



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 26th February 2015

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Present:

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

Law Officers

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

People's Deputies

St Peter Port South

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

St Peter Port North

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

St Sampson

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

The Vale

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

The Castel

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

The West

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

The South-East

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

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean and S. D. G. McKinley O. B. E.

The Clerk to the States of Deliberation

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

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller)
Deputies R. Domaille (*absent de l'île*); M. J. Storey (*indisposé*); S. J. Ogier (*relevé à 9h 53*); M. J.
Fallaise (*indisposé*); A. H. Brouard (*relevé à 9h 53*)

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

Billet d'Etat III

POLICY COUNCIL

III. Investigating a Living Wage Statistic for Guernsey – Debate continued – Propositions carried

The Greffier: Billet d'État III, Article III, Policy Council, continuation of debate on Investigating a Living Wage Statistic for Guernsey.

5 **The Bailiff:** Who wishes to speak next?
Deputy Sherbourne.

Deputy Sherbourne: Thank you, sir.
Members, if you would allow me just for a moment to talk about... not talk about the past but
10 talk about past experience, one of the greatest pleasures of being a teacher is the fact that, from
time to time, you have most incredible pleasure witnessing the success and the performance of
your students.

Guernsey is a very special place, because we are so small. If you actually have a career in this
Island, you tend to get to know a lot of people – a lot of young people that, actually, do this
Island proud, day in and day out.

15 At about 5.10 p.m. last night, I experienced that pleasure yet again, because an ex-student of
St Peter Port School, Deputy Laurie Queripel, gave a most incredible gem of a speech, reminding
me of the reason why I am here. I feel that, over the last two to three years, our mind-set has been
so dominated by fiscal matters and reasons why we cannot do things, reasons why we cannot
improve the lot of Island people. I understand those reasons and I have gone along with it, but I
20 have actually been sucked into that mind-set, and that speech by Deputy Queripel yesterday
reminded me vividly of why I am in this Assembly. I stood, because I wanted to improve the lot of
our future generations and, for me, it was a timely reminder that our inaction over the last two or
three years, as far as our social agenda is concerned, reminded me that we really need to take
stock; and, for me, that was a timely reminder. I have thought about it all night and I thought that
25 I would speak early – normally I wait a while, listen to the words of wisdom that come out from so
many of your mouths, but I wanted to get in fairly early on – because this mind-set cannot

continue. We have a wider responsible than just making the accounts balance – much more – and I know there is goodwill out there to improve the lot of ordinary Guernsey people, but far too often I see proposals that are brought to this Assembly, being kicked down the road because, 30 'There is another review due in another nine months. Let us wait until then.'

We have all received the report from T&R and Social Security Department that we will be debating in March. At my first reading – and this is no debate on that now – I was looking for evidence that that priority of looking after the most vulnerable in our society was going to be embodied in it. We will wait, we will debate, but I give notice now that I will be challenging 35 anything that does not meet that main objective of mine which is, as I have said before, to improve the lot of the most vulnerable in our community.

As I say, we have been focussed – FTP. That has dominated. It has dominated education. For heavens' sake, ladies and gentlemen, Education are still struggling to fund pre-school education in 2015. We are still not sure whether that Resolution of the States will go ahead. What a disgrace, 40 that in 2015 we are still having to provide facilities that should have been in place for 20 or 30 years. Where has our priority been to the people of the Island – the young people of the Island, the people from more disadvantaged backgrounds – that find it very difficult to make real headway?

Social mobility does not exist in Guernsey. I do not want anyone to try and tell me that that is 45 what our system does – our system provides for people to really better themselves. I can assure you there are many, many people in my constituency of St Peter Port North that find it very difficult just living day-to-day, week-to-week, let alone aspiring to the heights that some people – a large number people in this room – do on a day-to-day basis.

In this report, we see the evidence from a data that shows that Guernsey, with regard to the 50 differential between the really well paid and the poorly paid cannot hold its head up high at all. We are behind most jurisdictions in the world and certainly behind small jurisdictions like our own.

Last year, Island Analysis provided us with some data on the sort of investment that we put in as a percentage of our Gross Domestic Product into education – the thing closest to my heart. We 55 cannot hold our heads up high with regard to that investment. We fail time and time again with regard to the provision for our vulnerable people and we have a fair number of them.

You listen to the mood music that is coming out of SWBIC. At this stage, of course, we have had Deputy Le Lièvre's interim observations and an idea of when that report will come, but the mood music is not good as far as an ordinary member of the States is concerned. I hear that there 60 are things like struggling to find the sort of level of support that will enable people just about to get through, not to have a good life, not to aspire to better things, but make do.

Now, I hope that is wrong. I hope at the end of the year, we will see a great improvement. I hope that when, in March, we debate the Tax, Pensions and Benefits Review there will be an opportunity to re-address the balance. I have seen it so far as a tax neutral proposal and I have 65 also seen it, through a First Reading, as an opportunity to cut universal benefits for a lot of vulnerable people.

Therefore, I look forward to playing a part in that debate for the rest of this year. We have little time left and, if our legacy is purely going to be based on fiscal caution and nothing more, then I will have felt a certain failure as a Member of the States, representing the people of St Peter Port 70 North. People I know well; families I have known well for 40 years.

So, thank you, Deputy Queripel, for alerting me, if you like. I had maybe gone to sleep in some way, but I cannot say that because the Mare de Carteret issue is still bubbling away. It is a pressure cooker and there are so many issues that we sweep under the carpet or kick down the road. Now I hope we can address that and I think this was a timely reminder for us that, yes, I can 75 support the proposals. I am not going to vote against them.

I do understand the reason why maybe now is not the time to be driving towards a living wage, but I believe in the concept. I believe it is right and proper that we should. Our minimum wage provision is poor. People cannot live on the minimum that we established. They cannot and,

in fact, they have to receive supplements from a taxpayer, subsidising business. I know it has been said before but we have got it wrong. It is skewed far too much to fiscal conservatism and I want to see change.

So those Ministers that have a real clout on these issues, please, be aware that there are those of us on the floor of this Assembly that are taking note, are getting frustrated, are concerned that those gaps are getting bigger and bigger with regard to the wherewithal of our community and I think it is incumbent on us to at least, from time to time, take a step back and say, 'Well, hold on a minute. Maybe we have not got it right. Maybe we do need to readdress these issues.'

Now, I am not going to ramble on any more and I do apologise for, I suppose, what has become a bit of an emotional outburst. I am an emotional person, have been one, proud of it. But, there are times where that distant view of our people needs to be addressed. We need to get closer to them and I know there are a lot of people who sit down here that do that, but I am not so sure that the general tenor of this States is one that embraces the needs of all of our people.

So please take note, Deputy Langlois. Yes, maybe at the moment we do not need to pursue a living wage agenda, but it will not go away and the sooner we address that issue, to improve the lot of our people, the better.

Thank you. (*Applause*)

The Bailiff: Deputy Green.

Deputy Green: Mr Bailiff, thank you.

I woke this morning to news that an earthquake had taken place in and around Guernsey overnight and I am wondering whether an earthquake in terms of social policy is taking place or about to take place in this Assembly? Possibly not.

I wanted to start by also appreciating and thanking Deputy Laurie Queripel for his speech yesterday, because I thought it was an excellent speech. He used the expression that Deputy Gollop had used in his much appreciated *Globe* column about the need to balance a free market economy with social democracy on the other hand, and I think that is exactly the direction that the States should be going in.

Deputy Sherbourne's speech this morning also was excellent. As he says, 'a timely reminder', I think, that the direction of the States so far, since the election in 2012, has been in a very necessary direction. I think it has been necessary to balance the Budget and quite right to make the economies and efficiencies necessary to do that, and T&R are taking us in the right direction on that but, at the same time, whilst adopting that prudent approach, we cannot afford socially, economically, in a number of other ways, to forget those most disadvantaged people in our community and I do not think the States has done enough to promote social policy. I do not think it has done enough to promote social justice.

As was made clear yesterday, working poverty is an issue that needs to be taken more seriously by the States. With regard to this policy letter, I must say I was somewhat disappointed and rather underwhelmed with the conclusions in the policy letter. I think the substance and the detail of the Report itself are pretty good, but I think the conclusions that the Report comes to were underwhelming and disappointing; and I would like to touch on two points, this morning, Mr Bailiff, if I may.

Firstly, I think the important thing here is to accept the principle that having a living wage statistic for the Island is a useful and practical reference point. I certainly, personally, do not support a mandatory requirement in law for a living wage and I would have thought few, if any, Members of this Assembly would support a living wage as a mandatory legal requirement, but the point is to have it as a formal reference point for indicative purposes. I think that is the phrase that Deputy Langlois used yesterday, in terms of an indication of where things should be.

I think there is a danger here that we end up getting in something of a pickle and being very picky about the precise number for a local living wage as a reference point for wage negotiations and for policy makers and all the rest of it, because I think that is missing the point. I think,

practically speaking, it is correct that there is not a great deal of difference between the current minimum wage in Guernsey and that of the United Kingdom; and we are told in the report, quite rightly, a living wage comparator for the Island could be the London Living Wage as a reference point. So I think the simplest thing is simply to adopt and adapt the London Living Wage as our local statistic and reference point, to inform debates, to inform policy makers, to inform wage negotiations in the future. I think there is a danger that we try to over-think this and I suspect that if we try to over-think it we will end up getting next to nowhere.

So, therefore, I would suggest that the best way is simply to accept the principle of the London Living Wage statistic as a reference point so we can start from somewhere because, ultimately, calculating a living wage as a reference point, as an indicator, is really as hard or as easy as you actually want to make it and I think we are in danger of over-complicating it and I can see Deputy Langlois nodding, so I am grateful for that. The point is, let us make a start from here and let us not put it on the 'too difficult' path.

It reminds me of Alexander the Great and the Gordian knot. Rather than trying to untie the Gordian knot, he just got his sword out and cut it and I think that is what we need to do with this.

The second point I wanted to make is in relation to inequality, which I know that Deputy Queripel spoke very powerfully about yesterday. This policy letter publishes the so-called Gini coefficient calculation for Guernsey for 2009 and that is at paragraph 4.3 of the Billet and I, like others, find it quite disturbing that Guernsey had, in 2009, a higher level of income equality than the USA, the UK, Jersey and the OECD average.

My understanding of this is that the higher a country's Gini number, the more unequal it is and, as I say, paragraph 4.3 had a comparison of Gini coefficient in 2009. This is table 2 and top of that mini table is Mexico: 0.47; Guernsey: 0.39; USA: 0.38; Jersey: 0.35; UK: 0.35. I find that disturbing. I think that information should be a hammer blow to our ailing social policy agenda. I cannot, and Members should not, disregard that. I think that needs to be highlighted boldly.

Admittedly, 2009 is now some six years ago, but it highlights for me that we live in an unequal Island and an unacceptably unequal Island. I think that leaves our community vulnerable, over time, to a whole host of social problems which we can ill afford to turn away from and I would like to ask - I think it is the Deputy Chief Minister who is going to be summing up at the end - the Deputy Chief Minister to consider whether the Policy Council should actually be calculating and publishing these statistics, perhaps every year, perhaps every other year, so that we as policy makers and legislators can keep tabs on this issue and make sure it does not get any worse.

Deputy Langlois: Point of clarification, sir.

The Bailiff: Deputy Langlois.

Deputy Langlois: Just to say that a repeated question later on, when you say, 'these statistics'... just the Gini coefficient?

Deputy Green: Yes, well, the Gini coefficient for Guernsey and a comparison with the jurisdictions mentioned at that table 2 in the Report.

Sir, in conclusion, turning to the actual Resolutions that we are asked to consider, I am not quite sure, at this stage, how I will vote in respect of those. As I say, I think, I suspect, I will probably vote against the first Resolution, but then support two and three, and I would encourage Members to do likewise.

The Bailiff: Shortly after we started this morning, two Members entered the Chamber: Deputies Ogier and Brouard. Do you wish to be relevés? Both relevés.

Deputy Gollop.

Deputy Gollop: Sir, I intend to vote for the Propositions, partly because I am on one of the sponsoring committees, Social Security and Commerce & Employment, that have worked together fairly amicably on this, but I do so, almost in the spirit of relative protest, because I do actually
185 adhere to many of the views that we have heard, perhaps in a slightly more watered down way.

It is interesting, as a matter of political history, that Deputy Laurie Queripel was a Member of Commerce & Employment until last autumn; Deputy Green was a very respected Member of the Social Security Board for two years and Deputy Sherbourne, of course, sits on Housing, which is a very relevant committee in the SWBIC issue that we are working on. The SWBIC is partly a tool in
190 the toolbox. It is definitely one of several ways of alleviating these concerns and we really do hope to deliver – and knowing Deputy Le Lièvre he certainly will, because I think he will work 24/7 if we have not finished by Christmas.

I see Deputy Stewart in the Assembly and in a curious kind of way, he is potentially the keynote speaker on this debate, apart from Deputy Langlois, because a lot of Members, Departments even,
195 are increasingly coming to the view that one of the ways of addressing this is not necessarily commissioning expensive public sector or private sector research into so-called relative poverty and equality.

We already know it exists here. We have had three or four different reports which suggest that almost a fifth of the population are significantly more well off than what we desire to be the norm.
200 But, Deputy Stewart, as a very dynamic and able Minister, is leading a team of politicians and officers who, in the Guernsey system – not the Jersey system, but in the Guernsey system – have the responsibility for laying a plan for the minimum wage.

Last year we saw there was a bit of reluctance to amend it at the last minute because it is a process whereby there is extensive legal work in consultation with stakeholders and I believe,
205 currently, there is an opportunity for members of the public and anybody else to contribute to that work stream – which we must do, I think, and I know some States' bodies are likely to do that too.

But I think the time has come to really take a balanced view of what we think employers can afford, what we think the welfare state will be obliged to pick up the bill for relatively lower paying
210 jobs and what people deserve, in a Guernsey context – and I applaud Deputy Langlois and I think he mentioned that. Although we have not the time or the resources at the moment to go down the route of looking at the living wage, which after all he brought before us in broad, non-mathematical, academic terms, we probably are pretty close to the London average in terms of cost of living and accommodation and so on.

I would say we are marginally below London, but we are in that ball park and, in that context, we are therefore a little London, rather than a Little Britain or a Little England or even a Little Mexico – and I will come onto Mexico in a minute.

But I think, therefore, that issue of minimum wage being more weighted to an offshore London level than a Manchester level has to be taken on board by Commerce & Employment this time
220 round and not necessarily done all in one year, but a strategic process which changes this particular game.

I am disappointed the living wage cannot be moved on at the moment but, frankly, it is more important to get SWBIC organised and also more important to get the PTBR underway and also vitally important the minimum wage is seen to work, because I think some people have raised
225 concerns in a few areas. The minimum wage actually led to wages being reduced in some parts of our economy and that means that the format is not quite right at this stage, but I think there is work to be done there.

On Deputy Green's thought-provoking speech, he said we were more or less, roundabout – I will have to look at these figures more carefully - America, United States, rather, and Mexico and well below, I think, the European norm.
230

If you look at – before, admittedly, the current and recent Home Ministers have been in place, but if you look at – Wikipedia's statistics for average prison populations, circa 2011 – not now, but 2010-11 – you see that Guernsey and Jersey are just about above Mexico and, actually, below or

rather above three of the states of the United States of America, which we know anecdotally has a strong pro-jail kind of culture. And they are well below the European norm.

I am kind of suggesting, without definite evidence, that there could be a link between the size of the criminal population and relative inequality in society. I just point it out as one reason why we do not want to have too unequal a society or, at least, we do not want to necessarily reduce the rightful rewards of our most successful people, but we want to raise up – not give a hand out, but a hand up to the rest of the population to ensure they can enjoy a decent standard of living as well.

The Bailiff: Deputy Stewart, do you wish to speak? And then Deputy Dave Jones.

Deputy Stewart: Mr Bailiff, I do not think Utopia exists and I do not think, for one moment, you are ever going to totally eradicate in-work poverty. I do feel, though, sometimes we paint Guernsey in a way that I do not recognise it and I do accept that Deputy Sherbourne is quite passionate, but we do have a very good benefits system, where we try and catch the most vulnerable in our society. We have, over the last 10 years, through the Housing Department, developed some excellent social housing and I remember driving the digger knocking down part of Le Bouet with Deputy Jones – which I thoroughly enjoyed. We do have some excellent educational opportunities on the Island and we do not have any shortage of jobs. When I was in Spain the other year, to see 50% of young people in southern Spain on the streets, because 50% of young people in Spain are without a job, we do have actually a lot to be proud of in Guernsey and I think that work continues within the States and, certainly, I think the route out of poverty is through education, life-long learning and raising the skills levels, raising the median wage.

Now, I have read a huge amount of research and, as always, you ask two economists and you get four different opinions around the living wage. I think it is very difficult for us, because we are a much smaller economy and less diverse than the major economies of the world and so, actually, when you pull a lever, you sometimes get a very quick reaction and I think that is, in a way, what is coming out of this Report.

The one thing that I am very pleased about and has not been mentioned so far is Proposition 3. This is something I pushed for, to try and give us a little bit of intelligence and, of course, it has made the news in the last week in the national media about UK companies not adhering to the minimum wage. So, to me, Proposition 3 is very important here, where we can now get this link where, if members of Social Security – the staff there – believe that companies are flouting our minimum wage laws, that can be passed onto my Department, we then can go in and look at that company and bring them to book. So I think that is important to mention on Proposition 3.

I think, looking at whether you have a massive hike in minimum wage or whether you have a living wage, one of the things there talks about: is our cost of living too high or our wages too low? And, of course, one of the biggest costs of living, one of the biggest cost for people is, indeed, housing, which is why, in my view, I am so glad that the Island Development Plan has been, so far, well received.

I hope it is a very short planning enquiry and I hope we can get that on the statute books and Deputy Le Lièvre smiles, but I can ever be hopeful, because I think we do need to move forward with social and private housing development to help getting that market moving and to create more opportunities, because I think that will help to reduce the cost of living in Guernsey.

If you do not, then I think just by raising the minimum wage by a massive hike will bring in a living wage, you start to develop, what I call, trickle up economics, because where does the extra money come from? The companies can decide to cut their profits or they can put up their prices or they can choose to employ less people. There are only certain options they have, so one thing that concerns me in a very small market where there is a lot of divergence is this trickle up economics.

In common with a lot of other jurisdictions, though, we have lower wages in the hospitalities sector. That is, of course, where we have a lot of our guest workers and their main reason is not

just to earn money. I think some of them are economically migrating from their country of birth, because there are not the jobs there, but they also want to do things like experience somewhere else, they want to improve the English, so the work these people – mainly young... and it is a bit like my daughters going off to Australia or my son going to university in Brighton; he is happy to
290 work for a minimum wage just to earn himself some pin money. So I am not saying this is generally, but a lot of people in the hospitality are young people; they travel to Guernsey and often that accommodation is provided and their food is provided. (*Interjection*).

You are quite right there. You will not learn how to do radio interviews either.

Tourism and our hospitality industry is something that we do not, at this time, want to have
295 any unintended consequences in. We had 2.5% growth last year and both Culture & Leisure and C&E have worked very hard to improve our offering and to improve our promotion. We are shooting for 4% this year.

However, one of the disadvantages we already had to our cousins in Jersey is that our costs are higher. I think the main reason for that is we have smaller hotels, less economies of scale within
300 tourist industry and that does mean that actually the cost of a short break in Guernsey is something like 20%-25% higher than a similar break in Jersey. So this would not be a good time to add any further costs, but of course we have been raising the minimum wage more than RPI over the years and trying to bring young people more in line with the adult one.

The other area that I think is important for Guernsey is we are seeing more and more start-ups.
305 Often in some of these start-ups, people are taking second or third jobs to work part time in these start-ups... and I can only give anecdotal evidence. When my wife started a business with someone who is now a full-time employee, she said, 'Look, I am starting my business. I have not got a lot of money. I cannot pay you more than this, but, with a fair wind, in nine months down the road, if I can get these clients, I will be able to pay...' and actually that came to fruition.

I think sometimes you have honest words with people that want to change and want to work
310 in something a bit more dynamic, something new and those conversations go on. So I will support the Propositions and I ask you to support them as well.

Thank you.

315 **The Bailiff:** Deputy Dave Jones.

Deputy Dave Jones: Thank you, Mr Bailiff, Members of the States.

Many of you who joined the States in this term will recognise what I am about to say, because none of you, I think, will not have had people coming to see you in your homes or wherever your
320 offices are to talk about the struggle and the working poor, as I describe them. They have actually watched as their wages have stagnated. Many have not had wage rises in many years but, year on year, at Budget time the Government keeps ratcheting up indirect taxes, which squeezes their incomes even more and this has been going on for several years and stretching their disposable incomes has driven many of them into poverty.

Now, a living wage, to me, should do exactly what it says; it ought to give families a chance to live a decent life and be inclusive in society as a whole and, as I have said, like you, I have had
325 many people coming to see me over the last two years, especially who simply cannot pay their bills any longer and because they have been squeezed at both ends. And many of these live in the private rental sector.

And before my good friend, Deputy Brehaut, gets on his feet and says that the Housing Department drives many back into the private rental sector – that is a debate for another day, but
330 – we are reviewing the thresholds and I have got people like Deputy Sherbourne and Mr Le Pelley and Mr Paint on my board who remind me of that all the time. But if you do live in social housing you are cushioned, to a certain extent, because you do receive rent rebates and other benefits from the benefits system and so you are cushioned from many of the problems that people in the
335 private rental sector have to face and my hope is that SWBIC – I know we are all putting a lot of

hope on SWBIC – can find a solution to helping, giving some financial help to those in the private rental sector who are not eligible for social housing.

340 But, my view is – I am going to take this on further from Deputy Sherbourne and others – that we as a Government should not keep subsidising businesses, some of which pay no tax in Guernsey. It is all very well to say that we want to support businesses – which we do and I am a capitalist at heart; I want to see growth and I want to see a business flourish – but many of the UK retail and others who are here who pay very low salaries and wages to their employees, pay no tax in Guernsey whatsoever, so it is a double whammy for the States of Guernsey on that department.
345 We do not get anything back from them and we are subsidising their employees by giving them top up benefits, because they will not pay them a proper living wage; and this is one area that I think Commerce & Employment has to get to grips with and see what can be done to make these companies pay a proper wage.

350 But, the other thing about the working poor is that you will notice what they are excluded from. Many of them are excluded from off-Island travel, for holidays for their children. Many are excluded from leisure facilities. Beau de Jour does what it can, but it is still quite expensive for a family to use those facilities. Medical care – we have just had a big discussion about the primary care costs and what we are going to have to do in that area and, of course, if you are not entitled to legal aid, legal representation is hugely expensive for people, so you have got a whole swath in
355 our community who are excluded from many of the things that we, who sit in here, take for granted and that is an area that we simply do have to do something about.

Now, I do not have the answers for this because I am actually with Deputy Green on this. I think that bringing the legislation that says, 'This is the living wage that you have got to pay' is not going to help our economy in any way, but I also think that we must stop subsidising businesses
360 who pay no tax in Guernsey, by allowing their employees to be subsidised by Social Security Department and rent rebates and all kinds of other benefits that come out of the taxpayer's pocket as a whole.

Thank you.

365 **The Bailiff:** Yes, Alderney Representative Jean.

Alderney Representative Jean: Thank you, sir.

In Alderney things are very different. The two economies of Guernsey and Alderney are stepping apart and I am concerned about this.

370 In Alderney, there is a restriction in ability to earn through constriction and customer resistance, coupled with higher costs of electricity, freight and other things through the lack of custom. I stress this would have to be voluntary if ever a living wage were to come to Alderney. I have every sympathy with it. We are already very clear that in the December 10th Billet and the debate on the Airfield Requête, the statistics show that a wage – and I know this is not a living
375 wage, I am referring to... a probably more normal wage of £30,000 here in Guernsey and £17,000 in Alderney. That is an amazing difference.

In Alderney it must not be compulsory, as I say, because we have already got a situation where we have got a falling population and for many private businesses that means falling earnings. The point to me in all this is socially I know we need to do something and, in part, need to support a
380 living wage, but to put any more burden on the privately-owned businesses or businesses in Alderney and I do not know if there are... It was very interesting the point that Deputy Dave Jones made when he said about the businesses that are in Guernsey that are not paying tax. I do not know, in Alderney, if there are any that are not paying tax. That is not a question I could answer, but I can say this: that if we were to put that extra load on businesses trying to survive in Alderney,
385 considering how many have actually closed down in hotels, catering and tourism through restriction and constrictions, I think it would have to be very carefully done and the only way that I could envisage that anything could be done to help in terms of the living wage – and I have every sympathy with it – would be voluntary.

Thank you, sir.

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The Bailiff: Deputy James and then Deputy Dorey.

Deputy James: Thank you, sir.

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I would pose the question, do we, as an Assembly, have a social conscience? We have heard a number of impassioned speeches, both yesterday and today, and part of me thinks that we do take the moral high ground sometimes and I would like to ask each and every one of you and I am sure I know what the answer is, would you expect individuals to have a decent and fair pay for their labour? And I am sure every single one of you would say, 'Yes, of course, we would.'

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Yesterday we heard Deputy Laurie Queripel – and I am sure he will correct me if I misquote him, but he did allude to the fact that employers that do not pay a fair wage should be identified. While this week we have seen the British Government actually publish a list of 70 large employers who fail to pay the minimum wage and likewise the Business Minister, Joe Swinston, called for naming and shaming.

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We have heard Deputy Jones talk about big companies in Guernsey not paying their fair tax. I am sure there are a number of Assembly Members that are landlords that want to maximise their rents. I am sure a number of Assembly Members run businesses; they want to maximise their profits. And who encourages and allows this situation to perpetuate? We, as individuals, do and my reasoning for saying that is we, as individuals, want the cheapest goods and services that we can possibly achieve.

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This Island, I am sure, sees the importation of thousands and thousands of packages from Amazon and why do we shop on or with Amazon? Why do we order from Amazon? Because, more often than not, we can get our goods and services cheaper.

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Deputy Stewart made reference to low paid in the hospitality industry and, yes, I would agree with you, but we reinforce that. We go to these hotels, we go to these restaurants, we do not have a social conscience. We utilise these services.

So yes we, as individuals, can do something and, listening to some of the speeches, I do feel – and I make no apology for this – that much of what is being said is interwoven by hypocrisy, because we do want those cheap services, we do want our goods produced.

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Since yesterday and today, I have been thinking about looking at some of the big corporate businesses in the UK, somewhere like Marks and Spencer who, over the years, have been driven to take their business for their clothing manufacture to countries like Sri Lanka, Bangladesh and Pakistan. We do not seem to have a social conscience about going in and buying our goods from Marks and Spencer. Why is that? Because we want our goods and services cheaper – ever cheaper, ever cheaper.

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So if we really do care about the low paid in this Island, each and every single one of us has a personal responsibility. We do know the companies that do not pay tax in Guernsey, let us look at boycotting them. We have it within our power. Let us stop shopping in Amazon. Let us make representation to those companies if it offends our sensibility. So I just throw down that gauntlet to each and every one of you. What can we do, as individuals, to start turning around the situation that we are faced with?

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Thank you.

The Bailiff: Deputy Dorey.

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Deputy Dorey: Thank you, Mr Bailiff.

I am disappointed with the Report's conclusions and the absence of, what I think, are some key data. Deputy Langlois, in his speech, referred to using the London Living Wage and I know Deputy Green did as well, but I actually think that we should take a lead and have a Guernsey living wage.

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I remind Members that a living wage is an hourly wage defined as the minimum amount of money needed to enjoy a basic, but socially acceptable, standard of living. Surely, that is what we

all should want everybody to earn. We all want a diverse economy with full employment, profitable business, but those profitable businesses must result in well-paid jobs. I think defining a living wage is drawing a line in the ground so employers know what is needed for a socially acceptable standard of living.

445 The UK Living Wage Commission – it is on paragraph 6.2 on page 204 – says, ‘Low pay employment costs the taxpayer in the UK between £3.6 billion and £6 billion a year.’ That is a massive amount. I asked Social Security and Housing how much means tested benefits does it cost the taxpayer for people who are working in Guernsey. That is the data that I think should have been included in this Report. They gave me some figures, based on a week this year; it cost
450 Housing just under £5 million for income foregone and rebates paid to the Guernsey Housing Association, for people who are working and not earning sufficient income. For Social Security it costs £1.6 million a year. That is a total of £6.6 million. I know that some of these people are working part-time and some, even if they were all paid the living wage, would still need additional benefits, due to large families etc, but I think that gives you some indication that it does cost the
455 taxpayer considerable amounts of money, but it gives a clear message that low wages cost us a million pounds. If everyone was paid that amount, there would also be the additional benefit of a living wage, of people paying more tax and social security.

But of course the greatest benefit will be, for those being paid a living wage, the difference it will make to their lives and the feeling of being valued and being able to live a socially acceptable
460 living standard and not facing relative poverty which we, as a States, has a policy of eradicating relative poverty.

Paragraph 7.15 on page 208 lists some advantages for employers. It says that, if you pay a living wage: productivity increases, higher ethics and openness, lower staff turnover, reduced absenteeism, increased ability of the workforce, improved morale and motivation and
465 commitment, reputational benefits. So it is beneficial, I think, also to employers, to be paid a living wage.

Paragraph 7.17 refers to the consultation that is on page 209, that was carried out and it mentions about theme 4 in appendix 3, particularly saying that the Guernsey hotels and restaurants, saying that ‘industry will be unable to meet the higher labour costs and publication of
470 living wage will cause them reputational damage.’

I do not agree. There are opportunities, I believe, for businesses to gain an advantage and those who choose not to pay a living wage are not necessarily bad employers, they are just low pay employers, but I think everybody knows, as Deputy Stewart has outlined, that a lot of hotels and restaurants do pay lower wages.

475 But I do not understand the reputational damage, as any employers who are paying the living wage will be published once they are accredited and there will be an opportunity to get a marketing advantage.

I looked at the Living Wage Commission’s website and there are hotels which are paying living wage in the UK and I notice there is one particular hotel in Torquay that it is very prominent in their advertising that they were paying it. There is the Intercontinental Hotel Group in London that has a phased introduction over five years, which is perhaps the right way to do it, so that those businesses can manage the moving to a living wage, but when you see other businesses listed outside the hotels and restaurants, there is a marketing advantage and I believe that people will choose to go to, if they have a choice between, say, a restaurant that they know is paying a living
480 wage against one that is not, they will choose the one that will be paying a living wage. I am sure many people are socially responsible.

So I think there are advantages, as that hotel in Torquay has seen, and we should be moving towards encouraging employers to pay a minimum wage and part of that, I believe, is calculating our own living wage.

490 Paragraph 2.11 informs us that the calculation is based, for a living wage, on a minimum income standard. We have calculated the minimum income standard. The work was done in 2011-12, so we have that data available and I think that we could achieve a Guernsey living wage based

on the work that was done. Yes, it will have to be updated, but I think we identified it would have to be updated every five years and we could, from that, have our own Guernsey living wage and we need a system that employers can be accredited and be able to advertise that they have achieved it. And I believe, in the end, we have a win, win, win situation, where employees will have the dignity and be able to participate in society, employers will benefit from the marketing advantage over their competitors, the General Revenue will benefit from paying less benefits and we will also have increased taxes and social insurance.

So I, like Deputy Green, will urge Members to vote against Proposition 1 which sends a clear message, but I will support Proposition 2 and 3. On the Living Wage Foundation, Boris Johnson is quoted – and I think he sums it up very well – ‘Paying the London Living Wage is not only morally right, it makes good business sense too.’

Thank you.

The Bailiff: Deputy Harwood, then Deputy Brehaut.

Deputy Harwood: Thank you, sir.

Like Deputy Dorey, I also am slightly concerned about the lack of some statistical information. I agree with Deputy Dorey, we need more information to understand, in particular, the graph and the upward trend shown on page 210, the number of benefit claimants who have worked during the last week of the month of 2010-14. I appreciate that is a snapshot, but the whole trend is upwards.

I would like the Deputy Chief Minister and his colleague, perhaps to come back or provide background information as to why we have that trend. Is it genuinely because we have been more generous in the benefits that we are offering? We have lifted, if you like, the threshold below which people can get benefits, so I think we do need more information on that.

I share some of Deputy Dave Jones’ concerns about taxation and I think it is slightly naive to suggest that UK entities operating in Guernsey are not paying tax. They actually are contributing, mostly through the TRP – and I appreciate next month there will be a debate about TRP as part of the Tax and Benefit Review – and also through social insurance contributions. Whilst I agree, on the face of it, they are not paying the 20% tax, but they are, nevertheless, making a contribution to the economy through those two means.

Deputy Sandra James has laid down a gauntlet. She has said, ‘Well, what are we doing about it individually?’ I can assure Deputy James that I have, for some many months now, instructed my wife to desist from buying anything from off-Island through internet and other sources, because that is actually something we can do. We can deliberately say no to Amazon, we can deliberately say no to all these other service providers, who are not only not paying taxes in Guernsey, but they are probably not paying taxes anywhere on a global basis, so I think, yes, clearly, we can take a stance on that.

The other gauntlet I would refer to Deputy James, and again I pick up from Deputy Laurie Queripel yesterday, is the States should lead by example and I am particularly pleased to note on page 211, the statement that:

¹¹‘No permanent States’ employee is paid an hourly rate below the London Living Wage of £9.15 per hour’

– and long may that continue and we should set that example.

States, as an employer, should set that example. This is the threshold that we would expect *bone fide* employers, reputable employers to follow.

And there is a further thing the States of Guernsey can do – and, again, I would urge the Deputy Chief Minister and his team to consider this and also the T&R Department – on page 205 there is a summary of some of the comments made by the UK Living Wage Commission and I refer to the second and third bullet points. The second bullet point says:

'The UK and devolved governments should ensure that all directly employed public sector employees are paid the Living Wage.'

545 Well, by reference to the footnote on page 211, that appears to be satisfied.
But I also draw attention to the third of the bullet points. It says:

'The UK and devolved governments should ensure that the public sector always procures on value, rather than spreadsheet cost, which will enable stronger consideration of contractors paying a Living Wage.'

550 And I would urge the Treasury & Resources, as part of the tendering process, to consider actually insisting that people who are tendering for a States' contract, should actually commit to paying the living wage.

555 Now, I agree with the sentiments of Deputy Green and others. I do not think it is worthwhile and I think it would be very costly for us to produce our own index of the living wage and therefore, I accept that, by proxy, the City of London Living Wage is probably the appropriate proxy to use.

I would, therefore, urge Treasury & Resources to use that as a measure when tendering for contracts. On that basis, I also will fully support the three Propositions. I believe we need to keep the emphasis on the living wage, but not through compulsion.

Thank you, sir.

560 **The Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you, Mr Bailiff.

565 It is not that long ago – it was very recent, in fact – that we still had and were operating the remnants of what was an Elizabethan Poor Law system – and that is Elizabeth I, incidentally – where people went to a parish hall with the obligatory single burner paraffin heater burning away, would wait in line and a judgement would be made as to whether they felt you were making a genuine attempt to work and, in fact, would make a number of very judgmental observations and they may decide not to pay you and you would go back to your family with nothing.

570 And it is interesting in society, because we put huge regard on the people who oversaw that service. People say, 'He was a Procureur/she was a Procureur for over 30 years' and we put more value on community service in that regard than we do on trying to really get to the issue of poverty itself. But, in fact, what we have done, because it is such a recent historical legacy thing, we have almost carried the sentiment from the former parish system across into the current benefit system, but sort of centralised it.

575 Deputy Le Lièvre is frowning. Okay, he is not frowning, sorry. Hello, he is being hugely supportive and will applaud me when I sit down. I am sure of that, yes.

But we have carried this forward into the... centralised it. But that attitude is still there, because it is a Guernsey cultural thing and I think it is even expressed in the words... on page 197, it says:

580 'The main conceptual difference between a Living Wage and a Minimum Wage is that the Living Wage has a strong social policy emphasis focused on enabling workers to live 'socially included' lives...'

– and it goes on to say:

'In contrast, the Minimum Wage has a strong economic policy emphasis focused on establishing a wage floor that will not impact adversely on economic stability.'

585 And that is always the context for pay on Guernsey, it seems to me. Rather than realise the value of the disposable income and where you will spend it, it is about what would be the cost of labour to any employer.

Now, if I went to – as a number of people do, I am sure – a bank manager and said, 'This business will work. This business is a goer. Give me four years on this and it will show returns for

590 the bank. However, it is achieved by a low labour cost – that is the cost I have to keep down.’ And the bank manager says, ‘Okay, well we will sponsor you, but what actually is the level of Government subsidy going into your business to enable you to pay people at that level?’

And I know a number of people have mentioned that, but that happens so frequently and I have paid these people, years ago, that come in emblazoned in staff uniforms – you know who
595 they are working for – and they are telling you they have done a 40-hour-week and they still need assistance from the States’ Insurance to be able to participate.

So we need to slowly erode that and this idea – and it is a term we use a lot, which I do not like and I fully understand why people use it... They say, ‘People do not need a hand out, they need a hand up.’ But, actually, we do not give them a hand up. We do not. And the last Social Security
600 ratings report, we insured people who, probably, I am afraid to say, would struggle to get any single qualification in their lives. We are saying to them, ‘We are not going to pay you a benefit in the conventional way. We are not going to do that, because we believe that just giving you money means that you will never work, when in fact, these children, if they were paid, have something to take back to the household. So those attitudes are still there.

It is interesting how poverty identifies itself to you, perhaps, in places where you were not expecting it. I put a note in my daughter’s home school book recently – or some time ago, actually – because I was frustrated that my daughter had to take, I think, £4 to school and I did not put the £4 in her lunchbox or whatever and my daughter told me off. So I put a note to the teacher saying, ‘If I would have had a little more notice, I would have put the money in.’ Her
610 response was interesting. She said, ‘You had two weeks’ notice.’ ‘You had two weeks’ notice.’ And the reason for that is there are families who go to the school who each child – and there may be three or four children – have to bring £3 to school in a given week. The families need to have a fair bit of notice of that. They need to have a bit of notice that they may need to take, on a Friday or a Thursday, £12 to school.

The other more practical ways we can deal with poverty, other than issues contained in here, but, obviously, they all intertwine – is interest rates with loan companies, that when they advertise the amount you can borrow, they should be obliged, in the same size type, something very simple to explain to you, ‘This is the interest rate and this is what you pay back,’ rather than, in possibly small print, underneath, so the client, the person... and I know we are trying to do financial literacy and things - but just so people know exactly what they are committing themselves to.
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And I was bemused, frustrated and a little angry that, while we were having this debate on width and emissions, and the person – a representative of a company that benefits for loaning on cars – was saying, ‘Look, some of our clients are high risk. They already pay high levels, because they are a risk to our business already. Why would we want to increase those levels of risk to our
625 business and the one thing, I believe, also that compounds poverty and aggravates, to a level that we never discuss and never really try to understand, is the nonsense that happens within our petty debt courts – the nonsense.

If you read the petty debt court this week, you will find, invariably, that every name and address, sadly, probably – and you cannot avoid generalisations, because I am raising something
630 very narrow, but it is a narrow observation on the addresses of the people who go through the petty debt system and, when you do that, you are denying them credit forever, forever.

So the young married couple who have been a bit silly and they have not been able to afford to pay their rent or they have not been able to afford to pay something they thought they could pay – they go through the court system, they pay for the summons, they pay for the
635 administration, yet 15 years later, perhaps when they are back on their feet, they pay extortionate levels to loan from a bank, because they are considered to have a history of debt when, actually, that history of debt was probably through a very short period, when they were struggling early on. So again, as Deputy Dorey has said, I have issues too with Proposition 1.

But debates like this are fantastic. The speeches yesterday from Deputy Bebb, from Deputy
640 Perrot, were remarkable and I found the speech from Deputy Sherbourne moving. I thought it was

a fantastic speech and we cannot allow that sentiment just to disappear into the ether and not act on it and, sadly, the Propositions in the Report do not really give us that ability to act on it today.

Thank you, sir.

645 **The Bailiff:** Deputy Trott.

Deputy Trott: Sir, there have been some good speeches and many of them have focussed on social justice and I would like to draw Members' attention to a couple of pieces of information in the appendices.

650 Before I do that, I make the point that certainly I have always considered that the Guernsey person's pinnacle of social justice was, like my parents, being born into social housing but rising to be able to own their own home.

655 Now, with that in mind, sir, on page 213 in the Billet, we are reminded of the changes in Guernsey's median need earnings for the eight-year period between 2005 and 2013 and median earnings during that eight year period have risen by 31%.

Now, a few pages further on, on page 216, table 6 shows us average local market property prices and that table shows us that during the same eight-year period, in nominal terms, in both cases, property prices have risen by 42.5%.

660 So during that period it has become increasingly difficult for the average person to acquire their own home and that is one of the reasons why I think this sense of social inequality exists. The reality is, if one looks at the data that the Treasury & Resources Department kindly provided me with recently, with regards who earns what, the figures are really quite surprising.

665 Only 2% of our working population earns above the Social Security ceiling of £135,000 and I think I am right in saying that only 6% of our community, in total, earn in excess of £100,000. The overwhelming majority of people in our community earn, obviously, median earnings, which is about £30,000. That represents the middle point in that 50% or so and 50% or less earn £30,000 or less.

670 Why is that figure relevant? Well, whenever we talk about social justice I think, for balance, we need to explain just how expensive public services are to provide. If somebody is earning a fairly significant figure – £45,000 a year; the figure that our Ministers would earn, for instance – they would not pay enough Income Tax to support the education of a single secondary school child. They would not pay enough income tax on an earned income of £45,000 to educate a single secondary school child.

675 Now, that is a figure that many people are surprised by – not Deputy Soulsby, because she heard me give that statistic when we were talking to the Grammar School children on Monday afternoon. But there are a number of other comparisons. For instance, it costs more than the annual old age pension to carry out a hip replacement. If somebody is on a low income, on the living wage, they are not paying enough tax to keep a single citizen in their insulin – a diabetic, insulin-dependent individual, in insulin – for a year.

680 We do need to concentrate on social justice, yes, but the reality is that the lower one is paid, the more benefit one gets from this community already and we must always ask ourselves the same question and that is, 'Who pays?' 'Who pays?' Whenever we are looking to bring about changes to the dynamics of our economy, who pays?

Thank you, sir.

685 **The Bailiff:** Deputy Soulsby.

Deputy Soulsby: Sir, before I start I would just like to say what an excellent speech Deputy James made earlier.

690 We have heard some heartfelt speeches today and I do share many of the concerns but, as Deputy James has said, through our actions we are doing nothing to reduce inequality and it was

concerns like these that led to my husband and I setting up a Fair Trade business nearly 10 years ago now.

695 But I would like to return to the subject matter of this Report, which is purely about the feasibility of producing a living wage statistic and, on that front, I think the Report is self-explanatory. Whilst it may seem an attractive proposition to go down the route of producing a living wage statistic, it is fraught with difficulty on many levels and this became quite evident to those of us on the panel that explore the practicalities of doing so.

700 What is a living wage to one, certainly is not to someone else and this is exemplified by the recent Household Expenditure Survey which showed that the average weekly household expenditure varied, so that a household renting from a private landlord spent £883.50 a week, whereas an owner/occupier with a mortgage spent £1,444.88 a week.

705 Consider that, alongside the fact that a single adult under 65 averages £772 per week, compared to a couple with dependent children who spend £1,477.86 and then weekly expenditure for a household with one child is £1,377, whereas one with three to four children averages £1,561 and then there is more variation, dependent on whether the children are of pre-school age or not.

710 It became clear to me as the review progressed that the amount of work required to produce a statistic whose reliability could not be guaranteed and which would be accompanied by a long list of caveats, meant that we should not, at this juncture, look to prepare a living wage statistic.

Personally, I think if people want to refer to what could be considered a living wage for Guernsey then there may be some merit in using that produced for London by the Greater London Authority. However, it should only be that – a reference point.

715 As the UK Living Wage Commission, itself, has stated, setting a statutory minimum living wage would have unintended consequences likely to outweigh any of the benefits, but I do agree with Deputy Harwood that the States of Guernsey should lead through example and consider requiring contractors to have to pay a living wage. I believe we should keep the prospect of producing a living wage statistic under review.

720 It may be that as we obtain better quality data, as well as seeing the outcome of the work from SWBIC, we will be better informed not only what a living wage could or should be, but also whether such a statistic will have a beneficial role to play in the future and I therefore urge Members to support the recommendations in this Report.

725 **The Bailiff:** Deputy Le Lièvre, then Deputy Hadley.

Deputy Le Lièvre: Thank you, sir. No pressure on SWBIC, then! *(Laughter)*

730 When Deputy Brehaut was talking he made reference to the fact that I was frowning. Well, I was not actually frowning – I look like that normally – but I was drawn back to those days when I was administrator of the Public Assistance Authority and those days have left an indelible stain on my memory with regard to the circumstances under which people were paid out in the parishes and, in particular, in St Peter Port. I am not going to bore you with the stories, but if I could paint a picture of benefit paid out you will understand why I feel so strongly about that particular system and, indeed, why I feel so strongly about social benefits nowadays.

735 It was paid out at St Barnabas Hall, which is at the top of Cornet Street, and it was paid out from Procureurs sat behind card tables, separated by sheets of soft board which were padded acoustically, but there was nothing backwards and forwards, there was just simply a sheet between each Procureur and six tables.

740 The windows were broken and covered in chicken wire and the wind and the rain came in during the winter and, to her credit, Deputy Pouteaux, who was the Chair of the St Peter Port Assistance Board, used to attend every Friday morning when these payments were made and sometimes we would have as many as 200 people queued up, waiting to be paid.

Now, Deputy Pouteaux had a lovely little lap dog and she would bring it with her, but we also had the Police up there, because it could get quite violent on occasions and the Police would bring the police dog. Now, you are beginning to get the picture.

Occasionally, some of the claimants would bring in their own dogs which were not too pleasant with their habits and that was the sort of culture or picture that people were paid out in. It was horrendous and it has left me marked, I suppose... whatever. But that is why I was frowning. I just wanted to explain. I was not frowning because I disagreed with what he said, but it brought back all sorts of ghastly memories.

Mr Bailiff, Members of the Assembly, whilst it might seem strange to congratulate the Policy Council for concluding that further research, establishing a Guernsey living wage for the time being should cease, I do so because I do not hold much store by such figures.

For sure, they have a sort of social kudos. The term 'Guernsey living wage' produces a feel good factor that says, 'Look what the Government is doing for the working man. This is a community that really cares. We can all sleep easy now. Job done.' When, in fact, a living wage, set at £9.50 an hour or £366 a week gross, for arguments sake... The current London rate would do nothing of the sort, other than make this Island and this Government complacent and self-satisfied, which carries a huge risk for social welfare development and, indeed, incentivising well-paid employment for the working population.

Setting a Guernsey living wage, by its very title, suggests that £9.15 or £10.15 – or £11.15, for that matter – is a wage the average lower paid person can manage on and that is absolute bunkum. It does nothing of the sort and we must never allow ourselves to think it does. The living wage ignores the fact that the most common model of employment for families – because it is families we must consider above all else – is one where both partners are employed, possibly both full time, or one full time and the other part time, but certainly both go out to work.

This model of employment is almost universal amongst young families with children and mortgages and it is equally true for many families who are accommodated in social housing – generally speaking, the lowest earning families in our Island. The message is clear, if you want to get on and you are an average sort of wage earner or, vastly more important, a lower than average wage earner, and you have children, then you both work. It is the new mantra of the Social Security Department and it follows that it will be applied to all new entrants to the new Income Support Scheme when it comes into play.

Now, this does not bother me at all, because the evidence is that it is a mantra that does not need to be sold, even to those on lower incomes.

I suppose I am slightly privileged in that I contain information from both Housing and Social Security which others might not, but I have to say it has been totally anonymised so I do not know who I am talking about here. But I know which income brackets they fall in and, when I look at social housing tenants earning between £600 and £700 a week and £701 and £800 a week, it is invariably a wage earned by two people – both mum and dad – and they have varying numbers of children from two to five, to six even, and the wages are, in many instances, earned by two and where they are not earned by two they are either supplemented by a pension or IVB or Attendance Allowance or maintenance, so these are not high earners; £600 a week, £30,000 a year – but this is derived from two people working.

So why am I concerned by the term 'Guernsey living wage'? Well, of those cases I have just looked at, 16 out of the 40 people here are both employed but they still receive a very, very substantial rebate. Now, I know that the rebate scheme is fairly generous, but that is debatable in some areas but it is recognised as being more generous than Supplementary Benefit, but, quite clearly, average earnings of £350 to £400 per person, per week, when you have two or more children, even when you have to subsidise social rent to pay, let alone private rent and yet where you both work is not a living wage – not if it is this Island's desire to ensure that the average family group is to be socially included.

I accept that some employers will never be able to pay a living wage. That is a fact. If the business is to remain profitable or even mildly profitable, they cannot pay a living wage. It simply

is not possible. But setting a living wage sets a bar for some employers at far too low a rate. It gives them an excuse to pay a one-person employed model when society dictates that a two-person model is the norm.

It is a recipe for keeping lower rates of pay exactly where they are. It is a mechanism that helps to guarantee that the States will always have to top up the earnings of families on low earnings and of course it does already, which is no bad thing. However, what I do not want to see is a position where Government engineers itself into a position where it actively encourages rates of pay that supposedly allow for a one-person employed model where the norm in the vast majority of families is a two-person employed model.

I have made the point simply to demonstrate that the hard and fast figure can only be used as a vague yardstick. If the £366 had been the wage of a 19-year-old apprentice living at home with mum and dad then it would represent a living wage. Similarly, if it was the wage of a 25-year-old living in a pokey flat in town, it might be just enough to get by on, but anything more than that and it has to be supplemented by either working longer hours or taking a second job to boost overall income.

The point I am making is well made in the Policy Council's Report. The Policy Council's Report very clearly sets out all of the key areas required to formulate a living wage and the problems that beset each area.

To Members of Social Security and Housing, old and new, and to the current membership of SWBIC, these issues will not come as a surprise. This is because some of the processes utilised by Social Security in its past work and by SWBIC in its current work bear an uncanny resemblance to some of the descriptions of living wage calculations set out in the Report, albeit SWBIC's work now represents a very Guernsey-fied model to that employed by SSD in 2011.

Peculiarly, many of the problems associated with living wage calculation become fundamental building blocks in a design of a benefits system. What is chalk for the living wage is cheese for a benefits system. Benefits systems revel in definitions, in different household types, in varying circumstances, in the income requirements and expenditure patterns of households, in different numbers of wage earners within households, in household need, in avoiding unintended consequence in the creation of incentivising financial independence and in the creation of affordable and sustainable social welfare systems in the long term. In fact, all of those elements that make the calculation of a living wage a nightmare are the key requisites of benefit formulation.

We must never confuse benefit levels and wage rates. Benefits rates have to be set at a level to avoid poverty and ensure social inclusion. Wage rates must be set according to market forces and, for the want of a better expression, for a fair day's pay for a fair day's work.

Now, it came as no surprise to me that the Policy Council proposed, amongst other things, to keep under review the value of a living wage statistic in the context of its investigations into the measurement of poverty and income inequality, together with the proposals emanating from the Personal Tax, Benefits and Pensions Review and from the deliberations of SWBIC.

I must say that I found the reference to the fact that the joint committee, the author of the PTBR, emanates proposals whilst SWBIC simply deliberates slightly upstairs, downstairs; but, given the Policy Council's elevated position, what can one expect?

That small point apart, the Report made a favourable and understandable read and I commend the Policy Council for its work and foresight and I would urge Members to support the recommendations – all three of them.

Thank you, sir.

The Bailiff: Deputy Hadley.

Deputy Hadley: Mr Bailiff, there have been some good speeches throughout this debate and, if I identify them, I suppose it will give a clue as to where my political preferences are and I give joint first prize to Deputies Sherbourne and Dorey.

Deputy Sherbourne's speech certainly had the passion, whereas Deputy Dorey made, I thought, some very incisive, sensible remarks and I would urge Deputy Sherbourne to change his mind and do as Deputy Dorey suggests and vote against Proposition 1 and support Propositions 2 and 3 and, if we do not, anybody outside this Assembly – the working people in Guernsey – will be right to lampoon this Assembly as shedding crocodile tears, which we do all too often. We say how wonderful a living wage is; 'We are really sorry for you', but we will not do anything about it and I think it is time to vote, as I say, against Proposition 1 and support Propositions 2 and 3.

The Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

I only rise to respond to my good friend Deputy Hadley. I can only presume he has not listened to what Deputy Le Lièvre has just said, because this is nothing more than a statistic. The Alderney Representative Jean said, even if we do produce it, it is only going to be, or hopefully, advisory, not mandatory and Deputy Le Lièvre said it bears no relevance to real life in Guernsey. So there we are. You have to ask what is the value of this figure in the first place and I suspect not a lot and, therefore, I will support all three Propositions.

Thank you, sir.

The Bailiff: Deputy Perrot.

Deputy Perrot: Well, it is a topsy turvy world, sir. I was dragged kicking and screaming onto this SWBIC committee and, as it happened, I was sort of making excuses in my own mind of how I would not be there and I was hoping to persuade some of my colleagues on the Treasury Board to go there instead of me, because it represented everything which was alien to me. It was putting off one debate – actually two debates, really – at the time and putting in the presence of Deputy Le Lièvre and I had heard enough of his war stories to be pretty worried about having to be serving committee with him.

Anyway, I suppose I am suffering from Stockholm Disease or something, or whatever it is called. Not only am I a great supporter of all that is going on at SWBIC, but I am following Deputy Le Lièvre around like one of the 12 Disciples. He can do almost no wrong and I find myself standing up here, in the States of Guernsey, in 2015, actually agreeing practically with all that he has said today.

He was dead right to bring the SWBIC proposals before the States. When the report comes out it is going to be, I think, one of the most important social policy decisions that the States will have made for a very long time. It would be terribly easy to confuse a living wage with what we are trying to do at SWBIC.

One of the most important things – and this is not letting secrets out of the bag; at least, I do not think it is... What we have been trying to do at SWBIC is to define poverty. What we want to do is to define 'absolute poverty'.

When I first raised this subject of absolute poverty, I was comparing it with a weasel-worded definition of poverty which is 'relative poverty'. Relative poverty being an internationally-defined term – being 60% of median earnings, which means somebody living in Monte Carlo can be a millionaire, but can be relatively poor.

I was poo-pooed by somebody then on the Social Security Department. I will not name names, it is inappropriate, but he is in the States and he is an advocate and it is not me. It is utterly inappropriate to continue with this farce of having a definition of relative poverty and what we are doing in Guernsey at the moment, through SWBIC, is something which is in the van. We are at the pit face in doing something really important in defining what absolutely poverty is and what we are saying to ourselves is, 'This is a level of income, below which we consider it intolerable for anybody to have to attempt to survive.' And, my goodness me, we have spent over a year, now – Deputy Le Lièvre is nodding; I think he is nodding, yes – in all that paper. We have spent a year

now getting not a great deal further than that, because it takes a lot of effort, but can you imagine, if that is difficult, how difficult it is to work out what the phraseology means on page 195 of paragraph 2.6 – Sorry, I am doing a Trott here; I am referring you to the paragraph numbers and what it says here is:

'A Living Wage is "an hourly wage defined as the minimum amount of money needed to enjoy a basic, but socially acceptable standard of living."

How do we find what is socially acceptable? What might be socially acceptable to Ministers, earning the vast amounts of money which they earn, might be quite different from those of us on the floor of the Assembly. I joke to make the point. We all have different standards of what is socially acceptable.

So I endorse all that Deputy Le Lièvre has said in that the living wage is a matter to be left to market forces. What we have really got to get on to do is to work out, as a consequence of what we think absolute poverty is; how we are going to have what would be, in effect, a form of a universal benefits system which does away with the rent rebate system.

We have got to be brave enough to recognise that there are going to be winners there but, more particularly, there are going to be losers and they could be quite substantial losers because, as was said yesterday, we have got to think of the envelope within which we work. How much money, despite all of rhetoric we have heard, all of the passion of the speeches of people like Deputy Sherbourne... The fact is that there is a limited amount of money available and we have got to work within that envelope of money. So we need to concentrate on SWBIC. We need to get this Report back before the States during this parliamentary session and I think what is proposed here is absolutely right. We should go no further.

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, thank you.

If you will just bear with me a moment and perhaps, like others, I will appear to go slightly off topic, but will bring it back to the States' Report before us.

In the Personal Tax, Pensions and Benefits Review, Deputy Sherbourne commented that his initial view was that it appeared to be an attack on universal benefits and I think one of the comments that has come through so far in the first month since the review's publications is that it is clear that a number of universal benefits have been targeted for removal but perhaps with less clarity on what the targeted alternative will be to replace those who are in need.

I think that is a legitimate observation and a legitimate concern, and I thought about this yesterday too, sir, when Deputy Trott asked a supplementary question of Deputy Le Lièvre on the statement in relation to SWBIC; and I agree with Deputy Le Lièvre that there are no direct implications for the delay in the SWBIC report coming to this Assembly for the good reasons that he identified.

There are no direct implications of that delay in the Personal Tax, Pensions and Benefits Review but, of course, there are many people who will be impacted by the reform of Supplementary Benefit and rent rebate who are the same people who will also be impacted by the reforms of universal benefits.

Then, of course, we also have the further overlap and hence started to bring it back to this Report, sir, of the living wage because those who would be impacted by such a number will also be those that are impacted by the replacement of universal benefits or targeted benefits.

And I think, as Deputy Green said, we could seek to over-engineer – over-think this, I think was the phrase – and end up with paralysis by analysis, and in trying to align all the stars, we end up doing absolutely nothing and, of course, the Assembly did recognise that last October, with the report which said that we will need to make some decisions without necessarily having everything in place to enable us to do that.

But I think I am coming to the view that some form of principles based, green paper-type, 12.4-type debate on module 3 of the Tax Review, which deals with universal benefits may be beneficial, because I think it may help inform further policy development. It may allow further consultation with those that would be most impacted and allow us to understand the linages with SWBIC – not so much the work itself, but those that will be impacted by that work. And perhaps in seeking to eat the whole elephant in one go, we may well give ourselves indigestion at the end of March.

So I think the States, undoubtedly, does need to make some decisions in March. The size of the state, for example. Whether we really do or do not wish to proceed with looking at GST any further, but we may be unable to do so in the area of targeting benefits to those in need and I think some development of that thinking will perhaps go on next week, following this States' meeting.

In relation to this Report, sir, I think the point that Deputy Dorey made about actually developing a statistic for Guernsey – the concern I would have is once again it has been identified several times in this sitting of this Assembly – the resources and the allocation of resources to enable us to do that; and I think that a practical alternative to the extent that there is merit in statistic is to use the London statistic, at least in the short term, and I do not think that is incompatible with either Proposition 1 or 2.

Deputies Harwood and Soulsby urged the States to take a leading role in relation to the adoption of living wage and, in particular, in relation to procurement. And whilst again that is perhaps a worthy objective, I think we do have to ask the question which Deputy Trott asked which is, 'Who pays?' and the reality, of course, would be that the taxpayer would pay. So that is a significant policy shift that would need to be acknowledged and recognised and dealt with before everybody nods and says it is a great objective in itself.

Deputies Dorey and Brehaut, I think, quite rightly identified the fact that we do end up subsidising businesses that are paying the minimum wage and of course, in many ways, there is no reason why we should not subsidise businesses; there are plenty of economic development schemes that would envisage some kind of subsidy, whether they were on social insurance holiday or whatever, because on the basis that it is better to have a business with some jobs than no business with no jobs...

Of course, the problem with, if you like, the current methodology is the lack of transparency and the fact that it actually is not a deliberate policy objective. It is one that has happened, if you like, by accident, but I think again the observation is correct and perhaps the thought needs to be the extent to which we wish to do it as a deliberate policy objective.

I think Deputy Trott's observations on the appendices of the Report – he referred to page 216 and the increase in average local market prices rising faster than median earnings. I thought he was also going to draw our attention, sir, to the increase in household spending as a percentage of income on housing, which of course has gone from 14% in 1992-93 to 25% in 2005-06 and of course what that, again, really reflects is the supply side problem that we have in our housing market which, of course, is a concern to many in this Assembly and does now require, I suggest, some urgent attention.

But for me, sir, I think Deputy Le Lièvre's analysis of this Report was spot on and I endorse that and on that basis, I will too be supporting all the Propositions.

The Bailiff: No-one else is rising.

The Deputy Chief Minister, Deputy Langlois, will reply to the debate.

Deputy Langlois: Thank you, sir.

Thank you to everybody who has made extremely valuable contributions. To my mind, today's debate inevitably, because of the subject matter... the speeches and even within speeches have fallen clearly into two areas. The bigger issue of the poverty agenda – as I would label it – has occupied actually probably more time than the simple statistical question that we were posed with

1000 through the original amendment and through the work of the working party. I am again not surprised by that and not distressed by that, but remember that we are actually talking about the statistical agenda today and that is why the conclusions have come like they are.

With a quick skate through – unusually for me, I think – because of the very specific nature of a number of speeches, it is worth actually picking up on one or two comments. Deputy Laurie Queripel made the very good, impassioned speech that has been referred to by lots of other people.

I think, I beg to differ on the fact that he seemed to miss the point that, simply by calculating a figure, it will not change anything. In other words, the solution we are proposing, of using a proxy figure, is the cheaper, easier version and simply putting the money into calculating the figure, our working party believe, will not change anything.

Unkindly, I would refer back to another speech of Deputy Queripel's on 13th November 2013 when he was, at the time, a Member of Commerce & Employment and, for reasons of making the Guernsey Insurance Fund sustainable, we proposed an increase in the employers' contribution – a very moderate increase – and, unfortunately, the States mistakenly rejected it and, at the time – twice, yes, indeed – and I quote, Deputy Queripel: 'It is just one cost on top of another. I am getting the clear message that this little increase will probably be the straw that might break the camel's back in regard to some small businesses.' So he seems to have shifted position on that. He is quite happy to accept a move of the minimum wage from £6.50 to £9.15 –

Deputy Laurie Queripel: Point of correction, sir, if I may. That is not true at all, sir. What I said yesterday was the business that can afford extra wage or improved wage should attempt to do so. I clearly understand there are businesses that cannot pay more wages than they are at the moment, but there are clearly businesses that probably can and they should take a long, hard look at themselves, sir, and if they can they should increase or improve the wages that they pay, if they are able to.

Deputy Langlois: I certainly apologise to Deputy Queripel for misquoting him in literal terms. I simply make the point that this is an area of such complexity that at every twist and turn you come up against those sorts of contradictions that we all have to worry about.

I am pleased that the point has been made around the Assembly on several occasions, because it did bother me after I sat down, that I had not included in the original speech, to reiterate the States are taking a lead on this. It is not what determines in wage negotiations where we end up with our lowest paid people, but part of the origin of this amendment, in consideration of the living wage, was because of mention made by union leaders about it and we are in a position where we do actually pay the London Living Wage – more than – to all our employees.

I thank Deputy Sherbourne for his support. I am sure I heard that word in this speech and he talks about improving the lot of Island people and so on. I absolutely concur with the whole range of things that Deputy Sherbourne says, with the exception of taking care not to misread certain statistical measures, and the Gini coefficient is a classic in economist terms.

It is an extremely complex thing. The data collection around it, comparing between nations, is horrendous, because the way in which different nations collect their income data has got to be somehow sifted out.

The interesting thing to me about the Gini coefficient which basically seeks to say, what is the spread of income in an economy and the interesting thing about it is, if you look at it, the use of the statistics is always the dangerous bit. People are saying, 'We are the second worst, after Mexico.' Well, hang on folks, we are back to proportionality; look at the figures, look at the closeness of the figures between Guernsey, the USA and the UK and how tight the comparison is between those last three countries and let us then keep it in proportion as to whether we are top of the league or bottom of the league. So the Gini coefficient is difficult.

I would not level any accusation directly, but I will mention it now, in relation to a whole number of speeches. Once again, I do somehow get 'minorly' offended when the moral high

ground is claimed to such an extent that people appear to be claiming a monopoly on compassion. The whole work that has gone into this, that is going into the PTR, that is going into SWBIC, crosses all sorts of political boundaries and there is not only one way to solve it.

1055 I thank Deputy Green for his support and I would ask him to reconsider the Proposition 1, because Proposition 1 says, 'not to pursue the work at this time' – and that was a very definite decision of the group. It may seem wishy-washy but I can assure you it took us a long time to reach that point; to say, 'Do we just throw it out completely or do we say this may have merit in future?'

1060 The main reason why we said it may have merit in the future is that we believe that the Living Wage Commission could take one of two directions in the UK; it could wither and die or it could actually become part of Government policy, particularly with the rather interesting election which appears to be unfolding in the UK.

1065 Before we leave, Deputy Green – I really am sorry, I hate for people to be underwhelmed, but I do thank him for the... I think it is the first time I have been compared with Alexander the Great or any aspect of that gentleman, so I thank him for that. I think it was a compliment anyway.

Deputy Gollop illustrated his usual precision of expression. He just slipped up a couple of times, I think. I want to get this on Hansard because his speech will be on Hansard, because do not confuse the origin and purpose of the minimum wage and the origin and purpose of the living wage. They are different soft social statistics.

1070 In fact, the minimum wage, I would not put as a soft social statistic. I would say this is the States taking right and proper lead on ensuring that workers are not exploited, regarding the conditions, regardless of the length of time and the conditions in which they are working. The living wage is a much softer measure.

1075 He also appeared to make a link that a living wage statistic might help to reduce the prison population. I lost the plot on that one, but maybe he is right. We will see if the Home Minister takes any action on that.

Deputy Stewart – Proposition 3, in particular, should be supported. It certainly emerged during this work that, I think, there is an assumption around that – again, we are back to resourcing – Commerce & Employment have the very easy job of just checking that nobody is being exploited by being paid less than the minimum wage.

1085 I can assure you that is not an easy job. It relies on intelligence, on information. It relies on inspection of quite complex data books and so on. I think we believe that there are ways, via the social security system, that we can actually narrow it down to saying how much per hour are you getting paid, but that will not be an easy job. It is not an overnight job because there is no set of data, either at Income Tax or Social Security, which immediately throws up the rate per hour that people are earning.

1090 Then Deputy Jones started a theme which was picked up by Deputy Dorey and then explained very clearly by Deputy Le Lièvre, which absolutely is at the core of this, that if we immediately jump from an idea that a living wage will give valuable information to the idea that the living wage can immediately indicate household income and the way people choose to live and the way they choose to share their resources and share the expense, then that is a big flaw. There is a huge flaw in that argument if we are not very careful, because every household is different and the expectation that one wage... The expectation that a single wage and – dare I say it in present company – usually owned by the man, of course, because they do the real hard work and so on.

1100 There was a time when that would not have attracted any jeers at all, right? And now, the expectation and the thought that, because there is a man who is married and has two children, that the man goes out to work and earns the money and the woman looks after the children is long gone; and the result of that then is effected by the way in which earning and household earnings fall into place, so it is very difficult to make assumptions. Thank you very much.

Thank you to Alderney Representative Louis Jean. Yes, absolutely clear. You know that work is going on relating to Alderney and the economy up there, but it is a point well-made and it should be emphasised and be absolutely clear though that there never was a Proposition.

1105 I think it took us about an hour at the first meeting to reach the conclusion that the Living Wage Commissioner in the UK – actually, funnily enough, it was roughly the same week that we met – had just said that we are not going to attempt to turn the minimum wage into the living wage and make it mandatory. They have not done it in the UK; we are not going to do it here.

Deputy Dorey then followed themes of all sorts of themes relating to what other people had said as well as the usual detailed analysis which he applied to.

1110 Deputy James – a very thought-provoking speech; a very thoughtful speech. I think it is a very interesting seed that has been sown there. She referred to the ‘name and shame’ policy that is being considered in the UK. If we pursue the content of Proposition 3 and the possibility that we police this process a little bit further, then one of the outcomes of that will be whether people are prosecuted and, in that sense, named and shamed in that way and it could be a very beneficial route to take in terms of adding persuasion to a certain group of employers and it would be a very, very small group who would only react to that sort of pressure.

1115 Deputy Harwood, thank you for your support. The chart on page 210 – I am not surprised that people are surprised or confused about that. The detail of what is behind that chart is interrelated with another chart that is sent to all of you every month and that is the unemployment statistics. Both bar charts are in there and the unemployment statistics, we are very pleased to say, have now taken a downward trend over the 12-month moving average and, if you look at the correlation between those two charts, one has gone in one direction and one has gone the other direction and so a large part of the change in this is to do with changes of policies in social security and the way the rules are applied and the movement of people from the job seekers’ list into a list where they are doing part-time work and earning during the week that the statistics are measured.

1125 It has been dubbed in the *Press* as ‘work the full welfare’. I can assure you if you want to know more about it, I am quite happy to arrange for some conversations with our officers about the way it is being applied, in a caring way, in a positive way, but the whole psychology of the approach to somebody who comes to us for support is to start off saying, ‘So what are you planning to do? Where are you planning to do more work?’ And then if you are still in need, then we sort out the benefit bit. The contractors paying living wages – that is another one there.

1130 Deputy Brehaut, I have huge sympathy with his comments regarding the bad old days; the embarrassment of the parish system, the whole demeaning aspect of the parish system is wrong. People have said it for many, many years now. It has changed. I have to say to Deputy Brehaut, sir, that I think it is a little bit dangerous to hang onto the idea that that culture has continued quite in the way that he claims, partly because of one of the comments I have just made: Social Security team, in my view, are first class at dealing in a compassionate way with claimants and there is a danger in suggesting that the culture is being transferred root and branch and that we have not moved on the underlying message from where it was. It probably has not moved on as fast as we would like, but such is life in terms of changing culture; but I am more than happy to talk at greater length with Deputy Brehaut or to get him talking again to our officers about exactly how the approach is now.

1140 Thank you, Deputy Soulsby, for reinforcing that Proposition all about now. You are not throwing it out forever. It is all about at this time. And, thank you, indeed, Deputy Le Lièvre for the very, very clear explanation of the difference between individual hourly rates and the household income flavour of the whole thing.

1145 Finally, in terms of the social policy end of it, I thank Deputy Perrot for his, again, very clear explanation of this qualitative difference between setting something which is a measure of what we will regard as absolute poverty and setting something which is a measure of socially acceptable, because the subjectivity that comes into the second one will always make the problem worse.

1150 And I endorse all the comments that Deputy St Pier made about the links between PTR and SWBIC and, as he said, we will be looking forward to discussing that in more detail in the coming week.

So there we are, sir, two different things. The poverty agenda – a great debate. It just happens to be the wrong place at the wrong time in some ways. It will come back. It is going to come back. We know it will come back under the PTR and under SWBIC. On the statistical side, please support all the Propositions, because that is the right way for us at the moment.

The Bailiff: Well, Members, the Propositions are to be found on page 222 and I will put Proposition 1 to you first, as there are clearly people who want to vote against that. Is there any request for a recorded vote on Proposition 1? No.

Proposition 1. Those in favour; those against.

Members voted Pour.

The Bailiff: It is a clear majority in favour of Proposition 1.

Now, I put Propositions 2 and 3 to you together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried. So all three Propositions are carried.

TREASURY & RESOURCES DEPARTMENT

IV. Introduction of Paid Parking:

Taxing/charging in respect of employer-provided parking spaces – Debate commenced

Article IV:

The States are asked to decide:

Whether, after consideration of the Report dated 17th December, 2014, of the Treasury and Resources Department, they are of the opinion to not introduce a system for taxing, as a benefit in kind, the provision of employer-provided parking to employees, or the introduction of a workplace levy.

The Greffier: Article IV, Treasury & Resources Department – Introduction of Paid Parking: Taxing/charging in respect of employer-provided parking spaces.

The Bailiff: Deputy St Pier will open the debate.

Deputy St Pier: Sir, I shall very briefly introduce this debate.

We were directed to undertake the preparation of this Report by virtue of the Environment Department's Integrated On-Island Transport Strategy debate last year. That Report that we were directed to prepare now lies before Members.

It is quite a technical Report and, obviously, I am happy to take questions on it, but I am aware, obviously, there are amendments that may take the debate off in a slightly different direction in any event and I would, of course, draw Members' attention to the Environment Department's letter of comments on page 239 and, indeed, Policy Council's endorsement on page 240 as well, sir.

The Bailiff: And there is one amendment proposed by Deputy Lowe.
Deputy Lowe.

Amendment:

To delete all of the Proposition after 'opinion' and substitute:

'1. Not to introduce a system for taxing, as a benefit in kind, the provision of employer-provided parking to employees, or the introduction of a workplace levy.

2. To rescind their Resolutions of 14th May 2014 on Article VI.5, VI.5A, and VI.24(b) of Billet d'État IX of 2014.'

Deputy Lowe: Thank you, sir.

The amendment I am proposing, and kindly seconded by Deputy Brouard, is a simple amendment, sir. It is clearly a yes or no to paid parking.

1195 When we debated paid parking, at least it was going to be fair with Treasury & Resources looking at a benefit-in-kind system for those who drive into town and have the privilege of parking provided – a level playing field.

1200 Now, Treasury & Resources – surprisingly supported by Environment Department – have decided it is in the 'too difficult to do' box. We are now left with a very unlevel playing field, and can the States still support paid for some and not others?

Since the States approved paid parking last year, we have seen 2,000 to 3,000 protestors on the North Beach, we have seen two protests outside this building, we have seen this week a 6,000-plus signed petition against paid parking, handed to Deputy Burford by Deputy Lester Queripel; and are the States still going ahead with paid parking or are the States going to listen?

1205 Do the States really support equality? I hear often, when it is the Social Policy Group or the Pension, Benefits and Tax Review or SWBIC and in general debates – we have just had one – that the States need to support and address equality. Paid parking goes against this stance. Why approve expenditure for some coming into town and not others, depending if you are lucky enough to have a senior position or a place of work where parking has been provided? These
1210 people will not pay a penny, yet those often in the lower paid will be hit in the pocket. That does not tick the equality box.

1215 Paid parking is yet another divide for the haves and have-nots. I have heard and read e-mails suggesting to those opposed to paid parking, as they cannot afford it, that the bus would be available and cheaper for them. So that is the answer: leave those lucky enough to drive into town to their privileged private parking while others can get on the bus. That is rather disappointing and a complete lack of understanding of family lifestyles.

At least one family will be leaving Guernsey with their children if paid parking goes ahead. Both work, both bring their cars into town, both will have to pay and have not got any spare money after paying their mortgage, expensive childcare and struggle now to make ends meet.

1220 So why two cars in town? It is called lifestyle. It is called going to work and surviving. One parent takes the small child to a child-minder, the other parent takes the two other children to different schools. Both leave work at different times.

1225 Both will have to leave their jobs and leave this Island as they do not have thousands of pounds left to pay for parking. Obviously, the grandparents are very upset that their family will be leaving here after generations living here and so they have now seen that they cannot survive. Hard working young families.

Are we proud of that? I am not. We spend thousands and thousands getting people into work, away from benefits, then we hit them with paid parking – own goal. How many will stay on benefits now?

1230 Paid parking will not stop the congestion on the roads. That is a fallacy. The congestion takes place between 8 a.m. and 9 a.m. when the Piers and long-stay car parks are full. The congestion is those coming into their private paid car parks. You do not see much congestion on the roads before 8 a.m.

1235 I am fed up of hearing that UK has paid parking. Personally, I have no interest in what the UK or Jersey do for that matter.

Guernsey is a small Island – nine by five. We have a mix, in town, of retail and office space workers. We can see, from a stone's throw away, the same type of businesses that have parking for their staff and then we have those in town that are going to have to pay because they are not supplied with parking; and the States will contribute to this too if paid parking goes ahead.

1240 The States will face a problem. The States have 5,000-plus employees. Many will not pay a penny to park as they park at their place of work and others will have to pay. Think about the Departments you are on.

Here is an example – Home Department. The Police and the administration staff do not have parking spaces provided. They park in long-stay car parks and will have to pay. The prison staff
1245 park onsite and will not pay anything. The Fire and Rescue staff, Probation staff, Safeguarding staff will all be treated differently, some having to pay, others not.

Social Security – they have some underground parking for their staff and others are going to have to pay. Culture and Leisure is another example. This is not ideal. Will States' staff be handed out loads of exemptions? Paid parking would be part of pay and conditions, not only for States' employees but many other businesses, if they want to keep their staff. More added costs. Paid
1250 parking for some and not others is not fair.

Please support this amendment. Please make it fair for everybody. Please make it a level playing field and reject paid parking once and for all, and save the staff time in preparing legislation in the same way that they did for the Width and Emissions Tax and when it comes back
1255 to this Assembly, it is rejected.

Please support this amendment.

The Bailiff: Deputy Brouard, do you formally second the amendment?

1260 **Deputy Brouard:** Yes, sir, and may I reserve my right to speak later, sir?

The Bailiff: Indeed.

Deputy Bebb.

1265 **Deputy Bebb:** Thank you, Monsieur Le Bailli.

Needless to say, I think that this amendment is opportunistic and what Deputy Lowe has just said is just staggering somehow. The implication that, by bringing paid parking in, somehow does not lead to equality – as if this Assembly has actually been dealing with equality – we have just had a debate about how we have not been making much progress in relation to equality, but it is
1270 more than that. The implication that paid parking is somehow unjust is just wrong. In the UK there are frequent cases of paid parking and the idea that this is somehow different, I just do not understand how someone could say that this is a matter of equality.

If we are to talk about equality on the Island, what is dreadful is that we force people into a position where they need to have a vehicle as a matter of being able to get around rather than providing the appropriate means of public transport, which this strategy was meant to fund. I
1275 know a number of people who do not have a car. They chose, because of their financial circumstances, that they cannot afford to run a vehicle, which is a very costly matter.

We frequently ignore it, because paying for the petrol is just something you have to do. It is one of the most inelastic forms of payments that we know of. People do not make a choice as to how much they pay in petrol. If the price goes up, they find the money. That is just what happens. It does not matter how much that price goes up by and, indeed, whether we put the money on petrol – as I know is Deputy Brouard's preference – or not, will make very little difference in
1280 relation to the price of petrol.

The real difference in the price of petrol will happen as a result of the market. As we know at the moment, it is dropping. However, it will not take long before that position reverses itself. The
1285 cost of owning a car is, quite frankly, damaging towards a number of families and the options that are afforded to them are few. If we remove paid parking today, we will further erode the ability of

these families to be able to make alternative choices. I see Deputy Brouard shaking his head but, of course, he is not going to agree with me.

1290 The question with regard to the benefit in kind, well, let us deal with that; so I will speak in general debate as well – I might as well. This is not exactly a wonderful Report. Indeed, I was ill with the flu when I was reading it, but it was sufficient to raise my temperature beyond what the thermometer could actually cope with. It is a very poorly written Report.

1295 It seems to be looking for any excuse going not to introduce a tax system, but nothing is so dreadful as the example given on pages 228 and 229 and, when I stated yesterday that I was concerned, this goes even further as to my concern in relation to the Treasury & Resources Department at the moment.

Example one is a person earning £50,000, less Personal Tax Allowance and, therefore, they have a taxable income of £40,000 and they are running a car.

1300 Example two is £50,000 plus taxable car benefit of £5,000 and, therefore, they earn, once the tax allowance has taken care, £45,000 and they seem to say that this is the difference and it is unfair, not realising that, actually, the person in example two is paid more money. Staggeringly, if someone is paid more money, they get more money to go home with. I do not know how somebody thought that that was different.

1305 Indeed, when you are talking of salary, it should not be the cash that is paid only, because no employer looks at cash. No employer looks at wages. There is an employers' Social Security contribution; there are training costs. At HSSD, there are professional fees that are paid. Indeed, what employers look at is FLEC, the Fully Loaded Employee Costs, so it looks at the full cost of employing someone.

1310 If you do not look at the FLEC, in all honesty, the business is not likely to last very long because you are going to forget things that are going to cost to the employment of staff that you are going to have to pay out for. And this example is absolutely appalling, because it ignores the fact that the person in example two is being paid more money and, shockingly, they, therefore, go home with more money in their pocket. I know that Members might find that bizarre.

1315 The rest of the Report seemed to be desperately trying to find every single reason to avoid workplace levy. Now then, I understand that a benefit-in-kind tax is already levied on meals and, if we can figure out how to tax people because they receive a meal, are we honestly saying that a parking space is too difficult?

1320 Strangely enough, whether parking spaces are provided or not is generally a fairly contact matter within companies. If they have parking spaces – as the Royal Bank of Canada has a number of parking spaces; Credit Suisse, have a number of parking spaces; there are other companies within the town area that have smaller amounts of car parking spaces... I think probably, as Deputy Lowe pointed out, the States of Guernsey probably has one of the largest company car parking spaces... then, realistically, those car parking spaces stay there. The variance in the number of car parking spaces will be minimal from year to year and yet, apparently, it is too difficult to count them.

1330 I do not think that is perfectly true. In all honesty, when we look at companies and what they fill in their tax return forms, they regularly fill out a fairly broad range of information for the benefit of the tax authorities and to think that we cannot simply put a simple question saying, 'How many car parking spaces do you have?' and then put a levy. I do not understand it.

And if we want to talk about how much that levy would be, because this is another thing that it talks about multiplying things by five and going into huge complex equations, there is no need for any of this. We know that, generally, at the moment an annual fee – the market rate for a yearly car parking space – is, I believe, in the region of £2,400. Of course, £2,400, if given to an employee, is part of the FLEC.

1335 So, if we go back to example two, they are paid £2,400 more per annum. It is not then difficult to actually work out that 20% of £2,400 is £480 and, therefore, to bring in taxation of £480 would be a fair estimate. If the Treasury & Resources Department wanted to do further research as to what exactly the cost is – the market rate... if they want to actually go and look into it further, that

1340 will be fine. If they want to consider it in other terms, whether they would like to bring that cost down or whether they want to put a flat rate lower than that, I would be happy with that.

We need a starting position. It would not be difficult to find a starting position. £480 seems to me fairly reasonable, because if I was given a parking space of £2,400 then £480 is not an awful lot of money to be paying, considering that paid parking, of course, would attract in the region of
1345 £1,200.

That is about the figure that paid parking is likely to be per annum, per person. £480 still sounds like a good deal to me, if I was being dealt with in that space. But, on the other hand, it does raise the question of whether it is a good use of the employee's money, because at the moment...

I had one position where I was given a parking space and I cycled in every day. I never used it, but I had the parking space and it was quite convenient to just leave it there. So, on the odd
1350 occasion – which I think might have happened once in a blue month, maybe less frequently – I would decide to drive into the office, the parking space was there sitting for me. But, having paid nothing for it, why would I bother doing anything else?

If I suddenly had to pay £480 for it, I would not keep that parking space. It would be madness for me to do such a thing and, therefore, I would free up the space for other people who might be
1355 interested in having it and it would mean that the management of the spaces would be far more efficient. But this Report does not seem to want to assist in any way with the more efficient use of car usage.

The basis of benefit-in-kind is not a difficult concept of taxation. We already charge benefit-in-kind in a number of ways. Whether the Treasury & Resources want a workplace levy – which
1360 sounds like the most easy option, the least cumbersome for them to manage – that would be fine. Personally, I would prefer something whereby a number of employees do pay some amount towards the parking spaces, but this is not usually a lot and if they wanted to discount that against it and use it as an allowance, it would not be a very complicated equation. I can do this with a
1365 calculator – well, I can do it in my head, most of it, and if I, who is not the greatest with regard to sums, can actually do it in my head, I am rather sure that it is not beyond the wit of the Income Tax Authority to be able to apply the same standards.

But what we have in the Report is every excuse imaginable not to introduce it. When you are talking about the workplace levy – if you bear with me one moment – there is even the point that
1370 it says, yes, 4.3:

'There would appear to be no legal impediment to appropriately worded Workplace Levy legislation requiring an employer to pay a levy in respect of his employees, or alternatively to withhold the amount of a levy from the salary/wages payable to an employee, and to account for that levy to the States (in the same way as employers do so for tax and social insurance contributions).'

Whilst that does not raise the question of how an employer could withhold the levy in relation to an employee whose pay is less than the amount of the levy, that is a similar issue to that which
1375 currently exists for employees who receive taxable benefits at present. So maybe we have a system that we already employ, could be employed. The only problems that it causes are problems that are already dealt with within the tax system by people who are treated the same in relation to other benefits and yet the Report says that you cannot do it. I struggle, I really struggle to see how it was justified.

I am disappointed in the Environment Department that they then went and said, 'Well, fine.' Because it is not fine. It is not difficult. Now, what worries me more than that is that the Treasury & Resources Department have said that this benefit-in-kind is too hard and too difficult and, yet, next month we are debating a report that says that we need to broaden our tax base. If we cannot deal with simple, easy, benefit-in-kind taxation, what hope is there for broadening the tax base? I
1380 fear little.

Members, I did actually write an amendment but, as I said, I had the flu when I was reading this Report and, therefore, I submitted that amendment too late. To have it laid would have required suspending the Rules of debate and I did circulate it to the Treasury & Resources Department

asking whether they would be supportive of such a move. I am sure that none of you will be surprised to hear that they were not supportive of such a move and that is why no amendment is forthcoming.

But the simplicity of being able to introduce a benefit-in-kind is actually referenced in this Report and yet it looks for every excuse not to do it, because it sees that someone, somewhere just did not fancy the work.

I will be voting against this amendment, because I think that it is folly for us to have agreed, on one occasion, to introduce paid parking and now to actually reverse that decision. It is flip flopping and that is what is roundly hated by so many people on this Island – flip flopping of this Assembly.

I will also be voting against this Report because, having been unable to lay an amendment, obviously that is the only means that I have available in order to register my protest and feel that a benefit-in-kind is something that is achievable.

The other thing in relation to voting against paid parking is, of course, I was staggered recently that I was talking to one Member who felt that, having thrown out the Width and Emission Tax, then that is fine, the Transport Strategy will continue anyway and they were particularly interested in relation to the disability part of the Transport Strategy and they said, 'Well, that is fine. It will continue anyway.' I said, 'Well, no. There is no funding for it now.' And the answer was, 'Oh, well, I am sure the Treasury Department will find the funding somewhere else.'

Members, that is not how it happens. It is not how it works. We know full well that we need to, at times, castigate the Treasury & Resources Department for not bringing forward a reasonable report. However, at the same time, we should not make their job impossible. We should not seek to ask that we improve transport of the Island in order to make alternatives a viable option. Four families, such as that mentioned by Deputy Lowe – because alternatives are possible; they are also possible... I have lived in many. Having spent a year...

There is no point in shaking the head, Deputy Lowe, because having lived in the Netherlands and seen how families travel together by bike shows... that it is possible.

But the truth is that here in Guernsey, because of the sheer volume of cars on the road – and it is not just between 8 a.m. and 9 a.m... I actually was given a lift in this morning and we left the house at 9 o'clock in the morning and, actually, the traffic trying to get into town was appalling and that was coming down The Grange, so it was not to do with the – (*Interjection*)

No, it was not to do with the front, given that The Grange and the Rohais was such, because the Rohais does not suffer as a result of closure on the front.

The truth is that traffic also, during the day at lunchtime... I was amazed when I was trying to get to Radio Guernsey to be found in the horrendous traffic along the front. I actually had to phone up and apologise that I would be late for an interview with them, because of the state of the traffic.

Indeed, one of the reasons that I would contest that cycling as a family – which I have seen so many times when I lived in the Netherlands – is not really a viable option here is because of the volume of cars and also the type of cars.

A few months ago, I had occasion to take my partner to work over in The Vale and then had to drive his car from The Vale over to Frossard House for a meeting. Of course, the route goes quite close to three different primary schools and of all those three different primary schools, I did not see a single child walking alone to school and I thought to myself, 'Well, why?' And then I realised, of course, that I was mounting the pavement left, right and centre in order to be getting the car over.

People may say 'shame' but it is the only way of actually getting certain cars through. At the time, I did not have my car, which is a small Smart car, I had my partner's which is a very large thing, indeed. There was no option and I thought to myself, 'If I had a child, would I be willing to set my child walking alone?' And, yes, I would be apprehensive. Would I then consider sending them on their pushbike on their own? And I would have real reservations.

1440 In order to remove some of this traffic, paid parking will do so. If it does not, then I have to contend what is the problem in introducing it? The reason Members do not like the idea is because they feel that it will change behaviour. It will force some change in behaviour and by changing people's behaviour so that we have less traffic coming into town, which is where our largest traffic issues are, then we will free up the roads for other road users.

1445 I am sure that every single one of us in this Assembly walked to school at some point or another and probably did so on our own. I think it is a very sad day when I had not seen a single child that day walk to school on their own. What I saw were children who were being walked with their parents and I think that it is an indication of how we have allowed this situation with regard to the car to overtake any other form of road usage.

1450 I was visited by a friend of mine who visited from the UK and they said, 'You know, the truth is that town, by now, is not so pleasant because of the sheer volume of cars.' Deputy Brehaut suggested to me earlier on that it is smothered by cars. And I think that that is a good description. Town is now smothered with traffic. It is smothered by cars.

1455 It is destructive because, even when we are talking of people visiting and we say how attractive town is, the reality is that it is not so attractive when you are trying to get around and you are constantly either stuck in traffic or breathing in the huge amount of fumes that are constantly around us. We know that the MoH report that the fumes in Fountain Street are currently far and above what is acceptable levels.

1460 If we are to deal with this problem, paid parking is the appropriate way of starting to deal with it. Some reports recently and some of those who have signed a petition recently are of the opinion that we are introducing paid parking, full stop.

1465 Indeed, I was appalled by some of the reporting by *Channel Television*, where they interviewed people and asked them about paid parking, 'Do you think it should be introduced?' No explanation beyond that and they were discussing it with Members in the White Rock Café. Of course, what they did not point out and you had quite a few people saying, 'Oh no, it will be dreadful, I will not be able to afford to come into town at all in order to have my breakfast.' And I thought to myself, 'Does it really take four hours to have breakfast?' I mean, I have had a long, leisurely breakfast at times, but it has never extended to four or five hours. Of course, three-hour parking will continue to be free.

1470 The lack of information and disinformation, and the way that people's behaviour is, is as a result of the way that this has been portrayed. 'We are introducing paid parking', does a nice headline. 'We are introducing paid parking, if you are parking for over four hours in town only,' does not actually look quite so headline grabbing. It would not really attract me either, as a headline. I do not blame people, really. However, it is incorrect and it is inaccurate.

1475 Paid parking is being introduced for over three hours. It is long overdue. I have so many people who have contacted me to say that they really are exasperated with regard to this nonsense of revisiting the same issue. Revisiting it does bring us into disrepute. It brings us to a point where many people feel fed up.

1480 Members, please reject the amendment and, for the sake of being able to broaden our tax base, reject the Report.

Thank you.

The Bailiff: Deputy Laurie Queripel.

1485 **Deputy Laurie Queripel:** Thank you, sir.

The Bailiff: I take it you are speaking on the amendment. Are you or are you going to –

Deputy Laurie Queripel: Yes, sir.

1490 Thank you, sir. I am going to support this amendment, but I have to say I am not entirely against paid parking. It is *this* form of paid parking that I am opposed to. It is unfair, sir. It is

discriminatory and the thinking behind it, for me, is faulty and defective and regardless of the good intent and the bigger picture strategy, ultimately, sir, it is disingenuous and I will explain why I think that via a combination of some points and questions.

1495 These comments that are being made about the valuable pieces of real estate that are being used for and wasted on paid parking, sir – the North Beach, The Piers, etc – the question for me is what alternative use should they be put to? Who would undertake and fund the work necessary to bring about a different use? Would it be public investment and, if so, where would the money come from and how would the capital investment be justified sir? Would it bring about great
1500 economic gain for the Island, as those areas do now, sir? And I will explain that further in a minute. Would it be private undertaking and investment? What development could take place? What restrictions are there, planning and use-wise? Would it further erode Island access to the town sea front, sir, and marina areas as a Ports Masterplan might do, if fully realised? Would any work or development obstruct views? Would that be acceptable?

1505 At the moment, sir, I see those areas as great economic facilitators. So I wonder if a figure could be put on the value and the added value that these people that long-term park in these areas. I wonder if they could put on the value that it brings to the economy, sir, individually and collectively? What would it be, sir, bearing in mind that most are taking part in some sort of commercial activity in town, where that type of activity is encouraged via use policies and
1510 discouraged in other parts of the Island via use policies – although the IDP might help to address that to some extent.

Sir, people that work in banking, insurance, finance, facilitating transactions, perhaps bringing new business into the Island new money, new investment; working in retail, helping the economic money go round facilitating the multiplier effect or perhaps some are working and renovating
1515 buildings and properties to improve their value and their quality, to enhance and extend their usefulness.

There will be skills being applied, skills being passed on, people either receiving further education that will add value to their lives and hopefully add value to the economy; people being provided with services that improve their lives and perhaps their health.

1520 Sir, town is a hive of activity that provides great benefit, economic and otherwise. Besides that, sir, these people, these long-term parkers, they contribute to the States' coffers, via their Income Tax payments and their Social Security contributions and let us not forget the 14p duty they contribute every time they buy a litre of fuel.

Sir, I could add to that list but, hopefully – *hopefully* – the point has been made. Could any
1525 other use for these areas used for long-stay parking remotely match that economic contribution, bearing in mind that any change of use would likely require capital expenditure, sir? But apparently these people get their parking for free.

That was the point of creating these areas – to facilitate people that work in town, to facilitate economic activity. Sir, we will never have enough bus capacity to cater for more than a modest
1530 shift in transport choices and, besides that, whatever alternatives are offered and made available, you will never match the convenience of the car for people who live busy, multi-tasking lives and it is not the case of using that phrase, 'You will never get the Guernsey person out of their car.' That is too crude, sir. That, to me, is a short stop to thinking. It is not about that; it is about people, sir, who live busy, multi-tasking lives.

1535 Of course, the point is, sir, Environment do not really want those car parks to be empty. They need them to be well used to provide sufficient funding for the strategy. They are banking on it. So what else could we use these areas for? Perhaps they could be town parks. It would be lovely to see them returned to green areas, sir, and to be town parks, but what would be the point to that? Well, I say what would be the point, but what... As I have just mentioned, sir, I have just
1540 made the point of saying how much economic activity those car parks facilitate.

Now, if you turn those areas – those green areas in the first place... if you turn them back to green areas, would they be used? If you look at all the green areas –

I will not give way to Deputy Bebb, sir.

1545 If you look at all the green areas in town now, sir, I love to see them and it is great that they are there and long may they continue to be there, but I do not see them being greatly used, so if you turn those areas that are used for car parks now into recreational areas, would they really be used that much? I do not think so. I am not convinced of that. Other Members may be; I am not.

1550 Sir, I have been faintly amused by some of the supporters and proponents of this form of paid parking somehow missing the irony associated with some of their comments, telling us that free parking in town is taken for granted and assigned no value by its users, but at the same time extolling the virtues of a free-at-the-point-of-use bus service.

And, as a recent *Press* article revealed, sir, the vast majority of bus users are happy to pay their fare, but we are going to forego that income by enticing a few more people onto the bus by allowing them to ride for free.

1555 If we are to have paid parking, sir, it should be a modest amount: £30-£40 a year, so it would have to be, yes, something via a parking clock, paid by all drivers, to cover the cost of parking across the Island. All drivers use and cause wear and tear to the transport and road infrastructure, sir, and at some point during their day or week will use public parking areas. Whether that be on-road parking at St Peter Port, St Sampson's, The Vale, etc, or on coastal car parks somewhere, sir, 1560 all of this costs money to create and all of it costs money to maintain.

Now, sir, if you really want to see a long-term abuse of a public parking area, have a look at the car park opposite the Vale Castle. There are no timing restrictions, sir. Vehicles park there for days on end. I see no proposals to address that, sir. Now, that is an example where a facility is being taken for granted and the same thing exists, sir, in Rue de Coutures, a road that leads off 1565 The Vale School, nowhere near town.

Oh, Deputy Burford. I will give way to Deputy Burford.

Deputy Burford: Thank you, Deputy Queripel.

1570 I just wanted to mention that Environment Department are in the process of bringing a report about parking on public land, which will address the very issue that you mention.

Deputy Laurie Queripel: I thank Deputy Burford. And it is not before time. Other Members may be able to think of other areas where this kind of thing takes place.

1575 So, sir, I will finish as I started, rather than the more famous phrase, 'I have started, so I will finish.' I am sure you are relieved to hear that, sir.

This particular form of paid parking, sir, in order to provide a free-at-the-point-of-use bus service, to increase the bus user figures by a modest degree is unfair, discriminatory and disingenuous.

1580 Now, I believe, sir, that Deputy Burford and Deputy Brehaut and the other Members of the Environment Department realise that I understand and appreciate the thinking, the theory, underpinning this aspect of the strategy. But, sir, in these cash strapped times, to extract that much money from a particular group of people in order to bring about what, I think, will only be a modest shift, not a modal one, and in the process perhaps cause inconvenience and even hardship to some of them, I do not think that is financially or fiscally responsible or a good, 1585 effective use of precious public funds.

1590 Now, I have put forward... Deputy Bebb is talking about, if we do not agree to these funding measures, sir, how will any sort of transport strategy be funded? I have put forward in the past, sir, ways that a transport strategy could be funded and I will be happy to convey those again to the Environment Department. Paid parking, sir, I am convinced, will not solve the problems that Deputy Bebb foresees. If I was convinced they would be able to, sir, I would be more inclined to vote for the fundraising measures that Environment are putting forward, but I do not think they will. In these cash strapped times when we could do with money to help in all sorts of areas – other social policy areas; things like coastal defences, sir – we are desperately in need of money to tackle things that really need to be tackled and we need to make sure we make the most effective

1595 use of money that we raise from the public. I do not think this will be an effective use of money
raised from the public. Therefore, I am supporting the amendment.

Thank you, sir.

The Bailiff: Deputy Le Clerc.

1600

Deputy Le Clerc: Thank you, sir.

I will be speaking on the amendment and general debate. It is much more about the general
debate that I will be speaking about, but it is timing for me and I hope that, at the end, I can
explain that.

1605

I was one of many Deputies that voted for paid parking when the Transport Strategy was
debated last year. I was willing to support paid parking as I thought, like many others, that it
would be part of a package. That package included proposals to look at residents' parking in St
Peter Port which, disappointingly, sir, we are still waiting for the details on, together with a
benefit-in-kind charge on employee parking places in St Peter Port.

1610

I felt that the benefit-in-kind package would give an element of fairness between those who
would have to pay to park and those who get spaces for free from their employer, as part of their
remuneration package. I can only say, after reading the Report, I was dismayed that both Treasury
& Resources and Environment have put this in the 'too difficult' tray and said it is not workable. I
think that the report has over-complicated issues and, listening to the phone in on Sunday, the
first caller said exactly the same. I believe that a scheme could be introduced in a much less
complicated way than outlined in this paper.

1615

I never envisaged that benefit-in-kind would ever be an equal amount paid by those with an
employee space, to those parking on the piers and paying an hourly rate. If employers want to
provide a benefit to employees, that is fine, but employees should pay tax on that benefit. The Tax
Office complains that it does not know how much it currently raises from benefit-in-kind, but it
still taxes them. Ignorance of the sum to be raised is not a good enough reason. We must
remember that this is about fairness and not just about fiscal gain.

1620

T&R try to complicate the argument providing us with what I would describe as a misleading
calculation in section 4.5. The examples shown are not for equally paid employees. The employer
is clearly paying one employee a more valuable package than the other and I think Deputy Bebb
explained this in his speech.

1625

I find it slightly bizarre that the Report suggests that benefit needs to be multiplied by five
times market value to tax fairly. This, in my view, is wrong. The benefit should be taxed once, not
five times. Saying that this is not 100% fair to paid parkers, but only 20% fair is a nonsense.

1630

The comparison with other jurisdictions in terms of paid parking, I believe, is also flawed, as the
charge only seeks to capture those who are in long-stay parking. In other jurisdictions, the charge
is for both short-stay and long-stay and, as such, charges all users. The Guernsey proposal is, by
its nature, intended only to charge commuters. It is right, therefore, to compare like-for-like in
terms of workspace private parking, with long-stay public parking.

1635

I could go on. However, I think it is important for me to give you some of my own suggestions
as to how to make the benefit-in-kind system work. First, ignore the market value of the parking
space and set the value by regulation, as the Tax Office currently do for accommodation, mobile
phones and company cars. The value can easily be calculated by taking the hourly parking rate –
60p – multiplied by eight hours, which is the approximate time the car will be parked in a working
day, and multiply by five days and then 52 weeks – and I think this is where I need that
"Countdown" music to do the computation – and that is £1,248.

1640

If this is taxed at a benefit-in-kind rate of 20%, employers would pay £249 per year. This would
be easy to collect with the employer payroll ETI and I have spoken to several employers and they
said that that would be a simple thing for them to do. I would also suggest that this is not offset
against the £450 exemption in the same way that company car costs are currently excluded.

1645

My next suggestion is to close the loophole whereby some employees take pot luck on the availability of spaces, such as Frossard House and, therefore, would fall outside my proposed benefit-in-kind rules. This could be done by requiring employers to allocate all spaces, except a few for visitor parking to specific employees. If they do not want to use the space, they can decline it. If they only want to use it for part of the day, they can come to a private arrangement with a colleague.

The Tax Office say that it is difficult to determine what proportion would be for private or business use, but the Tax Office already deals with this successfully on use of work mobile phones.

These are just some suggestions. I just felt as I was reading the Report that a conclusion was reached before its investigations even began. I have never been absolutely wedded to the idea of paid parking. However, I was so disappointed with the content and outcomes of this Report, I felt I should endeavour to argue that benefit-in-kind does have some merit and that it is possible to come up with a reasonably fair and workable benefit-in-kind for employer-provided parking spaces.

I would, therefore, urge you to vote against the proposals in this Report until T&R have revisited a potential scheme and we have seen the St Peter Port Residents' Parking Scheme. And, in addition, because of timing I would ask you to not support the amendment from Deputy Lowe and Deputy Brouard, to throw out paid parking, until a benefit-in-kind report has been resubmitted with some more workable proposals.

Thank you. (*Applause*)

The Bailiff: Deputy Dave Jones.

Deputy David Jones: Thank you. Follow that!

Contrary to my abhorrence to the idea of paid parking, I do want a decent public transport system, but not by creating motoring apartheid where the poorest have to pay while everybody else does not.

Deputy Brehaut brought an idea, I think it must have been five or six years ago, when I first heard him talking about the parking charge – it may have been longer. (*Interjection*) Thank you, Deputy Burford. But it was his original idea, as I can remember, and it is a sound one, in my view. It covers all the points that Deputy Michelle Le Clerc has made, because wherever you parked, whether it was Frossard House, the car park out at Varsell or wherever it is, you would pay. So it would cover all employees, even those who have got private car parking spaces in town, underground parking spaces or elsewhere.

But the idea that the motorist has got to pay more, to me, is just nonsense. £15 million a year in revenue comes from the motorist and about £4 million... public services, is spent on the roads. £11 million goes to other public services. So I would suggest that the motorist has contributed quite a lot towards covering the car parks and, as Deputy Queripel says, what are these car parks for? They were built for parking cars. So the contribution the motorist pays – well, not just the motorist, because it is collected through fuel taxes; it is all vehicle owners, including heavy goods vehicles – is huge. And we know that one Member of Environment wants to fleece the motorist and use them as a cash cow, which he said publicly. Well, I would say to you, Deputy Gollop, that they are already being well fleeced, thank you very much.

And the other idea is that paid parking will ease congestion. Look at Jersey. *Channel Television* did a report a few months ago on the sheer congestion in Jersey, with all their multi-story car parks and significant cost of paid parking. It does not ease congestion at all. People who want to use their cars will use their cars – many because they simply have to, because a family that has to try and get its entire family to different destinations in the morning, simply cannot afford to wait around for a bus that may or may not turn up, because of some road works up the road or for some other reason – leaves on the line, or whatever – but this is the problem.

I have said this before, about Environment – if you going to design a transport strategy, then written large at the top of the page must be an understanding about how ordinary Guernsey

1700 families live and until you understand that, until you understand what their transport needs are and the way that families work – because the problem is also that both members of the family have to work now to pay mortgages and keep their heads above... Until you understand how the average Guernsey family lives, you cannot begin to design a transport strategy around them.

1705 This constant trying to force them to give up what is their normal daily routine, to go onto some fictitious buses that may or may not arrive, is simply not on. Most of the buses do not go where the people live, to start with – my hackles were getting slightly raised yesterday, reading the front of the *Press*, that we may not be moving towards the smaller buses or the smallest buses –

I am sorry. I will give way to the Deputy.

1710 **Deputy Burford:** I was just going to take the opportunity to correct what was a slightly misleading headline in so far as the buses will, indeed, be considerably smaller in length and slightly narrower than the ones we have. The point that was being made is that we are not moving to an entirely minibus fleet, because it would not manage to do the job.

1715 **Deputy David Jones:** I thank the Minister for her clarification, but will they still be empty? That is the point. (*Laughter*) They can be as short or as narrow as they like but if they are riding around the Island empty then they are completely useless, are they not, really?

The point is that I do not get any sense at all from Environment –

I will give way to Deputy Bebb.

1720 **Deputy Bebb:** Would Deputy Jones agree with me that, for as long as we do not have paid parking, they are more likely to be empty?

1725 **Deputy David Jones:** No, I do not. I think that paid parking is a very English disease and we should not have any truck with it at all. It only ever comes up every time another Englishman joins this House.

1730 **Deputy Brehaut:** Excuse me, sir, I do not wish to be pedantic, but there have been several references, when Deputy Bebb spoke before... It was muttered, 'Yes, but you are not local.' Can we please assure Deputy Bebb, who is elected by the people of Guernsey, some of whom I am assuming are local? Can we please stop those sort of negative references to people arriving to this Island from other places?

The Bailiff: Deputy Jones.

1735 **Deputy David Jones:** I can see my light-hearted point about lineage – (*Interjections*)

Deputy Harwood: Point of correction. It is probably correct to say that Deputy Bebb is Welsh rather than English. (**Several Members:** Hear, hear.) (*Laughter*)

1740 **The Bailiff:** Deputy Jones.

Deputy David Jones: Thank you, Mr Bailiff.

It was just a throw-away line for *Hansard*. (*Laughter*)

1745 The fact of the matter is that, until Environment Department – and it is not just Environment... God knows this Environment have tried hard enough to put this strategy together. It has fallen apart... some due to their own making, I have to say, because they moved their own goal posts, when they told us it was a complete package, but that is what happens; sometimes in Departments you do go out to consultation, you listen to people and you have to alter things as you go along, but it is still hanging by a thread.

1750 And the other thing, as we get onto this later with the Brouard Requête, is that the things that we were promised have to be in place first. That was the promise Environment made. I know the funding issues that parking is about paying for the buses, but the buses have to be in place – the viable alternative for people. Before you start taking a club to them and trying to batter them out of their cars, you have to have a viable alternative.

1755 But, again, Environment are trying to put the cart before the horse. They are saying, 'Well, we have got to have paid parking because we need the money to get a viable bus service. The buses should be paid for in part by the people who use them, because there is no such thing as a free bus service. Somebody has to pay for it and, in this case, it will be the motorist – the vehicle owner, as always.

1760 So you have to have a viable, alternative transport system and it should be such a fantastic public transport system that people want to get on it – because it is a fantastic public transport system, not because they are forced out of their cars by punishment taxes, which is what these are, in a way that makes them change the way that they work their daily lives, to get Members of the family to places where they need to be.

1765 And I agree with those who say the congestion actually is over by 9 o'clock really in many places because... apart from roadworks. Now, you said a lot of congestion around the town, because the seafront is up, which is another experiment by somebody which, if it proves a disaster, it is going to be a very... experiment to undo again. And, if it does prove to be a disaster, then I do not know where we are going to go from there, but certainly when there are major road works on the major arteries into town, there is congestion.

1770 But Deputy Queripel and I share cars. We came in a very nice car this morning with Deputy Le Lièvre and on most days – when the schools are off, that is – it is a very, very quick trip from Northside into Town. When the schools are running, there is more congestion because obviously the families that I keep describing to you have to get their children to school and their partners to work or wherever, use their cars and that is going to increase congestion, but it is very small, compared to most places in the world.

Amsterdam – I have been to Amsterdam many times and – (*Interjections and laughter*)

1780 I happen to like art galleries, believe it or not. (*Laughter*) But it is a strange mix there, because you do have an enormous number of cyclists, I have to say, mixed in with trams and vehicular traffic, but I believe also Amsterdam has got some form of congestion charge now, which I am not certain about – but the same as London.

1785 But, there again, London has introduced all kinds of things to try and reduce traffic. None of it has worked. Deputy Jones and I were there the other week and talking to the cabbies and it is just as gridlocked in London as it has ever been, regardless of congestion charges and Boris Bikes and all the other plans that they have had to try and reduce it.

But, getting back to the core issue of this, I suppose I have spoken generally as well, have I? But getting back to the core issue of Deputy Lowe's amendment, I am going to be supporting it.

1790 I am opposed to paid parking, in principle. I am not opposed to the Deputy Brehaut idea of having a £30-a-year parking plot, because I think that would pick up all the other people. If you are going to have a charge on the motorist again – yet another charge – and it is supposed to cover parking, then the parking clock is the obvious way to go, because it will not matter if you are a civil servant in Frossard House or a police officer at the police station, or wherever it is you work – in a bank, a shop or wherever – you will all pay the same and that is the equitable way of doing this.

1795 Although, I think Deputy Le Clerc's idea is a workable idea, but it is also very complex again. It is tinkering with figures and balancing out for the tax office to sort it out. A parking clock, with your car number or vehicle number embossed on it, so that you cannot use it for more than one car, is the way to go if you want to have some sort of punitive punishment tax for motorists, then that is the only one that I will support. But I certainly will not support paid parking.

1800 **The Bailiff:** We will rise now and resume at 2.30 p.m.

*The Assembly adjourned at 12.32 p.m.
and resumed its sitting at 2.30 p.m.*

TREASURY & RESOURCES DEPARTMENT

IV. Introduction of Paid Parking: Taxing/charging in respect of employer-provided parking spaces – Debate continued

The Deputy Greffier: Article IV, Introduction of Paid Parking: Taxing/charging in respect of employer-provided parking spaces. Continuation of debate on the amendment proposed by Deputy Lowe.

1805

The Bailiff: Does anybody else wish to speak?
Deputy De Lisle and then Deputy Hadley.

Deputy De Lisle: Thank you, sir.

1810

You know, people have had enough of Government putting more cost – (*Laughter*) (**A Member:** Sit down.) on them. Enough is enough, as we hear. The cost of living actually is already high enough on this Island without increasing the costs on people further and it is not cheap to run a car and, you know, already the tax on petrol is high enough. To go even further with these additional costs does not really make sense.

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So we have got to be looking at what we are doing, as a Government, very carefully and not increasing costs on people unnecessarily and, in reality, this particular situation of paid parking is even worse, because it is discriminatory. It is discriminatory on just a few people and we should not be taking that direction. This business about discrimination this and discrimination that from people and yet here, purposefully, the Government is wanting to discriminate against a few people, using car parking in Town; and very often they are the very people that are serving this Town with their employment and making the Town more competitive. That is another thing we have got to consider: we want a Town that is competitive with others, otherwise our whole Island suffers.

1820

So long-term parking then – a discriminatory policy that will destroy the commercial heartland of St Peter Port, in my mind. Over this time and over this session, and last session, many parking spaces actually have been lost in Town and this is continuing to have a negative effect on retail and office occupancy in Fountain Street, Mill Street, the Bordage, where numerous retail and commercial office spaces lie empty. There is no attraction to locating commercial enterprises if they cannot support their staff with parking facilities to work in Town, and costs are such in operating in commerce at the current time that, obviously, one wants to keep those costs as low as possible.

1830

How would Frossard House operate if there was no parking provided for the staff working there and workers had to walk miles to get to their particular workplace? (*Interjection*) Paid parking is a known and proven deterrent to business in retail, in office and along the high street.

1835

Central car parking provision for St Peter Port is vital in retaining life in Town, not only for the people of Guernsey, but visitors who come to stay, whether for a few days or a few weeks and we need to attract business into Town, not discourage business. And Environment and Public Services, I am afraid to say, appear to be limiting parking in Town to the detriment of business, and that is not on.

1840 In the meantime, outside of Town centre, other retail businesses have been allowed to tarmac acres of land for parking purposes. Where is the reasoning in this? How are these businesses paying to support the traffic Strategy?

1845 So I would like to conclude by just reminding everyone of the retail strategy and some of the proposals in that strategy, which are to enhance the retail offer in Town, through providing more parking and also avoiding additional charges for people to visit Town, shop and have their offices in Town and avoid paid parking as an extra cost on both their workers and their businesses.

1850 So I would like to support, very firmly, the amendment of Deputy Lowe, because I think otherwise, as I say, it will have a very negative effect on our high street, just as it has had a very negative effect on towns in the UK. In fact, I notice now that many of them are turning and doing something about that – during Christmas periods, particularly, but also during other times of the year, particularly Saturdays, where they have committed themselves to free parking because they know the effect it has having on business and their high streets.

So we do not want to go down that particular route and I think we should avoid it at all costs and I think people need to think about that very carefully before subjecting Town to paid parking.

1855 The other point that I want to make is that we should release all the land we can for parking in Town and I note that with the proposals for the Albert Pier and so on for the cruise liners – the change that has been proposed... I just noted that a lot of spots have suddenly been made vacant – some that the Harbour Authority was using for their staff parking have suddenly become available. All that parking should have been there before.

1860 So I would make a plea to Public Services to, please, release all the parking that they have been sitting on – and there has been a lot of criticism with respect to North Beach; the number of parking spaces taken there. Also, if I may talk about the Salerie car park, as well, there are 22 down there that are going. There is Hospital Lane. There is the North Beach, with regard to additional cycle stands and shelters. There is now the long-stay North Beach – further changes there. So I think we have to –

The Bailiff: Deputy Dorey.

1870 **Deputy Dorey:** Point of order. We all get criticised about declarations of interests. I believe that Deputy De Lisle should be declaring a declaration of interest when he is talking about shops in Town.

Deputy De Lisle: Well, I was about to. *(Laughter)* Thank you very much, but now it has been done. *(Laughter)*

1875 I think everybody has an interest in Town, that actually lives in Guernsey and that wants to see Guernsey prosper. It is very, very important that we are cognisant of that and I think we are all consumers here in Guernsey and I think all of us want to see that our cost of living is reduced as much as possible and not inflated by proposals such as we have got, through the Environment Department, with regard to paid parking.

1880 So my appeal then is to, please, support the amendment and not support paid parking in Town.

Thank you.

1885 **The Bailiff:** Deputy De Lisle, could I just ask whether you have complied with the Rules in terms of declaring an interest? I do not know the details, but Rule 12(8) is very specific.

Deputy De Lisle: Yes.

The Procureur: Technically, it says that you are to declare the interest before you speak.

The Bailiff: Yes, well, I am not sure, even if he has declared an interest now! He obviously did not do it before he spoke. I am not sure if he has yet declared an interest.

Deputy De Lisle: Well, I will declare an interest.

1895

The Bailiff: Maybe he does not have an interest to declare. That is why I am not sure.

Deputy De Lisle: I do have an interest to declare, sir, and I thought I had acceded to that.

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The Bailiff: Oh, sorry. Oh, right.

Several Members: What is it?

A Member: You have not told us.

1905

Deputy De Lisle: In terms of running a retail establishment in Town.

The Bailiff: Thank you.

Deputy Hadley next and then Deputy Stewart, then Deputy Lester Queripel.

1910

Deputy Hadley: Mr Bailiff, I would like to start by going back to Deputy Jones' speech before the lunch break and, very sensibly, he said that there is no such thing as a free bus service – somebody else pays; and he is absolutely right. But, equally, there is no such thing as a free parking space, (**A Member:** Hear, hear.) somebody always pays.

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Deputy Jones: The motorist pays for it.

The Bailiff: No, shouting across the Chamber.

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Deputy Hadley: And I do think people are losing sight of the whole strategy. We had a strategy which was to reduce car journeys and avoid the need to build more car parking spaces, because we cannot afford them.

If we do not reduce the number of car journeys, if we do not reduce the number of people that want to park their car, then we are going to face a bill of £30,000 to £50,000 per parking space and I, for one, would rather that this Assembly did not do that. I would rather that we provide free or assisted dental services to children; I would rather we provide a hospital service where people can get a bed and treatment when they want one. Last night I had somebody on the phone, at some length, telling me that her husband's operation had been cancelled three times because the hospital had not got a bed for her husband to stop in.

1925

People talk about us discriminating. Whatever we do discriminates against somebody and Deputy Jones continues to talk about the working man, as if this Strategy is aimed to hit the working man. It is not. It is aimed to help the working man who cannot afford dental treatment for their child or put their aged parent in hospital.

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I do think the reputation of this Assembly is damaged when we approve an excellent Strategy – (**A Member:** Hear, hear.) a Strategy expanded to us all by Deputy Burford in probably the best presentation I have seen – and then it is unpicked, bit by bit, as if they were a pack of vultures, determined to keep at it until there was nothing left. (**Several Members:** Hear, hear.) And, certainly, I have already said to Deputy Burford and Deputy Brehaut, I think their mistake was giving a concession in the first place and listening to the people of Guernsey, because – (*Interjections and laughter*) In this particular case, listening to a minority of the people in Guernsey who oppose this Strategy, who were determined to see it down... so the Department agreed to amend its width policy and once they had started to let the vultures in, they piled in.

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We must not have this Strategy destroyed. If you vote for this amendment then there is not a transport strategy. We might as well tear everything up. (**A Member:** Hear, hear.)

The Bailiff: Deputy Stewart and then Deputy Lester Queripel.

Deputy Stewart: Mr Bailiff, fellow Members.

For the record, my position has not changed since I wrote on behalf of the Commerce & Employment Board back in January 2014, to the Environment Department, that there were elements of the Integrated Transport Strategy that we supported and thought were extremely good ideas, but there were also aspects of the funding that the Commerce & Employment Board could not support. So I think we have been consistent throughout this entire thing – although I have been told we have not, but I believe we have.

I did not support paid parking, because I was not present in the previous debate, because I was in London on States' business that particular day. Nevertheless, I would have listened to the debate because I had waived each side.

Last April, on the Integrated Transport Strategy, I was prepared to give Environment the benefit of the doubt on some of the issues, but since last April I have seen very little evidence of anything real being delivered on the ground.

Whether it is the buses collecting data – that could have been very useful, it is big data, if you like; passengers where they get on and where they get off – I know Deputy Lowe has been highlighting this for many, many months, if not years – which is extremely useful when you are planning a bus service.

What is better than a survey, than the real data that is collected of how passengers use those buses, to then inform you how to set the routes, how to set the frequency of buses? This has never been addressed. I have seen very little that has moved ahead since last April, apart from this action team we read about a lot in the *Press* who seem to be running around everywhere.

I will be supporting this amendment and I tell you why. At lunchtime, I walked across the road there, I was smothered in traffic – well, actually, there was not any, as I walked across to the Prince of Wales; I walked down Smith Street, which looks great; I walked down the Pollet, which is pedestrianised; I walked across the Weighbridge – there was nothing coming down the Trechot, I was not smothered in traffic there either, Deputy Bebb; and across the road and then I did not even have to wait, as I very rarely to cross the road, because of the pelican crossing.

I do not know if I am living in a different Guernsey to everyone else, but I do not see a Town smothered in traffic. I am not driving in... parking in North Beach to come shopping on a Saturday, a quick cross of the road, and I am in a pedestrian zone. There is no traffic in our high street. There is no traffic up Smith Street. There is no pollution in the Pollet. Where is the traffic problem?

I picked up Deputy St Pier – we shared our car this morning – at 9 o'clock at his house; we were in here by 9.15 a.m. even with the working on the seafront and a little bit of tailback of traffic. 9.15 a.m! I tell you where there is traffic, the M25! The M25/M4 junction; the Dartford Crossing. I can remember being stuck there once for five hours! That is traffic; that is smothered in traffic, but not in our Town!

And all the visitors I bring over never have commented to me on traffic. What they have said is what a fantastic job we have done in our Town on Floral Guernsey; what a fantastic job our Floral Guernsey Group do to make our Town look so fabulous. That is the feedback I get. And I have asked our head of Tourism: how many negative comments do we get from tourists about traffic? None. How many do we get about the buses? Lots.

That is the reality of the situation and I drive around bouncing from one appointment to another, all day, every day. I do not see a traffic problem and Deputy Bebb and other Deputies that say, 'Oh, well, let us get on the bus'... I tweeted a little while back, because I was amazed. I came out of my house – I live in a Clough near the Pony – at 8.06 a.m. – rush hour – and I drove to the St Pierre Park. Do you know there was a terrible queue of two cars at one set of traffic lights!

1995 *(Laughter)* A bit of road rage going on! And it took me seven minutes – seven minutes – from the Pony to getting into the car park at the St Pierre Park. What I journey! I phoned my wife, ‘Oh, it was a nightmare this morning!’ Seven minutes!

And you tell me how I could have done that journey on the bus? And I did pass, actually, some buses coming down the way. I counted one person on one bus and one person on another, and that is honest, and I tweeted that at the time as a contemporaneous note. Oh, I did not count the drivers so that is three!

2000 So how would I get from the Pony to the St Pierre Park? I guess I would have had to go all the way into Town; all the way back out. I imagine that journey would not have taken me seven minutes, but an hour, at least, I bet; and I challenged everyone on Twitter that supports buses, ‘Tell me how I do that journey.’ And, do you know what, if I wanted to try and work it out – I have not got one, but imagine that is a bus timetable. **(A Member: Rip it up.)** How lovely. I could rip it up, couldn’t I...? *(Laughter)* bus timetable. Because that is not how people work!

2005 The other week I went over to support Alderney eGambling in London and I thought, ‘How do I get from London City Airport to the Excel Exhibition Centre?’ I picked up my phone, on my London Journey Planner, went tap, tap, and in two seconds it even told me what DLR I had to get on, what platform I had to change at and the times of the trains, because if we want to get people on our buses we had better start getting the information out there.

2010 We signed a bus contract. I only got, as you did as States’ Members, details of what the routes were the other week! No presentation, no real why or wherefore or how we have arranged these routes and I am sorry but until such time as we have a proper transport service that people can access... how they access thing now... I do not want some bus timetable stuffed in my pocket. **(A Member: I do.)** Yes, you do, John, but I will show you how to use it on here. *(Interjection)* This is what we need.

2020 And also in terms of outside of peak times – and it is true; we all see it – the buses are empty and one minute we wanted a bus garage, we were told by the Minister, we needed a bus garage, the next minute, ‘Oh, we do not really need a bus garage’. This is not an Integrated Transport Strategy anymore; it is a disintegrated transport strategy **(Several Members: Hear, hear.)** and, I am sorry, but I cannot give Environment the benefit of the doubt. I was prepared to.

2025 I will be supporting this amendment and, for another reason, we have been talking about the living wage this morning – about the lower paid **(A Member: Yes.)** and the retail workers in Town **(A Member: Yes.)** – and I said in my earlier speech is this that wages are too low or our costs of living are too high? And we know that a lot of those users of those Town spaces are retail workers.

2030 Now, in my view, we do not pull the rug out from people’s feet, because to put paid parking in on those Towns... I would be prepared later on and I did consider what Enough is Enough were saying, maybe a charge for the parking clock of £26 or £50. That could be seen as a reasonable charge. However – and that would be incremental, it would not be literally pulling the rug out from under these people’s feet. And that is what bothers me.

2035 Whether it is a business tax, whether it is anything, I think you do not suddenly have nothing one day and suddenly it is up there the next. And we are talking about the lower paid in retail. That is where the lower paid are – in retail and hospitality – and, believe you, me, we will be pulling the rug out of their feet.

So I will be supporting this amendment wholeheartedly and I urge other Members to do the same.

2040 **The Bailiff:** Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

2045 My colleagues will no doubt recall Deputy Burford made a superb speech, when she presented the minority report to the Assembly last year and that speech lasted approximately 50 minutes. *(Laughter)* The speech I am about to make, sir, in support of Deputy Lowe’s amendment, will not

be anything like 50 minutes, (*Interjections*) but I hope it is as persuasive as Deputy Burford's speech was.

Sir, seeing as I am in the privileged position of being a St Peter Port Douzenier as well as being a St Peter Port Deputy, I will do my utmost to support and protect our Town, the people who live and work in our Town and the people who visit our Town; and I will rally against anything I consider detrimental to our Town. And I think there is a fundamental question my colleagues need to ask themselves: will paid parking be beneficial to our Town or will it be detrimental? I think the answer to that, sir, is it will be detrimental.

Another fundamental question, I think, my colleagues need to ask themselves is: is it fair to ask the people who need to park their cars in Town to then go to work in our Town, to pay anything up to £1,500 a year to park to go to work? Well, sir, I think the answer to that question is no, it is not fair.

And I know my calculator has unjustifiably been the subject of much ridicule in this Chamber (*Laughter*) over the last two years and 10 months, so I will expand on that figure of £1,500 because most of my colleagues seem to think it will cost people who park their cars in Town to go to work in Town £1,200. Well, I am basing that £1,500 on the fact that anyone needing a long-term parking space will need to be parked up by eight o'clock in the morning and, if they work until 5 p.m. by the time they get back to the car it will be 5.30 p.m. And, of course, some shops are open until 5.30 p.m. anyway, which means that somebody working until 5.30 p.m. will not get back to their car until 6 p.m. That is 10 hours at 60p an hour, which is £6 a day. Multiply that by 250 working days in a year and that comes to £1,500 just to pay to park your car to go to work in Town.

Now, of course, sir, many of those people simply will not be able to afford to pay that kind of money, so they will need to ask their employer for an increase in their salary and, if the employer gives employees an increase in their salary, the employer will then have to cover their additional costs from somewhere and the obvious place to recover those additional costs, of course, is from the customer. So they will have to increase the purchase price of all their items on sale in the shop.

Either that or they try to find employees who do not need to park their cars in Town to go to work. In other words, try to find employees who either walk into work, travel by bus, push bike, motorbike or car share. But whichever way you look at it, sir, it seems to me there is a very real danger of employees losing their jobs; either that or traders being forced to increase the purchase price of their products, or the worst case scenario, of course, is that some businesses may even go out of business.

So, even though Deputy Burford and the majority of the Members of this Assembly voted in favour of paid parking in our Town with the best of intentions last May, the reality is that paid parking in our Town will damage our economy.

And the truth is, sir, our Town is already struggling and I know that because I have spent a lot of time talking to Town traders over the last couple of months, when I have been in the shops picking up copies of the petition against paid parking, which I presented to Deputy Burford on Monday morning at Frossard House.

Incidentally, sir, I would like to thank Deputy Burford publicly, through the Chair, if I may, for making herself available to personally receive the petition, because I know she had a busy schedule that day and my fellow petitioner, Mrs Wendy De Bourgonniere, and I much appreciate Deputy Burford rearranging her schedule.

When Mrs De Bourgonniere and I set on the path of gathering signatures on that petition, we set ourselves a target of 5,000, so we were absolutely delighted when the final number was 6,267 because we think that sends out a very clear message in support of Deputy Lowe's amendment, that there is considerable opposition to paid parking amongst Islanders. And surely, sir, it is time for the voice of the people to be heard – surely enough is enough.

And to add the cost of paid parking to Islanders will be adding yet another cost to an accumulation of costs. And I know, sir, that some of my colleagues will say that Islanders will save

themselves money by using a free bus service. And that is fine in theory, but in reality that just will not work for most people.

2100 Why do I say that? Well, I say it because this is the real world and the reality is, for most Islanders, time in a working day is of the essence. We live in an incredibly busy world – a world where people do not have time to walk to a bus stop and wait, often in the pouring rain, for a bus that takes them half way round the Island to get them to where they need to go. Therefore, we need to make sure that getting to and from their place of work is as easy as possible for Islanders, because most Islanders do not have the luxury of time during their working day and, to most people, their car is a necessity not a luxury.

2105 Ex-Vale Deputy, Graham Gill, once said that the problem is not having too many cars on the road, the problem is the lack of parking; and the truth is, as Deputy De Lisle has already mentioned, hundreds of car parking spaces have been removed in our Town over the last three years and that has been detrimental to our Town and the plan is to remove even more spaces from the Albert Pier, as well as the South Esplanade in a few weeks' time.

2110 I fully understand the proposal is to extend the two-hour spaces that are left to two and a half hours and that those two and a half spaces will be free to people shopping in our Town. But very often even two and half hours is not long enough and I spend a lot of time in our Town. I usually pushbike in from the Green Lanes, where I live, but if it is raining and I know I am going to end up with arm loads of shopping, I take my car and I do so because my nearest bus stop is 300 meters away from where I live and when I get there, there is no bus shelter.

2115 Going to Town in a car these days is very much a lottery because it is often impossible to find a short-term parking space. So, after driving around and around and around looking for a space, I resign myself to driving to the Bridge, because it is so much easier to park there. So the Bridge gets my money and my custom, and I am not the only motorist that does that because I have spoken to several in the last year or so who do the same.

2120 So the reality is we need *more* short-term parking spaces in our Town and they need to be at least three and a half hours to enable people to enjoy visiting our Town and finding that visit to our Town to be a pleasant and enjoyable experience, to stop for a coffee or even a leisurely lunch with friends. I think that is a crucial factor to the whole issue, sir. We need to make a visit to Town a pleasant and enjoyable experience, instead of frantically running around, trying to do all your shopping and get back to your car before your parking clock runs out.

2125 I would like to refer to a letter I received recently from the Town Centre Partnership, because in that letter the members of the Partnership tell us the following:

'Our joint focus and responsibility is the viability of St Peter Port. We must ensure that it is a destination of choice for the local community and visitor alike. Town retailers are very concerned about the growing trend that is internet shopping. They are competing to provide a selection of goods, at reasonable prices whilst meeting ever-increasing shipping costs and rental charges for their premises. They see the introduction of measures directed solely towards St Peter Port, such as commuter parking charges and loss of short-term parking spaces, as further threats to their livelihood.'

– And the letter goes on to say that:

'If St Peter Port is allowed to decline to the extent where once thriving areas become an unattractive, run down collection of empty premises, we will not be able to sustain our reputation in tourism or our standing in the international financial services industry. It should also be borne in mind that over a hundred cruise liners will be visiting our shores this summer and to see the capital of this Island suffering from mass closure of businesses would not be a good message to send out to the would-be returning visitors.'

2135 – And it concludes by saying:

'From the many conversations we have had with traders who identified their problems and concerns, we have found their confidence has ebbed to an all-time low and they have real fears for the future.'

So, there we have it, sir, from the Town Centre Partnership themselves – the Partnership that exists primarily to ensure the wellbeing in the future of our one and only beloved Town.

2140 And to return, for a moment, to Vale Deputies, Deputy Dave Jones said during the debate in April last year that, although the intention is for paid parking to be introduced in our Town, it will not be long before it is right across the whole Island and the parking charges will go up year-on-year, as the motorist is treated as a cash cow to fund the Transport Strategy – and I believe he is right, sir. *(Laughter)*

2145 I believe paid parking will spread across the whole Island. It will be introduced in car parks for our beaches, car parks for children's playgrounds, the car park at the Hospital etc. And if my colleagues still are not convinced, sir, then I would remind them that we already have paid parking at our Airport, we already have paid parking at the southern end of Beau Séjour. In this Chamber, right now, we are debating whether or not we remove paid parking from our Town, which is due to be introduced later on this year. So it has already started, sir.

2150 Paid parking is already creeping in all over the Island and it is absolutely vital we nip it in the bud right now and voting in favour of this amendment will do just that. Sir, I would ask my colleagues to, please, have uppermost in their minds when they come to vote that our Town is the jewel in the crown of St Peter Port. It is a beautiful and historic Town to be proud of and I am sure we all have wonderful memories of the times we spent in our Town.

2155 I have got fond memories of countless hours spent listening to the latest records on headphones in Fuzzey's record shop in the late 1960's and 1970's. *(Interjections and laughter)* I remember my older brother, Lyndon, taking me to the Guernsey Kitchen, which I think was in Le Pollet. I am sure Deputy Quin will correct me if I am wrong.

2160 **The Bailiff:** Are we coming back to the amendment at some point, Deputy Queripel? *(Laughter and interjections)*

Deputy Queripel: Sir, everything I am saying is related to the amendment because I am highlighting the reasons why I think we should reject paid parking, to support our Town.

2165 **The Bailiff:** Well, I think Fuzzey's record shop closed before there was any suggestion of paid parking! *(Laughter and applause)*

2170 **Deputy Queripel:** Sir, all the things that I am going to mention have closed, but the reason I am doing that – highlighting those things – is because we cannot afford to lose any more. That is the reason why I am highlighting all these things, because we need to support our Town.

2175 There was a time when you could go fishing under the Piers. There was a time when you could go rowing in the Harbour in a rowing boat. I remember the days when not only were there rock concerts in Town Church Square, but in the Town Church itself; and Joan Ozanne created a piece of history when she staged two performances of the rock musical Jesus Christ Superstar, featuring local rock group Ponder's End. These things, sir, happened in our Town years ago.

A Member: They were walking. *(Laughter)*

2180 **Deputy Lester Queripel:** I remember the days when there used to be water polo tournaments in the Careening Hard. *(Laughter)* We had two cinemas in our Town.

The Bailiff: I think you have made the point, Deputy Queripel! I think there is a danger of tedious repetition creeping in perhaps at some point there.

2185 **Deputy Lester Queripel:** I am actually mentioning a whole list of new things, sir. I am not repeating.

The Bailiff: Well, you have made the point that you wanted to make – that it is a wonderful Town.

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Deputy Stewart: Can I mention that my wife's granddad was the projectionist at the – ?
(*Laughter*)

2195

Deputy Lester Queripel: No, but I did not give way.

Deputy Gollop: Can I make a point of order here? I remember the Odeon and the Gaumont and many people travelled to them on the cinema buses, because we had late night services then, as we have recently reintroduced them.

2200

Deputy Lester Queripel: Sir, was that really a point or order? (*Interjections*)

Sir, those were the days when the Town was vibrant and I do not expect all my colleagues to understand what our Town means to many Islanders, but the message I am sending out here is that our Town means a lot to so many and yet we have lost so much and we cannot afford to lose any more.

2205

Sir, before I conclude and wait for someone else to tell me something I already know (*Laughter*) and they will be going over and over the same old ground – (*Laughter*) we have heard it a thousand times before...! (*Laughter*)

2210

Sir, before I conclude, I would like to say I disapprove of the recent personal attacks on Deputy Burford and the members of her Board by some members of the public. The way I see it, sir, political issues should be dealt with and conducted on a purely professional basis at all times. The Environment Board and I have totally opposing views on this, but I see no reason whatsoever to get personal, because professionalism should be paramount at all times, in my view.

And to sum up, sir, I ask my colleagues to bear in the following in mind when they come to vote: 6,267 of our fellow Islanders are totally opposed to paid parking in our Town. Should we not take notice of their views?

2215

Our Town is already struggling to survive, so will paid parking be beneficial or detrimental to our Town? There will be considerable additional cost to our fellow Islanders who need to park their cars to go to work in our Town. There will be considerable additional cost to businesses and there will be considerable additional cost to the customer and there may be job losses and some businesses may even go out of business if we continue with the idea of paid parking in our Town – and I am not the only one to say that; the Town Centre Partnership are also saying it.

2220

So, sir, I ask my colleagues to please give some serious consideration to all of those issues when they come to vote, because if our Town dies then a part of Guernsey dies and a part of our heritage will be gone forever.

2225

And so what I would like to say to colleagues who voted in favour of paid parking last year is do not be afraid to change your mind. There is nothing wrong with changing your mind, especially if it means you are going to save our Town.

Thank you, sir.

2230

The Bailiff: Deputy Green, then Deputy Brehaut, then Deputy Harwood.

Deputy Green: Mr Bailiff, thank you. I will speak on the amendment and on the policy letter, if I may, sir.

2235

I listened very carefully to Deputy Lowe when she introduced her amendment this morning and there was one section, in particular... I must commend Deputy Lowe for her speech. It was commendably brief. Brief speeches are good! (*Laughter and interjection*)

I did take issue with one thing she said. She was making the point about people leaving the Island because of paid parking. Where are they going to go? Are they going to go to the UK

where there is paid parking or Jersey where there is paid parking? But, apart from that, I think she made some fair points.

Deputy Bebb then spoke soon after and described her amendment as 'somewhat opportunistic' and in a sense it is, but it is also an opportunity to think again, if one is so minded.

In fact, I thought Deputy Bebb's speech this morning was very good. I think his analysis of the policy letter by Treasury & Resources on the benefit-in-kind and the recommendation not to pursue that benefit-in-kind was a tour de force. It was a brutal analysis. It made all the right points.

Like him, I do not think it is rocket science to work out how to do this. I think the workplace levy is the simplest way of doing it. I think it can be done easily – sorry, not easily but it can be done. If you can have a benefit-in-kind in relation to meals and mobile phones, I am sure you can do it in relation to parking spaces.

I was disappointed with the T&R policy letter. In fact, I said this morning on the living wage debate that I was disappointed and underwhelmed with that policy letter. Well, by comparison, I think the living wage policy letter was a tour de force, because I think the argument put in the T&R policy letter on this, I am afraid, was simply not good enough. It is really not as difficult as that policy letter would lead you to believe.

Sir, I, on balance, do support the principle of paid parking. I find it odd that we do not make better use of the prime pieces of real estate that we have talked about. I find it strange that we do not sweat those assets more than what we do, particularly in the financial circumstances in which we live in and, as difficult as it might be, for some to accept free parking in the Island, and particularly in Town, is not some form of human right. It is a tradition, perhaps. It is a tradition that some people have got very used to and trying to change that traditional sense of entitlement is very, very difficult – as we are seeing.

However, I think that T&R's decision not to recommend the taxing of private parking for employees as a benefit-in-kind is forcing me to think very carefully about how I vote on these matters today. I think having a simple, nominal, yearly parking fee could very easily be done.

As I say, ultimately, I am very sympathetic to the policy of user-pays parking and not the current situation which is basically taxpayer-subsidised, free-at-the-point-of-use parking, which is in many ways a strange thing not to have any kind of market mechanism for charging for parking. It is at odds with many other things that we do in the States.

But the implementation of paid parking has to be done in a fair and equal way across the board and the current intention to go ahead with paid parking, without applying a benefit-in-kind and, indeed, without applying it more generally... Deputy Lester Queripel was quoting our Vale colleague a moment ago, saying that if you start in Town, you will end up with paid parking across the Island. Well, I think that is actually more coherent than doing it just in Town. I think it is either all or nothing, isn't it? I do not think that is necessarily a bad thing.

So I think my position is that I do not think a benefit-in-kind is necessarily a pre-condition for the acceptance of a policy of paid parking, but it does certainly help, or it would help, to create the more level playing field that we need to have, we need to insure and it would provide a greater sense of fairness within the Strategy.

But I find this all very difficult, sir. I think I can very succinctly say that I will be voting against the T&R policy letter. Quite what I do on the amendment, I am sure at the moment. I am, personally, quite dubious about the idea of a Government doing a U-turn on key component of policy, quite so rapidly, when you confirm support for a policy in the May of one year and then February of the subsequent year, you then do a very rapid U-turn – *(Interjection)* it smacks of weakness. **(A Member: Hear, hear.)**

But I think it is perfectly legitimate to say, at the same time, that we want a level playing field and we want the implementation of that policy to be done correctly, to be done fairly, to be done equally.

2290 So I do not intend to necessarily know the answer. I am always slightly surprised by colleagues who seem to have very clear, very passionate, very strongly-held beliefs on some of these matters, because I am not so sure either way.

So what I will do is I will listen very carefully to both Deputy Burford and Members of her Board when they speak and, indeed, to Deputy Lowe and perhaps Deputy Brouard, if he speaks later on. I will listen very intently to what they have to say.

2295 I also think we need to – as others have already said – take into account some of the representations that have been made to us – both on the positive and on the negative with regard to paid parking. I think this is certainly an issue that people have been engaged by, quite properly. It is a shame that we do not get the level of engagement that we have had on this issue on many other, **(A Member: Hear, hear.)** perhaps more important issues. **(A Member: Hear, hear.)**

2300 I mean there has clearly been, in my opinion, more engagement on this issue – paid parking – than there has been hitherto on the Personal Tax, Benefits and Pensions reform. That is the reality. It is also quite ridiculous when you think of how far-reaching that piece of work that will be coming to the States in March will actually be in terms of pensions, in terms of demographics and all the rest of it.

2305 So, in conclusion, sir, Members, I am not clear at all on how I will vote on this. On the one hand, paid parking without a benefit-in-kind is not the most appropriate policy. On the other hand, what kind of amateurish government decides to pursue a policy in May, only then to collapse and do an about turn the following February?

2310 I do not pretend to have any of the answers, but I would be looking to colleagues to help me make my mind up in due course.

The Bailiff: Deputy Brehaut.

2315 **Deputy Brehaut:** Thank you, sir. I urge Deputy Green to remain professional and never to become an amateur. Thank you.

Congestion, it is said, is for two hours each and every morning and then the cars melt into the background and we never see them again. They become invisible. Well, if only that was the case. Traffic movements in St Peter Port start before 7 a.m. but we can round that off perhaps to 7 a.m. and continue until gone 9 a.m. – and that is more than two hours.

2320 Why should families who live in the area have to contend with such congestion? Why should those children walking down Doyle Road to Vauvert School – and how few children walk anyway – be subjected to pollution from cars that are tail-to-tail, from the Grange through to l'Aumone, from Doyle Road through to Fosse André, through to La Couture, through to the Coutanchez. That is the M24, the M25. It is blocked. It is solid and the difference is people are driving a mile and a half or two miles. A mile and a half or two miles! They are not driving 40 or 60 or 100 miles to work.

2330 To assert that we do not have a traffic problem or a congestion problem is simply ludicrous. Why do we live in denial of such an obvious and such a very real problem? And I note that when Commerce & Employment or Vision Guernsey, or whatever the agency is that promote Guernsey – and, of course, we are not going to promote Guernsey by taking a film crew down to Chouet, I suggest... But they do make a film and how do they promote in the video for Guernsey? Guernsey is promoted and sold as literally green bikes in green lanes, because that is the image that we like to promote of Guernsey. It is the sort of place that welcomes families.

2335 Now, people believe in Guernsey. Who would pay for a holiday, spend time on the beach, travel around a bit and then complain about the volume of traffic? It is not generally what people do if their overall experience is good. But in my experience of talking to visitors and tourists, people do not expect the volume of traffic and when they arrive on Guernsey, it usually comes as something of a shock.

2340 When Deputy Bebb spoke of a family cycling, I was just looking across the floor of the Assembly and it was met with derision and humour by a number of Members sitting opposite.

Families cycling with children – how farcical, how unimaginable! As we know, bikes already slow cars down, don't they? The gap in imagination or that gap in imagination, that gap in creative thinking, is keeping our Town and our community in the dark ages.

2345 Now, imagine you are starting from scratch and you are a town planner and you have a brilliant idea. You say, 'Everyone come to Town. You are all invited. Bring your car. It does not matter if it takes you two hours to get in; park it up for 10 hours, walk away from it. It can stay there. You can use all of the public realm. We make it quite difficult at times for you to cross the road and there will be a high level of pollution in our busiest streets.'

2350 We would never do that. We would never plan that, because that would be madness. But that is the madness that we live with and it is a bit like snow blindness – I have made this observation before – you slowly stop seeing it, because you learn to live with it and we should not be living like this, because the car has a huge negative impact on the activities of daily living every single day.

2355 Yesterday on the steps of this Court, I was told by, not 2,000 protestors or not 600, by five people... and I will make this observation, incidentally. For those people who were swayed by Enough is Enough, who told you they were in this for the long haul, this was not a single issue, they would be outside on the steps, protesting about tax and benefits, they will be out there on the steps protesting against paid parking. (*Interjection*) Oh, no. No, no, no. They were opposed to width and emissions charge, because there were a number of vested interested within Enough is
2360 Enough and there were very few people on the steps of the Court yesterday. They melted away because you flip-flopped and you delivered what they wanted.

But yesterday on the steps of the Court a woman on the steps asserted to me I did not have children and I needed to be aware of how people really live. Well, I do have children. They need to go to school and then I need to go work. I do go to work and I walk.

2365 Now, people can say, 'Well, you do walk, Barry, because you can get into Frossard House for 9 o'clock, because all the traffic has gone or you can walk to these Assembly meetings, because you have to be here by 9.30 a.m.'

But, actually, before I was a politician I worked in St Peter Port. Every morning was busy for me. I had to take my son to school and my daughter to nursery, then I had to go to work. At that time, incidentally, I was a non-States' member on three Committees, I was an overseer of the port, I was full-time employed. Okay. I was based in St Peter Port and I had no parking at my place of work. All I did was took five minutes out of my day, or 10 minutes, to take my car home to then go into Town. And that is not such an insurmountable barrier that people have to pole vault over. It is just a slightly different approach to how you approach your day.

2375 And that is all we are asking. We are just asking people to weigh up the merits. Do they want to spend a given sum of money or are there, potentially, alternatives? Most people – because I have done it – could do a little more. I know people do not like giving that message to the community, but you have to ask the community collectively to take the weight of responsibility for the burden – the number of vehicles on our roads.

2380 In this Assembly, at times, we approach debates as individuals and, of course, we are perfectly entitled to; but also, at times, I believe we should have due regard for the mandates of the Departments we serve on. I would ask Deputy Lowe to bear in mind the day-to-day activities, for example, of the Home Department, particularly in relation to the near saturation levels of traffic.

I mean, how much time? What is the cost of that time? What is the human investment; the
2385 Police effort in traffic, in dealing with the bumps and the scrapes and the serious accidents and the managing road closures for an hour or two? What impact does that have on Police in Guernsey? What could police officers be doing, for example –

I will give way, sir.

2390 **The Bailiff:** Deputy Lowe.

Deputy Lowe: Thank you, sir.

I am not quite sure where my colleague is coming from. This is about paid parking. Are you saying if you have got paid parking there would be no accidents in the future?

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Deputy Brehaut: Yes, it always reassuring to assume people are listening.

2400 The point I am making is very simple. The roads are heavily congested. It leads to accidents and the Police spend far too long dealing with road traffic accidents when, who knows, they might be needing to deal with a domestic abuse incident or they might be needing to deal with a burglary or something of that nature. But it is a simple state... We know that the Police, with the level of traffic that we have, in my view, spend a disproportionate amount of time in dealing with road traffic accidents.

2405 Also, colleagues at Culture & Leisure, I should just ask you too, perhaps, to reflect on what you are mandated to do. We have a leisure centre. We want to promote healthy lifestyle choices. Encouraging walking and cycling and promoting it, just might add to the numbers who attend the gym, for example – just as an example. I also have to note, of course, that the most expensive paid parking we already have is in the foyer of Beau Séjour – cars in the leisure centre.

2410 I will also implore Members of HSSD, in particular, I have to say, to support the aims of the Environment Department's proposal and not support this amendment, because I believe that the broad aspirations of the Environment Department and the mandate of HSSD certainly overlaps in places.

2415 In presenting this amendment, we hear – as we always hear – of the plight of the low paid. We always tend to hear that. They are led out of the attic into the bright media spotlight to be used to bend and shape colleagues into doing morally the right thing. Poverty or the poor is waved under our noses to cause us to wince; ultimately, hoping our hearts will change our minds.

But if you really do care about the low paid, why not aim to bribe them with a free bus service? Why not aspire to give them pre-school nursery provision? Why not make them less car dependent? Why not paid them a living wage? Why not improve our benefits system? Why not make it easier for them to walk safely or to cycle to their place of work, or home or school?

2420 I do not understand the logic that says car ownership is your meal ticket out of poverty. It is not. It costs. A cost that some families can just about bear. Give these families real choices, rather than fight for their right to be stuck in traffic.

2425 And for those – and I was talking to Alderney Representatives before – who say, 'Build multi-storey car parks' – and I believe that the Town Centre Partnership favoured that approach – the more provision for cars you make in St Peter Port simply means managing cars in and out of St Peter Port as they grow by volume, simply becomes more of a problem and congestion problem.

And Deputy De Lisle referred to Sir Charles Frossard House and of course the issue there is it is the total absence of any type of management regime that ensures that every inch of tarmac is covered with car and there is absolutely no space whatsoever.

2430 I mean, I walk into Sir Charles Frossard House. My experience is that meetings usually kick off five or 10 minutes late – or do on occasions – because some people cannot attend because they are struggling to park their car. And I know people lay the gauntlet down and say, 'Well, if you want paid parking, then those civil servants and their gold-plated pensions, sat in the ivory towers should pay to park too.' I agree.

2435 I believe that we could introduce a paid permit system for those people who are based in Sir Charles Frossard House for the entire day, because some people go into Frossard House only to pick up, if you like, that worksheet for the day, to go out and do other things.

2440 Now, Deputy Stewart was calling for more data, to understand the bus service and, let's be honest here, we all signed off the FTP. We stripped the money out of the bus contract. We did not cut it to the bone. We cut it to the marrow. We left the new operators with nothing. We left them, virtually, with nothing. I know there is an argument you can make with regard to due diligence, but the machines that they have are US; the new bus contracts ensures that we can provide them with those machines to give the data that we want.

But I do have to say to Deputy Stewart that, sir, through you, he comments like an impartial observer observing a process when, in fact, his actions, his voting record, hampers, hinders and blocks progress deliberately. It is very easy to stand back and say, 'Well, this whole thing is falling apart.' This is what people are saying. No, no, you voted to ensure it can no longer stand up. It is keeling over or runs that risk, because you have deliberately engineered the Environment Department down that very narrow alley. Have I mixed a metaphor? I probably have.

But what I am saying, Members, is in my experience on HSSD, my experience on the Housing Department, my experience in any other States' Committee I have sat on, I have to think why would colleagues want to starve a Department of funding? Why would you want to starve you colleagues of funding to deliver for the community?

And with what Deputy Lester Queripel was saying regarding killing Town with paid parking - and this is a much bigger discussion, ironically - but the reality is, if you have the right type of parking, you have the throughput, you have the turnover; communities can become more vibrant.

Now, the reason that has failed, in my view, in the UK and lots of other places is that paid parking has been farmed out to private companies that clamp your car, then take your car to a compound and have huge charges, because they have a profit incentive rather than a traffic management mandate.

With regard to the petition that Deputy Lester Queripel handed over to myself and Deputy Burford, recently, I think the petition reads, 'We oppose paid parking on Guernsey' or words to that effect... But, many people, and I would argue a substantial... and I am not dismissing the petition, by the way, out of hand - but a large number of people, undoubtedly, who signed that petition, believe that paid parking proposal was Island-wide when it clearly is not.

And I was surprised yesterday, in an exchange online, even with someone in the media that said they would no longer drive to St Peter Port to pop in to have a cup of coffee, because they did not want to pay to park and I had to make it clear to them that the parking was free.

Well, we hear a lot of Deputies in quite passionate speeches referring to the people. Some deputies clearly believe that they represent the people and people such as me are told we do not represent the people. But I have a view on what the people think and I think this Assembly is virtually incapable of arriving at a decision and sticking with it. We approved the Strategy, then we threw it out. We approved the funding, then we threw it out. We approved paid parking in 2006. We reaffirmed that decision in 2004 and then we are back here today, trying to throw it out.

The reason I am imploring you to vote against this amendment is really quite simple. This Assembly has to bridge the credibility gap and you do not do that by supporting this amendment.

Thank you, sir.

The Bailiff: Deputy Harwood, then Deputy Ogier and Deputy Spruce.

Deputy Harwood: Thank you, sir.

As a Member of the Environment Board - although I was not at the time of the original debate on Transport Strategy, but I was an enthusiastic supporter of the minority report - it will not come to anybody's surprise that I urge all colleagues to vote against the amendment.

Sir, the Environment Board have been accused of demonising the car. We have been accused of discriminating against car owners, car drivers. What, in fact... the opposite of that, and which has come out during this debate, is somehow we should be actually sanctifying the car; we should give the car precedence over all other interests - pedestrian interests, people who want to bicycle.

Suddenly, the car has to be given precedence. The car is 'God' in a lot of people's eyes and that is certainly the main thrust that has come through from Deputy Lowe in her opening discussion and from the Deputy Queripels as well. It is that the car is king.

Now, the whole purpose of the Integrated Transport Strategy was to actually acknowledge that the car should no longer be king. The car should rank equal with a bus service that is capable of delivering an improved service, improvement for the public realm that can benefit pedestrians and cyclists.

Therefore, the whole essence... If we approve this amendment, we are going back to that argument that the car is king; the car should be given precedence. We have heard today we need more car parking spaces in St Peter Port. What would you like to do? Yes, we could knock down the Model Yacht Club; we could create lots of additional car parking spaces there. Would that satisfy you? We could create more and more spaces – perhaps Cambridge Park, Beau Séjour; we could, no doubt, tarmac over a number of the playing areas, to create more and more car parking spaces. Is that seriously what this Assembly wants to do – to go out and actually create more parking spaces?

There is a figure somewhere, I have seen, which is suggesting that it would cost £50,000 to £60,000 to create a car parking space with a multi-storey car park. People say, 'Well why don't we get the private sector involved?' The private sector will not be involved if they cannot charge for it. Why should anybody want to pay to go to a multi-storey car park if they still have free car parking on North Beach, Salerie, Odeon etc.?

So I urge Members to reject this amendment. It is opportunistic and, as I say, it is recreating, in the hierarchy of transport, that the car is king.

To Deputy Lester Queripel and his wonderful reminiscence, I also remember being able to row around St Peter Port Harbour in the 1950's and the 1960's and all the shops he is mentioning which have since closed down. Those closed down before we had any car parking available. North Beach, Salerie Corner car parking only became available from the mid-1980's. So the fact that, in his impression, Town is declining or has declined – it was declining before we had car parking spaces.

So, again, one has to recognise that the 1960's and the 1970's – those great periods of nostalgia – often due to the fact we did not have the huge car parking acres that we have now and we actually had a Town that was attractive, that was vibrant, that people could actually enjoy and not use as a car parking space.

Of courses, I think it was Deputy Lester Queripel – certainly, one of the Deputies – today has said that – oh, no, it was Deputy De Lisle – he objected to the fact that there had been an erosion of car parking spaces and I think, particularly, he was referring to the Harbour. But, of course, one has to recognise the car parking spaces we have are intimately and inherently linked in to the port of St Peter Port. Are we really going to suggest that actually we should give precedence over maintaining car parking spaces, over the needs of the port handling and efficiency and the safety and security of the port handling? No, we should not. Again, another example where Deputy De Lisle and others have suggested that we should be giving the car precedence at all times. Absolute rubbish – if that is not an unparliamentary expression.

To Deputy Stewart, he talks about how he cannot see any evidence of being smothered in traffic. No, it is not the traffic; it is the smothering of the car park. If you look down from the Blue Mountains, over the Royal Bank of Scotland building, you look down at acres of car parks.

Now, I cannot imagine many of Deputy Stewart's visitors are down there snapping photographs of the wonderful car parking facilities that we have around the Harbour. No, the car parking spaces around the Harbour area and this also applies to Deputy Laurie Queripel who is saying, 'Well, what are the alternative uses?'

If we could – and we will not be able to, but if we could reclaim part of the area of some of the piers for pedestrian areas, why shouldn't we? It would enhance the attractiveness of St Peter Port. But, Deputy Stewart, when he was talking about pollution, well, I refer him to the Office of Environmental Health and Pollution Regulations, which I think sits under part of his remit somewhere, and there is a comment early in December. There are currently three locations where levels of nitrogen dioxide exceed the standard at certain times. They are Fountain Street, Bulwer Avenue and Vale Avenue and I can assure you if you have ever walk along Fountain Street when there is traffic there, it is appalling. Do not suggest there is no pollution associated with traffic. There is. There is pollution associated with transport.

So, sir, I would strongly urge Members to vote against the amendments. They are opportunistic. As Deputy Brehaut has already said, it is another example of, having established a

Transport Strategy last year, slowly, by slowly, Members of this Assembly wish to unpick it and they are going to continue to unpick it and this will not be the last time; if this is failed, no doubt, we will have Deputy Brouard's requête. If we have to bring back legislation, no doubt, again there will be other opportunities to attack.

No. Stay firm to the Strategy that was agreed last year and to those who are concerned that the implications of the Treasury & Resources Report on... there is difficulty associated with taxing benefits-in-kind. That was never an essential part of the Integrated Strategy. The minority report acknowledged that, in the interests of fairness and equality, it should be looked at.

But I would seriously question whether it is viable to have a taxation system... even if we wanted it to establish the principle of equality or fairness, that actually it would cost more to collect than it would actually collect, and I am not sure that makes sense.

But, having said that, for those of you who still maintain the face of the Integrated Transport Strategy, if you have concerns over equality, I urge you to reject the amendment and, if necessary, vote against the Treasury & Resources' Report.

Thank you, sir.

The Bailiff: Deputy Ogier.

Deputy Ogier: Thank you, sir.

Now, I still share the vision, as presented by the Environment Department – and it is true to say that I am disappointed by the width and emissions and I disappointed by this move to rescind paid parking.

This Assembly has wrestled with a transport strategy since I joined in 2004 and it was wrestled with before that. It is a long-time running sore and it has been very difficult to find a compromise solution.

The last strategy which was brought by the Environment Department was mainly a list of choices for States' Members to make due to the difficulty in finding a strategy States' Members could support.

Now, I think the Transport Strategy, even in its current form, is better than those we have had before and is better than the *status quo*. In my view, we need a strategy because simply going on the way we are is not in our best interests. It is not about out-of-Town congestion, as Deputy Stewart implies; it is about health, it is about reducing emissions, it is about not transporting one or two tonnes of your own metal with you every time you decide to go somewhere. It is also about providing £100 million-plus of valuable land in the centre of Town which could be used to achieve a much better result for the community.

We talk of subsidy. If you are not one of the 1,400 who park on those piers – that is a mighty expensive and valuable chunk of land reclaimed at great expense -which 63,000 of us give over to the 1,400 people to park on there free for eight hours. That is a subsidy worth millions of pounds in lost revenue to this community, to everyone.

I am surprised by many of the supporters of rescinding paid parking. They are the very same who will be saying in the next debate, or the one after, how we must use our assets to best advantage, seek commercial returns, do things smarter, be more efficient, find money for education or health; whilst here they vote to continue a subsidy of at least £5 million per annum in potential lost returns to the exchequer. Not that paid parking will raise that, but that is the sort of commercial return we could seek from that land were it not being set aside for free parking.

I still view paid parking as a more effective stick than an increase in fuel duty. Research shows rises in fuel duty produce very little, if anything, in the way of behavioural change, especially when pump prices can go up or down 20p to 30p per litre, depending on the oil price. It makes no change.

As for Deputy Queripel's 'Fuzzey logic', not only were the North Beach and Salerie unavailable in the times he mentioned, so also was most of the Albert Pier, as the States' building was there. The reality is that Town fared very well while we went by bus and not by car, and has actually

suffered since car usage has grown and more parking has been set aside. I cannot find a sensible reason to change my support for the Strategy, even though parts of it have been picked away. What is left is still worthwhile.

I urge Members to stick by the decisions of last year and continue with the tenets of the Transport Strategy.

The Bailiff: Deputy Spruce.

Deputy Spruce: Thank you, sir. I shall speak on the amendment and the policy letter at the same time.

I will try and keep this as brief as possible and will comment, firstly, on the policy letter. Treasury & Resources and the Environment Department are agreed – that is the point; they *are* agreed – that there would be a significant complexity and costs associated with the introduction of taxing employees for the use of employer-provided parking.

After detailed consideration, we have concluded that the complexity and cost would either outweigh the financial benefit accrued or simply be too cumbersome or bureaucratic to manage. We, therefore, hope that the Assembly will support the recommendation not to introduce a tax on employer-provided parking.

Given those facts and in the interest of fairness, the only remaining issue that now must be addressed is the proposal to introduce paid parking in certain areas of St Peter Port. Paid parking in St Peter Port was one of the most draconian of all the proposals included within the minority report. It sought to penalise a very small section of our community by those that are unfortunate enough to work in St Peter Port, with a huge additional annual cost.

Let us remind our self what paid parking at 60p per hour will cost a long-stay parker – and that will be most of the staff employed in Town. Well, that penalty is approximately £1,200 per year, if you are working full-time, or £1,500 on Mr Queripel's calculator. That is equivalent to a pay cut of more than 5% for someone on £20,000 a year. That is a significant penalty.

There are many Members in this Assembly who spoke eloquently this morning about the need to improve the minimum wage and I agree with much of what they said, but I would ask them to really consider how they vote on paid parking. Paid parking could effectively remove 60p-an-hour from the hourly rate of any Town worker.

In addition to the pain felt by employees, shoppers would also be affected if they were unable to find a short-term space or needed more time in Town. It is also worth noting – and this is a serious point – our high street retailers are already struggling with the impact of internet shopping. So making their customers pay to park will certainly not improve sales or the footfall in retailers' shops.

It strikes me that imposing paid parking is just too risky. It is a gamble we cannot afford to take. We really do need a healthy and vibrant St Peter Port. In my view, we should be doing all we can to improve the shopping experience and paid parking could do nothing but harm the viability of Town. **(Several Members:** Hear, hear.)

I think this Assembly should now accept that the Environment Department's Integrated Road Transport Strategy is no longer integrated or funded. The proposed funding mechanism lies in tatters following last month's decision to throw out width and emission taxes. I believe the Environment Department should accept that they need to re-visit the entire Transport Strategy, taking due note of public opinion and business concerns.

There are alternative and fairer ways to raise the funding required to improve our transport system. I mean I can just think of three easy ones. One has been mentioned this morning: the parking clock idea. You could put a few pence per litre on fuel. You could change the insurance disc that you get every time you renew your car – that could be reconfigured, which would clearly show that people had paid a fee to park anywhere on Guernsey.

Everyone uses the roads, everyone uses the car park, everyone should pay! Not just the few thousand people that work in St Peter Port. We have got 60,000 cars on the Island. A £50-a-year

charge on a parking clock or a tax disc would raise £3 million a year – Transport Strategy funded. Why is that not fairer? Everybody pays, not just a small group of people who are really unfortunate and have to have to work in Town (**Several Members:** Hear, hear.) and whilst you are doing that, you are putting the viability of St Peter Port at risk. So I just think this is absolutely the wrong way to go.

So I ask you, therefore, please vote for this amendment. There really must be a more critical way of funding and improving the bus service, which I actually support. (**A Member:** Yes.) We need to do something about our transport system, but we need to do it in a way that spreads the burden over every car user on Guernsey.

Thank you.

Several Members: Hear, hear.

A Member: Well said.

The Bailiff: Does anyone else wish to speak? No.

In that case, Minister, do you wish to exercise your right to speak immediately, before Deputy – (*Interjection*) Sorry, Deputy Trott and Deputy Le Lièvre. There are so many people moving around, I could not see who was and was not.

Deputy Trott: Sir, Deputy Green is not here, oh, yes, he is, good, because he is like me; he is one of the Members that does not always reach an unequivocal decision – is not always sure.

Yet, on page 239 – and I am going to do another one of my Trotts here, so I hope Perrot will not jump to his feet, but – on page 239, we see the Environment Department's letter and that letter is quite clear in advising us that the Transport Strategy, as set out in the minority report, was no dependent on the introduction of benefit-in-kind or a workplace levy in respect of employer-provided parking spaces.

Now, Deputy Green supported the minority report and the minority report did not address this important issue. So that was a surprise to me, for a man of Deputy Green's ability and intellect, sir – that he had missed this fundamental point... and I am preparing to give way and there we are.

Deputy Green: I did not say that a policy of benefit-in-kind was a pre-condition for the acceptance of paid parking, what I did say was that it would help to create a more level playing field.

I am sure Deputy Trott will apologise for that.

The Bailiff: Deputy Trott.

Deputy Trott: Indeed. You were right not to be unequivocal on that issue as well.

Sir, the point I wanted to make was this: I came here today with a genuine open mind. (*Laughter*) When I pulled into Lukis House this morning, sir, and I parked in my paid parking place, I did so in the knowledge that I was doing my bit to help fund the Traffic Strategy and that was a pleasing feeling, sir. (*Laughter*) A number of –

I give way, sir.

The Bailiff: Deputy Burford.

Deputy Burford: Thank you, sir.

The money from the Lukis House parking actually goes to Treasury & Resources, but thank you anyway, sir, Deputy Trott.

Deputy Trott: Well, that is very interesting, sir, because who on earth does Deputy Burford think is going to fund the Traffic Strategy, if it is not general revenue and, ultimately, Treasury & Resources?

Sir, whilst I was enjoying the warm, pleasant feeling that I have, knowing that I have paid for my little bit of tarmac, albeit for just a few days a month, I noticed a large number of the people who work in this courtroom – leading draftsmen and others – coming in and parking alongside me and, of course, doing so with impunity, completely free of charge – as all civil servants will be able to do when they park outside their place of work.

I said I was open-minded and I was, but the thing that clinched it for and drew me to the conclusion that the only sensible thing to do was to support the Lowe amendment was when my good friend, Deputy Hadley, said, 'A failure of the Traffic Strategy was listening to the people of Guernsey.' Well, sir, I do not intend to make the same mistake and, in listening to the people of Guernsey, I shall support the Lowe amendment.

Thank you.

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

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you, sir.

Speaking first on the amendment, the first point I would like to address is the little phrase, 'cash cow'. It has, sort of, entered the vocabulary in a lot of ways and it is used to describe – perhaps it is a joke – one of favourite Island animals, the cow; but it is used to describe the idea that we would milk – rather than fleece because fleeces belong to lambs, I think, really but we will milk – the motorist or the public in a particular way.

But I actually was thinking, when I used the phrase, not just for that, but it was based on the kind of thing that our in-house Minister, Deputy Allister Langlois, might have taught me when I attended some of his talks: the Growth Share Matrix of the Boston Consulting Group, which was a management, analytical tool from America in which they looked at products or raising revenue – which is, of course, relevant to the Transport Strategy – and they divided it into stars, problem children, cash cows and dogs.

Now, dog is something that is gradually declining, like cigarettes, for example. Cigarette use is gradually declining. So if you base your fiscal strategy on raising money from tobacco, that in the long term is not a very wise policy.

Stars are those who are doing really well. Problem children are the kind of things maybe Deputy Stewart looks after, in terms of the new industries that are gradually coming to Guernsey and bringing us revenue – but a year or two down the line in some cases. Cash cow is something that is out there that you can guarantee a rate of return from.

My point is that we have a long debate this morning and yesterday on us beating our breasts and saying isn't it a shame that people have low wages, lack of inclusivity in society, that there is inequality in our society and all that. Deputy James reminded us that maybe we should look to ourselves as well as the broader picture.

But if we are serious about raising revenue for social issues – whether it be education or healthcare – we need sources of revenue.

In one respect, I am a maverick on the Environment Board because I support much of what we do for its outcomes, but not necessarily the philosophical route of getting there; because my point about paid parking is that is a vital source of revenue, as Deputy Ogier mentioned, in terms of real estate, that we are missing.

And when anyone complains about the lack of funding for any other part of the States – whether it be sports or home affairs or drug strategies or, I do not know; we have got some difficult decisions coming up about TV licences for the elderly, about prescription charges; and we are saying, 'Oh, that is unfair. That is wrong. You should not be doing that'... But if we are saying

2755 goodbye to £1 million, £2 million or maybe even £5 million of theoretical revenue, is that really sensible? Why is it that motorists' rights to parking commuter spaces is ring-fenced when we are keen to raise charges on everything else?

I think we get side-tracked about hypothecated revenue and theoretical exercises about whether we are or we would like to get motorists out of their cars. Of course, we would. It stands to reason that a very low fare or a free bus service is better at attracting customers than an expensive one.

2760 But it also stands to reason that, if parking is free and bus fares are expensive, we are not exactly giving choice on a level playing field. In fact we are doing the opposite of what many places elsewhere would do. But we have to be sensible and really ask ourselves why are we not making a charge, even maybe a nominal charge, for this real estate? Are we really looking after our assets properly?

And when other Members from time to time... we heard Deputy Stewart today and Deputy Lester Queripel, in particular, they made remarks that there were complaints and issues with the bus service.

2770 I could tell you the main reason for that is the bus service has been starved of money. The cost of running a bus service that does not run on corridor routes into Town, but also serves circular services, for the sake of argument, providing a link from St Pierre Park to Capelles is expensive.

2775 We, as a Committee, have actually introduced a new route which provides a link from St. Pierre Park Hotel every hour right the way round now to the north of St Peter Port and the Friquet and Admiral Park. That was an innovation we made, but it cost.

If we are trying to provide a sensible alternative for journeys that are at least popular – because I do not think there are that many people who drive from the Pony into St Pierre Park every day – we have to have the resources to do the job. And without sufficient money given by this Assembly, we will fail.

2780 So the real issue is have you the courage to support the Transport Strategy in practice, that most of you have supported in theory? It is not enough to make platitudes and say, 'Oh, wouldn't it be nice if we had a better bus service? Wouldn't it be nice if we funded it better?' We really have to deliver and delivering means hard choices; and anyone who votes against paid parking and then wonders where the money is coming from, not just for buses but for healthcare, for old age pensioner benefits or anything else, they will have to say, 'Well, was it really that important I kept commuter parking for free and adopt that service or not spent money on that? Why did I make that choice?'

2790 And I would, of course, point out that, although I appreciated a lot of what Deputy De Lisle said, these proposals do not, and have never and will not for the foreseeable future, include short-term retail parking. If anything, provision in that area will increase.

The Bailiff: Deputy Le Tocq, do you wish to go next?

2795 **Deputy Le Tocq:** Sir, I was going to suggest to Members it is time to vote now on this. We have talked about this at length.

Really, I believe, it is down to courage – courage for this Assembly to demonstrate that it is willing to do something, not just to talk about it; to stand by the Resolutions of this Assembly, even if we do not agree with them in certain aspects of it – and there has always been certain aspects of many, many things, but particularly transport, that we could sit here forever and discuss and do not agree on this and that and the other.

2800 We have to do something that is appropriate. We discussed at length in April last year what was appropriate for Guernsey and, of course, many of the things that we are now reviewing were on both the majority and minority report. (**A Member:** Hear, hear.) So this particular amendment, I think, is death by a thousand cuts and we must avoid that at all costs.

2805 We need courage, sir, and we must now, I believe, go to the vote. We are rehearsing old arguments. We need now to go to the vote. (**Several Members:** Hear, hear.)

The Bailiff: Are you asking that the matter be closed under Rule 14(1)?

Deputy Le Tocq: That is a very good idea, sir. *(Laughter)* I would go with that.

2810

The Bailiff: Because if so –

A Member: He cannot, sir.

2815

The Bailiff: – you are not allowed to address the meeting (**A Member:** Precisely.) *(Interjections)* about what you were proposing. (**A Member:** Exactly.) So–

Deputy Gillson: Didn't Deputy Le Tocq make a speech?

2820

The Bailiff: I think he did. So, in that case, he cannot request – *(Laughter)*

Deputy Le Tocq: Actually, sir, I was not asking that but that is a very good idea if somebody else would like. *(Laughter)*

2825

The Bailiff: Nobody is rising.
Deputy Gillson, I will call next.

Deputy Gillson: Thank you, sir.

2830

I am going to support the amendment. I am going to support to rescind the Resolution of paid parking. I am going to do this for a number of reasons, some of which have not been rehearsed today, Deputy Le Tocq, so they are new.

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The first one – it has been mentioned – is fairness and this is one of the big problems I have with it; that only a small proportion of the driving population will be affected. It will be 4% who are being asked to fund the Strategy through paid parking and, arguably, the less well paid members of society who have got jobs in Town, which do not warrant employer-provided places.

Now, on Tuesday I was in Town at eight o'clock and, as normal, the whole of North Beach long-term was full. It is those who would be hit by paid parking. Yet often, even as late as 8.30 a.m. there is a tailback right back to the Tobacco Factory.

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Now, that congestion cannot be made or created by people who park in long-term parking, *(Interjection)* because they are all taken. So it is safe to assume those are the people who park in employer-provided places. (**A Member:** Good point.) So the introduction of paid parking will not stop that congestion. That will continue. So the first was the unfairness.

2845

Now, back in May, and the reason why we are debating this here, was the thought of a benefit-in-kind and that would have gone a long way to making it fairer, because it would have been a disincentive for those who have employer-provided places. This would be fairer, everybody drives into Town and would have contributed towards the Strategy and been penalised for being part of the congestion. T&R are not recommending it and it is interesting, and I think disappointing, that Environment seem to be supporting the recommendation not to implement it.

2850

So those with parking places – generally more senior staff – will continue to benefit, continue to be able to be part of the congestion, without any penalty. In fact, if paid parking is introduced without benefit-in-kind and there is less traffic because people do not come into Town, it is quite possible the senior grades who have got employer places provided for them will actually have a better driving experience coming into Town, because there is less congestion. So it just seems totally wrong.

2855

Now a number of people have mentioned about 'the land is a valuable asset. It is prime land. (**A Member:** Yes.) It is another value we should be charging to earn a return.' Well, if that land does have a value, as suggested, then logically there has to be another use for it to be put to, to generate an income, because otherwise it would not have another value.

Now, the weakness of the generated income argument is that paid parking generates a very low amount of income. We have had it quoted that it is about £1,500 a year, per person, parking there. Now, average parking space – 2.5m x 5m – is 12.5m², which means that the annual income, per metre is £120 and, actually, if you then include all the road space which you cannot charge, it is probably about half that. So you are looking at generating a return on that land, which people are saying is super-valuable, of only £70 or £80 a square metre. It is hardly a great business case.

Now, if anybody really thinks we should be generating income from that land, the easiest way of sweating that asset, so to speak, will be to close off part of the car park and then use it for another business opportunity – an opportunity that will generate more than £70 or £80 a square metre.

That would tick all the boxes. You would not have paid parking, so those of us who do not like it would be happy. You would reduce the amount of parking spaces available for cars: less cars – tick that box. And you would generate more income, which would help fund the Strategy. So you could do that. Everyone would be a winner and not have paid parking, so the land valuable asset – sweat your asset – argument, I think, falls down because the amount you are earning from it is so little.

Now, somebody – I think it was Deputy Queripel – mentioned about the Airport and I will touch on this because it has been mentioned before. ‘We have paid parking at the Airport and that is a good precedent.’ Well, it is not a precedent and the reason why it is not a precedent is the reasons for paid parking in the two areas – Town and the Airport – are completely different.

Town – long-stay parking tends to be eight hours before cars move. People arrive in the morning, go to work, take their cars home in the evening. There is a regular change of cars in every day. So there could easily be, in a week, 14 different cars parking in a particular parking place.

The Airport is significantly different, because people tend to fly out for more than a day. Virtually, everybody who goes on holiday does so for more than a day. So if the parking at the Airport were free, you could see people going up there, leaving their cars for a week, two weeks, three weeks, while they are on holiday, which would be a ridiculously bad use of that land.

So, yes, the Airport does have paid parking and for good reason. However, the reason it has and the reason it needs paid parking are completely different to the reasons of Town. So it is not a comparable precedent to justify paid parking in Town.

Sir I am just going to somewhat digress a little bit and mention the bus depot. You will see the logic of it in a moment. It does illustrate how statements made last May to encourage Members to support the Strategy have been changed.

Last May we were told that a new bus depot was essential. Not a-nice-to-have, but essential. What Deputy Burford actually said was, and I quote:

‘The minority report provides funding for a bus depot which the Department’s submission to the Capital Prioritisation Process identified as *essential* for the operation of a modern and effective bus service.

Indeed, it further went on to say:

‘... [in previous States’ Resolutions]... to purchase 19 school buses, was scuppered by the lack of anywhere to put them. The current facilities are rented and creaking at the seams. In order to have a first class public transport system a bus depot is essential, it is not a-nice-to-have.’

So, last year it was essential. Last month, with width and emissions, we were told we do not need it. Now, was the case for a bus depot overstated last May? Well, it seems so, since we do not need one and that, obviously raises the question of whether there were other statements made, other aspects of the Strategy, which may have been overstated. (**Several Members:** Hear, hear.) Or is it an admission that we cannot have a first class bus service, since an essential – and it was not just a-nice-to-have; an essential – element is missing?

Sir, last May a number of Members in the Assembly said they would support paid parking on the basis that there was a good bus service. In fact, Deputy Brehaut said on the Sunday phone-in after the debate that 'paid parking would not be implemented until there was an improved bus service', and I recall it because I was sitting next to him in the BBC studio. (*Laughter*)

2910 And, once again, during debate Deputy Burford actually went further. Replying to Deputy Stewart, she said, 'And I absolutely agree that a significant improvement in the bus service is essential before we bring in paid parking.'

Replying to Deputy Perrot, the quote was, 'And he is absolutely right. The *quid pro quo* is a first class public transport system.' And, replying to Deputy Lowe, the comment was, 'I fully agree the
2915 bus service needs a radical overhaul.'

So last year, to encourage Members to support paid parking, we were told not that an improved bus service was needed, but 'significant improvement' was needed; the bus service needed a 'radical overhaul' and the *quid pro quo* for paid parking was a 'first class public transport system'.

2920 So the question we ask now is have all of those commitments been adhered to? Well, let's consider the quality of the bus service. We have a new contract and we have been told of the improvement to the routes and the timetable. So, as a side, may I compliment Environment Department on that excellent briefing note in relation to the bus service and the contract and the new services? I thought it was a great note.

2925 It is an excellent document and it has told us that since May there have been three new routes and a few extensions. Not a lot, but it was under the old contract so that is great. So what about the new contract? There are about a dozen new or improved services. I accept these are welcome and I ask if these are improvements that take a 'mediocre' service to 'okay' or a 'good' to 'excellent'? Remember we were told it had to be an excellent service... was a prerequisite.

2930 Now, I do not think that the services we have been told are an excellent service. Now, the informative paper circulated by the Chief Officer and subsequent information the Department have produced, noted the number of the services will increase from 348 last May to 383 services this May; but that includes school bus services and if you exclude school services – so the total services per day the public can access are 329 most weekdays and 339 on Fridays.

2935 So, does this constitute a first class service? Does this constitute a radical overhaul? Sir, to answer this question, I suggest we compare the service 2015 to a service when we did have a good comprehensive bus service. Now, to do this, the museum service very kindly produced for me a copy of the bus timetable from 1979. Why 1979? I choose 1979, because that is the year I left school, started work, the year before I had a car and so used the bus to go to and from work
2940 in Town and it had a good sufficient coverage.

Now, we are told that the weekday services... Friday is the best day, we have 339 services. How many weekday services did we have in 1979? According to that, 759. Now, that is 759 excluding the 70 services after 8 p.m, excluding the night time services and excluding the service that went down Petit Bot every 15 minutes.

2945 So at that point we have 705, compared to 359. Yet we are being told that a bus service with half as many services that we had back then, when it was a good coverage and people did use it, is needed, is acceptable, to justify the introduction of paid parking. I think it is not acceptable. Sir, there is logic to ask if in 1979, when we had that many services and it was acceptable, should half as much be acceptable now? And I think it does not.

2950 So the point I am making is that we were told last year there would be a first class service and I question whether this is truly a first class service.

Now, I accept that realistically we are never going to go back to the coverage of 1979, but it is an interesting comparator. However, there is another way of considering the quality of our service and, again, last May during the debate the following was said:

2955 'In order for a bus service to be used, it *must* have certain attributes. It *must* be reliable. This is the single most important factor but, of course, it is not enough on its own. Reliability is achieved by having a robust timetable, significant backup capacity and a happy workforce, amongst other things. It must operate a high frequency timetable.

Every two hours is next to useless. Half hourly services are a minimum requirement. It must be pleasant to use, clean, comfortable buses with friendly and helpful staff who are doing the job because they really enjoy it.'

It is worth noting just how many times the word 'must' was used in there. It was not that a high frequency is nice; it 'must' operate a high frequency service.

2960 So if we compare the services from May next year to those statements, let's just see if we think those statements have been fulfilled. Now, I have not studied the full timetable. What I have taken is the timetable, the information on new routes that we were told, and picked places and locations which have some meaning to me when I used to use the bus.

2965 So the first is Torteval Church. Why Torteval Church? Well, until the mid-1980's I lived there and Torteval Church is where I often caught the bus, so it is as good as any place to start. That is going to have a half-hourly service. Brilliant! Honestly, I think it is great. A half-hourly service at Torteval Church is great.

2970 The other place I used to catch the bus was at Coudré. That is going to have an hourly service under the proposals and if we look at Perelle and Richmond. I chose this because that is where my wife used to catch a bus when she started work. That is going to have the number 91 bus, which operates a service every two hours. That is hardly the minimum requirement. If we looked at Rue Sauvage. Now, Rue Sauvage is nearest to where I live. It is a couple of hundred yards away. It is served by 31 and 32. Both operate an hourly schedule.

2975 Now, you might think that is great – two schedules operating hourly; that equates to a half hourly service. Except it does not. The number 31 goes down the Rue Sauvage at 35 minutes past the hour. Number 32 goes down the road at 47 minutes past the hour. So we get one bus turns up, 12 minutes later we get another bus, then we have to wait 48 minutes for the next bus to come along. Again, it is not the half hourly service that we were assured is essential before bringing in paid parking.

2980 Now, as I said, I did not deliberately try and find the worst. You note the first one I mentioned was Torteval Church which does achieve a half hourly service, but likewise, Perelle is a two hourly service.

2985 Now, sir, some Members may say I have been unfair quoting back to the Environment Minister, what she said in May and I am playing the person, not the Board, but I disagree. What is said in debates to convince Members to support the speaker are said to change people's votes. Therefore, it is appropriate to hold people to account to what they say.

I even, when I was on Scrutiny, suggested that Scrutiny should monitor commitments Ministers make to make sure that they do follow them through. Hopefully, Scrutiny are doing that. So I think it is a valid thing.

2990 But we were told the Strategy is integrated and it needed to be all or nothing and we know some of it is gone. The width and emissions, and the bus terminus – both of which were essential. We were told the bus service needed a 'radical shakeup' – no radical shakeup. We were told the 'first class bus service' was the *quid pro quo* for the introduction of paid parking. I do not think it is a first class service. We were told the frequency had to be at least half hourly and that every two hours was next to useless, yet the majority of the routes do not have half hourly services – at least the ones I have seen.

3000 So last May there were comments made that encouraged people to vote for paid parking. There was *quid pro quo* and I do not think the Environment Department have delivered what was committed and, from the information provided by the Chief Officer and other members of staff of the changes and improvements until May, I do not think they are going to introduce or deliver enough changes.

So I urge people to reject paid parking. Please support this amendment.
Thank you. (*Applause*)

A Member: What a good speech.

The Bailiff: Deputy Le Lièvre, then Deputy Le Pelley.

Deputy Le Lièvre: Thank you, sir.

Members of the Assembly, I will restrict this speech to Deputy Lowe's amendment and, in particular, one aspect of it.

3010 I think it is fair to say the whole basis of the Lowe amendment is one of fairness and equity. If I may *précis* her speech, it revolves around the argument that if one person is fortunate enough to be the recipient of a work place parking place for free, then it is wholly inequitable that a person who does not have access to such a free space should be charged for the use of a facility provided by the States.

3015 Without wanting to appear flippant or, indeed, upsetting Deputy Lowe, what Deputy Lowe suggests is rather like saying that, because some people are fortunate enough to have inherited a property from their parents or their relations, then social housing tenants should not be required to pay rent.

3020 Before Deputy Lowe accuses me of double standards or, worse still, hypocrisy, I must point out that fairness and equity are at the very centre of everything that SWBIC is trying to do. However, it is not just about fairness and equity. There are two further ingredients – choice and personal circumstances – and SWBIC is equally familiar with these matters and it makes decision-making very, very difficult. You cannot please everybody all of the time and you will, even with the best intentions in the world, end up discriminating against some sectors of the community, because of the factor of choice.

3025 All these aspects are equally relevant and carry equal weight in considering when formulating policy. Deputy Lowe has focussed on families whose circumstances are such that they are having to make life changing decisions about whether or not they stay in Guernsey due to paid parking. But what about those men or women who work in Town who do not have a choice about car ownership due to low income? They are also faced with a choice: walk, cycle, bus, scooter, motorcycle, car share etc. They choose the alternatives most suited to their needs, based on health, hours worked, childcare provision, husband's hours of work etc. In many instances, they still come into Town and work because they have made a choice to do so.

3030 And what about the people who can afford paid parking? They also will make a choice of whether in the future they make life cheaper for themselves – if they can find a cheaper alternative – or whether the daily charge, albeit a pain, still represents value for money and convenience.

3035 Sandwiched between these two groups will be the Islanders Deputy Lowe is referring to, but their situation is far from unique. In fact, it is a fairly common scenario. Further education fees and charges, medical and paramedical expenses, fuel allowances, childcare charges, Rent Rebate and Supplementary Benefit itself are just a few of the areas of this Island's administration where similar grey areas arise.

3040 I accept that it is not an ideal world and in an ideal world such grey areas would not exist, but they do and they will continue to exist even after the Personal Tax and Benefits Review, even after SWBIC and even after SLAWS reports to this Assembly.

3045 Unfortunately, making life fair for all is a pipedream, but the problems of the individual can often be alleviated by choice. What this Assembly must never do is formulate policy simply on the basis that it is not fair to some. To do so would mean that we ended up doing nothing – which, if this amendment is approved, is exactly where we will be.

3050 And whilst I am on the subject of the Personal Tax and Benefit Review, if this Assembly thinks it has got a difficult decision to make about paid parking, then it had better develop a backbone from somewhere because the proposals in the Personal Tax and Benefit Review are far, far more far reaching. So is SWBIC. People will lose thousands of pounds, potentially, in Rent Rebate. They potentially might lose their Family Allowance in some instances and/or, indeed, Mortgage Interest Tax Relief.

3055 These are issues which require carefully consideration. If we are going to wobble and waiver over paid parking for an unknown number of people. We are assured that they all are retail shop workers etc, but I do not think that is the case at all. And they have, as I said, made their choice.

So I leave it to you to decide whether we approve paid parking – which we have already done some time ago – or whether we waiver and wobble, but remember, if we do, just think where we are going to be next month.

Thank you, sir.

The Bailiff: Deputy Le Pelley.

Deputy Le Pelley: Thank you, sir.

Last May, we discussed this in some considerable detail and we actually came to a decision that we were going to follow a Transport Strategy; and we actually made that decision in May and we have been going along for 10 months or so and we have had bits of pieces of it falling off as we have progressed.

I wanted to speak immediately after Deputy Gillson who, if I may, I commend him on the excellence of his speech. (**Several Members:** Hear, hear.) I think he, basically, has dismantled the Strategy.

But I think, in fairness, we are being told now that we should not touch this, we should not tamper with that, we are making things wobble and we should not really come back and relook at what we have already agreed on. But things have changed. We are not where we were last May.

I think the death throes of some of this Strategy was actually done before it even started and I would suggest that the point where it really started to go off track was when the then States decided to take £247,000 off the grant and that is before this present States actually came into being.

That removal of that kind of amount of money made the thing almost unviable and everything that has happened ever since has been a very brave attempt to try and keep something on track, but I think it was already destroyed.

In the speeches that happened last May, there were two alternative strategies put forward. I have to say, by far the better statements and the better articulation in the actual debates that were put were put by the minority report. And I commend and praise the present Minister for the way in which she conducted that presentation, but I do feel that lots of things were over-stated, lots of things were mis-sold and as we have gone along the articulation that won the debate... we should not be sticking along with it just because that was what won the day on the day. As things have moved and chopped and changed and the situation has changed, you do not keep on with the original battle plan; you have to amend it, you have to tweak it here and there and you have to see if it still fits – is it still fit for purpose?

My view is that I think this Strategy has got so totally tangled and so off the rails that it really needs to go back to the drawing board and be rethought. (**Several Members:** Hear, hear.)

Now, for that reason, I am going to be supporting the Deputy Lowe amendment and I urge everybody else to do the same, because if we keep on going, we are going to pegging ourselves into a corner and that is going to leave everybody in a mess.

Thank you. (**Several Members:** Hear, hear.)

The Bailiff: Deputy Burford.

Deputy Burford: Thank you, sir.

Okay, I would like to speak on the amendment and on the Report in general. After the very narrow loss of the first registration duty legislation, I can understand Deputy Lowe's concern that the States may change its mind on paid parking when the legislation for that returns to this Assembly.

With that in mind, I have checked to see how far we have progressed with the work stream on paid parking and the answer is that we are about half way through it, but we wish to bring back the residents parking, which is currently with the Law Officers –

3110 **Deputy Brehaut:** I am sorry. I can just about hear Deputy Burford. Could I ask that she gets closer to the microphone? Thank you very much.

Deputy Burford: Sorry. Okay.

3115 The residents parking scheme, which is currently with the Law Officers and will be coming to the Assembly very shortly.

Talking of sequencing other aspects, I would like also to mention the buses and benefit-in-kind. Now, with respect to benefit-in-kind, it is important to stress that the Transport Strategy does not consider paid parking to be contingent upon it, simply acknowledging that some people consider the two to go hand in hand.

3120 As you will be aware, the Report took no account of any possible income stream from benefit-in-kind and no timescale was set for its introduction.

3125 In front of us, we have Treasury's Report on the matter, incorporating Environment's letter of comment. However, since the publication of the Billet, I have been approached by several people, including some Deputies, who felt that T&R's Report had rather over-emphasised the difficulties of implementing benefit-in-kind charging for employer-provided parking places. In the light of those comments, I have done some further research myself and, in fact, I am now inclined to agree with that view.

3130 The other thing that has happened, of course, since publication of the Report is that we have been stripped of funding for the Strategy, so I think it may well make sense to keep all things on the table for when Environment comes back shortly with fresh funding proposals.

If employer-provided parking is to be a taxable benefit-in-kind like any other taxable benefit, then quite simply a general market value should be assigned to it and I think, in fact, Deputy Le Clerc, I do not need to read on here... I think Deputy Le Clerc outlined that process very clearly in her speech, earlier on.

3135 In terms of what such a tax should raise, Environment has information which is not contained in this Report and it is not particularly current but it does indicate that there are in excess of 2,000 such spaces in the wider Town area.

I was hoping to update you on the progress of the buses, because that is an important matter. I have the long list that was sent out to all Deputies and the one to which Deputy Gillson referred.

3140 I will not read out all the things because it does go on for pages, but I think the point that I really want to make quite strongly on this is that, within the scope of the funding that we had for the bus service, what we have done is we have concentrated the increases in frequency on the commuter periods. So, although the frequency period may drop off during the day, we have been very careful to try and get the concentration on the commuter periods, because that is the time at which someone who may otherwise be taking their car into Town will be interested in travelling.

3145 And I think the other aspect that I want to make clear is it is not all about the number of routes. It is also very much about the quality of the service and the excerpts that Deputy Gillson read out highlighted that.

3150 So it is about having a happy workforce. The terms and conditions for the drivers have been improved. It is also about the usability of apps and the kind of information that you can get and I would agree with Deputy Stewart on what he said – needing these things to be done.

3155 The reason that they have not been done up until now is we needed the new ticketing machines and that was not an investment that could be made before the start of the new contract but, as that has been signed, those machines have already been ordered and that kind of real time information is one of the first things that we wish to progress, because we have been well aware of how valuable it is; and also CT Plus have told us the effect it has had in other places that they have operated and the increase in ridership that comes as a result.

3160 It was also interesting to watch the interviews that various arms of the media did at the bus station when we announced the preferred bidder for the contract. The bus users they interviewed were highly complementary about the service.

Contrast that with an exchange I had with one person who was criticising the bus service. I asked for routes and times and dates so that I could take action on this person's behalf, and finally my correspondent, after going backwards and forwards several times, admitted that he did not actually use the buses, but 'everyone knows they are rubbish.'

3165 It does us no favours when States' Members as well constantly dis the service, despite evidence to the contrary, including rising passenger numbers and the fact that over 95% of services run on time.

So onto the amendment. Yet again, we risk shattering into many parts. There are those who support charging to park if it comes hand-in-hand with free buses and there are those who support paying to park if it comes hand-in-hand with a benefit-in-kind.

3170 But let's reduce the issue to its fundamentals. Let's take a look at the financial implications. Irrespective of its place in any Transport Strategy – and it certainly has a place – long-stay paid parking in St Peter Port is an unrealised asset which the taxpayer of Guernsey is subsidising to the tune of well over £1 million a year.

3175 It is interesting to hear some people argue that we should not spend £1 million of taxpayers' money on funding free bus fares, but the same people have absolutely no concerns whatsoever about the taxpayer funding free long-stay parking for what is probably a smaller cohort of people.

The difference to my mind is that the buses provide other social benefits to the whole Island community, not least reducing the total number of vehicles on the road. Some people take the almost nostalgic view that totally subsidised parking is part of Guernsey's charm: never mind golden beaches, stunning cliff scenery, top class restaurants – we have free parking!

3180 I am surprised it did not feature in Deputy Stewart's very nice adverts – and they are very nice, Deputy Stewart; I think they are excellent. Although, to be fair, that might be because there were not any cars in them either.

3185 To see so-called free parking simplistically as a good thing is to turn a blind eye to the problems it creates in our transport system as a whole. Our current policy of free-at-the-point-of-use parking actually creates traffic. So we know that this Government can raise well over a million pounds a year from long-stay paid parking, but currently we are choosing to give away this asset for nothing.

3190 It is the case that every Guernsey taxpayer is subsidising those who wish to leave their car in Town all day. The argument often advanced against paid parking by Deputy Jones is that motorists pay £15 million in fuel duty already and PSD only use £4 million of that on the roads, so motorists are more than covering the cost of parking.

3195 There are, unsurprisingly, a few things missing from this argument and as a cost benefit analysis it does not quite cut the mustard.

Firstly, fuel duty is of course part of General Revenue, a tax based broadening measure in current parlance and, therefore, should not be considered in its entirety as a ring-fenced sum, as proponents of this argument would seem to suggest.

3200 But, leaving that aside, there are other reasons why the argument does hold water. Firstly, a significant proportion of the fuel duty paid will be for fuel used in vehicles that cannot use the car parks – buses and lorries.

3205 But the biggest problem with the argument is that repairing roads is not all that is needed for cars to be able to use the public highway; there is policing, there are signs and lines, there is road works co-ordination. Then there are the externalities: road traffic accidents have a cost to society, pollution has a cost to society which is not covered in the cost of fuel, let alone the cost of duty. Inactivity has a significant cost on health and car use is correlated with that. The respected Institute of Public Policy Research, in its paper entitled The War on Motoring: Myth or Reality concludes that, overall, the full costs of the environmental and social impacts of car and road traffic are not being fully paid by motorists and this conclusion is borne out by other research.

3210 Deputy Jones refers to Jersey but they have accommodated the problem by building more and more parking, added to which, it costs almost the same to use the bus as it does to park – so no incentive there.

Deputy Jones lauds the idea of a paid parking clock. Of course, the Transport Strategy proposed such an idea for short-stay parking last year so that everyone contributed, but it did not find favour with this Assembly.

He also touched on the seafront and road works, which is somewhat tangential, but I would like to respond very briefly and say that there are three separate and distinct processes going on here.

Firstly, a resurfacing from the roundabout to the Victoria Pier; secondly, improvements to the public realm by reducing the lane to one section southbound – and this is a temporary process, as a trial, with painted temporary islands, so at no great cost – and, if successful, when the road comes up with routine resurfacing next year we can make it permanent and incorporate wider walkway and alfresco areas, so it is more of a public realm approach. And, thirdly, the changes to the cruise ship landing which are to do with public services.

Deputy De Lisle says that paying to park is discriminatory, but it is user pays. Is it discriminatory to charge for planning applications? Is it discriminatory to charge to swim at Beau Séjour? Should we put all of these things onto general taxation?

It is often helpful to turn a situation on its head to assess its validity. Imagine that it currently costs £5 a day to leave your car in Town all day and, as a result, the States were bringing in an income of over £1 million a year to General Revenue. Would we seriously be having the debate as to whether we ought to spend £1 million plus a year to make long-stay parking free? Might we instead make gym and swimming at Beau Séjour free? At least we would see the health budget benefits of that. Long-stay parking is a very strange thing not to charge for, not least because it encourages behaviour we do not want to encourage.

It has been said that it affects the poorest most. What it actually affects... those on low incomes is poor public transport, where there are no viable alternatives to car use to get around. The considerable expense of running a car is forced upon those who can scarcely afford it.

In my view, there is only one argument made by the opponents of long-stay paid parking that holds any water at all and that is the issue of the car-owning Town worker on very low wages. From surveys, it is clear that the percentage of people who fall into the low paid but car-owning category and whose personal circumstances preclude them from lift sharing or public transport, or alternate means of travel, is small indeed; but that is not to say that this group of people should not be of concern. Of course, they should. Indeed, with the Tax and Benefits Review at the forefront of our thoughts, people on low wages, often doing work that you and I would not want to do for twice the money, should be very much in our thoughts. But we should not try to address problems that stem from labour market inequalities, simply by letting the taxpayer pick up the tab for everybody who wants to park for nothing.

The Assembly voted for the Transport Strategy in the expectation that the whole community would benefit from the improved bus service, increased viability of alternatives and reduced dependency on cars, especially for those who can ill afford that expense. We are on track to deliver these benefits with many work streams underway.

I would, therefore, urge Members to vote against this amendment and allow us to continue to implement already approved States' policy.

Thank you. (**A Member:** Hear, hear.)

The Bailiff: Deputy Duquemin.

Deputy Duquemin: Thank you, sir.

I will be brief. I just want to make a couple of points.

Firstly, referring back to Deputy Lester Queripel's speech, the irony of his whimsical yesteryear speech about the Gaumont and the Odeon was not lost on me and the fact that now the Odeon is now, of course, a car park to the modern generation. (*Laughter*)

I would also like to pick up on a number of points, of which Deputy Spruce's was one, that mentioned the three perhaps easy quick wins of a parking clock or fuel tax, or even increase the

3265 motor tax, as being an easy way to grab the revenue needed for the Transport Strategy but, as Deputy Burford has probably already well-articulated, it is not about just the revenue, it is about behavioural change.

I was at the dentist recently and I had a discussion with my hygienist. Fortunately, it was after she had done scale and polish or it would have been, probably, a very one-sided conversation, but she did say that she was – and the dentist is in the Town centre – accepting of the need for the long-term parking charge for commuter parking, but she wanted to pay a season ticket. Could she pay a one-off charge annually to save her the hassle of paying every day?

What I was able to tell her – and she did understand the logic – was it is about behavioural change. If she had paid the one-off charge she would park there every day and it is not about that. It is about perhaps parking only four days out of five and sharing on a Friday, or it is about perhaps even sharing or using a space three days out of five. It is about driving behavioural change that will not necessarily happen overnight, but we do need to start the work now.

We also spoke about and a lot is made – and Deputy Burford did touch on it in her speech then – about the poorly paid or lowly paid shop worker perhaps on wages of £15,000 and we are going to – using Deputy Queripel's, once again, £15,000 – take 10% of their salary.

Now, I do not see it like that for one minute, because I think that we are forcing them to have a car to go into Town and rather than taking 10% of their salary – and I stress this point; I know others have made it but I think this is key, key point – what we are doing is we are forcing them to have a car and they could change from being a three-car family to a two-car family or even a two-car family to a one-car family and they would save the running costs of a car which would be £3,000 per year – the running cost of a car – and that is vitally important.

So we can put money back in the pocket. So rather than say the 10%, taking 60p per hour off their wages or whatever it may be, I think we are actually putting... this has got the potential to put money in the back pocket of those who are perhaps poorly paid.

A common word in *Hansard* in the House of Commons is 'Mrs Bone', mentioned by Peter Bone, one of the Tory MPs. I am not going to talk about Mrs Duquemin today, but what I am going to talk about is Mrs Stewart, because Deputy Stewart might not remember as clearly as I do, but there was a moment when we were away on a trip together where did have an e-mail from his wife that clearly mentioned that she was on the bus and not only was she on the bus, Deputy Stewart, but the bus was full. So your assertions that the buses are not used is actually incorrect. I think she even sent you a photograph. I know you probably will remember that.

Deputy Stewart: I have to say that is the only time in the last two years she used it, because in the Capelles it is difficult to get anywhere.

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Deputy Duquemin: But was, nevertheless, full. So I think – and I would back Deputy Burford up on this – often bad things are said and the other 'Mrs' that I would like to mention is Mrs St Pier, because the T&R Minister's wife, who crops up on his computer, retweeted something the other day which I think was fantastic – and I did save the tweet – and it was from the Mayor of Bogota and I will just read the quote. (*Interjection*) I knew I would say that wrong. It was:

3305

'A developed country is not a place where the poor have cars. It is where the rich use public transportation.'

'A developed country is not a place where the poor have cars. It is where the rich use public transportation.' Starting today, we have a chance to change a culture, change a mind-set and make Guernsey a better, much better place to live. And I sincerely hope... The Chief Minister spoke about political courage, Deputy Le Lièvre spoke about weakness. There have been mentions of flip flops. I want to be a Member of a States which does have backbone, can make perhaps the difficult decisions, but make the right decisions and I urge, urge, urge Members to dismiss the amendment and to vote Contre.

3315 Thank you, sir.

The Bailiff: Deputy Wilkie.

Deputy Wilkie: Thank you, sir.

I will be quite brief compared to some of the other speeches.

3320 I am brought to my feet by some of the words of Deputy Duquemin, and Deputy Bebb earlier, saying that if you vote in the paid parking you will give families a choice. I could not disagree with that more. (**A Member:** Hear, hear.) There will be no choice for Guernsey families if you bring in paid parking.

3325 For example, I have one child at Torteval pre-school, one child at Notre Dame and after school they are picked up from their child minder and they are taken to swimming classes, birthday parties etc. There is no way that if I worked in Town I could escape the parking charge. It would be impossible.

3330 Now, these trapped families, at the most expensive time of their lives, will be hit by a tax of £1,200, bearing in mind the average cost of a child is £7,602 per year. Now, that is the UK figures; I presume it is more expensive in Guernsey.

Wages have not increased in recent years, but costs most certainly have. The Guernsey family has been stretched and stretched financially, hit by a cacophony of charges. An extra £1,200 will cause so much pain and, because of their situation, they will not benefit from the service that this charge is funding and they need the buses.

3335 I fail to see the choices that Deputy Bebb envisages for this family if paid parking is brought in. Some Guernsey families will only have one choice: to pay a tax of £1,200. A paid parking charge will not be fair. It is a disproportionate charge. It is an unfair charge.

Support this amendment and stop these catastrophic charges on young Guernsey families who simply cannot afford them.

3340 Thank you. (**Several Members:** Hear, hear.)

The Bailiff: Deputy Brouard, then Deputy Dorey.

Deputy Brouard: Thank you, sir.

3345 There are probably one, two, maybe three at the most, votes in this. I think Deputy Green is one of the ones that I need to convince. The rest of you go on a refreshment break or whatever. Settle down, Deputy Green, we are in for the long haul on this one! (*Laughter*)

3350 So let's see what integration really means. I have always understood integration that the whole only exists by the sum of all the parts – all is essential. But the reality is not so. We have heard the Environment Department fessing up that bits that were once essential, like width and emissions, bus garage – all part of the Integrated Strategy – can be removed. Problematic, yes, but we lost a board over it.

3355 So where is the integrity? Where does integrated stop being integrated? For the Environment, there is now no end of compromise on its whole. It is just about survival and funding. It just shows how necessity can so drive acceptability. So now what I was once told were essential components can be cast aside.

Here we have the casting aside of benefits-in-kind by T&R and Environment rolls over and says in their letter of comment, on page 239, that the minority report was not dependent on benefit-in-kind. How short are our memories? This was an integrated piece of the whole.

3360 Environment say, and agree with T&R, that the benefits of bringing it in do not outweigh the problems and, therefore, support T&R in surgically removing yet another part. Well, if it is good enough to remove benefit-in-kind, it is equally good enough to surgically remove paid parking and, yes, if it makes you feel better, you can still believe it is the same integrated policy of last May. Call it what you like, but do not remove paid parking.

3365 It is interesting that the Report from T&R was not brought jointly with Environment, because I was expecting a joint report, sir, about the Strategy; and the actual wording of the request was, 'To direct T&R, in conjunction with the Environment, to investigate the best method of account

for'. It was not 'whether or not we have it or not', it was how it was going to be accounted for. It was an integral part and I really take issue that Environment are now back-peddalling as fast as they can: 'Oh, well. It was just a nice to have.'

So where are we now? Shouldn't the people who are keen on this Strategy now be rushing forward with how to bring forward benefit-in-kind? Obviously, there are going to be lots of amendments coming forward. But not one!

So while Island shop workers and shop assistants and office employees can pay £1,400, bosses can make the same journey into Town; and the idea that paid parking and benefit-in-kind was to be the stick and the free bus service the carrot, now only the half-dressed, middle Guernsey. How is that fair?

I just want to touch on a couple of comments from some of the Members. Deputy Bebb accused us of being opportunistic. Well, this is exactly the right place that it should come in and I am a little bit concerned about how he worked out the cost of benefit-in-kind. Surely, the benefit-in-kind figure, if you are going to charge someone who has an employee-provided office space, is going to be £1,400 a year. It is not 20% of £1,400 a year, it is £1,400 a year or £1,200 or £1,500 – whatever figure you like, but it is not 20% of that.

Deputy Hadley said we are coming round unpicking the Strategy. I am not sure I like being referred to as a vulture but, on reflection, vultures do not bring the animal down, Environment took the biggest the cut to their own beast. It is dying already, with its creators doing the most damage. What vultures do is clean up the mess left by others and that is what we are doing today! (*Laughter and applause*). So on this occasion the feathers fit.

Deputy Green mentioned about the real estate and I will come onto that in a second.

Deputy Brehaut made an interesting point – and I will come to Deputy Brehaut, as well, a little bit later on with an e-mail exchange I had with a lady called Helen, but - he mentioned about the traffic: 'With paid parking, we are going to have less traffic.'

Well, that is fine but, of course, you have to go back and read the actual Report, because what it actually says on page 740 of the Transport Strategy is completely different to that. I have just got it here for you:

'It is proposed to investigate implementation of dynamic pricing for long-stay parking in order to achieve occupancy rates of 85%.'

So you want the car parks to be used, so you want people to do the journeys – you just want them to pay for it. So how the argument works, that suddenly we are going to have less cars on the road, but you have already calculated in your Strategy that you want the car parks to be 85% full at least.

Deputy Harwood mentioned it was never an essential part. Well, the panto season is over, I know, but, 'Oh, yes it was!'

Deputy Ogier – valuable land. Well, it will do now, because he is on PSD and they have got other uses for it. But I will come onto the land. It is quite interesting how it was created.

Deputy Le Lièvre mentioned he would rather do the bigger things – the Tax and Benefit. So, why start annoying people with what is quite a small tax, which really gets up people's finger nails; when we have got far bigger things to look at, why go and just provoke everybody?

I think Deputy Burford and Deputy Duquemin – I will just probably sum up in saying that, basically, you are going to give money in the pocket to the poorer people by making sure that they do not have to have a car and they can be the ones walking in. But they can do that now and they will be able to do that tomorrow. Even with the Strategy in place, they can still go by bus.

We are not taking away anything to stop the bus. We are just having a different route of funding. So the system will still be there. That family can still choose not to have a car and they can go by bus. They may have to pay £1 on the bus, granted, but they may well have a voucher from Social Security, if needed, to have it free. That could be done by plastic card and no one would know whether they had paid or not paid.

So there are other ways to skin this particular cat.

3420 But the problem – the real problem – is not of today or last week. What is the problem was the pressure on Departments in something called FTP and the words FTP – Financial Transformation Programme. Departments were encouraged to look elsewhere, other than General Revenue.

3425 T&R basically require Departments to look elsewhere for funds and if you look back that is what has happened. PSD went off with the waste water charge, Environment started looking at planning fees and we all went everywhere else to look for funds, and that is what Environment are doing. Because we cannot get the funds from the centre, they will look at how they can get a charge which does not have to go through General Revenue – and that is one of the key players in this.

3430 So Departments are looking elsewhere for funds regardless of how much damage it caused to the whole, because that is where they are forced to go – so I think that is the issue. We have got to be a little bit more careful in what Departments do – and I think Deputy Jones has come to this. Each Department goes off and does their other charge. They all add up to a whole of a family and we are not looking at that bigger picture. We expect Departments to go and do their own thing, get money from elsewhere, but in fact that all has a consequence.

3435 This morning we spoke about minimum wage and I had one of those stomach-turning moments. You know, the one where the headmaster says, 'Brouard, outside my room now!' And it was the headmaster doing it this morning as well, with Deputy Sherbourne. (*Laughter*) But it is awkward today for a lot of people, because you have got two debates which you can normally put in different places and you can do the politician that says, 'Actually, we want to save money and we should all be cutting our cloth' and the next day the same politician, or a few days later, is saying, 'Actually, we need to spend and my Department needs more money to this service.'

3440 So this morning we are saying how we want to look after the most vulnerable, those people on the lower wages – and Deputy Spruce said it better than I could ever do on this, but – it is a 60p wage cut for all those people. That is what it is.

3445 So how can you this morning be all champing at the bit and saying, 'Oh, yes, we are going do something really good to help these people.' No, you are not. You are quite simply saying, 'If someone is on a minimum wage – £13,000 a year – that is fine. That is going to be basically a 10% wage cut for those people.'

3450 And I appreciate some of the people that Deputy Sherbourne represents in St Peter Port North are probably close enough to Town to walk in, but some of those that perhaps live at Cobo might not be. Some of those at L'Ancrese might not be. But it is those same people and that really bothered me and that was the same comments, I think, from Deputy James; and I think Deputy Hadley was mentioning crocodile tears about that. But that really churned me up. We are saying one thing in the morning and in the afternoon, 'Oh, it is a different matter, a different debate.'

3455 Now, Deputy Conder... this is not fair to Deputy Conder, I know, but he was the one who said it. Well, I say he was the one who said it; it was what the *Guernsey Press* reported him saying: 'It is obtuse for taxpayers to give prime real estate away for free.'

Now, I am not going to pick on him, because that same theme... I think, Deputy Burford has used it. It is about the real estate. Now, what does that mean? I had to look it up. 'Obtuse: of blunt form, not sharp, pointed, stupid, slow of perception.'

3460 So for taxpayers to give away... It was taxpayers who built it. That is why it is there now. So when you buy a house and you have paid for it with your mortgage, you do not need to go and pay for it again. It was the taxpayers who built the Harbour car parks. Why? Because it was recognised that we wished to encourage commerce in Town and find a place for the tonnes of silt from the Harbour dredging.

3465 Now, I managed to get hold of an article written by the late Alan Hill, the States' Civil Engineer – he was writing back in 1999 – just looking back at the QEII Marina and the car parks and why they were built... going back:

'At one time, there was no thought of a marina. The scheme for reclaiming 30 acres at North Beach at an estimated cost of about £2.4 million was seen as helping the Island's waste disposal [at that time], water storage and traffic problems and providing land for developments such as hotels, flats...

No progress was made on the proposals until 1980 when the scheme was back before the States of Deliberation but this time in quite a different form as a means of enabling St Peter Port Harbour to grow. With the creation of the ever popular Victoria and Albert Marinas the scope for development in the harbour had been virtually exhausted....

It was decided that it was more advantageous to extend to the north. Bellegreve Bay and the offshore islands provided good shelter, construction from the foreshore would be comparatively easy, the site was on the right side of the harbour for a container and Ro-Ro marshalling area and with 60% of the Island's population living north of the Weighbridge the reclamation would provide valuable car parking in the best place... [as well as accommodating] 950 vessels would [also] be provided.'

3470 So it was built on purpose as a car park; it was not built as a hotel. And it was almost as a by-product of the marinas. It was a happy one because they needed to find somewhere to put the silt. So taxpayers were not forced, kicking and screaming, to pay up for the marinas and now we have to sweat the assets; they bought it, paid for it.

3475 And just cast your mind back to the growing industry and the amount of money taxpayers put into new crops, the Experimental Station and that. The States recognise that there are workers coming into Town for the burgeoning finance industry. We have a responsibility, as a Government, to encourage wealth creation and what was once support for growers morphed into facilities to make it easy for employers to have staff.

3480 We looked at how we could accommodate staff in new offices at Admiral Park and the MURAs and now we are still on that same journey, moving to the next stage of support – the £1 million you have given to Guernsey Finance to encourage more trade and keep business. The taxpayer and commerce have always been in bed together.

So let's look at the words once more, 'It is obtuse for taxpayers to give away prime real estate for free.' It was the taxpayers who built it for themselves to run the Island.

3485 Now, when the car parks are empty – (**Deputy Perrot:** Sir.)

The Bailiff: Deputy Perrot.

3490 **Deputy Perrot:** Sir, a point of correction and I hesitate to say anything – I was so enjoying that, but that last bit was wrong.

I was in the States for that debate and it was not simply that the car parks were going to be a by-product of the building of the marina. A number of reasons advanced by people for building the marina were the creation of car parks which would eventually provide money for the Exchequer.

3495

Deputy Brouard: Just a quick note from one of the chief officers.

'In the event, as design and works progressed, it became apparent that the North Beach area was not going to be able to cope with all the dredgings, so an adjustment and expansion of the Salerie car park was made.'

So that was part of the scheme.

3500 Anyway, when the car parks are empty, that is the time to return for the taxpayers the real estate, for something else; and, just like the growers of yesteryear, closing the top lights on the greenhouse. At the moment, rejoice that we have a vibrant Town and that people want to come in. Just how many times does the taxpayer have to pay for what they have already bought, until you are satisfied?

3505 The pact between the taxpayer and the industry is, we will find a place for your workers to park, prosper well and return your funds to the Island in wages and taxes.

Now, I thought we had solved the paid parking issue, when Deputy Jones and myself put 1.2p on fuel, so please do not try and claim we are being disruptive and breaking something. You are breaking something. The no paid parking of a previous States set up.

3510 Now, listening to the Minister on TV the other day also bought up a point about the Pier car parks being an under-utilised resource. Now, I do not know what the cutting was like that the TV

company made, but if this is now the new mantra, what happened to the modal shift or the £1 million of funding? It is an under-utilised resource.

3515 Well, before we spoil our Town with a Radisson or other make,-for-all are available, there are not many low rise uses of the area and I do not want to see three or four-storey hotels sitting on our piers – maybe a green park or a second model yacht pond – but what we do need is money, not taken off-Island in paid parking charges, but created by commerce and paid in taxes. We want things and encourage mothers to come back to work; flexibility and no disincentives in making it difficult to come into Town to work or to shop.

3520 The area is not under-utilised. In fact, I could do with Environment providing more parking spaces, just as the Town Retail Strategy, of which they are a part, calls for. Those parking spaces, far from being under-utilised represent the engine room or represent a part of the engine room of our economy. When they are empty, then our economy will have gone through a modal shift. **(A Member: Hear, hear.)**

3525 I have not even touched on the effects on the Town traders, but all the UK experience is that in towns that have made it more difficult to park, traders moved out of Town and we have just got the new Island Development Plan and a major part is to encourage shopping in Town and on the Bridge.

3530 What about the tradesman who has to park when working in Town? It is just going to make everything more and more expensive. The only people to benefit would be the online stores and Guernsey Post. We need to make Town an attractive place to visit, not faffing around with paid parking, because paid parking in the long term... shoppers use the long-term car parks and office workers also use the short-term car parks.

3535 We are advised that the bus service will be improved, which is great but it does not help everyone get into Town and I thank... Deputy Gillson's analysis of the bus timetable. We do not have the lifestyle or time to take leisurely trips into Town by bus. The 1960's has long gone. The reason why we are having to subsidise the bus companies is they could not make it pay and why could they not make it pay? Because we have all got cars and we stopped going by bus. That is why the bus companies are out of business now. That is why we are having to put £4 million into the company now – because otherwise we would not have a bus service or it would be a very expensive taxi service at least.

I hope we will encourage more who want to come back and work in Town, either part-time... A lot of people do not even have a choice. The car is an essential part of the delivery mechanism.

3545 I have a friend – I do not have many, but I have one – that did a sleepover the other week and he was off at eight o'clock the next day to catch the bus and he waited by the Longfrie and he saw the bus in the distance, which was good, but it came no closer to him and disappeared from view. There was no notice on the bus stop, that the bus stop was suspended due to road works and while we have the continuous unreliability problems, the lack of thought to the users, we will encourage the use of the car.

3550 And, I am sad to say, I see little incentive in the new bus contract for the bus company to improve or increase numbers. The bus company, basically, get paid for driving the buses around the Island. There is very little of their skin in the game, in my view, to make them give that extra quality service, to try and push for numbers.

3555 I am using the word 'obtuse' again. I like the obtuse argument on the media, put out by those in favour of paid parking, that we are doing Islanders a favour, especially if you do not have very much, because now they do need to buy a car and will save the £1,400 in parking fees, because they can go by bus or walk and save perhaps £5,000, as mentioned on page 228, of the running costs of a motor vehicle. There are so many assumptions in that statement and I like none of them.

3560 Maybe, Islanders might like to have a car and use it for other journeys. Maybe not having much is made up by having the freedom of the car... and the undertone that if you are not so wealthy you can take your car off the road or go by bus, which will make the Island a better place for me as I park in the corporate garage.

Now, someone somewhere will find that the new bus routes are so good that they will give up the commute to Town and go by bus. They may even give up their car, but you will not need to take your shoes and socks off the count the numbers, because I think there will be very few.

The reality is, without benefit-in-kind, it now falls to a revenue raising exercise, as Environment seeks £1.1 million from the motorist to, in effect, fund the bus or part of the bus service. But why? Well, I explained that the Government is only providing the bus service as the industry without a subsidy is not viable.

So if we assume we have to subsidise the buses, please let's be smarter in how they are used. I am struggling to see the benefits of the P1 driving around. I have not heard anyone say that a £1 fare would put them off using the bus, because it is already subsidised by £2 to £3 already.

Paid parking is not needed. The million-odd who use the bus, if they paid £1, would dispense with the need for paid parking. The million-odd who use the bus, if they paid £1, would dispense with the need for paid parking.

So please think carefully of what you are doing and I have to give credit to Wendy de Bourgonniere, with her team, Dennis Taylor and Deputy Lester Queripel, with a staggering 6,000 noes to paid parking. And, on receiving the petition, the Minister said he was happy to listen to all parties but had not seen or heard anything yet to change her mind. I am not sure we are going to find anything that will.

Also there was an online petition by Tony Brown – another 2,000 votes there – and I know both of them may well be connected.

I am not sure there is anything anyone can say that will change some people's resolve, but even a cursory glance in the wing mirror might give some thought for reflection.

If Environment are happy to carry on with all the cuts they have inflicted on their own policy and with the benefit-in-kind out the window, width and emissions left far down the road and, finally, the lack of paid parking as just another setback on the journey and we all pretend it is the same integrated policy, I am sure everybody will be happy.

We will never have enough buses to bring the staff into Guernsey.

Please do not kill trading and commerce in Town. Those piers provide the labour force for a great part of our economy. If there anything worth salvaging in the Transport Strategy which is really good and really worth doing and not some vanity project that needs funding then, at the end of the day, look to fuel and a charge on bus fares. The deal in May has long gone. The landscape has changed. There is no shame in doing the right thing. Please, if you are thinking about keeping paid parking, reflect. That is all I can ask. I do not mind which argument solves your conscience, just pick one of them.

Oh, and just a tip, please, on your manifestos – please do not be shy on how you vote today. I do not want to have to wrinkle it out of you. Please make sure it is on a nice clear 14 font or something like that. So please be brave, be bold and be unelected, because our people do not want their Government to bring in your paid parking.

Thank you, sir.

The Bailiff: Deputy Sillars.

Deputy Sillars: Sir, can I invoke 14(1)?

The Bailiff: 14(1). Right, that is requesting that I put to you a motion that debate be closed. It requires a two thirds majority. I will go *au voix* initially and then I will see whether we need a recorded vote. I am putting to you the motion that debate now be closed. Those in favour; those against.

Members voted Pour.

The Bailiff: I think that was a two-thirds majority.

3615 So we now go through the closure procedures. As the Treasury & Resources Minister is responsible for bringing this Report, which is sought to be amended, you have the right to speak immediately before Deputy Lowe replies to the debate, if you wish to do so, Deputy St Pier.

3620 **Deputy Laurie Queripel:** Excuse me, sir. I wonder if there is any need for me to clarify what Deputy Brouard just said about the online petition?

The Bailiff: No. No. You have spoken.
Deputy St Pier, do you wish to speak?

3625 **Deputy St Pier:** Yes, I will very briefly –

The Bailiff: Obviously, this is just on the amendment at this point, because you will have the right to reply to general debate later.

3630 **Deputy St Pier:** Absolutely, sir.

Just on the amendment, sir, the financial implications of the amendment are set out in the explanatory note, which Deputies Lowe and Brouard have prepared. There is a reference to the amendment not rescinding the charge at Lucas House and it is suggested that this is revisited at Budget time.

3635 Sir, the Treasury & Resources Department is unlikely to revisit that particular issue at Budget time. On a £350 million Budget we would not normally be dealing at that level. Clearly, if Members wish to have that rescinded, they will have to deal with that in another time and another place.

3640 I think the general position, sir, is that this will lead to a loss of revenue that funds the extent of the Strategy and that is the reason that I will be opposing the amendment. I think Deputy Le Pelley said that, in essence, the Strategy is falling apart but, interestingly, nobody has actually sought to rescind the whole Strategy, so we are seeking to rescind parts of it but leave the rest in place without the funding and, for that reason, sir, I cannot support the amendment.

3645 **The Bailiff:** Deputy Lowe to reply to the debate on the amendment.

Deputy Lowe: Thank you, sir.

It has been a very interesting debate and there have been good speeches on both sides, but I am hoping this last speech will persuade enough of you to support this amendment.

3650 I pick up the point, first of all, with Deputy St Pier, who has just said about the funding. Now, I know that we spent time talking to Deputy St Pier – both Deputy Brouard and myself – when we produced this amendment, to make sure we covered 15(2), because we are fully aware that it does say in the Rules ‘could’, therefore we were conscious of that – to put it in a way that the funding *could* be.

3655 We were actually quite keen to put what we felt was the right way to do it, by putting it on fuel. We were persuaded by the Minister of Treasury & Resources to leave that out, because they would rather not be pinned down in the future or, indeed, to pin down the Environment Department.

3660 So it has been said by many Members in this Assembly as well, who have come up with alternatives, so it is not of case of funding will not be available; funding could be available with other alternatives that the States have actually mentioned today.

Deputy Duquemin said about sharing a car and this was what it was all about – to get people to share a car. Well, I do not think it is for this Government to tell people how they should spend their money, (*Laughter and interjection*) if they find it expensive, that they should sell their car, 3665 because it is going to be expensive and they should now share a car with somebody. People have

a car for necessity. Sending out a message that people need to save or spend their money in a different way and start sharing cars is not really helpful for their lifestyles, of which they choose.

I know one Vale parishioner said at the Deputies' Surgery on Saturday... she said, if a bus passed my house every five minutes I would not get on it. When will the States recognise lifestyles are necessity and that public transport should reflect that? We have to have our cars to be able to go to work, take the children to school and do all the other numerous things and having a bus will not address that.

Deputy Le Pelley made a very valid point. He said, 'Don't keep on with the original battle plan'. He is absolutely right and we need to think about that.

I turn to Deputy Adam, who I have used his example many times since he joined the States. Deputy Adam, when he first joined the States, he stood up and he said, 'As a surgeon, if he was amputating the wrong leg, would he continue with that operation, if he knew it was the wrong one?' No, he would not. Well, he told us at the time he wouldn't! (*Laughter*) I hope that is still the same! And the same would apply today. My opinion is that because somebody has actually voted for something already, that does not mean to say they still have to go down that route.

Deputy Le Lièvre said about fairness and how it should be fair to everybody, copying what I said before and I thank him for that. It is the very point that I was trying make about it not being particularly fair, because we are only selecting certain people, parking in certain areas... are the very people who are going to be struggling with this bigger picture coming forward of the Pension, Benefit and Tax Review. They are the very people that are going to find it harder, most of those that are going to have to be for paid parking, whereas the rest of those in our community that can park anywhere around the Island, including in some parts of Town, are not going to be penalised to start with. That is the point: it has either got to be fair for all or not at all.

Deputy Gillson's speech was an absolutely excellent speech and I do not think anybody could beat what he actually said today. It was all very factual and very commendable.

Deputy Gollop said he listened to many suggestions expressed here today. The difference with Members' suggestions today is that they are fair to all, whereas the Environment Department paid parking is not fair to all and anybody that actually puts hand on heart and says that we want to be fair to all should be supporting this amendment today.

Now, Deputy Spruce, and indeed Deputy Brouard, covered about... what this means in real terms is a pay cut, if paid parking goes through, to some of those on £20,000 – a 5% pay cut. Would we actually be coming to the States and saying, 'All those in this Island earning £20,000, we are going to reduce their pay by 5%'? Of course, we would not. We would be accused as being barking mad, because we would not be doing that and yet we want to be doing this for a selected few who are going to be parking in Town.

Deputy Ogier made the point before about U-turns and he is absolutely right – U-turns do happen.

I am trying to persuade Deputy Green to support this. I would appreciate if he could listen to this – unless you are convinced, in which case, carry on!

Deputy Ogier actually said that U-turns... once you have made your decision. Well, of course, Deputy Ogier –

Deputy Ogier: I did not say that.

Deputy Lowe: Oh, did you not. I beg your pardon.

Deputy Ogier: I did not mention anything of the kind. I would not get myself into the trap! (*Laughter*)

Deputy Lowe: Okay, backtracking. Okay, but it was Deputy Ogier who was at the forefront of the incinerator debate, where we had actually gone further down the route than what we are now,

because we have actually signed the provisional contract for that and it came to this States to reject it.

3720 So this States do, rightly so, change their mind – that is called democracy! – and the Traffic Strategy that you have got here before you today is not the same one that you approved, by a majority, only April last year. So it is not the same at all. So if you wanted me to U-turn.

Oh, go on then, Deputy Ogier.

3725 **Deputy Ogier:** To be fair to Deputy Lowe that was on the back of an amendment that she brought, so yes the States do U-turns when Deputy Lowe brings an amendment! (*Laughter*)

3730 **Deputy Lowe:** Yes. Well, that was a very successful amendment, which I am very pleased about and you supported me with that one; and I am hoping this one will be the same, because it goes to show, if you really believe... and that is what we need to do in this States – that is what we are here for – if you actually believe that an amendment or a Requête is required to change a decision or to bring forward something, that is what you should be doing. That is what you job is. Do not be intimidated or feel that you are sneaking about. I really do not mind about that. I feel I can sleep at night because I have brought something here that I feel States' Ministers really need to reconsider about paid parking, because it is no longer fair for all and if it is not fair for all, there should be none at all.

3735 Deputy Brehaut was on about the Enough is Enough and about the crowds that were outside on the steps but he seems to have missed out that, actually, these people have to take time off for that. A lot of those people do not necessarily earn a lot of money but nearly all of those people had to take time off and you might go 'Ahh!' but actually people cannot afford to take time off, 3740 Deputy Brehaut. There are a lot that cannot do that. But what they have done, the Enough is Enough, is they have produced a petition and they have produced a petition that had 6,000-plus signatories on it. Are we going to belittle that, just because they are not outside today? I really do despair if we actually dismiss a petition of 6,000-plus signatories, solely on paid parking – the very issue that you have got here before you today. But, to criticise that they were not outside on the 3745 doorstep as well, taking time off, I think is a little unfortunate.

Deputy Harwood said the car is king. It sure is! It is in my house. It is for me. It is an essential tool to my lifestyle. I decide I need my car because it is my choice to use my car so I can do much more in my life than actually spend two hours on a bus to eventually get to the other side of the Island; because I have to get to Town first and then get another bus or wait for it and then go 3750 through to get another one to go the other side of the Island. I do not have that time to spare at all, because I like to pack in as much as can in my lifestyle and we should be encouraging as many to enjoy their lifestyles as well.

3755 So, again, I think it is very clear, if you really think that it is wrong to reject the paid parking today – that you are a bit nervous that there might be some that will snigger; well, there will be far more that will snigger actually if we throw this amendment out today.

I can give you an example. I went to Moores for lunch today. I went into the door of Moores, there was a couple sitting at the table and they said, 'Did you win?' Have they thrown out paid parking?' I said, 'We are still debating it.' I went through to Moores, I sat down at the table with my husband and the lady on the left, who I have no idea who she is, said, 'Excuse me, sorry to 3760 interrupt, you dear. Have they actually thrown out paid parking?' I said, 'We are still debating it.' The table on my right heard that being asked and said, 'Well, I hope they throw it out.' 'Fine. We are still debating it.'

3765 We leave Moores. We were coming out of the entrance and Deputy Hadley happened to be with us, Deputy Kuttelwascher was there as well, a different couple are sitting by the door and they are going, 'Have you thrown out paid parking?' 'Still debating it. However, this is the gentleman you need to convince, Deputy Hadley. Deputy Kuttelwascher and I actually support to reject paid parking.'

What followed then was an exchange which was rather unfortunate and I think rather embarrassing. For a member of the public who feels that the States should be rejecting paid parking and she pointed out about workers in a certain establishment, which she may work at, I do not know... but then for a Member of the States to say, 'Well, they are going to have to start using the bus if they cannot afford it.' That is not what we should be telling people. That is not what we should be doing – telling people if they cannot manage they are going to go on the bus and I just cringe when that happens.

I think I have covered everybody that I wanted to cover. There are obviously no questions with this. All I will say is please, States' Members, I urge you to support this. The Traffic Strategy is not the same one you produced and, therefore, I ask you to vote now on the amendment; and could we have a recorded vote, please?

The Bailiff: Members, you are being asked for a recorded vote on the amendment proposed by Deputy Lowe, seconded by Deputy Brouard.

There was a recorded vote

Not carried – Pour 21, Contre 21, Ne vote pas 0, Absent 5

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Lester Queripel	Deputy Le Clerc	None	Deputy Storey
Deputy Stewart	Deputy Gollop		Deputy Fallaize
Deputy Gillson	Deputy Sherbourne		Deputy Soulsby
Deputy Le Pelley	Deputy Conder		Deputy Luxon
Deputy Trott	Deputy Bebb		Deputy Domaille
Deputy David Jones	Deputy St Pier		
Deputy Laurie Queripel	Deputy Ogier		
Deputy Lowe	Deputy Le Lièvre		
Deputy Spruce	Deputy Duquemin		
Deputy Collins	Deputy Green		
Deputy Paint	Deputy Dorey		
Deputy Brouard	Deputy Le Tocq		
Deputy Wilkie	Deputy James		
Deputy De Lisle	Deputy Adam		
Deputy Inglis	Deputy Perrot		
Deputy Sillars	Deputy Burford		
Deputy O'Hara	Deputy Quin		
Alderney Rep. Jean	Deputy Hadley		
Alderney Rep. Harvey	Deputy Harwood		
Deputy Kuttelwascher	Deputy Brehaut		
Deputy Langlois	Deputy Robert Jones		

The Bailiff: Well, Members, the result of the voting on the amendment proposed by Deputy Lowe, seconded by Deputy Brouard was 21 votes in favour and 21 votes against. The vote was, therefore, tied and, under the provisions of section 1(5)(a) of the Reform (Guernsey) Law 1948, as amended, I have no original vote and the section provides, 'in the event of an equality of votes, he – that is the presiding officer, that is me – shall declare the Proposition lost.' So I declare the amendment lost.

It is now nearly quarter to six. Does anyone else wish to speak in general debate? Can I suggest then that we certainly move to vote on the main Propositions?

Deputy St Pier, nobody else wishes to speak, do you wish to reply to the debate?

Deputy St. Pier: Yes, very briefly, sir.

I think Deputies Bebb, Green and Le Clerc, in particular, I think expressed disappointment that there was not a recommendation for some kind of benefit-in-kind or workplace charge, but of course there would have been an opportunity to bring an amendment to introduce it and that that opportunity – and, indeed, Deputy Burford, also referred to it in her speech as well – but that

amendment, obviously, has not been forthcoming, so in a sense an opportunity has been lost and I do encourage Members to support the Report.

3805 **The Bailiff:** Well, Members, there is a single Proposition. It is on page 240. *(Interjection)* There is a request for a recorded vote on the Proposition, which for the benefit of everyone listening at home, is:

'Whether, after consideration of the [Article IV December 2014]... of the Treasury and Resources Department, [the States] are of the opinion to not introduce a system for taxing as a benefit in kind, the provision of employer-provided parking to employees, or the introduction of a workplace levy.'

3810 A recorded vote, please.

There was a recorded vote

3815 **The Bailiff:** Members, while those votes are counted, can I just ask Deputy Brouard, as the lead requérant, whether you wish to proceed with laying the Requête?

Deputy Brouard: In light of how the debate has gone, sir, yes, I would like to lay the Requête – but whether that is today or –

3820 **The Bailiff:** Well, I think that would depend how many people would wish to speak on the Requête. Could I have an indication as to how many people are likely to want to speak? A substantial number. In that case, I am not going to propose that we continue. I thought perhaps everything had been said that could be said but, obviously, I am wrong! *(Laughter)*

3825 **Deputy Gillson:** Could I ask what the effect of people voting against the Resolution would be? Are T&R under instructions to come back? **(Several Members:** Yes.)

Not carried – Pour 21, Contre 21, Ne vote pas 0, Absent 5

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy St Pier	Deputy Le Clerc	None	Deputy Storey
Deputy Stewart	Deputy Gollop		Deputy Fallaize
Deputy Gillson	Deputy Sherbourne		Deputy Soulsby
Deputy Le Pelley	Deputy Conder		Deputy Luxon
Deputy Trott	Deputy Bebb		Deputy Domaille
Deputy David Jones	Deputy Lester Queripel		
Deputy Laurie Queripel	Deputy Ogier		
Deputy Lowe	Deputy Le Lièvre		
Deputy Spruce	Deputy Duquemin		
Deputy Collins	Deputy Green		
Deputy Paint	Deputy Dorey		
Deputy Adam	Deputy Le Tocq		
Deputy Perrot	Deputy James		
Deputy Brouard	Deputy Burford		
Deputy Wilkie	Deputy Quin		
Deputy De Lisle	Deputy Hadley		
Deputy Inglis	Alderney Rep. Jean		
Deputy Sillars	Alderney Rep. Harvey		
Deputy O'Hara	Deputy Harwood		
Deputy Kuttelwascher	Deputy Brehaut		
Deputy Langlois	Deputy Robert Jones		

3830 **The Bailiff:** Let me just announce the... The result of the vote on Article IV was 21 in favour, 21 against. So, again, it is a tied vote. So it means that the Proposition is lost and the Proposition was to not introduce a system of taxing as benefit-in-kind provision of employer-provided parking to employees or the introduction of the workplace levy.

So the States have resolved *not* to not introduce the system of taxing! (*Laughter*) Whether they have resolved positively to introduce a system, I do not think they have done. They have just resolved *not* to not introduce the system for taxing as a benefit-in-kind.

Treasury & Resources Department will have to come back with a further report or – (**Several Members:** Hear, hear.)

The Chief Minister (Deputy Le Tocq): I would have said that they were still instructed on the original proposals. If this proposal has fallen then they are still instructed to come back with a proposal of the House that the Assembly has an opportunity to accept, bearing in mind the debate that has taken place today.

The Bailiff: But the earlier Resolution was to direct Treasury & Resources Department, in conjunction with the Environment Department, to investigate the best method.

I wonder if the Procureur wishes to assist in any way as to...? I mean clearly they had investigated.

The Procureur: They have complied with the Resolution and the proposal that they have come back to the States with is that such a system should not be introduced.

I do not see... It is a matter of taxation, so it would not be beyond the power of Treasury & Resources to reconsider if they were so minded, but I am not absolutely convinced that they have got a clear direction from the States that they must.

The Bailiff: No. Certainly, there is no Proposition that they shall introduce it or, (**The Procureur:** No.) as you say, the direction was to investigate it and that they have done.

The Procureur: I think that is right. So that is where we are.

Deputy Lowe: Can I just ask, sir, because does that mean...? I mean they were asked to investigate it. What they have actually come back with has been rejected under the Rules, because it is 21 each. Doesn't that mean they have to reinvestigate it and come up with something different?

The Bailiff: No. (**Several Members:** No.) (**Deputy Lowe:** No?)
Deputy Gollop.

Deputy Gollop: Point of order. I agree with what Deputy Brouard said. I believe they were given clear instructions to come back with putting forward the best possible system of benefits in kind or levy, not to reject it out of hand. So they failed to comply really with the original instruction.

The Bailiff: Well, the Resolution, if I am reading the Billet correctly, is quoted on page 223 of the Billet in paragraph 2.1 and it was, 'To direct the Treasury & Resources, in conjunction with the Environment Department, to *investigate* the best method' etc and to report back to the States with proposals and that is what they have done.

The Bailiff: Deputy Bebb.

Deputy Bebb: Sir, could I therefore ask, given that the proposal was *not* to introduce a benefit-in-kind and that has lost and therefore has been rejected by this States, would it be a fair assumption that the States, therefore, have ruled that there *should* be a benefit-in-kind and for the proposal to come back?

3885 **The Bailiff:** No, what the States have resolved is not to not introduce.
Deputy Brouard.

Deputy Brouard: Thank you, sir. I have understood that Treasury was sent to come up with the 'best method'. They have decided to come back with something completely different, which is
3890 no method at all, so they still have that outstanding, sir. *(Interjections)*
That is how I read it.

The Procureur: The advice that I give to the Assembly is that, if they go away to look at the best method and they decide that there is not a good method, then they have complied with that
3895 instruction by coming back with those proposals.

Now, clearly, the Treasury & Resources Board may take the view from things that have been said in this debate, that it is the will of this Assembly that they should continue with that work, but I do not think, as a matter of law, that they are obliged to do so. What the politics of the thing may be is entirely another matter.

3900 **The Bailiff:** Thank you.

Deputy Langlois: Sir, I am not suggesting that the Procureur will change his mind overnight but, given that we are coming back tomorrow morning, I think for the sake of the media and for
3905 our relationship with the public that the clarification of where we are should come tomorrow morning.

The Bailiff: Well, if the Treasury & Resources Minister wishes to make a statement in the morning, he can ask me for leave to make a statement in the morning. *(Interjections)* I would leave
3910 it that way.

He is under no obligation to do so, but if he requests leave to make a statement in the morning, then I would expect that I would give him leave to do so and I propose that we rise now and resume tomorrow morning.

3915 **Deputy Gillson:** Sir, just a thought that maybe the best solution is to amend the Requête to explicitly instruct T&R to come back with other proposals.

The Bailiff: We will rise now and come back at 9.30 a.m. tomorrow.

The Assembly adjourned at 5.54 p.m.