.

Deputy Taylor: Thank you, madam.

I just want to start by saying I live on a very small lane out in the forest. It has got a warning on the lane, by the Police, but the speed limit is 35 miles an hour and I sometimes feel a bit like Victor Meldrew when people come down at 35 miles an hour and then I remind them, they do not hear me that it is a speed limit, not a recommendation, and the same does apply here.

You can, under the proposals, or could, spend £7,500 or £6,000 in the previous election, but it is important to note that you do not have to. So a suggestion that someone might go and get themselves into debt spending up to the election limit because they can, yes it is a reality, it could happen, but it is preposterous to think that we should worry about that and that should be a consideration when setting these limits. If there is a worthy candidate who has done their research on politics and elections and looked at campaign spending they would know that spending the full whack does not equal success. That is evidenced research.

There have been comments the £7,500 is the £6,000 in real terms, these comments that this £7,500 might put people off from standing, but I do not think anyone in this Assembly can make

3485 that assertion because it did not put any of us off standing. It might put some off, but it did not
 put any of us off. A lot of concern has been raised about people who cannot afford these election
 expenses, which is why – and I apologise to my good friend, Deputy Queripel, here because this is
 a point he made to me so I am stealing it because I get to speak first – I do not remember all
 those people supporting the amendment in the last debate to keep the grants for people who are
 3490 on lower incomes. I think that was one of the arguments that was put forward, if people cannot
 afford it that grant goes a long way. But that went down like a lead balloon.

So, madam, I am inclined to vote against this amendment but, following on from some of the
 points that Deputy Trott made, there is a flip side. Ingenuity, certainly from my experience in life
 when I have got less money in my pocket, I am far more resourceful. I seem to be able to do more
 3495 with less, that is my own experience but I am not convinced that that ingenuity cannot come
 about or it is not blocked from coming about just because there is a higher election spending
 limit.

So I just want to draw attention to some of the events that were organised in the last election.
 There were various meetings where lobby groups called all Members who were available to
 3500 attend. I remember one up at the Les Côtis and I remember walking in and seeing Deputy Trott,
 Guernsey's top politician and a distinguished businessman (**Deputy Trott:** Hear, hear.) and the
 beauty of this event is that all four of us were on a level playing field when we went around and
 answered questions, we were all brought down to the same level.

It was not hustings and I did feel like I missed out on hustings, but it was a cheap route to
 3505 access a lot of people who, in turn, had access to a lot of people and if you gave the right
 answers, if you knew your stuff, then that was worth a lot more than money on a flyer.

So I do not think voting against this amendment is the end of the world. I think the £7,500
 limit or £6,000 limit in the next amendment would be absolutely fine, but I think we should be
 giving people that opportunity. If they want to spend the money and they can afford to spend it, I
 3510 do not really think it is for us in here to say that they cannot.

Thank you, madam.

Deputy Trott: Very well said.

3515 **The Deputy Bailiff:** Thank you.
 Deputy St Pier.

Deputy St Pier: Thank you, madam.

Deputy Trott enjoyed delivering his speech and, I have to say, I thoroughly enjoyed his
 3520 Tiktoking and grinding away as he was. Deputy Mahoney has blown the lid on the idea of my
 being involved with a political party, so I can disclose this afternoon that I am a member of
 Deputy Brouard's 'Cabal Party'.

It is a secret party, or at least it was until he blew the lid on it this afternoon, and I am
 beginning to wonder whether he is actually part of the Cabal as well now. (*Laughter*) We all wear
 3525 tinfoil hats when we meet in secret and we do not believe in MSM. For those of you who do not
 know it is part of the cabal, MSM is mainstream media, and we think that, actually, you the
 Government, have got the whole thing tied up with this manifesto booklet that you have created.
 You are controlling democracy in this Island and it is a disgrace.

Now the whole point about the international principles of allowing effective campaigning is
 3530 you need to allow us, the Cabal Party, to campaign as we see fit. We are not going to participate
 in your stupid manifesto booklet, which homogenises everybody to a level that does not allow
 anybody to distinguish one candidate from another, and as Deputy ... I am trying to think who
 made the point, but I think it came out of the scrutiny review, that there was not enough
 information available from the last election.

3535 Well we intend, in our party, to campaign in different ways. One of our members, obviously I
 cannot tell you who they are because it is secret, has actually decided that they are going to blitz

social media with this Facebook paid advertising that Deputy Leadbeater was talking about a whole bunch of other stuff across a whole bunch of other social media that Deputy Trott has never heard of. (*Laughter*)

3540 Actually, one of our members, we are not really sure whether he or she – I cannot tell you whether it is a he or she because that would be giving you an indication of who they might be – actually does believe that one route is advertising through mainstream media. So you can understand why we are so concerned about that member. They want to place lots of ads on Island FM and they have even decided they want to place an ad on Channel TV. I think that is mad, but
3545 that is what they want to do.

Me, personally, I have decided that I am going to order a 60-foot banner. I have not decided quite where I am going to put it yet because it will depend on the rules as to where I am allowed to put it, but I am pretty sure I will be able to find somebody who will allow me to put up this banner. Actually one of our number has decided that what they want to do is they want to fly over
3550 the Island with a big trail behind them (*Laughter*) with their name behind it.

Deputy Ferbrache is right, the people of this Island are pretty sensible and, actually, they will draw their own conclusions from those behaviours. If that is what a candidate wants to do then the electorate are absolutely at liberty to determine what they want to do with that information in order to be able to make a decision as to how to vote and that is the point about allowing
3555 effective campaigning.

So Deputy Falla, and indeed Deputy Aldwell, had very much donned their hair shirts for this afternoon's debate and very much in the spirit of an analogue age have spent a lot of time talking, as indeed did Deputy de Sausmarez, about manifestos and there was a lot of emphasis on the need to be able to allow manifestos to be mailed to each household.

3560 Well that is one choice but that is not necessarily the choice which many will make and, I think, the point about the use of websites and some people may, like Deputy Oliver, be able to construct their own website but as Deputy Dudley-Owen has said, others may wish to engage experts and may not have the ability to be able to do it themselves.

So I think we have to recognise that that in encouraging the widest possible diversity and spectrum from members of our community to stand, we have to allow them to make a, within reasonable limits as advised by the Venice Commission and others, to decide how they wish to campaign.

Now, Deputy Bury has suggested that this is not really a matter that ought to be for us and that we ought to have somebody independent do this. Well, of course, this is one of those classic
3570 States' debates where we have a Committee of the States' of Deliberation, the States' Assembly & Constitution Committee who have been elected by this Assembly with a mandate to go away and look at the issues, take the evidence under advice from officers, which they have done, they have presented it but, yes, we have a dog and rather than have a dog we are going to bark ourselves anyway. (*Laughter*)

3575 That is really what this is about, this is one of those issues where everybody has a view but I think that the key point I wanted to emphasise which has not come out into debate so far, is this point about seeking to allow and I think, to some extent Deputy Roffey did touch on this although he did not use the language, is about allowing effective campaigning as the candidate sees it.

It is then for the electorate to make a determination based on that information and the more
3580 we homogenise that information and the more we restrict the people's ability to communicate, as they see fit, then the harder it is for the electorate to determine one candidate from another and so that is part of the rationale for this policy letter.

The Deputy Bailiff: Deputy Queripel.

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Deputy Queripel: Thank you, madam.

I am tempted to say, what difference does it make how much a candidate is allowed to spend on a campaign, seeing as every successful candidate is only going to be a Member of the next

worst States ever anyway, so Lord help them! (*Interjection*) But I am not going to say that. What I am going to say, it has been said by a few colleagues already, is I think it would be perverse and extremely unfair to say to candidates in the next election they are not going to be allowed to spend as much as we were allowed to spend in the last election.

So, for that extremely perverse and extremely unfair reason alone, I cannot support this amendment and the irony is, the majority of the Assembly who voted against the amendment that was laid by Deputy Bury and myself not so long ago, that sought to retain the £500 grant for candidates, only 12 Members of this Assembly voted in favour of that amendment and that sought to retain the same process and opportunities that we enjoyed. So, as Deputy Trott has already said, there is a certain amount of hypocrisy and contradiction going on here.

The Deputy Bailiff: Deputy Queripel, as I have already mentioned to Deputy Trott, although I must admit I did it just with a quiet word, one has to be careful of the word 'hypocrisy' in parliament. It is generally felt to be an unparliamentary word. I do not think, in the context in which you did, it was one where I need to say anything further than that, but I would just remind everybody that hypocrisy is one of those words that is a trigger word in parliamentary language.

Deputy Queripel: Madam, thank you.

Okay, so there is a certain amount of contradiction going on here (*Laughter*) because if colleagues who voted against that amendment are now saying we need to attain a level and fair playing field, they are contradicting themselves and they are misleading this Assembly and the community. The crazy part about all this anyway is people believe what they read in manifestos which, as we know, is a big mistake. (**Deputy Dyke:** Not mine.) Deputy Dyke says not his, madam. I cannot remember what he said anyway in his manifesto. (*Interjection*) But the best way for people to raise their profile, because that is what it is all about is not wait until it is manifesto time, come and sit in the Public Gallery and observe States' Meetings.

I did that 53 times prior to being elected, my brother did it 84 times; 53 days, 84 days, you lose money, you cannot go to work, you are interested in politics so you come and sit in the Public Gallery. How many people came and sat in the Public Gallery that got elected as newbies in this last Assembly before the last election? (**A Member:** Me.) How many? I am talking about newbies.

One, oh, two, how many times did you come and sit in here? (**A Member:** Twice.) Twice, okay, well at least that is twice or more than anyone else came, so that has to be commended. (*Interjection*) But my point is, the best way to raise your profile and to empower yourself with knowledge is to do things like sit in the Public Gallery, go along to all the States' presentations, submit your views to all the consultations and all the surveys. That is the best way to raise your profile and, of course, the ultimate would be to go out in the community and do things that benefit the community. That is the best way to raise your profile, rather than just talk and promise things that you know that you are never going to be able to deliver when you are elected, if you are elected, but it sounds good in a manifesto.

My message to people and to the community and the electorate is, do not believe what you read in manifestos. That is a whole separate issue, madam, and if I go down that road too much you will say I am going off topic, so I am going to leave it there.

Thank you.

The Deputy Bailiff: Thank you.

Deputy Dyke.

Deputy Dyke: Thank you, madam.

I think Deputies have made most of the points that need making on this. I would just like to sum up from the libertarian side. There is always a certain tension between on the one hand fairness and on the other hand liberty and it runs through everything that we do. At the end of the day, pretty much everything we do requires a balance. If we wanted total fairness on this then

we would be told that we can spend no money at all, as Deputy Trott has pointed out, and we will do only what the establishment tells us we can do and it will organise it.

3645 If you do not like that level of control then, clearly, that is unacceptable and we need to have the freedom and liberty to communicate as we see fit, subject to a limit and that is where the compromise comes in. We do need a realistic way to allow people to communicate, as they see fit, with the population at large whilst not going totally over the top and not being totally dependent on State institutions to allow us to do it and that is where the Venice Commission comes in.

3650 So we have to strike a balance. I do not know how we might all handle our election programme at the next election to the extent that we stand *entre nous*. Deputy Vermeulen and I are thinking of getting a Zeppelin to fly over the Island with large photos on it. (*Laughter*) Do not mention that publicly.

3655 So, to get to a reasonable figure, 'Is it this, is it that?' it is impossible to say. On balance, I think, something like what SACC has come up with is okay. It has the advantage of being the figure that we had last time amended for inflation, which seems sensible and it does avoid the perception that those of us who were elected on the basis that we had last time are now going to slightly, withdraw that freedom of action from new potential Deputies coming forward this time, which I do not think is a good perception to have. So, on balance, balancing between fairness and liberty, to my mind, SACC has got it, roughly, right but there is no obviously correct figure.

Thank you.

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The Deputy Bailiff: Deputy Vermeulen.

3665 **Deputy Vermeulen:** Well, I am about ready to vote. I went up to the Les Côtils earlier this week to have the briefing from SACC and I was very thankful for the presentation that was put on and the way it was presented. There was a fantastic officer that did a lot of the talking and I cannot commend that officer enough.

3670 He told it very plainly, very elegantly, exactly how it was with no emotion in it whatsoever and I found the whole presentation, it was very neutral, it was not 'You have got to do it this way or you have got to do it that way. We know there are amendments coming. We have talked about the amendments but this is what we were told when we asked professional advisers,' and I do take the point that we have got SACC set up to look at things like that and they have taken professional advice.

3675 Now, we know what we know and we know that last time, despite the naysayers saying, 'It would never work, an Island wide election; you will never get any candidates to stand,' we know that there was a very healthy turnout of candidates and I think, even though it was a guesstimate, the amount that you could spend, I think, it was pretty close to just right. Obviously four years later you have got to allow a little bit for inflation. So, I think, on the balance of it, tempting as £3,500 might be, I think, I am going to support the SACC initiative.

Thank you, madam.

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The Deputy Bailiff: Deputy Kazantseva-Miller.

3685 **Deputy Kazantseva-Miller:** Madam, I think it has been a really good debate and it has been interesting to see how the debate can really swing one way, and seem to be going strongly in one direction, only to be gently tethered back and I thank Deputy Roffey because I think he brought us back to a more grounded position and try to take into account the two sides of the story and summing up where we are.

3690 I think, in a nutshell, everyone has a point and I think that is also the point, that it is not a black and white choice of how you can campaign, what is the right thing to do, should you be posting your manifestos, are you going to go only digital and all the variations in between. I think the amendment is proposing a massive reduction, in real terms, from the SACC recommendations. It is a 60% reduction and I think that, to me, sums it all. It seems such a radical and unjustified swing

which does not get the sensitive balance that we should be able to get giving the candidates the ability to campaign based on their circumstances, their financial position, the time they have got to dedicate to the election and all sorts of other factors (**A Member:** Hear, hear.) versus making it fair.

I just think the amendment has gone too far on the side of trying to limit the expenditure and I think this is an unjustified direction of travel. If approved, it will have lots of unintended consequences because effectively you will not have the funds to post your manifesto to all the electorate, it means you are likely to be pushed, if you wanted to communicate en mass, into social media but that means you are, effectively, giving the power, not only to the States' Cabal of the manifesto, you are effectively giving the power to Mark Zuckerberg, Elon Musk and however they want to run the election platforms.

If you think it was easy, previously, to maybe set up a page and start doing advertising, actually, even at the last election I found that it was not so easy. For me to be able to set up a political page I had to go through a certification process which took time. Then the ads had to be approved and there is likely to be more political criteria for political advertising.

So if you think that it is going to be cheap and easy to actually just do social media, I do not think it is going to be the case any longer and you may not be able to access social media, you may be blocked, you may be hacked, there are all sorts of cases where you just lose access to your page and if you have put all your eggs in one basket and said 'I am going to be doing social media' and you lose that you are not going to be able to campaign.

Also, as has also been said, actually a lot of people do not have social media profiles or people do not access social media. In marketing it is called needing a multi-channel marketing strategy, you have got to have both digital and physical presences. But again, what it says is that people will have a different way to campaign; and the manifesto booklet, while it has been deemed as a very important tool, the manifestos, are they worth anything really, ultimately? Because people have been affected on manifestos which they could not deliver and the manifesto booklet may not mean much.

Also, a lot of people do not have an army of volunteers to go and help them around, they do not have time to be campaigning full time, they may be busy, they may be still holding a job while they are trying to campaign. So you have got to take all of this into account. If you are going to be limiting your expenditure limits significantly what you are likely also to have is electioneering before the purdah period and this is what you have got, already, now. You have got election candidates that are likely to stand in the next election already advertising in *The Guernsey Press* and elsewhere. So you might have, actually, a lot of money being spent before that deadline which will build people's profiles.

So, I think, in a nutshell it is as simple as that. To me 60% is going way too far and I do not think it is a reasonable position for us to be in. We do not have the evidence to indicate we have had, actually, any problems with the type of election expenditure previously said and I would not want to support this amendment. I am more inclined to support the position that was previously approved, which would be the second amendment and, I think, this would be a more sensible direction of travel for us to take.

Thank you.

The Deputy Bailiff: Thank you.
Deputy Matthews.

Deputy Matthews: Thank you, madam.

I was somebody who at the last election did print a manifesto and posted it out. I did it jointly with Deputy Gollop and I think if I were to do that again next time the costs, I am sure, would exceed the £3,000 limit that this amendment would put down and so, for that reason, I do not think I would support this amendment, although I have an awful lot of sympathy with what it is aiming to try and do and the principles of what it is trying to do.

3745 I think last time I was sort of persuaded to do a manifesto and it cost, actually, a bit more than I thought it would to actually do it all and post it, it was more expensive. I did not think it was going to be as much as it was. But I have no idea, really, how effective that was. An awful lot of people said that they did not look at them at all, they just went straight into landfill and some people said that they actually did not vote, they refused to vote for people who had bothered them enough to actually send them junk mail that they just wanted to get rid of.

3750 I think that is the thing, we do not really know which of these channels, these methods of contacting people is effective. Is having your own printed manifesto good? You have got other options, you have got websites, you have got social media and, of course, going door to door. I spent a long time, actually, I had to take time off work to be able to do this because I was working full time at the time to be able to take time off and do as much time knocking on people's doors and getting around. And that actually, for me, was one of the most useful things that I could do. Partly because, as well as getting to see people individually, it also sharpened up your ideas about where you thought the issues were going to be in this election because when you have got people at a doorstep who tell you, 'This is what I am upset about. This is what I think you ought to be doing,' then it opens your mind in a way that I do not think you can really get by just posting something out and doing that one-way communication.

3760 So I think we do not really know what is effective and what is not but in a lot of ways, just as Deputy Bury said, we have all really got what I think is a special interest. It seems to be very loosely defined term, what a special interest is, but we all have really because we are all thinking about this in terms of what is effective for me and I think some people are probably also thinking about how do I hobble the opposition by getting less people able to compete with me.

3765 I think that one of the reasons I would not vote for this and with apologies to Deputy Falla, I might have voted for something if it had been a little bit higher just to enable a printed manifesto to go out which, I think, could be a useful form for some people. But a lot of people who have supported this have said, well, the £6,000 and the £7,500 limits are too high and it will be too dissuasive for people who do not have means and do not have an income to be able to participate in the election.

3770 Well, without wanting to use, madam, the H word, there is some contradiction in that point of view because if you really wanted to be able to maximise the number of people who are on limited means being able to participate in the election, the best way to do that would be to reinstate the grant, the £500 rebate that people had.

3775 I think there was a lot of confusion about that because people thought, 'Is it just free money? Can we get it?' but, actually, that is the best way to encourage participation in democracy from people who otherwise would not be able to do it because we have seen and we have heard lots of people's stories about that, you can run an election campaign in an awful lot of different ways and in a lot of ways you can run it on a lot less. You certainly do not have to print a manifesto. We had our minimum wage debate earlier on and for people who are on very limited means having that grant is a lifeline to be able to be able to participate in an election.

3780 I will give way to Deputy Inder.

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The Deputy Bailiff: Deputy Inder.

Deputy Inder: It is interesting, Deputy Matthews is probably one of the first people who has got up today and, I think, he is heading towards not supporting this amendment. I know he has spoken about his experience while he was not a Deputy and I do wonder if he casts his mind back, he has got a better memory than me, to when he was just Aidan Gabriel, he was probably –
(Laughter)

Deputy Matthews: I have never been Aidan Gabriel.

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Deputy Inder: I did say I did not have a very good memory! (**The Deputy Bailiff:** How interesting!) Sorry, when he was ... I beg your pardon Deputy Matthews! When he was just Aidan Matthews. Before he changed his name! For that period of time ... I apologise, Deputy Matthews. This will be the longest give way ever, or give up probably.

3800 It just reminds me that the Aidan Matthews, who worked alongside Deputy Gollop, who was working at the time I seem to remember, if not I think he had two jobs – (**Deputy Matthews:** I was full time) yes, he was he was working at the time, does he feel that the Deputy Matthews who will be standing this year might have a greater advantage solely by the fact that as we go into purdah, as we go into the campaign period, he has not got to worry about working because he is going to get paid up to and beyond the election? (**A Member:** Hear, hear.) I would just like to ask a question there: does he feel more advantaged now as a Deputy going into a new election, as incumbent, than the Mr Matthews who was not a Deputy at the time?

3810 **Deputy Matthews:** Well, I thank Deputy Inder for that and, actually, you have pre-empted what was going to be part of what I was going to get to at the end of my speech. We do have one advantage as a Deputy in that we do have, well I do not know if we really get time off, but we do not have to ask for paid leave in the way that you do as a full-time employee.

3815 So, you certainly do have an advantage over somebody who has a full-time job. Of course, not all prospective candidates who are not Deputies are full-time employees as I was at the time, but certainly you do get that advantage. Whether or not you get an incumbency advantage, I think, is really an open question because, I think, in a lot of ways every time I look at the bottom of *The Guernsey Press* comment section I see everybody seems to be saying they are not voting for any of the current Members and that is going to be their first criteria, so it may well be a disadvantage of incumbency.

3820 But actually, one of the questions that I was going to pose to Deputy Meerveld is, during the course of this debate we have had an awful lot of people coming up with creative ideas about how to save money during an election campaign and it strikes me that there are an awful lot of what you could call benefits in kind that I do not know if are really accounted for under the election expenditure rules.

3825 Certainly things like putting up posters, quite often, I did, you ask friends and family to put up at locations, those are not declared. I do not know if they should be declared as rental spaces or the equivalent rental space. You get unpaid labour from people, there are an awful lot of people who have better connections than I have, who were able to get professional people involved in their campaigns. I suppose the argument would be is that if they volunteered their time for free it is a zero expense, but perhaps that should be being included.

3830 I give way to Deputy Meerveld.

The Deputy Bailiff: Deputy Meerveld.

3835 **Deputy Meerveld:** I thank Deputy Matthews for giving way.

Yes, the benefits in kind rule really means that anybody who does anything for you for free should be charged out of the commercial rate. So if a friend builds a website for you and they have skill in building websites or they have a business building websites, they need to charge you the commercial rate for it. Sorry, they do not have to charge you the commercial rate, you have to declare the commercial value as part of it.

3840 So benefits in kind and that includes, as I said, my understanding was, and is, that if you have somebody delivering manifestos for you, you should be declaring, at least, the minimum wage or the postal rate that you are saving because it is a benefit in kind. So that is right, a lot of the ways that people have suggested creative ways to potentially lower costs, actually, requires a declaration and would be an amount deducted from the total expenditure allowance.

Thank you.

Deputy Matthews: I thank Deputy Meerveld for that and I hope that people may consider that when they are thinking about voting for this amendment, is that if you are required to declare all of these forms of, effectively benefits in kind ... I do not know if we have ever declared things like the rent that you would otherwise pay in order to put up a poster somewhere. You could very easily go over the £3,000 limit.

So, for me, I think the £3,000 is too much of a drop. I do think that there is a bit of a contradiction, madam, in people saying, well this will help people on lower means. Actually, as Deputy Queripel said, I think it is a really great shame that we have not, in this debate, got the option to reinstate the grant and since we have had so many voices of support for enabling people on lesser means, perhaps it might be a case for even putting that back in as a late stage amendment to this debate. But I certainly think that the £3,000 would be too restrictive on people. I probably will be supporting the next amendment from Deputy Roffey for £6,000 but I think for me £3,000, I think, would be too much of a restriction.

Thank you, madam.

The Deputy Bailiff: His Majesty's Procureur, we have had some opinions on what the benefits in kind rules are in relation to elections, are you able to give any assistance on that?

The Procureur: Madam, there was considerable guidance set out at the time in the last election in 2020. I would need to revisit that guidance because the rules are quite complicated, but there was a lot of guidance sent out and changes to the rules.

Deputy Trott: Can I ask His Majesty's Procureur.

The Deputy Bailiff: Yes, Deputy Trott.

Deputy Trott: I would like to ask His Majesty's Procureur a specific question for when she undertakes that exercise, please, because it was a point I made in my speech about the benefits of incumbency. So let us use me as an example, I had a website for the last election, it cost a few quid, I declared it. All I have to do is flick a switch to turn it back on and pretty much change the election date and it is ready to go.

That would not be, as I understand it and I asked this question last time, a declarable expense this time round; you cannot pay for something twice. It will not have cost me anything, there will be no benefit in kind, it was properly paid for last time but it is clearly a significant advantage to an incumbent.

So if His Majesty's Procureur could address that particular matter, I think, it will go a long way to emphasise just what an advantage being a candidate for the second time round, or more often than that, is.

The Procureur: Well, madam, I am not going to give that kind of advice on the floor of the Assembly now to individuals in respect of that. But I am happy to come back and look into that.

Deputy Trott: If I may, I did make clear that when you were able to provide that guidance, I would like you to specifically address that point.

Thank you.

The Procureur: Yes, I am not sure whether the Member is asking me to do that on the floor of the States, or whether or whether by an email to the States' Members, but certainly I am going to.

The Deputy Bailiff: This, obviously, is an important question for Members to be thinking about in relation to this matter and one possibility is – it is now at 5.15 p.m.; I do not know who else wishes to speak on this amendment – whether or not there will be support for, before we ask

3900 Deputy Meerveld and Deputy Falla to reply and close, whether we finish now at 5.15 p.m., in order that His Majesty's Procureur can get that information and we carry on tomorrow. I do not know if there is any support for that, I will put that motion to the Assembly.

Those in favour; those against.

Members voted Pour.

3905 **The Deputy Bailiff:** The Pour has won so, therefore, we will finish now. It is only 14 minutes early, 13 minutes and 45 seconds, and we will continue tomorrow. I hope that it will not lead to more people rallying to speak on this amendment who have not yet spoken, but that is always a possibility and we will continue this tomorrow morning.

The Assembly adjourned at 5.17 p.m.