

# OFFICIAL REPORT

OF THE

# STATES OF DELIBERATION OF THE ISLAND OF GUERNSEY

# **HANSARD**

Royal Court House, Guernsey, Wednesday, 28th January 2015

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#### **Present:**

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

## **Law Officers**

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

## **People's Deputies**

## St. Peter Port South

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

## St. Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne, R. Conder, 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 M. J. Fallaize, D. B. Jones, L. B. Queripel, M. M. Lowe, A. R. Le Lièvre, G. M. Collins

## **The Castel**

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

## The West

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

# The South-East

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

#### The Clerk to the States of Deliberation

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

## **Absent at the Evocation**

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

Deputy M. J. Storey (*indisposé*); Deputy E. G. Bebb (*relevé à* 09h 34);

Deputy S. J. Ogier (*relevé à* 09h 44); Deputy A. Spruce (*absent*);

Deputy S. A. James, M. B. E. (*indisposé*);

Alderney Representatives L. E. Jean and S. D. G. McKinley, O.B.E. (relevé à 10h 04)

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# States of Deliberation

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

[THE BAILIFF in the Chair]

## **PRAYERS**

The Greffier

## **EVOCATION**

## **CONVOCATION**

The Greffier: To the Members of the States of the Island of Guernsey,

**The Bailiff:** The two Alderney Representatives are delayed by weather, but I think they will be here very shortly.

Deputy Bebb, do you wish to be relevé?

Deputy Bebb: Yes, please, sir.

The Bailiff: Deputy Bebb is relevé.

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**The Greffier:** To the Members of the States of the Island of Guernsey, I hereby give notice that a meeting of the States of Deliberation will be held at the Royal Court House on Wednesday 28th January 2015 at 9.30 a.m. to consider the items contained in Billet d'État I and II which have been submitted for debate.

# In Memoriam – Former Deputy Leonard George Corbin, M.B.E.

**The Bailiff:** Members of the States, you will have been saddened to learn of the death of former Deputy Leonard George Corbin, M.B.E. in the closing days of 2014.

Len was born at the family home, Les Cambrées, St Pierre du Bois, in 1920. On leaving school in 1936 he joined the Royal Air Force where he trained initially as a gunner but was later commissioned as a Flight Lieutenant. He served as a pilot, later as a flying trainer and in due course he helped train the pilots and their instructors of the newly established Army Air Corps.

He served in 201 Squadron and was very closely involved in the Island's municipal link and affiliation with that Squadron. Flight Lieutenant Corbin accompanied the Squadron's Wing Commander when he first visited Guernsey with a view to forging a link between the Squadron and the Island under what was then the municipal liaison scheme. That link was forged in 1939 following the opening of Guernsey Airport and lasted until the Squadron was disbanded in 2011.

Len retired from the RAF in 1975 and upon his return to Guernsey was employed as an officer at the Island Development Committee. He first became a Member of the States in August 1980, when he successfully contested a by-election in the parish of St Peter Port.

In April 1982 he was re-elected as a Deputy for that parish. However, Len had a strong desire to serve the people of his home parish and it was for that reason that he resigned his seat as a St Peter Port Deputy in July 1983 to enable him to contest the vacant seat which had arisen in the electoral district of St Pierre du Bois.

Whilst he was disappointed not to succeed in that by-election he was not daunted by the failure and he stood again as a candidate in St Pierre du Bois in the General Elections of 1985 and 1988. It was, at that time, a single seat constituency and on all three occasions he failed to secure the seat by only a handful of votes. Undeterred he again contested the seat for a fourth time in the 1991 General Election when he finally succeeded in taking the seat from the sitting Deputy, and he retired from office as a Peoples' Deputy in 1994.

During his first period in the States, Len served on the Police Committee and the Water Board, and during the period when he was a St Pierre du Bois Deputy he was a Member of both the Island Traffic Committee, until it was dissolved in 1992, and then a Member of its successor, the States' Traffic Committee.

Service to the community, and in particular to his parish, was important to him, and he played a leading role in forming the Styx Youth Club and in the transition of the former St Pierre du Bois Church Hall into the Western Community Centre. Whilst having a great devotion to St Pierre du Bois his charitable work was not confined within the parish and he played an active part in the works of the Guernsey Blind Association, the Hard of Hearing Association and the Soldiers, Sailors and Air Forces Association.

It was for his services to welfare in Guernsey that, in 1999, Len was made a Member of the Most Excellent Order of the British Empire.

Len has been remembered by many who worked with him, both in the States and elsewhere, as a true gentleman who worked tirelessly for his parish, and for the many charitable causes with which he was involved.

He was pre-deceased by his wife Mary and daughter Marguerite and is survived by three children, Christopher, Martin and Jane, to whom we extend our sincere condolences.

Will you please join me in rising to honour the memory of Leonard George Corbin, M.B.E.?

Members stood in silence.

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The Bailiff: Thank you very much.

# Meeting dates for March and June – Statement by the Bailiff

**The Bailiff:** Now, Members of the States, before we move on with other business, may I just make a short statement to advise you as to where we are, as far as I am concerned, in terms of the meeting dates for both the March and the June meetings?

I know there have been many emails exchanged and probably all of you are familiar with what the issues are but, for the benefit of those in the Public Gallery and for any listeners at home, can I just explain that there is an issue because the Policy Council are expecting that there will be a considerable amount of business to be debated both at the March and June meetings?

I will deal first with the March meeting. Whenever that meeting is to be convened, it will be preceded by a meeting of the States of Election to elect a Jurat to replace Jurat Le Conte, who will by then have retired.

Obviously, at this stage we have no idea whether that will be a contested election or not, but given that there has not been an election for a Jurat for some time and given that that is still a respected and sought after position, it is possible that that might be a contested election. If it is, it

might be that the States of Deliberation would not be able to sit until perhaps 11.00 a.m. or 11.30 a.m. so we may lose perhaps half of the first morning – whichever day that first morning falls on.

There will then be ordinary business, I am told, for that meeting and also the Personal Tax and Benefits Review Report is expected to be tabled for debate at that meeting.

The Policy Council are anticipating it may not be possible to conclude all that business within the three days normally allotted for a States' meeting. Whether it is or not may depend in part on how many amendments are moved, particularly on the Personal Tax and Benefits Review. But it seems wise to plan on the basis that more than three days will be required.

For that reason, the Policy Council have asked that I convene the States to sit on Tuesday 24th March. I have also had representations saying, no, and reminding me my job as Presiding Officer is to apply the Rules, and the Rules state that we sit on the last Wednesday for three days and then, if we do not conclude the business, we resume two Wednesdays thereafter – as you well know.

However, I am the servant of the Assembly and if it is the wish of the majority of Members of the Assembly that we sit at some other time then I will convene the meeting accordingly. If we do go to the rollover date, it will be Wednesday 8th April which is the Wednesday of Easter week – two days after Easter Monday. That happens to fall in the Easter holidays which perhaps does not affect many Members but it affects some people, and other people may have made plans for their Easter holidays.

So what I am wanting to do now is to give you advance notice that when you return after lunch I will be asking you to take a decision as to whether we sit on Tuesday 24th March, or as normal on 25th March, with the likelihood that we go over to the rollover date. Even if we sit on 24th March, four days may not be enough; we may still need the rollover date, I know not.

So what I will do when we return after lunch is, first of all, to ask two questions, and they are: first, to identify how many Members, if any, would not be available to sit for the entire day on 24th March – the Tuesday; and, secondly, how many, if any, would not be available to sit on Wednesday 8th April, which, as I say, is two days after Easter Monday.

I am giving you notice so that people can make enquiries through the morning or over the lunch hour to see what their availability is and then, when Members know how many people may not be available for each of the two meetings, I will put a Proposition to you, as I say, at 2.30 p.m. after lunch today – a Proposition that the meeting be convened on Tuesday 24th March and then whatever the vote is on that I will convene the States accordingly.

So that is where we are in relation to the March meeting. The June meeting is also anticipated to be a busy meeting because I am told that the second report of the States' Review Committee is expected to be tabled for debate at the June meeting, as well as other ordinary business.

The Policy Council are not requesting an early start for that meeting, so at the moment I am not planning to convene that meeting for the Tuesday. It will start as normal on the Wednesday, which will be 24th June. So I am really giving you advance notice that you may well be required for the rollover date and you need to keep that free in your diaries, and that will be Wednesday 8th July and, who knows, maybe the Thursday or the Friday following, depending on how much business there is. So that is early notice to be available for 8th July.

I have also been told that there may be a request when we sit that day to vary the Order of Procedure so that the States Review Committee Report can be debated in advance of any other business, but that will be a matter for that meeting. It is not something we can debate today, so that is really just for information.

So that is all that I wanted to let you know. It is just to clarify where we are, as I say, in relation to those two meetings later this year.

Deputy Ogier, do you wish to be *relevé* before we move on?

Deputy Ogier: Thank you, sir, I do.

The Bailiff: Thank you.

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I am not aware of any statements to be made by anybody. There have been no questions tabled for this meeting, so Greffier we can move straight on to legislation and to the Project de Loi published with Billet I.

# Billet d'État I

#### **PROJET DE LOI**

## I. The Income Tax (Guernsey) (Amendment) Law, 2015 - approved

Article I.

The States are asked to decide:

Whether they are of the opinion:

- 1. To approve the draft Projet de Loi entitled 'The Income Tax (Guernsey) (Amendment) Law, 2015', and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.
- 2. Considering it expedient in the public interest so to do, to declare that the said Projet de Loi shall have effect from the 26th September, 2013, under and subject to the provisions of the Taxes and Duties (Provisional Effect) (Guernsey) Law, 1992, and in accordance with the provisions of clause 3 of the said Projet de Loi, as if it were a Law sanctioned by Her Majesty in Council and registered on the records of the Island of Guernsey.

The Greffier: Billet d'État I, Article I, the Income Tax (Guernsey) (Amendment) Law, 2015.

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**The Bailiff:** This is in the brochure at page 1.

Is there any request for any clarification or any debate? No. I put the Projet to you then. Those in favour; those against.

135 Members voted Pour.

The Bailiff: I declare it carried.

## **ORDINANCES**

# II. The Income Tax (Guernsey) (Approval of Agreement with Macao) Ordinance, 2015 – approved

Article II:

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled 'The Income Tax (Guernsey) (Approval of Agreement with Macao) Ordinance, 2015', and direct that the same shall have effect as an Ordinance of the States.

The Greffier: Article II, The Income Tax (Guernsey) (Approval of Agreement with Macao) Ordinance, 2015.

**The Bailiff:** This is at page 3 of the brochure.

Is there any request for any clarification or debate? No.

I put the Ordinance to you. Those in favour, those against.

Members voted Pour.

The Bailiff: I declare it carried.

# III. The Air Navigation (Bailiwick of Guernsey) (Environmental Standards) Ordinance, 2015 – approved

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Article III.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled 'The Air Navigation (Bailiwick of Guernsey) (Environmental Standards) Ordinance, 2015', and direct that the same shall have effect as an Ordinance of the States.

**The Greffier:** Article III, The Air Navigation (Bailiwick of Guernsey) (Environmental Standards) Ordinance, 2015.

The Bailiff: Again, is there any request for clarification or debate? No.

I put the Ordinance to you. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

# Billet d'État XXVI

# I. The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014 – Debate commenced

Article I.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled 'The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014', and to direct that the same shall have effect as an Ordinance of the States.

**The Greffier:** Billet d'État XXVI of 2014, Article I, The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014. (*Interjection and laughter*)

**The Bailiff:** This was held over from the December meeting following a successful sursis. I have been furnished with a sursis in respect of this meeting, furnished by Deputy St Pier.

Deputy St Pier, do you wish to move that sursis at this moment?

Deputy St Pier: I do not, sir.

**The Bailiff:** You do not. In that case I have also been given notice of an amendment that was proposed by Deputy Burford. Do you wish to lay that amendment, Deputy Burford?

Deputy Burford: Yes, please, sir.

**The Bailiff:** Also I should point out I do not think you have opened in general debate either. So you may do that as well if you wish. I imagine that you would run the two speeches together at the same time.

Deputy Burford: Yes, I can combine it, sir.

## The Bailiff: Right, thank you.

I call then Deputy Burford to speak in general debate if she wishes to, but also to lay her amendment.

#### Amendment:

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- 1. To rescind resolution VI.4 of Billet d'État No IX of 2014 and substitute the following resolution –
- '4. To agree that a banded First Registration Duty based on CO2 emissions and vehicle width shall be introduced, well understood that such Duty will apply when a vehicle is first registered in the Guernsey part of the register maintained under the Motor Taxation and Licensing (Guernsey) Law, 1987, and not in the Alderney part of that register, but otherwise as specified in Table 1A below, and as described in paragraphs 29 to 36 and 38 to 45 of the Minority Report referred to in resolution VI.1 of Billet d'État No IX of 2014, with the proviso that commercial vehicles shall only be subject to the CO2 element of the First Registration Duty and that commercial vehicles' First Registration Duty shall be capped at £2,000. Furthermore, commercial vehicles shall not be subject to the width element of the scheme (either duty or subsidy).

Table 1A

		FIRST REGISTRATION	N DUTY	
Width mm	<b>Duty £</b> (subsidy)	Emissions g/km	Engine Size Equivalent in the absence of CO2 data (cc)	<b>Duty £</b> (subsidy)
Up to 1600mm	(400)	Electric vehicles	Not applicable	(1000)
1601 to 1625	0	Up to 85	0 to 700	(400)
1626 to 1650	0	86 to 100	701 to 800	0
1651 to 1675	0	101 to 110	801 to 900	0
1676 to 1700	0	111 to 120	901 to 1000	0
1701 to 1725	0	121 to 130	1001 to 1100	200
1726 to 1750	0	131 to 140	1101 to 1200	400
1751 to 1775	0	141 to 150	1201 to 1500	800
1776 to 1800	0	151 to 165	1501 to 1800	1200
1801 to 1825	600	166 to 185	1801 to 2100	1600
1826 to 1850	1000	186 to 200	2101 to 2400	2000
1851 to 1875	1400	201 to 225	2401 to 2700	2400
1876 to 1900	1800	226 to 255	2701 to 3000	2800
1901 and over	2400	256 and over	3000 and over	3200
preferential rate) = 1 commercial vehicles	relevant width dut shall only be subje	y plus relevant emissi	any applicable exemption or one on one on one one one one one of the First Registration Duty be capped at £2000.	

- 2. In the draft Ordinance entitled "The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014" ("draft Ordinance") (see page 1 of the Brochure dated 10th December 2014) —
- (a) in the title to the draft Ordinance, for "2014" substitute "2015",
- (b) in section 2 of the draft Ordinance, for paragraph (a) substitute -
  - "(a) a contract to purchase is entered into, and
    - (i) a deposit of at least 10% of the purchase price is paid, or
    - (ii) the contract to purchase includes a part exchange agreement,
  - on dates that precede the date of commencement of this Ordinance, and",
- (c) in section 3(1) of the draft Ordinance, -
  - (i) in the definition of "established carbon dioxide emissions figure" insert the following paragraph after the comma –
  - "and for the purposes of this definition, where an official document attributes more than one carbon dioxide emissions figure to a motor vehicle, the established carbon dioxide emissions figure in respect of that vehicle shall be
    - (a) the figure specified as the combined figure, or if there is more than one combined figure, the lower or lowest of them, or
    - (b) where there is no combined figure, the lower or lowest figure specified,",
  - (ii) in the definition of "official document" -
    - (A) in paragraph (d) after "Conformity" insert "or declaration", and
    - (B) for paragraph (e) substitute the following paragraph
      - "(e) only where none of the documents described in paragraphs (a) to (d) is available in respect of a motor vehicle, a vehicle measurement certificate, or",
  - (iii) immediately after the definition of "overall width" insert the following definition
    - ""part exchange agreement" means an agreement to sell a motor vehicle as part payment for the purchase of a motor vehicle which is the subject of a contract to purchase,", and
    - (iv) immediately after the definition of "subordinate legislation", insert the following definition –
    - ""**vehicle measurement certificate**" means a certificate of the overall width of a motor vehicle issued by the Committee in such form as it may determine; and for the purposes of this definition, the "**overall width**" means in relation to a motor vehicle, the width in millimetres of the vehicle, measured between vertical planes parallel to the longitudinal axis of the vehicle and passing through the extreme projecting points thereof exclusive of
      - (a) any driving mirror (including any supporting bracket or fixing),
      - (b) any direction indicator,
      - (c) so much of the distribution of any tyre as is caused by the weight of the vehicle,
      - (d) any front corner marker lamp or side marker lamp,",
- (d) in section 5 of the draft Ordinance, for "2014" substitute "2015",
- (e) in section 6 of the draft Ordinance, for "January" substitute "March",
- (f) in paragraph 2 of the Schedule to the draft Ordinance, for Table 1, substitute the following Table –

"TABLE 1

(1)	(2)
VEHICLE'S ESTABLISHED	WIDTH DUTY
OVERALL WIDTH FIGURE	(£)
(mm)	
0 to 1600	0
1601 to 1625	0
1626 to 1650	0
1651 to 1675	0
1676 to 1700	0
1701 to 1725	0
1726 to 1750	0
1751 to 1775	0
1776 to 1800	0
1801 to 1825	600
1826 to 1850	1000
1851 to 1875	1400
1876 to 1900	1800
1901 and over	2400

(g) in paragraph 3 of the Schedule to the draft Ordinance for Table 2, substitute the following Table –

"TABLE 2

(1)	(2)	(3)
VEHICLE'S ESTABLISHED	VEHICLE'S ESTABLISHED	CARBON DIOXIDE
CARBON DIOXIDE	ENGINE SIZE	EMISSIONS DUTY
EMISSIONS FIGURE	FIGURE (cc)	(£)
(g/km)		
0 to 85	0 to 700	0
86 to 100	701 to 800	0
101 to 110	801 to 900	0
111 to 120	901 to 1000	0
121 to 130	1001 to 1100	200
131 to 140	1101 to 1200	400
141 to 150	1201 to 1500	800
151 to 165	1501 to 1800	1200
166 to 185	1801 to 2100	1600
186 to 200	2101 to 2400	2000
201 to 225	2401 to 2700	2400
226 to 255	2701 to 3000	2800
256 and over	3000 and over	3200

# Deputy Burford: Thank you, sir.

The purpose of this amendment is to address some of the concerns expressed by various parts of our community, and I will outline the proposed changes.

We wish to move the width banding to include more family cars in the duty free bands. Approximately three quarters of cars will be exempt under the amendment, allowing a significant range of vehicles to be purchased without any width duty applying.

On the emissions front, we have made a softer start to the charging scale. We have not made a big change here because if someone decides that they want to purchase a particular make and model of car there will be various engine options to choose from, but generally only one width. So there is much scope to choose a tax free version where emissions are concerned.

The other principal change is the introduction of a sliding scale for imported second hand vehicles. The sliding scale takes into account the depreciated value of second hand imported cars. So those that fall into the charging bands are not paying excessively high rates of duty in relation to their value. Importantly, however, the discount does not increase beyond five years in order to deter the importation of particularly old, wider or higher emission cars. It has been said that this policy on second hand imported vehicles will encourage people to keep their cars for longer, thus increasing emissions.

There are two points to make here. A new car sold on-Island, unless exported for other reasons, would generally spend somewhere around 12 or so years here before coming to the end of its life. In this time it will usually pass through a number of hands. Whether the first owner keeps the car for three years or for four years is largely irrelevant where emissions are concerned as the car is already here.

Therefore, in order to reduce emissions, we need to find a way to discourage wide or high emission cars from being added to the pool in the first place. That way we stand the best chance of changing the overall Island fleet to smaller cleaner cars over the next decade. If we had done this in the 2006 Strategy things would look different now.

The second point is that manufacturing and disposing of vehicles uses significant amounts of energy. Life cycle analyses show that keeping an older car, as long as it is maintained well, can be better, environmentally, than disposing of it and buying a new one.

We have also responded to a request to exempt certain classes of vehicles which are not routinely circulated on our roads.

I would now like to deal with the issue of the funding shortfall. The £1.6 million figure also includes a reduction in income as a result of amendments passed at the time of the Transport Strategy debate, which we are picking up at this stage.

Treasury are concerned that the Transport Strategy will not be fully funded. I applaud that concern. From our perspective, however, Members will be aware that we consider the casualties of the shortfall in funding occasioned by our amendment will be the bus depot – which I believe a majority of T&R Members did not believe should be funded through revenue income anyway – and a reduction in the funds made available by the Strategy to T&R, to compensate them for falling fuel excise duty excise receipts, occasioned by a switch to cleaner cars and a reduction in the overall number of journeys.

This is particularly because the figure allowed was based on 2017 projections and partly because the slower start to the Strategy occasioned by our amendment; and, if I am honest, the fact that within Government everything takes a bit longer to get going than one hopes it will. Neither of these measures, however, leave the Strategy without the means to do its core work.

At this point it is worth mentioning the claim by the GMTA that the shortfall would cost Islanders £32 million over the next 20 years. Now, I have no idea where the 20-year period has come from, but it is largely irrelevant. What is relevant is that the £1.6 million is not an increase in the Government deficit, as has been claimed; it is simply money that will not be spent.

Of course, this amendment on this aspect of funding for the Transport Strategy does not stand in isolation of the Strategy itself and I would like to make a few points on that.

About six weeks ago I found myself hugging the radio. The reason was Deputy Le Clerc. Let me explain. (*Laughter*) Deputy Le Clerc was on the Sunday phone-in, talking about the forthcoming Tax and Benefits Review and what she said was this:

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'Read it, all 228 pages. Do not rely on the Press or the radio.'

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And I cheered, because she was right.

Deputy Le Clerc enunciated clearly, publicly, what I had also been feeling. Now, we all acknowledge that we cannot, we do not, expect the public to read every report that this Government publishes. It would be more than a full-time job. But some reports can never be fully articulated in the media, and are so wide ranging that they need to be read if one is going to truly understand them.

I do not pretend for a moment that the Transport Strategy is anywhere in the same league as the Tax Review in terms of its impact and importance, but if you plan to oppose a report, to mobilise people against that report, then I do truly believe that the least you should do is read the report first. It has been quite evident that not all of those leading the campaign against the Transport Strategy have done so.

As all of you have, I too have received short emails along the general lines of, 'Throw out this flawed Strategy'. With rare exceptions when I have probed into what particular area the author is concerned about, it becomes clear that my correspondent does not know the wider contents of the Strategy, but simply does not wish to pay duty the next time he purchases a large, new or imported car.

But, nevertheless, let's consider the calls for goings back to the drawing board. Looking at the various transport strategies we have had over the past two decades, really the only option that is unexplored is one to positively encourage car use, to build States-subsidised multi-storey car parks - as they are unlikely to wash their face privately - and to dig up the pavements and to widen the roads. Get rid of the bus service, or price it out of existence.

The price of such a strategy, in terms of hard cash, would be significant. The environmental, social and health costs would be dire and, crucially, such a strategy would fly completely in the face of the fiscal, environmental, and social direction of the States' Strategic Plan. There is clearly some support for such a strategy. One protagonist posted online that we should give subsidies to people to buy any car of their choice.

We had an email yesterday saying that there was no need for a bus service; those who cannot afford a car or do not drive, or cannot drive, can simply rely on others. Well, I am not prepared to support the, 'I'm Alright Jack Transport Strategy'. But, in reality, when the options to the current Strategy are distilled there are two main things about it that have proved controversial in some areas.

The first is the Resolution that buses will be free for 18 months. Unlike petrol prices, bus fares are relatively elastic. We saw a marked fall in ridership when the fares were put up to one pound. Remember both strategies that were debated last spring proposed free bus travel. In the end, after significant debate and two amendments, the trial period of free fares was agreed. There is clearly a view that the entire purpose of the First Registration Duty is to fund bus fares and that, if a fare is charged, we will not need the First Registration Duty. Bus fares at the level envisaged by the successful amendment represent less than a quarter of the revised Duty income.

The second and more pertinent issue is the funding of the Strategy – in other words, the First Registration Duty and paid parking. I will park the latter for now as it is not the focus of today's debate. Right at the start of the Transport Strategy it says:

Income and expenditure for this Strategy have been restricted primarily to those initiatives which will drive effective change in the modes of travel used and the types of vehicle purchased.'

The GMTA are against the width and emissions duty at First Registration. Their claims of falling car sales of 30% have been firmly debunked. They picked up on a figure in the Strategy that related to something else and ran with it. A First Registration Duty will occasion a move away from wider, higher emission cars. That, of course, is the whole idea, and often bigger cars are more profitable cars.

Any policy may have a degree of impact on one business sector, but it must be looked at in the round, including the benefits that it will bring in other areas. More people taking to cycling, for example, would not only reap health benefits but would create demand for bicycles and associated items. Public Services agree that fewer large vehicles would mean less damage to kerbs and therefore lower maintenance costs.

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At 4.30 p.m. yesterday we received Commerce & Employment's response. I do not know how many of you will have had the time to read it. Our amendment has been in the public domain for four weeks and the Strategy has been in the public domain for nearly a year and yet we received this a mere 17 hours before this meeting. Nevertheless, I have responded to some of the principle points and referred them to the paragraphs in C&E's report.

Paragraph 2 – although not all of C&E's figures are correct, I can confirm that we have taken the shortfall occasioned by the various amendments last year into account and it is included in the £1.6 million figure.

Paragraph 5 – the reason paid parking is included as a negative figure in the expenditure column is that as a charge it will come straight to Environment, and this layout was, in fact, requested by Treasury & Resources.

Paragraph 7 – as C&E have provided Deputies with our response to their previous impact submission but the submission itself, Members are unable to see that we were not saying that sales will be entirely unaffected, rather we were providing an example to show why the assumption on which they had based their entire assessment was totally incorrect.

Paragraphs 9 to 11 – the original income calculations were based on a sample of registrations, but since then we have done much more in depth, wider ranging calculations based on the full database of registrations that we hold, of all cars and not just new ones.

Paragraphs 13 to 15 – in the last five years registrations in Guernsey have fallen by 25% and in Jersey by 33%. In that period Jersey has had GST and VED whilst Guernsey has had nothing. One has to conclude, therefore, that there are more factors affecting car registrations than taxes. The differential between the two Islands is 8% over five years. On this basis, the fall in registrations occasioned by this duty, which, averaged over all vehicles, is lower in percentage terms than the aggregate Jersey Duty – is more likely to be around 1% per annum; and, using Commerce & Employment's GDP figures, that translates to one-sixtieth of 1% of GDP.

Paragraph 16 – there is absolutely no justification or evidence at all given in the report for the claimed loss of 30 to 50 staff from the motor industry.

Paragraph 18 and 19 – well, I yield to none in my support in defence for women's rights but nothing in C&E's odd analysis of how this will affect women more than men explains why women will need to buy a car that incurs duty while men might not! (Laughter and interjection) Thank you, Deputy Jones, I expected no less! (Laughter)

Paragraphs 22 to 26 – we have been quite open from day one that the bands will need to be adjusted to follow falling emission trends. Emissions taxation is widespread worldwide and band adjustment is a perfectly normal mechanism. There is no reason at all why the same percentage of vehicles cannot remain outside the charging bands. C&E's report states that the only direction it can be reasonably expected to travel is towards one of increasingly punitive taxes. Why? Again, no evidence at all.

Paragraph 29 – C&E's report says, and I quote:

'The Minority Report comes with a £300,000 administration price tag.'

– and refers to paragraph 38 of the Minority Report. Well, the £300,000 figure in paragraph 38 actually refers to car duty rebates.

Paragraph 32 – we have spoken to two insurance companies who have both confirmed that there is no issue in covering the taxes as part of insurance.

And Paragraph 35 – finally, we have contacted several finance providers who have confirmed that, subject to normal lending criteria, finance will still be available.

This Strategy does not demonise the car. People love their cars. They give them names! Cars form part of their personal space and their family space. Oftentimes they are indispensable. The Strategy acknowledges this. Individually, cars are desired objects, but collectively cars become traffic. They cover our harbours and line our streets; they emit toxic exhausts.

There is a balance to be had that understands the necessity of the car and yet addresses the societal downsides. One part of that balance is to steer a path to cars which have less of an impact both in the space they occupy and the exhaust they emit. I believe that some of the reaction has been driven by the fact that this policy will actually change behaviour. There have been calls for the money to be raised by increasing fuel duty with the reasoning that it is painless. In other words, nothing would have to change.

This last week alone we have had news about obesity levels and type 2 diabetes in the Island. We have also agreed to allow the Harbour to retain part of North Beach for essential Harbour operations. We are trying to deal with the impact of moving the cruise liner landing point. We need a transport strategy that mitigates these issues and the many competing demands for space, particularly in our Town.

Let's look at parts of the recent response from People Power as to how we might fund the Strategy. Now, I think it is fantastic that this group is engaging now with the issues and has put forward some ideas on funding, and I thank them for that. However, they suggest a paid parking clock, and it is perhaps a touch ironic that the Deputy Minister of Environment has carried a torch for such a scheme for nearly all of his time in this Assembly. It was also included in the Minority Report and, as Members are aware, it was amended out.

They also suggest an increase in fuel duty. We are at a strange time where world oil prices are concerned. At any other time the idea of hiking fuel by say 10p a litre – that is the best part of 50p a gallon in old money, or even 10 shillings to some Members – would be met with outrage. The Majority Report wanted to use fuel duty for funding, but it was rejected. Deputy Gillson laid an amendment to the Minority Report to increase fuel duty. It was defeated. Fuel duty is a fundraiser, pure and simple.

There is a suggestion for a registration fee of 1%. Again, this is a pure fundraiser and would have little or no impact on the kind of car purchased.

In closing, I would remind Members that the Strategy was approved by this Assembly, and it will required various reports and legislation to be brought back periodically to give effect to the States' decision last spring. Is it really good Government to use every such report as an opportunity to unpick threads in its fabric? As an Assembly we need to act not only in the interests of the motor trade and motorists, but also in the interest of cyclists, bus users, pedestrians, non-drivers and children. The Strategy strikes that balance in its vision to improve transport options for all the community.

I ask Members to support this amendment and to allow Environment go get on with the job of delivering its benefits.

Thank you.

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**The Bailiff:** Deputy Brehaut, do you formally second?

**Deputy Brehaut:** Yes, I rise to formally second and reserve my right to speak. Thank you, sir.

## **Welcome to new Alderney Representative McKinley**

**The Bailiff:** Well, just before I call the first speaker, two points: first of all the Alderney Representatives who, as I said, have been delayed by bad weather have now joined us, and I

extend a very warm welcome to Alderney Representative Graham McKinley O.B.E. as he takes his seat for the very first time! (Applause)

Welcome to you and both. Alderney Representatives may be deemed relevés.

Secondly, I have had two requests for Members to remove outer garments, with which I have agreed. So Members who wish to, can do so.

# The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014 – Debate continued

**The Bailiff:** I will call first Deputy Stewart followed by Deputy Lester Queripel.

**Deputy Fallaize:** Sir, are we debating the amendment with general debate?

**The Bailiff:** Well, we have not had any general debate. The Minister has not... That would make sense –

**The Procureur:** It is actually a difficult decision for the Presiding Officers to take. On one view if the amendment is carried, I understand that a sursis is likely, which clearly influences the matter. On the other, if I had the task of trying to speak on the amendment without straying into general debate I think I would find it extremely difficult.

**The Bailiff:** I think that is the difficulty. It is such a wide-ranging amendment that I think it would be very difficult to limit debate just to the amendment. So, yes, those who wish to do so – but if you are planning to speak in general debate could you please make it clear that you are doing so, so that you then do not get a second bite of the cherry if we do get around to general debate later.

Deputy Stewart.

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**Deputy Stewart:** Mr Bailiff, fellow States' Members.

Asking people, 'Do you want an integrated Island transport strategy?' is a bit like asking people if you think we should have greener energy supplies. The answer from most people would, as you would expect, be 'yes', but the follow-up question is always the killer: 'Would you be happy paying 15% to 20% more for your energy?' The answer is then likely to be 'no'. This was acknowledged yesterday by the Environment Minister on *BBC Guernsey* when Deputy Burford said: 'It is the funding that people have the problem with.'

Exactly, and of course many parts of the Strategy are being pushed by political ideology and dogma rather than actual need, and without taking into account economic factors at a time when we are just about managing 0.5% economic growth.

Of course, it is important to have a fit-for-purpose bus service, of course, we want to make cycling safer, and, of course, we want people to have various travel options, but – and it is a very big 'but' – I still have not seen any evidence on what we actually need and require, for social and economic policy reasons, rather than what Environment want to fulfil their politically-driven objective of a modal shift away from cars.

The Strategy is in trouble because, although many believe an integrated strategy, in broad terms, was the right way to proceed, we were, in the April 2014 Billet IX, presented with 29 different options; and, of course, with various amendments, it has now ended up like pick and mix.

A strategy is a device or a plan that Government puts in place in response to an identified need. It should also be something that is provided for the overall wellbeing of the population and,

where the strategy touches upon the business community, it should not be something that is potentially harmful to the Island's economy.

One of the key objectives from the States' Strategic Plan is, 'Protect and improve the Island's economic future'. And a strategy should also have clear and identifiable deliverables and outcomes. And, of course, between the identified need and the identified outcomes there should be a clear and achievable funding plan.

The Minister has already responded to some of the funding, but there is a shortfall of £1.6 million and, as we know, we rejected the reduction of 1.2p per litre fuel duty, and the rejection of the proposed introduction of a paid for annual parking clock, the rejection of a proposal to collect any width tax on commercial vehicles and a decision to cap emissions duty at £2,000.

The point I am really making is: to which figure does the reduction of £1.6 million really apply? Is it the original £5.92 million, the £4.15 million or the £3.75 million? There is still a lack of clarity coming from the Environment Department on this matter. They can say, 'We will do away with the bus depot. That is how we will save some money.' So where are we going to put all our nice shiny little buses when we eventually get them – hopefully smaller ones than we have got today, because they are the ones that make me pavement surf, when they come charging down the road? Where are we going to put them, because in a few years' time.., 'Oh, actually, we do need a bus depot,' and I can see that coming back to the States.

Another key factor, in my view, has been the lack of professional, quantitative and qualitative research. I, again, refer back to the April 2014 Billet, page 721 when the so-called research is listed. Not one properly accredited organisation was used. Not one! The six pieces of research, as listed in the April 2014 Billet, were '1. A personal interview and telephone survey of travel habits and general views of 545 people selected at random,' conducted by, not Mori, not YouGov, not Islands Analysis, but – wait for it – *students*! So that the results of this survey are meaningless. Proper samples and targets should have been selected across various demographics and socio-economic groups, and then the questions validated and the results weighted.

If you accept this survey – *if you accept that survey* – then you have to accept a recent survey carried out by a senior practitioner in the insurance sector that was sent to Members yesterday. He asked 153 random people in the Town the question:

'Do you support the Environment Department's proposed width and emission taxes?'

The replies were as follows: No - 146; Yes - 7. That is 95.4% of all interviewees not supporting the width and emissions tax, and that is just as valid as a bunch of students phoning people up. (Laughter)

The second bit of research: 21 half-hour individual stakeholder interviews with various interest groups, transport organisations and commercial interests conducted by the working group. Not actually listed who they were in the Billet. It may be useful to inform policy but not a survey. Apparently, no-one from hire companies, insurance or vehicle loan providers was interviewed, as far as I can ascertain.

Oh, and the third bit of really good research that we had: a Facebook student survey. Phhew. No use whatsoever and absolutely pointless!

Fourth, there was a consultation to States' Departments by letter. I will read the final paragraph of Commerce & Employment's response.

In short, my Department is supportive of the Strategy's vision and some of the proposals that the document contains. But, there are some fundamentals on the revenue raising side which could be negative to business which we would not be able to support. We would urge your Department to give further thought to the charges aspect, with a view of reducing these costs and finding alternative ways of raising income.'

So we have been accused of being on the band wagon. We have not. We have not changed our view one bit from that letter written a year ago.

In reply to the consultation with the States' Departments, PSD write:

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'There is no analysis in this Report of the effect that this could have on the economy, but the Department believes this is an aspect that should not be ignored. With regard to States' Departments it is particularly unfortunate that this proposal would see an increase in base line costs at a time when the States are trying to eradicate a structural deficit.'

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Those were both departmental responses. I think I can safely say that these responses were largely ignored by the Minority Report.

The fifth bit of research – a fresh start consultation, conducted over six weeks; we wait for it – a whole 159 responses! Again, could be useful for signposting areas to investigate further, but not a professional survey. And this consultation sought people's views on a combined width and emissions tax of between £500 and £1,000, not the over £5,000 maximum we are being asked to agree today.

And, finally, number 6, a Town worker survey with only 83 responses – actually though, with only a third driving to work and 70% of the Town workers already coming in by other means. This was only a small sample and, again, not professionally carried out. However, it did show that an overwhelming majority of Town workers out of that 83 sample did not use their car.

So here we are. Over the next five years we may be spending as much as £24 million on a bus contract and millions of pounds on other initiatives – based on what? Student surveys and other *ad hoc* groups, fireside chats with a few stake holders. I am sorry, but that is not good enough for me, as firm evidence to base my decisions on, particularly with the huge amount of taxpayers' money at stake. Why was C&E not part of the group feeding in on the economic data and impact from day one? We work with other Departments.

I will give way to Deputy Fallaize.

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The Bailiff: Deputy Fallaize.

**Deputy Fallaize:** I am very grateful for Deputy Stewart giving way.

During the remainder of his speech, given what he has already said, would he perhaps explain to the States why, when the strategy was debated in April 2014, he said, and I quote:

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'In terms of which Report I am likely to support, I am erring towards the Minority Report. I think it has been better written. I think it has been better thought through.'

That does not seem to be consistent with what he is now saying about the Minority Report, on which the Strategy was based.

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**Deputy Stewart:** Well, if you take the whole of *Hansard* I am being consistent with what my Department said in response to the consultation, in that, of course, people think an integrated strategy is sensible but there are issues with the funding mechanisms. That is my whole point and that is... I have not changed in my view.

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Sir, why was C&E not part of the group feeding in on the economic data and impact from day one? We have delivered that report at the eleventh hour because we could have done far more work and made it far more of an economic impact assessment and, do you know, it has been four weeks – but we have other things to do at Commerce & Employment. This work has come at us left field (*Interjection*) and it has to be fitted in with other work. And those of you that run busy Departments are well aware of that.

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I will take this opportunity to make it very clear that C&E is not, as accused by some, in the GMTA's pocket – as the Minister for Environment is aware from emails that I have shared with her. We have questioned and tested the figures and statements that have been made by the GMTA.

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We have also consulted with non-GMTA members, hire car companies, insurance and finance providers. Furthermore, we have also had discussions at officer level with the States of Jersey, who have been extremely helpful in supplying historical data around car sales, duty and taxes; and on the graph it is absolutely as plain as a pike staff that you can see when the duties and registration

taxes were brought in by the States of Jersey the car sales dropped off considerably and they have not recovered to this day.

I would also like now to move to the concerns that my Board has about the vehicle database upon which the Environment has based its calculations. In paragraph 34 of the Minority Report – and the Minister says they have done more work, but we have not seen evidence of that work – they say they based its calculations using a record of registrations, from what it said was a representative sample – the Department's words not mine – of vehicles. What was not provided was the size of the sample and, without this information, confidence in Environment Department's data is diminished.

My Department highlighted this issue in the assessment report it provided to Environment on 12th December, but Environment's letter of response, attached to the email which was sent round yesterday, was silent on this matter. Deputy Burford's letter of 18th December to Commerce & Employment did, however, confidently predict that the application of First Registration Duty would have no effect upon the number of vehicles first registered in the Island. Well, honestly, do we really believe it will have no effect? That is really not believable. It is bound to have some effect on some people. It cannot have no effect.

Deputy Burford confidently stated that, under the proposals contained within the Minority Report, 4,000 cars would continue to be sold, notwithstanding that some drivers might migrate from higher duty vehicles to lower duty vehicles. That is actually if you can work it all out in the first place.

Environment Department further stated in the Q&A article published in *The Guernsey Press* on 3rd January... You will remember that one. That is the article with the picture of the Board setting off for a very comfy little spin in the back of a Fiat 500 Estate. Which I did chuckle at because it reminded me of the tune Day Trip to Bangor! (*Laughter*) It reminded me of the song.

So the Department said, based on 2013 registrations, the amended Ordinance would result in around three quarters of cars not attracting the width duty and a half not attracting the emissions duty. Well, the Guernsey Motor Traders Association worked with my Department and they told them that 2,620 new cars were registered in Guernsey during 2013. It carried out detailed examination of 2,486 of those vehicles, which by any stretch of the imagination could be classed as a representative sample.

The GMTA's examination against the proposals contained within the amended Ordinance – which we must not forget has the effect of lifting a range of vehicles out of width and emissions tax liability – revealed that 1,257 of those cars would continue to be liable under the amended width and emissions tax proposals. That is 51% of vehicles continuing to be liable for width and/or emissions tax, which is rather different to the position as described by the Environment Department in *The Guernsey Press* article of 3rd January.

I would like to believe the Environment Department's figures but, without clarity over the size of its representative sample, I do not have that confidence and without that confidence how can there be any certainty about the amount of revenue that is likely to be collected?

My Department's biggest concern is the next issue, and I want to speak upon that – it is the potential economic impact. What I would not dispute is that, whether you are in the pro-car strategy camp or in part of the anti-lobby, the behavioural reaction of the public and business users of vehicles can only be subject to a best estimate, and that applies to my Department's views and the Environment Department's views.

It is helpful, however, that our closest neighbour, Jersey, introduced Vehicle Registration Duty in 2003, then increased it, then abolished it, then introduced Vehicle Emissions Duty and, alongside this, the Island introduced Goods and Services Tax, first at 3% and then rising to 5%.

Jersey has been able to provide me with the details of the vehicle registrations over the period from 2002 – and the Members have had that data – and the correlation between car purchasing habits and the application of duties and taxes is absolutely clear for all to see.

I would, therefore, strongly dispute the Environment Department's view contained within its letter of 18th December, that sales before duties – or registrations rather than sales to be

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precise – will be the same as sales after duties come into effect. They are bound to have an effect. Jersey's experience completely contradicts Environment's view and that is hard evidence.

I will not give way. We should be in no doubt the reduction in new and used private commercial vehicles sales –

**Deputy Brehaut:** Point of order, sir.

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The Bailiff: If it is a point of order you can –

**Deputy Brehaut:** I am just concerned that the Minister is misleading the Assembly because Jersey tax all vehicle sales and these proposals do not intend to do that, sir.

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The Bailiff: Thank you, Deputy Brehaut.

Deputy Stewart.

**Deputy Stewart:** We should be in no doubt the reduction in new and used private and commercial vehicle sales that my Department anticipates will come about if these taxes are introduced. They can be expected to have an adverse effect upon the motor trade sector and ancillary trades and professions, and thus an adverse effect upon the economy.

The Environment Department's original Transport Strategy states that they revealed that 1.5% of the Island's GDP emanated from motor vehicle sales, repairs and servicing activity, contributing £19.3 million in that year. The GMTA's records show that a little short of £50 million was spent in the Island during 2013 on new and used private and commercial vehicles. The sale of vehicles also generated £12 million in vehicle financing. The sector spends in the order of half a million pounds a year in advertising.

The Environment Department's original Transport Strategy also revealed that 900 were classified by Social Security as working within the sector, of which 523 were directly involved with the sale, maintenance and repair of vehicles.

The GMTA also advised currently the average salary across that sector is £26,375 per annum. We should be in no doubt that the motor trade sector is of significant importance to this Island and its economy, and the breadth and depth of jobs that it actually allows. The GMTA estimates that if width and emissions taxes are imposed, there will be a loss, very quickly, of around 30 jobs within the sector. Potentially, rising to 50 or more and that depends on people's behaviour and we cannot be certain – that is a best estimate.

My Department estimates each job loss will cost the public purse in the order of £13,000 a year. Of course, we hope those other people will find jobs, so how long that will continue for or not... but those people will have to be found other jobs.

If Jersey's experience is repeated here if these taxes are introduced, the threats to our economy that I have just described stand a very, very real chance of becoming a reality.

There is one other point I wish to make in regard to motor transport. The Policy Council's 2003 facts and figures publication reveals that in 1981 56.7% of women of working age – that is 15 to 64 years – were active in the labour market. This rose to nearly 71% by 2012. More recently, the Policy Council's quarter three 2014 labour market bulletin showed that 46.1% of employed persons were women. I must stress – and I have to be careful – I am not being sexist, focussing upon women in the work place, but it is a fact that many working mothers are able to be working mothers because they have the flexibility that car ownership provides. And if you try getting two or three car seats in a very small car then you know the problems that they encounter, and that is reason often they need a larger car because they have the car seats, they might have the dog and they also might take that car abroad. All these things have been put to you in emails from numerous members of the public.

The motor car and the motor trade should not be demonised. And I do believe, and although the Minister says, 'We are not demonising the car', this is about demonising the car. (**Several Members:** Hear, hear.)

The final major point I wish to make concerning diminishing returns is technological advances mean that motor manufacturers fit smaller engines but with a power output the same as, or even greater than, their larger predecessors. As the Environment Minister has said, we will be back to the States every year. Some of these emissions have changed drastically.

There are also a number of other issues arising from the Strategy on which I now wish to briefly comment.

The first is the fact that there will be a cost to the States of Guernsey arising from the taxes. A significant proportion of vehicles in the States' fleet, both commercial and cars – whether owner or leased – will attract a duty which will add to the cost of the States doing business. Unfortunately, the Environment Department has been unable to tell my Department what that cost might be. It appears that nobody has worked that out. This was, however, highlighted, as I mentioned before in PSD's response appended to the original report.

Another issue that appears to have passed people by is that the Strategy carries an administration cost. Now, the Minister says they are not £300,000, but I would like to know what is the best estimate of administration cost? Because this is not an easy thing to work out. If we bring cars in from France they do not have the VR55, or whatever it is. Some cars may be slightly customised. There could be all sorts of things. This is going to be a big piece of work to push this through. It is not a simple tax to apply, like fuel duty.

So I would like to know what are the administration costs, if they are not the £300,000? I would question whether some of those funds that Environment expects to collect have already been spent. Articles on what appears to be a dynamic active travel unit are an almost daily feature in *The Guernsey Press* at the moment.

There are also a couple of final issues on which I must comment. There continues to be doubt about the insurability of the First Registration Duty elements of vehicles. Members will be aware that they received an email communication from a respected industry professional on 23rd January continuing to highlight the industry's concern. I will just *précis*, but in it he stated the Department has itself made no contact with insurers. It was actually the officer who looks after the States' insurance policy administration that made contact but only with one insurer.

Can you imagine the Transport Strategy consultation only consulting with one person and then making a decision on that basis? Well, actually, yes, I can. The insurer contacted has advised that they cannot confirm that they will cover the width and emission taxes should they be brought in.

The insurance situation is of concern and has not been resolved and will have implications and, in turn, this has a knock on effect with the finance industry and companies providing car loans, as they will require comprehensive cover based upon the replacement value of the vehicle, including taxes. And those are not my words those are the words of a very well-respected insurance professional who has worked in the business for many years.

The other issue concerns the financing of vehicles. Some Members might be aware that the vast majority of vehicle finance agreements function on a hire purchase or asset purchase basis. This usually reflects the value of the asset that is the vehicle. My Department has, over the last two to three months, received directly, or indirectly, correspondence from the Island's main car finance providers, expressing concern over the First Registration Duty element of a vehicle's cost, and how that creates a high level of uncertainty regarding lending for that element.

Officers of my Department were in discussion with one of the leading providers yesterday who, incidentally, had still to receive contact from the Environment Department – and this was one of the biggest lenders to finance the motor industry.

As I mentioned earlier, approximately £12 million of vehicle finance is generated each year on this Island. The application of First Registration Duty adds uncertainty to what had previously been a stable vehicle finance market, and I would urge Members to consider unintended consequences arising from the imposition of these duties.

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Finally, an extraordinary figure that I calculated on the new proposed bus contract. If we take a passenger figure of 1.4 million journeys per year, we are about to be subsidising passengers for each journey something to the tune of £3.40, maybe more. Have we gone mad? Let's get four people in a taxi with vouchers and we do not need the buses. £3.40 per passenger, per journey, is about where we are going now.

I have, as many others, huge amounts of admiration for Deputy Burford's tenacity, her conviction and her work ethic. She is certainly not a sheep in sheep's clothing and she is very persuasive. But, as I pointed out, there is a huge evidence gap in everything that we have been fed.

There is, however, one overriding factor: Deputy Burford is wrong; wrong to try and impose a modal change on the people of Guernsey, through punitive taxation; wrong to ignore what many of us know to be majority public opinion; wrong to penalise the average motorist to pay for her political ideals; wrong to ignore the economic results of this tax and damage a valuable industry sector in these economic times; wrong to suggest that credible surveys and proper consultation with industry has been carried out. Wrong, wrong and wrong again!

I find it impossible to ignore the emails and letters from GMTA members, the non-GMTA members, insurance and finance providers, Chamber of Commerce, numerous members of the public, who far outweigh those in favour of width and emission tax; the historical evidence from Jersey and, finally, the biggest protest this Island has ever seen.

So I urge Members to please do the right thing and vote against this amendment. (**Several Members:** Hear, hear.)

The Bailiff: Deputy Lester Queripel and then Deputy Dave Jones.

## **Deputy Lester Queripel:** Thank you, sir.

Sir, in an attempt to support this amendment, Deputy Burford said on *BBC Radio Guernsey* yesterday morning that the main objections to the Transport Strategy have been objections to the funding of the Strategy. She said she had not really heard any objections to the components of the Strategy itself. But, sir, I am one of the many people who have thought the Strategy not only idealistic and totally unrealistic but completely unnecessary.

I have said I think it discriminates against the motorist, it discriminates against people who work in our Town and need to park their cars on the Piers to go to work in our Town. I have said I do not agree with extending bicycle shelters and removing even more parking places. I have said I do not agree with a free bus service – except for pensioners and disabled people, of course. And I am not the only person to have criticised the components of the Strategy itself. So why Deputy Burford said what she said on the radio, sir, only she will know.

Having said that, I appreciate Deputy Burford and her Department truly believe that what they are doing is for the benefit of the whole community. I disagree with their approach completely, but I respect their views and I ask that they respect mine. They have listened to the opinions of the public and they have obviously spent a considerable amount of time amending their own original proposals.

But what really concerns me about this amendment before us today is that our own Environment Department are saying that it is alright to pollute the air as long as you are prepared to pay for it. So this is not about cleaning up the environment. It is really about making money to fund an idealistic, totally unrealistic and completely unnecessary strategy.

Voting in favour of this amendment will not result in a *panacea* being provided or a salve for a wound, because, if the Department were really concerned about emissions and cleaning up our air, the first thing, surely, they should have done is sold off every one of the oversized buses that continually belch black smoke into our atmosphere, and replace them with a fleet of environmentally-friendly mini buses, (**A Member:** Hear, hear.) to go down all the lanes in Guernsey to pick up the thousands of people who live in those lanes. That is what they really need to be doing if they are really serious about getting people on the buses and cleaning up our air.

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And that is one of the reasons why I wanted to be Environment Minister, because that is exactly what I would have done.

Voting in favour of this amendment will not address that issue. And it is possible to buy a 15-seater mini bus, less than two years old, in perfect condition, for £20,000. I believe I am right in saying, sir, the Environment Department were given well over £800,000 to implement the Strategy. Well, £600,000 would have bought 30 buses and that would have still left well over £200,000 in the pot.

I hear Deputy Brehaut saying where was the funding going to come from? Well, I have already said you sell the existing fleet of oversized buses and you use the majority of the money that you were given (*Interjection*) to buy a whole fleet of mini buses.

Well, that is a question I would like to put to the Minister. Did she at any time suggest to her Department that all the oversized buses be sold off and be replaced by a whole fleet of mini buses? And if she did, what was the response? I guess we already know that – but anyway. And if she did not, can she please tell us why she did not? Because that would have been the obvious thing to do, in my view.

Sir, I truly believe that Islanders would be willing to pay for a door-to-door service that mini buses would provide, so you do not need a free bus service. Then there would be no need to spend thousands of pounds of taxpayers' money fiddling around, amending the original proposals. There would be no need to even contemplate a free bus service and there would be no need to try to get even more money out of motorists who are already paying through the nose for everything else, especially at a time when money is really tight for most of our fellow Islanders.

The irony is that the consequence of voting in favour of this amendment will mean that the motorist will have even less money in their pocket to spend in local shops, so there will be less money circulating in our economy. How damaging will that be to our environment and the morale of our fellow Islanders? I would like the Minister to answer that question, sir, as well when she responds, please.

To conclude, sir, the easiest thing in the world to do, of course, is criticise, especially when someone criticises without offering an alternative solution. Well, I will offer the same solution as I offered last time: withdraw the whole Strategy!

Thank you.

The Bailiff: Next, I call Deputy Dave Jones, to be followed by Deputy Paint.

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

I have sort of grappled with this decision for some time, but I find that I simply cannot support any of it – this so-called Integrated Traffic Strategy. This amendment really does not improve it for me either.

The next action of the proposed width and emission charges – which are part of the whole overall Strategy... to me really are the medicine nanny state at its very worst. And it really is all about money. It always has been about money in the main to prop up a free bus service, which I disagree with; £4 million wrung out of the motorist. When the message from the public has been loud and clear, 'Stop spending money on your dream and wish lists and stop taxing us to pay for it.' (A Member: Hear, hear.) A simple message.

Clearly, if there is £4 million out there to be had from the people of Guernsey I would much rather that we took it and spent it more for the pensioners, more nurses perhaps even pre-school education, than I would to fund the free bus service and some of the other parts of this Strategy. I cannot even really find bits of it that I like and that is because it is still based, in my view, on a complete misunderstanding by Environment of how the majority of Guernsey people conduct their daily lives.

Families on limited incomes and tight schedules trying to get the whole family where they need to be as best they can first thing in the morning. Any transport strategy has to have that

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understanding writ large right at the top of the page when considering what might be done when interfering in their personal lives, or when attempting to change the way that people behave.

The sad thing is that this now disintegrating Transport Strategy has become a bit of a dog's dinner. A dog's dinner of a cobbled together policy of attempted compromise designed to hold it together. Which, in my view, is neither sustainable nor supported by the people who will be forced to live or pay for it. In fact, I can already hear the rattle of rifle bolts in the courtyard as it is stood against the wall, the blindfold is fitted ready to put it out of its collective misery. We used to have a saying many years ago, for policy letters similar to this, that they were DOA which was 'Dead On Arrival'. Now, this one is still twitching! (Laughter) However, I am not convinced that it has long to live, at least without some serious surgery.

So I will try and keep this simple. My position is not changed since the last time that this transport issue was on our agenda in this Assembly. I will repeat, if you want to change behaviour then you have to have viable alternatives that are practical for people other than the tactic of just pricing people out of their cars or dictating to them what choices they must make in terms of vehicles.

Having a picture taken of an entire Board and a dog crammed into a car that they believe would do for you or your family, is not going to convince the public of the validity of your argument. People buy the type of vehicle they do for a number of reasons: for use in the UK or in France, or for carrying other items other than just people for small business and for dual use as a family car. That is a fact. The reality is that we have families where both parents work in order to pay the rent or the mortgage, where time and money is short and several things need to come together early morning to make the day work for them; and that does not, in the main, include, in most cases, having the time to wait around for buses that may or may not arrive; and, in any event, in a lot of examples do not go near where the people live or the various places they need to be. Nor do they have the time to sit on a bus that goes all around the houses, mostly because of endless road works, to reach its destination – whether that bus is free or not. And the other major flaw of this policy and why I cannot support it is its unconcealed fleecing of the Guernsey motorist to pay for it all.

I am genuinely sorry, in a way, for the Minister and her Board who have clearly put a lot of work into this Transport Strategy, but it is just plain wrong in its assumptions.

As for the sursis, should it be laid, I have to say that it does have some superficial attraction, even if it is only to stop this current lunacy! (Laughter) And I understand exactly why T&R might have to lay it.

The Bailiff: We cannot debate the sursis -

**Deputy David Jones:** Well, it contains things I want to say –

**The Bailiff:** Well, you can debate it when it is laid, Deputy Jones.

**Deputy David Jones:** Okay.

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**The Bailiff:** You may be able to make the same points in a different way, but we are not going to have a debate on the sursis.

**Deputy David Jones:** Okay, well, we will do that when we get to that.

That has taken quite a chunk... (Laughter) Okay, okay, I understand that.

But my job, like you, is to represent those who elected me, and in conversations with many members of the public over the last few weeks and months it has become abundantly clear that personal transport plays a huge part in people's daily lives. That is a stark reality of modern Guernsey. Any denial of this basic fact by Government is wishful thinking on our part. Building policies on a complete misunderstanding of the way our people live is simply not going to get

broad support from the public and should not be supported by Deputies who profess to represent them.

Now, I pride myself on being a Deputy who is easy to approach and if there are hundreds of people out there who do support this Strategy then I have not met them or have not heard from them in large numbers. They could, of course, have held their own rally in a car park somewhere. I have, however, had a handful of emails from some who say they do support the proposals and I think we have had about another 20 in a last minute flurry over the last week or so. But by far the majority have made it very clear that they could live without yet more States' interference in their lives or any more punitive taxes piled on them, for whatever reason, when they can barely pay their way now.

Of, course, nobody likes paying taxes, but they will live with them providing they are fair and not being used as punishment taxes to force them to do things that simply do not work for them, or discriminate between sections of the community because of where they live or where they work, such as paid parking.

I would also remind all of you that the Tax and Benefit Review has yet to be debated and that may entail some fundamental tax changes that will help stabilise our economy. But they will not be punishment taxes forced on people because a Department fails to recognise how important personal transport is to hundreds of hard-working families who are just trying to get on with their lives. So I would urge all of you to vote this whole thing out and to send Environment back around the table.

My final point is if this Transport Strategy is lost I do not want to hear any calls from anybody in here about the Minister or the whole Board will have to go or any of that nonsense. It would not be the first time a Department has lost the argument in this place or has had their preferred policy rejected by this Assembly, and I suspect it will not be the last. (**Several Members:** Hear, hear.)

Deputy Burford has shown that she is a very capable and articulate Minister with, quite frankly, the constitution of an ox, (**A Member:** Hear, hear.) given what has been thrown at her over the last few weeks and months. She has answered all the questions that have been asked of her, much of it with good humour and grace, and with some pretty vicious, I have to say, personal attacks (**Several Members:** Hear, hear.) on her on social media and other places, which we should all roundly condemn. (**Several Members:** Hear, hear.) I also have to say that she has not been well-served by at least one of her Board, who appears to wobble on a daily basis. (**Several Members:** Hear, hear.) Anyway I will leave it there.

So, if this is lost, Environment will need to go back and re-think this Strategy. There is no dishonour in that – in getting it wrong. I was wrong once but it was a long time ago and I (*Laughter*) cannot quite remember what it was!

Thank you very much.

The Bailiff: Deputy Paint.

**Deputy Paint:** Sir, and Members of the Assembly.

I want, first of all, to express my surprise at T&R in producing this sursis which looks like it is trying to support a failing Transport Strategy.

**Deputy Perrot:** Sir, point of order. I wonder if we might wait for the sursis to be proposed –

**The Bailiff:** I stopped Deputy Jones trying to debate the sursis –

Deputy Paint: Sorry, sir, I did not hear a word that my good friend, Deputy Perrot, said.

The Bailiff: He said -

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**Deputy Perrot:** I wonder, sir, if we could wait for the sursis to be proposed and seconded?

**The Bailiff:** He is reminding me that I prevented Deputy Jones from debating the sursis and I should treat everybody the same.

**Deputy Paint:** Oh right. Then I shall move on a bit and save this for later.

The Bailiff: Thank you, Deputy Paint.

**Deputy Paint:** I use the word 'cosmetics' on this Transport Strategy because the way I see it is that mascara, eye shadow, rouge and lipstick is being used to cover up the cracks and flaws and tries to make something beautiful which is actually not very pretty at all. It will surely end up in tears for everybody if it is followed in its present form.

Last week the European Central Bank announced that it would release something like, I believe I heard, 300 trillion euros to boost the European economy, by some form of quantitative easing, to try and stimulate business and create employment. What we are doing here is exactly opposite. We are increasing taxation and business costs, and to the population, which cannot afford to be paid by many people, and will have exactly the opposite effect to what our neighbours are doing.

The whole Transport Strategy, in my view – and I have said this before – is a dream put together by a few idealists who forget that we do not live in an ideal world and if this gets through will only make things worse for everyone. These idealists are trying to force through their ideology on everyone, which can only be described as a dictatorship, and which will be taking away the freedom of others, which I personally am not prepared to go along with. We see this in all parts of the world and we must not have it here.

By way of an example, as far as how the events have taken place in the past, whilst I was a Member of the Environment Board we received a letter from the Chamber of Commerce promoting the Minority Report. Having spoken to several members of the Chamber previously to receiving this letter, I saw what was being said from a very different angle, but I was being told by these people from a very different angle.

I questioned the letter in a Board meeting and not too much more was said. Within 24 hours, I received a message from the President of the Chamber of Commerce asking me why I was against the Minority Strategy. I asked him how he knew that I was questioning the letter. It was only 24 hours before that it was discussed at the Board. I was surprised that confidential information had been passed on. He informed me that he could not say because it was confidential. So I then informed him that I could not speak to him because, until I knew the names of the people, I would not.

I have complete faith in my former colleagues in the Environment Department, and I name them – Deputy Domaille, Deputy Spruce, and the Chief Officer. I am sure they are honourable people and I am sure they do not leak information at all. I have to leave it to your own conclusion what actually happened.

Later in the meeting with GMTA on the subject, it was clear that they did not agree with the Chamber of Commerce. I then asked them if they were members of the Chamber of Commerce and they all confirmed that they were. I then asked them how they could have approved the letter sent to the Environment Department by their President. We only knew about this letter after it had been sent.

I am pleased to say that the new President has set the record straight as far as the Chamber of Commerce goes, and has regained some of the Institution's credibility as far as I am concerned. However, it can be assumed that a group within the former Chamber of Commerce hierarchy were using the power of the institution for their own ends.

I cannot go along with this sort of matter when they try to influence the Government by unrealistic and unfair means. I always vote with my conscience, *always* vote with my conscience, not to back any colleague or even Department. What I have described today are proven events

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that actually happened, that can be confirmed. Are you, Deputies who have been supporting the Strategy, prepared to put up with this sort of behaviour from anyone, because I certainly am not? And I will be voting against everything.

Thank you, sir

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

**Deputy Hadley:** Mr Bailiff, I think we are losing sight of what this policy is all about. It is to reduce the number of vehicle movements on the Island. The reason we want to do that is so that we do not have to spend millions of taxpayers' money building more car parks. The object of the policy is so that we have smaller, less-polluting vehicles for the benefit of the environment, and so that less space is taken up on the roads.

I find it extraordinary that we keep talking about people on modest means. This policy will not affect people on modest incomes; it will predominantly affect the better off. I also find it extraordinary that people are saying we should do this to protect companies which sell cars. We should be discouraging people from selling cars, not encouraging them because, as the Minister said, it is actually environmentally sensible to keep your car as long as you can, because of the carbon footprint of actually producing the car.

I do urge Members to support the Strategy, because of the money it would cost us in the end if we do not support it, and because of the health benefits that the policy will deliver to the Island.

The Bailiff: Deputy De Lisle and then Deputy Conder.

**Deputy De Lisle:** Sir, this is not the time to be adding costs when the economy is so fragile and too many people are having difficulty to make ends meet.

While I have some empathy, of course, with reducing emissions, I have to note that much is being done by the industry itself to reduce the emission factor in their new cars and over the next three years I know that they have got programmes in place to reduce emissions quite significantly. So that is being done by the industry, and that is the way that emissions have to be controlled and reduced – not by adding taxes, if you like, to the population here locally.

If we talk about emissions, much has to be done in other areas, for example, the small particles pouring out of PM1s and 2.5s that are getting in people's lungs, that are being poured out from the Hospital incinerator and also the power station. That is where we have got to look – burning heavy dirty oil, and the consequences of that. That has been mapped by myself and [Inaudible] standards across the Island and, do you know, there are very few parts of this Island that are not affected by the pollution that is emanating from the power station and from the Hospital. We have got to remember that this is such an issue in North America that the United States, the EPA there, has closed over 6,000 hospital incinerators.

**The Bailiff:** Are you straying off the amendment that is presently being –

**Deputy De Lisle:** Sorry, sir, but what I am saying is, if we are concerned with emissions as a Department, let's deal with the real problems, where nothing is being done, rather than where something is being done by the manufacturers. So that was my point.

The other point is that headline impacts on the economy if the width and emissions taxation element of the Strategy is brought in would have major impacts on the economy locally. I think we have got to be aware of that at the current time, when efforts are being made to build the economy, but it might be that other Departments are doing everything they can to try and reduce the efforts that are being made by others.

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A reduction in GDP is a concern to me and so are job losses in the motor trade and related trades. I think the Minister has indicated 30 to 50 jobs. That is very serious at a time when we are trying to build job opportunities across this Island.

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There is also the reduction in employment income that comes as a result of that redundancy. There is the loss of Government revenue as well, which is forgone income tax, if you like, and social security contributions that have an impact on this economy. There is a reduction in financing loans, potentially there again resulting in further redundancies and also in advertising spent, people cut back as a result of increased costs.

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So we have to realise that there is a major impact really on the economy from making charges at this particular time. I think, to get back to my original point, this is not the time to be adding costs on this community and I think all Departments have to bear that particular philosophy in mind at the current time, when the economy is so fragile.

Thank you, sir.

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The Bailiff: Deputy Conder.

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## **Deputy Conder:** Thank you, sir.

Mr Bailiff, fellow States' Members, I rise to support the amendment.

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Sir, six months or more ago, this Assembly approved an Integrated Transport Strategy. At that time the key word for me in the Minority Report was the word 'integrated'. That was what both excited me and gave, I believe, the vision for the future of transport and Guernsey's environment. A vision which had been suggested before but never delivered in Guernsey, despite many attempts – none of which came to fruition; all of which were frustrated by salami slicing one or more parts so the remnants were unworkable.

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Sir, for me, the vision articulated by Deputies Burford and Brehaut in the Minority Report was a strategy the totality of which was more than the sum of its parts. Support for a better bus service, greater safety for cyclists and pedestrians, and a recognition that car drivers should make a contribution to the opportunity cost of the taxpayer providing States-owned real estate for car owners to leave their vehicles whilst they were either at work, shopping or any other business for which they choose to use their car. That is not an unreasonable expectation.

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Sir, I remember saying at the time of the first debate that I would not use a bicycle in Guernsey because I did not feel safe. I still do not. Indeed, encouraged by my good friend Deputy Harwood and mindful of recent medical advice that old age pensioners should walk for at least 20 minutes a day – (**A Member:** Hear, hear.) thank you – I have taken to doing just that, but I have to tell you, colleagues, that in St Peter Port, in particular, that is neither a safe nor pleasant experience.

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The size, number and emissions of vehicles coupled with the narrowness of our roads, mean that almost every walk in Town, particularly along the main arteries, is accompanied by the need to avoid pavement surfers, the choking smell of exhaust straight into your face as vehicles idle in a queue or accelerate away from traffic lights, and the inevitable necessity where two walkers are coming from opposite directions for one of them to have to step into the road. That experience is a product of the number, the size and emission of the vehicles on our roads, coupled with the irrefutable fact that, on average, our roads and lanes are much narrower than in most other communities.

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Now, no transport strategy can remove all of those problems, but a sensible integrated transport strategy, designed without apology to change behaviour, can and should help to mitigate a problem which has got worse over the last two or three decades, and will continue to got worse

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Sir, much has been made of the up swelling of popular opinion against these proposals as characterised by the Enough is Enough campaign of November and since. There is no doubt that the campaigners have mobilised significant parts of the community and articulated a powerful case in terms of the rights of the car user, and the value and independence that private transport provides.

Indeed, in my opinion, that case has been made so loudly that the message has got lost in the rhetoric. Claims about the impact on motor vehicle sales at First Registration Duty and the impact upon second hand car sales have been conflated with the inequity of possibly introducing GST or increasing TRP.

A significant part of the message of the campaign has not been about the Transport Strategy but simply about not wanting to pay more tax of any kind, an entirely sensible and understandable sentiment. It is perhaps interesting that more recently as the reality and the benefits of the Integrated Transport Strategy have become more apparent that there has been a definite change in mood and volume in terms of the communication with Deputies, and that communication has reflected a much greater balance between those who support the Strategy and those who oppose it.

Sir, the Transport Strategy, as presented by the Environment Department, is unashamedly about changing behaviour. Those who support this Strategy must acknowledge that fact. There are some who oppose the Strategy who suggest that endeavouring to change behaviour is an outrageous thing for a Government to try to do. My answer to that, sir, is that is what Governments do all the time, and in many instances that is precisely why we were elected. Whether it is educating our children in a certain way, protecting our citizens or encouraging and supporting their health and welfare, we are endeavouring and expecting to change behaviours. So to attack these proposals on the basis that it is designed to change behaviour is fallacious.

Sir, a week before the Enough is Enough rally in November, I was one of the few Deputies who met with the organisers and sponsors of the campaign to hear their views. Deputies Burford and Brehaut led the debate in terms of their Department but it was extremely interesting to witness the discussions which took place over more than three hours.

I recall that nearly all of the opponents of the policy in their introductions described themselves as petrol heads. One gentlemen, in describing his daily commute to work, eulogised about the pleasure he had in climbing into his Range Rover Discovery each morning to go to work. What a buzz he got from driving it and how depressed he was on the rare occasions he had to drive his wife's small car and what an unpleasant experience it was for him. He went on to say how hopeless other drivers were who forced him to drive on the pavements because they were so incompetent in positioning their vehicles in the available space on the road.

In fact, our discussions were very good natured, constructive and friendly, and Deputy Burford was given a fair and courteous hearing by both the representatives of what I will call the car lobby and those Deputies present who did not necessarily agree with her. Something of a contrast, I have to say, with the behaviour of some at a public event the following weekend.

Sir, I do not deprecate the views expressed by those who derive such pleasure from owning and driving cars. It is entirely legitimate for someone to enjoy the experience of driving a large car in Guernsey. This policy is not seeking to ban such activities, but simply recognises that each of us, in pursuing our right to live our lives within the law, has an impact upon the rest of the community, whether it is how much litter we dispose of, whether we choose to smoke or drink alcohol, or whether we wish to drive a large car on Guernsey's narrow roads, or park on a piece of prime real estate in the centre of Town. In each case, there might be a price to pay in return for enjoying such pleasures.

Sir, may we just remind ourselves that these policies are progressive and incremental. For example, paid parking will not be introduced until such time as the bus service is demonstrably fit for purpose. Free car parking will still be available for the majority of shoppers and those engaged in other activities. Width and emission taxes are progressive and easily avoidable, and the benefits to our environment and for those who wish to utilise forms of transport other than cars, are demonstrable.

Sir, in closing, may I just pay tribute to Deputy Burford for her vision and determination in designing and steering through this policy. Whether we approve it or not she deserves our plaudits for the manner in which she has conducted herself throughout. (**Several Members:** Hear, hear.) She has been subject to some of the worse behaviours and vilification that it has been my

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misfortune to witness in my brief time in this Assembly and, sadly, on occasions from some of her immediate colleagues, from whom she might have expected better. (**Several Members:** Hear, hear.) Throughout she has conducted herself with dignity and grace, demonstrating on every occasion that she was on top of the brief. Whether we agree with her or not we should applaud her for her sheer professionalism and integrity.

Sir, the Integrated Transport Strategy, which was the approved policy of this Assembly, should be endorsed today as amended. Nothing is forever and in the fullness of time it might be that experience causes us or our successors to amend such a Strategy. As it stands now, it has the potential to change this Island and our community for the better. We have already approved it; it should be given its chance and its author should be given the chance to implement it. I suspect that if that were to be the case in a few years' time we or our successors will wonder what all the fuss was about.

Colleagues, I urge you to support this amendment and confirm your support for the Integrated Transport Strategy. Thank you, sir.

## **Welcome to Sark Conseillers**

**The Bailiff:** Some of you may have noticed that while Deputy Conder was speaking two Sark Conseillers have entered the Public Gallery. I would like to welcome Conseillers Maitland and Fry, respectively, the Chairman and Deputy Chair of the Policy and Performance Committee.

Welcome to you. (Applause)

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# The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014 – Debate continued

The Bailiff: Next, I call Deputy Laurie Queripel.

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

Sir, this is the thing about politics and debate, when we come to the vote Deputy Stewart is probably going to vote in the same way, and yet my concerns are quite different to his.

I heard Deputy Harwood speaking on the radio a while ago when the idea of reintroducing motor tax was mooted. He said it would have a perverse affect; (Interjection) people would be more inclined to use their vehicles because they were paying for the right to do so. But could that not be the result of the width and emissions duty? A perverse or unintended outcome.

It seems to me that the majority of people who buy or prefer these types of vehicles will not be put off by the additional cost incurred by the width and emissions charges. Now that was quite honestly and openly indicated by Deputy Le Lièvre during the debate we had a few months ago when we debated the Transport Strategy. I think he said – I think I have got this right – he likes his Land Rover Discovery – I think that is correct – (**A Member:** He does.) and he will be prepared to pay the extra. He would not be put off by the extra charge.

Now, in one way that is good news because it means sufficient revenue is maybe raised to fund aspects of the Strategy, but how will that change behaviour? In fact, will not width and emissions charge have the same effect as the one being aimed at in the motor tax by Deputy Harwood, for the owners of these vehicles will believe they have paid the right, the privilege, by the thousands of pounds extra they have paid under either the width or emissions duty, to drive these large vehicles as much as possible and whenever they choose? In other words, they will want value for money.

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So the aims of the Strategy, which I do understand and appreciate, and I know they are being put forward with sincerity and good intent, but they are not only about the size of vehicles but, as Deputy Hadley referred to, they are about the number of vehicles on the road and the number of car journeys being taken, and I do not think that this duty, this charge, will change behaviour to any great degree.

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So I can see the logic, for example, of trying to encourage the use of small vehicles on a tiny Island with many narrow roads and lanes, but I do not think this particular strategy is the right way to go about it. I question whether the revenues raised will result in effective value for money outcomes. In other words, will there be a significant shift in people's transport choices and habits, or will new services and infrastructure, put in place at great cost, only make a slight difference – a white elephant of sorts? Will those that can afford to bite the extra cost bullet in order to purchase the vehicles captured by the First Registration Duty continue to do so? I think they will.

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So I would suggest the reason why so many Islanders have not bought into the Strategy is that a good number of them lead, as Deputy Jones alluded to, busy multi-tasking lives and therefore the convenience of the car will be hard to match whatever alternative public transport options are made available.

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I am loathe to use the term, because I believe it has been overused and over emphasised, but there is a potential form of social engineering to consider, allied to what can be seen as a very expensive experiment paid for by a comparative few.

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Sir, another reason why I will vote against the amended legislation is that I have a concern that this is all the wrong way round, and Deputy Dave Jones has alluded to this. I am uneasy about putting anything in place with significant revenue raising measures and implications before we have had the chance to even debate the conclusions of SWBIC, or consider and debate the findings and implications of the Tax, Pensions and Benefits Review.

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Sir, there will be expenditure and revenue raising proposals contained within those Reports and there is very little doubt because of, for example, the demographic situation, increased revenues will be required to cover old age pension provision and the extra demand on health and care services. We know that those are issues, amongst others, with expenditure and revenue raising implications that we are going to have to face and deal with.

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So I am minded to say that, until the implications of these reports have been fully understood, I think there is at least a case to be made that all but the routine and the most essential necessary and urgent of States' business should be put on hold. No significant revenue raising measures should be approved in the meantime.

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So, sir, it is about timing for me. It is those concerns more than anything else actually that will lead me to vote against the amended legislation. The point being, sir, if the States is going to attempt to access more revenue, if we believe there is disposable income to tap into – and, of course, many Islanders will tell you that there is not – it should be to address these issues.

Thank you, sir.

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**The Bailiff:** Does anyone else wish to speak? Deputy Gollop.

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**Deputy Gollop:** Yes, sir, reference in a way has already been made to me that maybe I am the weeble of Guernsey politics, but if you remember weebles, they wobble and wobble but they do not fall down – (*Laughter*) and I have certainly enjoyed my weeble buses. I have a lot of rather esoteric idiosyncratic views on traffic and transport that I am not going to share today because, for one thing, it would take two hours and would only confuse people.

It has to be remembered, as I said to a colleague earlier this morning – from the Western area, actually – that I am a veteran of many past traffic strategy boards – that is the Mellor Committee, the Dene Committee, and the Bougourd Committee, to name but three. He replied, 'Well, maybe there is a common theme there as to why they failed.' (Laughter) But it is certainly challenging,

because every conceivable kind of policy, especially one involving revenue raising of a charge or tax or promotion of any kind, has winners and losers.

As Deputy Laurie Queripel, I think, fairly pointed out, it is part of a wider picture of revenue raising from the public and it also, at another level, is likely to provoke changes in consumer behaviour and behaviour generally; and, like the Irishman who wanted to go from Dublin to Tipperary, I would not have started from here, from where we are today; but we are here.

I was persuaded, firstly, to support the Burford/Brehaut Minority Report because that was the only bus going anywhere last year. The States made that very clear, and I do share common objectives of environmental protection, encouragement to use alternative forms of transport, the social cohesion choice and indeed many, many aspects of environmental policy, including the travel plans and indeed the travel strategies we are developing for disabled people for enhancing walking, cycling and active travel generally.

We need resources, we need money for those and that should concentrate Members' minds. Even many of the Enough is Enough campaigners have not specifically criticised those initiatives. Not even Deputy Stewart did either. We also have a bus service to which there has been a long and at times slightly painful tendering process, but we now have a result that really everybody has to stand behind, and we cannot let slip an important credible tender process that has come up with a solution and just say we have not got the money to do it, or we have changed our minds again.

I do take seriously the views of the former Minister, Mr Peter Roffey, and their supporters, in saying that we cannot be seen as a yoyo Government. Some people might say, ah, well, I was wobbling a couple of weeks ago, and yes, because in a way we already, assuming we accept the amendment – that I will vote for today – that is the amendment Deputy Burford has put forward, we already wobbled as a Committee, because we have stripped out £1.6 million of possible funding; we compromised.

Why did we compromise? For two reasons. Firstly, to succeed a victory in the States and continue with the process that we are going through and, secondly, contrary to popular belief, we have listened. We saw the hundreds, if not thousands, of people that demonstrated at Enough is Enough, maybe some of us did not consider the possible affects upon employment and success in the motor industry.

I think that is an argument we could have about whether this charge would have that affect and whether what they do in Jersey such as the GST would be far more painful. That is a different argument. But we listened and we modified the proposals so, I might stand to be corrected, only one-sixth of vehicles in the showroom would be affected by these charges. We are making clear, contrary perhaps to something Deputy Paint said, that everybody has the free choice to buy what vehicle they want, and five-sixths of those vehicles will not be adversely affected. The minority are, and there will be some rebates as well... will be affordable compared to the list price in some parts of the UK. There will be a slightly increased charge but then that is true if you choose to go private for health, for example – to make a little comparison.

We as a States, by the way, have accepted the principle of social engineering in some areas, one of which I am not very keen about, and that is the smoking taxes. They have increased above inflation for many years, and that is an example of where the States were saying, to what was initially a majority and now a minority of the population, that they were going to discourage them on financial grounds. I am not making a direct comparison between that and motoring but the principle is interesting to put on the shelf.

Of the speeches we have heard, Deputy Stewart made some commanding points, very much supportive perhaps of the motor industry, but then of course it was pointed out by Deputy Fallaize that maybe he had said something different in the context of an earlier debate. I think he meant that he preferred the Burford/Brehaut package to the then Domaille/Spruce package.

Maybe that is an interpretation of what he said, but I remember too that the Minister, quite rightly, in representing his interests, or rather his mandate for Tourism, was very concerned when

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the Environment Board a couple of years ago effectively redrew much of the coastal route which served the hotel and the beaches.

We as a Board not only stripped out the £2 unfair tourist fare but we also immediately put back that route, and it is now running hourly in the summer in both directions and two-hourly in the winter, although we did use some of the resources elsewhere.

Why did we do that? We listened to Deputy Stewart and we listened to the industry. Deputy Stewart's case was that it was wrong to take off a successful service beloved by locals and especially tourists and cruise liner passengers. Well, they were benefiting from our largesse from the subsidy that we pay and they needed big buses because, as Deputy Burford might inform, there were many passengers who were left stranded on popular days when there were cruise liners in the harbour.

I mention that because the argument that we could use mini buses going round the Island is clearly false at school times, and it is false at times in the summer, they may well be an add-on to our system – a taxi bus on certain routes especially in the winter – but they are not a substitute.

Deputy Lester Queripel made the arguments about why do we not consider a whole fleet of mini buses and sell off the existing fleet. Well, there are two good reasons for that, although we are moving towards a philosophy of smaller vehicles, where appropriate. The first main reason is second hand buses do not sell for much money. They are wasting assets. You get a few thousand for each. The second main reason is the bigger buses are actually full on the 4 o'clock school runs, on the peak hour services linking the Bridge and other popular areas with Town and, of course, they are full at many times throughout the summer.

If you were discarding a large 34-seater for two 17-seaters, guess what, you need two drivers, and drivers are the single biggest cost of bus operation. In order to give perhaps drivers a motivation to work, to ensure that their pay rates are correct, we have had to raise the cost of the bus contract. That is why the figures of £3.40 per passenger was laid.

But that is taking it out of context. The context is we currently provide free fares for our senior citizens aged over 65. We also take school children round the Island, all those costs mean that you cannot simply take a cost out of context. We will still need most of the current bus fleet for the school transfers alone, which have increased due to Education Department policy.

Therefore, the argument about whether passengers in Guernsey pay too low a fare is an interesting one, but the Board and previous States have always believed that it is pointless raising the cost of the bus fare both for encouraging usage and for social reasons. Many members of this community probably could afford a bus fare of £3.40 single or £5 – others cannot. Especially the 8,000 who are amongst the most vulnerable in our community. Therefore, I come at this from an equalising basis of what is the best thing to do today.

Now, I know, sir, we cannot really debate the sursis that has not been placed and may never be placed, but I would point out that what is on offer there, as an alternative to this amendment, is a potential report from a possibly unwilling Committee which would, by implication, put double the charge upon the motorist that this amendment package does. Popular, isn't it? And, in addition to that, it offers the policy option of a significant reduction in fuel price, and I must admit one of my reasons for wobbling a few weeks ago is the one alternative policy I would counter, given the shock drop in global oil commodity prices, would be an enhancement at the petrol pump, bearing in mind we have gone from an era when we had a traffic debate in the summer of £1.15p a litre, to a situation where it is increasingly now about £1.01. And yet this Report talks about dropping 14p the sursis.

So I could not wobble towards Treasury & Resources. I realised that, in the situation we were in, the most rational course of action is to listen to somebody like Deputy Conder and say at some point in the future we will, of course, update and revise, through experience, our Transport Strategy. But to stay calm and support the compromise the Environment Department have already reached with the amendment.

The amendment goes a long way. Maybe that is one reason why the demonstration today, although significant, was less significant than those in November and December. We have met

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# STATES OF DELIBERATION, WEDNESDAY, 28th JANUARY 2015

our critics literally and metaphorically, we have come up with a solution, we have modified and restrained our expenditure. We have not quite got the bus service I would have liked, which is one reason why I have been rebellious on the Committee, because I, of course, wanted an even better bus service, but we have to go with what is achievable and affordable.

So, for all of those reasons, I think it is very important that the States support what is on offer, and indeed I would like to think especially that the more senior Members in this Chamber, the Ministers, take note that difficult decisions, when they have been made, have to be followed through, and the time for re-assessment comes at a later point in the political cycle. (A Member: Hear, hear.)

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, sir.

I will speak in favour of the amendment. I personally would have preferred the proposals that we voted for in May, but I fully accept politics is the art of the achievable, so I realise it is necessary to compromise, and this is, effectively, a compromise between the Environment Department's original report and the Minority Report.

I was amazed with Deputy Stewart's speech earlier because he actually voted in favour of the amendment for the Minority Report which in fact makes a lot further the amendment we have got today. So I cannot understand why he felt it was the right thing to do in May but now he is opposing it.

**Deputy Stewart:** Sir, I can clarify on that –

**The Bailiff:** You have had your speech, Deputy Stewart, unless you are asking Deputy Dorey to give way because you are going to make a point that will help to advance the debate.

**Deputy Dorey:** I am happy to give way.

**Deputy Stewart:** So, as I said, the Commerce & Employment Board were in favour of some parts of the Minority Report but it was 29 other proposals on that Billet and, as I said in my speech, it became then pick and mix for many of us: parts we believed in, parts that we did not.

**The Bailiff:** Deputy Dorey.

**Deputy Dorey:** The direction of that Minority Report was to raise more money and to take more action than the Majority Report and it was very clear.

People have spoken about evidence gaps, but there is no evidence about the loss of jobs that has been mentioned. Jersey we know has been in recession, so we would expect Jersey to have reduced car sales, and if Jersey is going to introduce GST, yes, of course, it is going to affect car sales, because it is a tax which is across all expenditure and it is removing a considerable amount of money from people's pockets, so obviously it is going to affect sales. So I do not think that that is acceptable comparison.

What is important about the width and emissions tax is that they are targeted. Motorists will not be fleeced. As Deputy Jones says, they have a choice. They do not have to pay those taxes if they want to buy a new car. I looked and there are approximately five and a half thousand cars which are on the... different models which are on the UK market – over 2,000 of them will not be subject to the emissions tax. If you do not want to pay the taxes you have a choice – you can buy a smaller, low polluting car.

There has also been spoken about the effect on the economy, but the money raised by the width and emissions tax will be spent on this Island on improving facilities for cyclists, pedestrians and buses, so the money will be recirculated in our economy. So it will have an economic benefit

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for our economy and, in fact, you can actually say that a lot of the money spent on cars actually all goes out of the Island, because the product is not manufactured on this Island. Well, there will be building work to improve facilities for cyclists and pedestrians which will be spent in our economy, which involve labour in our economy who benefit our economy. Also more cycling and walking will be of benefit to our health. It will benefit our economy. We will have a fitter workforce, it will reduce the health needs and perhaps taxes we need to spend on our Health Service. So there will be a benefit to our economy.

Also, like myself, the Strategy convinced me to make the decision to buy an electric bike and the clothes etc. I cycled today, even in the rain and I did not get wet. (**Several Members**: Hurray!) (*Interjections and laughter*) It took me nine minutes from home, which is approximately the same amount of time it would have taken me to have driven from Lukis House and walked down from Lukis House. So I spent money within the economy which will benefit our economy. I spent money on a bike and clothes. Also bikes need repairs so there will be a benefit to our economy. So I think the negative economic effects have been wrongly portrayed.

But the main reason why I will vote for this amendment is safety – safety predominantly for the pedestrian and also for the cyclist. We as a community have to give our pavements back to pedestrians (**A Member:** Hear, hear.) by stopping cars parking on pavements and stopping cars driving on pavements, as well as improving facilities for pedestrians and cyclists. The main reason why motorists use the pavements is because obviously our roads are just not wide enough for our vehicles.

I do not want us to have to spend millions of pounds widening our roads and changing the character of Guernsey. The width tax alone is not going to solve the problem, but I believe it is part of the solution with the Integrated Strategy. It will encourage some motorists to buy narrow vehicles. If the GMTA do not think it will be effective why have they campaigned against these taxes? It will make people buy narrower cars and probably smaller cars which there is less profit on. It will make some people think before they purchase a new car. I fully accept that some will just pay the extra tax and they will pay to use a greater amount of our narrow roads. But others might just stop and think before purchasing a wide car. Think of other road users. Think, 'Is this car Guernsey-friendly?'

I hope that the width tax will be the start of a change in the public's attitude to wider cars, just as public attitude has changed to drinking and driving, and also it is changing to speeding. Rather than cars being a status symbol such that people are impressed by a new large gleaming car, I look forward to people reacting negatively because that is the size of that new large gleaming car. (Interjection)

Taxes do change behaviour, we use them specifically for tobacco and alcohol to stop people using them or to reduce the usage of them. There are many examples in history. I think one of the classic examples is in Amsterdam when taxes were determined by the width of your house, so the Dutch of course built houses which were very deep and narrow to avoid taxes, so we have the architecture of Amsterdam.

Please support the amendment to improve the safety of our roads and I believe it will benefit our economy.

Thank you.

The Bailiff: Deputy Brouard.

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

First of all, can I declare I have a large 4x4, (Interjection) my wife has an estate and my daughter has a very small Polo or something. My brother-in-law is in the hire car industry.

We have got a difficult decision today – well, easy for some of us, more difficult for others, but we are going to have a vote at the end of this session as to whether or not the amendment that Environment are bringing forward... and then we have got what I call the 'dangling sursis' because we all know it is there but whether it is going to be placed at this stage or not. So I am assuming

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that they will place it anyway, regardless of what happens, because you have got that sort of dilemma that if this does not get through then there is probably little chance that the main Proposition would get through unamended, so the sursis will be laid, or do we go for this gets through, the sursis will have to be laid anyway to bring up the extra funding. So it is going to be quite interesting.

But, of course, as Deputy Dorey just said, he does not particularly want this amendment. He preferred the original Proposition, which is fine. He just has to vote against this Proposition and then vote for the main Proposition as before! (Interjection and laughter)

We do not have to fix the problem today. The sky will not fall in. We have struggled to define the problem and the medicine that we have come forward with is probably going to be more likely to kill the patient than without it. You do reach that point where, with 47 of us all, well-meaning and all trying to do the best, we are just going to get a complete mess.

I will not cover all the points, but there is an alternative. There is an alternative and it goes straight back to what Deputy Conder was saying – and Deputy Dorey. They want us to be walking on the pavements. Well, then make sure that PSD keep them clean. (A Member: Hear, hear.) (Laughter) Yes, yes, you laugh but when you are walking on the pavement or pushing your pram and you have got leaves coming half way across, you are on the far edge before you even start. And also if you are driving... I have been on a bicycle... if you have got potholes it is much more difficult to cycle.

It is awkward when you have got very shiny covers that PSD put on for the drains and stuff, they should perhaps be grip blasters so they are more safe. So that can happen.

One of the main congestion areas we have is, of course, when the schools are in. So why not concentrate a little bit more to start with. I mean, this is a journey and I am sure my ancestors will get to where Deputy Burford is today, but I need to be taken there in smaller chunks. Put on the extra school bus service. The funding has already been given, we have been paying £400,000 to £500,000 on the 1.2p on fuel that is already there to pay for the extra buses. And, yes, encourage smaller cars. No problem with that and, of course, there are some good bits in the Transport Strategy anyway. And a reasonable bus fare. I mean even the Bus Users Group are not opposed to having a bus fare. So there is an alternative out there and the sky will not fall in if you do not vote for the Proposition today.

As I say, I am not going to touch on all the points but just one of them – the disability and use of vehicles. The Minority Report is very clear that vehicles that have been adapted for disability use will be exempt from width emissions. That is fine but, of course, what happens if you just need a larger vehicle? Well, of course, then they will not be free of duty.

I have had the discussion with the Department and they basically advise that if there is an adaption done to the vehicle, which might be a steering boss put on or something like that to help, then that vehicle would then be classed as not having to pay for its emissions. So you have got a situation where someone could buy quite a large vehicle, for whatever reason, the medical condition says that you need a steering boss to help you turn the wheel, then that larger vehicle is suddenly exempt.

So there is going to be some quite awkward regulations to come through on that. Also there are quite a few vehicles that are also used on the Island for charities generally, for whatever purposes. Again, they are all going to be paying for width and emissions.

I am really pleased that they have got some clarity on wing mirrors because you are not usually hit by the wiper on the car or the front bumper. You are usually more likely to be hit by the wing mirror. So that is useful, but the trouble is, by not including them now, you are still just as likely to get hit with them, whether you have them in or not.

It would be useful to have some clarity over classic cars. Exactly what is a classic car? Will you have to pay full width on that?

One comment we have had is very few people trade in old inefficient cars for new efficient cars. That is from the Minister but, from the information I have had from one of the garages, that is totally not true. The figures that were provided by one of the local garages said that on their car

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sales in 2014 that they had, 41 had no part exchange; 20 had a 0-3-year-old part exchange; 15 had a 3-15-year-old; 19 had a 5-7-year-old car part exchange. But 26 part exchanges were for a 7-10-year-old car. So people do trade up their old car that is perhaps less efficient for a more efficient one. So that happens now and I think if you look at it, it is at the back of the C&E's proposals how cars... largish vehicles like Range Rovers... how the efficiency has come in by about 30% over the last three years – three to four years.

I would like some clarity from the Environment Department of commercial vehicles or pleasure vehicles are where the demarcation is going to be made. If you need a 4x4 because you are a vet, does that become commercial, but if you then use that to take your family on holiday, will that count as private use? I would just like to know exactly where that boundary comes across.

Unusual, for the Chamber of Commerce have come out very strongly against the width and emissions, and I would ask to make sure that all Members have seen their comments that they make very clearly, especially with regard to the retail strategy and getting people into Town. I will just use their opening line. They say:

'We do not see any evidence that a free bus service would in fact decrease traffic into St Peter Port by encouraging people from their cars. The free bus service proposed is not in fact free.'

One of the real problems, I think, for me is probably the unfairness of it, of the width and emissions, and it is fine for someone to sit in their rather large house with all the latest gizmos and that large property properly built on the back of fossil fuel and water usage, and then they take their kids, which is great, twice a year on a holiday by air to Europe or where else, and then they advise the rest of the population that actually you can only have that car and I think, for some people, especially over here, not everybody can own their own house, not everybody can have the house they want. For some people the car is one of the things: 'Well, I have not got that but I have got this.'

Some people just like their car and I happily drive round in mine. And the irony comes – we are not actually traipsing across the Sahara every day to get to St Peter Port, the mileages are not great. Even my big truck, I have worked out I do about 5,000 miles a year, I have worked out the carbon content and all that sort of... probably three tonnes of carbon, for the whole year. Lovely. Okay, fair enough, but take your family of four to Europe by air, eight tonnes... You take your family of four to the Seychelles and back, 20 tonnes, and yet you are telling me I need to get a smaller car to protect the planet.

If you are really serious about the carbon and the emissions then I would like to see Environment championing insulation in older houses, championing through Policy Council that we get the new sort of energy centre set up, whereby we can give advice to people as to how they can save fuel in their houses and things, because just tackling one small element in isolation I do not think solves the problem. It is not a problem that needs that sort of solution.

Apologies from C&E as well... the last minute data coming through. We have struggled to get it through in time. Apologies for that, but it just shows how complex this particular issue... And you are embarking on a very complex piece of legislation. This is not going to be easy to understand and I think we as a legislator need to try, where we can, to have Laws that are simple easy to understand and easy to administer. And if you push me that we need to do something about our strategy or pay for some improvements for pedestrians or cyclists, then, at the end of the day, I would probably come down to looking at fuel. I probably would, once we have done the analysis and if there was a shortfall in funding, look at fuel. I would also have a bus fare.

Well, the other interesting point is why is Environment pushing now for their amendment? They have caused this debate, not me? It is not the opponents of it that are pushing for it, Environment have come back of their own, and basically I think, as Deputy Gollop said, it was one of the main reasons that they have done so is for survival. The other reason is because they just... I do not think they would get it through. So let's be a bit honest here, principles are something but this is all about survival of what you can actually get through.

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If I have learned anything in my 12 years as a privilege of being a Deputy, is I do not think I have seen so many people having so much angst about something that we are doing here. This and the incinerator probably count about the same and I think, even if we do not agree with what the people say, I do actually agree with what people are saying because I have been on the same path all the way through – even if we do not agree with it – I think you should at least take note that perhaps you are pushing a little bit too far a little bit too fast.

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People talking about this new route they have got, improving the bus service – the P1, I think it is – taking more air from St Saviours to St Peter's than anything else has recently. I mean what a great idea but what is the point? Why not use that bus to its full capacity by taking some kids to school from around the western parishes and taking them back home again. You would not only double the passengers on the bus, you will multiply it by about 1,000%. So please let's try and solve problems that we can see ahead not trying to do a modal shift which just does not work.

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We do not have an issue with wide cars. It is not our fault. Manufacturers make cars because they make cars and they are designed for roads probably other than ours. But it is not so much the width of a car – apart from the bus that was approaching me the other day, where he managed to mount the pavement with his front wheels but he was not so successful with the back ones so he was now coming down the road at me sideways. But luckily he did actually get the back wheels on to the pavement.

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It is how you drive. It is how aggressively you drive. Now, if we want to change something then perhaps have a different driving test, perhaps have different policing, perhaps look at how we... because we do have to mount pavements at times, to pass vehicles – perhaps some education around that, but just changing having width and emissions does not actually change the behaviour of how people drive.

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Uncle Vaudin was not very good at driving when he had his Mini. I can remember he painted it with a four-inch brush and he had a biscuit tin on the floor where you could actually see the daylight running through (*Laughter*) but he only had one way of driving and that was in the middle of the road, because he could just about see where the hedges were, and that gave him his direction.

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So, please, it does not really matter how big the car is, it is how it is driven; and I think if you want to do a shift in people's behaviour then perhaps let's have some more education on how people should drive and on how they should act courteously, because most of the time – apart from when my daughter is in the car, who says, 'Go a bit faster. I want to get there quicker,' you do not, you just end up behind the bumper of the next car when you get to the next set of lights or, a half mile on, you catch them up again. There is no point. We have a set speed that we travel round the Island. Get used to it. If you want to go fast somewhere else, go to the racetrack or take your car to the continent, if you can afford it, or to the UK.

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Jobs – now Environment have this idea that nothing will change, we are still going to buy the same amount of cars, we are just going to buy smaller ones, which rather flies in the face of Deputy Hadley, who says actually the whole thing is about reducing journeys. But, of course, the width and emissions is not; it is just about how you buy your car.

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The difficulty there is that I do not think that is right and I would encourage everybody, if you do not do anything else today, just have a look at Commerce & Employment's... the back of the recent notes that we sent out, and I think it is the graph, it is Appendix B. It looks like this: it is mainly blue – probably because we are all conservative – but it has got the figures there of what happened in Jersey when they brought their taxes in and, yes, some people said, 'Well, actually, this is not the same because we have got exemptions and therefore you can get through the gap.'

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But even if you said half the cars will not be affected, the other half will. So even the other half being affected, there is a substantial change of people's behaviour when they have brought the taxes in. They had had a high in about 2002 of car sales – replacing their old inefficient cars for new ones of about £12,500. They have managed to successfully get it down today to changing their cars at around £6,000. That is quite a shift. That is quite a shift, and if you look at the peaks

and troughs every time more taxes come on and more pressure the amount of business goes down.

I think the system we have got now works reasonably well, because you are almost encouraged to buy a new car that is going to be more efficient, that keeps people in employment and I think the idea that we will not have any changes or job losses I think would be naive. It may be not as much as the motor trades expect, but I think there will be a substantial shift. Just the idea of buying a new car – no, I do not think I will bother now because I will hang on to mine, or I will have to wait longer to save up to get to that car.

I think Deputy Laurie Queripel was making the point about other taxes and I think there is a good point here on headroom. We have got so much to do in the States. We have got so much pressure on our finances. If we have got any headroom in some taxes I would probably rather it went to Education or I would probably prefer it went to Health to pay some of the bills there. If we have got that sort of headroom, I do not particularly want to be using that headroom up to put it on to behaviour changes with width and emissions. So if there is some gambit that we need to change, I think it should be that we look to using our taxes as wisely as possible and because a Department can. Because this money will go straight to the Department, does not mean to say we should do it.

So there is no shame in changing your mind. If you still feel it is right that we should have this then carry on voting for it. I do take a little bit of the hypocrisy for it because I am not prepared to change my mind from what I said back in May, but I expect other people to. So I do appreciate the irony in that.

The sky will not fall in, and if the Bailiff will just allow me just for half a second to mention the sursis which we know is there –

The Bailiff: Well, I have not allowed others.

**Deputy Brouard:** If he did allow me to – (Laughter)

**The Bailiff:** You can tell us later when you are allowed.

**Deputy Brouard:** I can put it another way: if a sursis was laid and someone suggested that maybe we kicked the can down the road for a year, dreaming up some new way of taxing like motor tax or something like that – if that were to happen, obviously, if one of our most senior Committees think that is a do-able concern – a way of doing it – and if they are thinking that the sky is not going to fall in today, so we do not have to do anything today, what we should be doing, if we do do anything, is to basically vote this out. Vote the sursis out, if it ever turns up – should one arrive – and then vote the main Propositions out, and ask the Environment Department to go back to the drawing board and come up with a reasonable transport strategy that is the bones of it, that I mentioned earlier, and have a re-draft of something that is proportional and representative for the Island.

Thank you very much, sir.

The Bailiff: Yes. Deputy Le Pelley.

## **Deputy Le Pelley** Thank you, sir.

There are many green issues that I would like to support. I am not so sure that these green issues are the ones that actually come into that. I am not a member of the cycle clip brigade and, in fact, if you want to see a tailback just get me on a bike, because I think I can hold stuff up from Town all the way out to St Sampson's – and Deputy Gollop is not the only one that can wobble! (Laughter) I do need my car. Last Thursday, just for one example, on States' business, I had seven meetings to do. If I had relied on the bus service it would have taken me three days to actually get to them. That is a problem.

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I think it is nice to get more people on bikes, it is nice to have people riding on their pushangs, as Deputy Duquemin would prefer me to say, I am sure. But I do not really think that we are going to have the safety on our roads to actually encourage all that kind of riding for all our youngsters. We are limited by the size of our roads, and the size of our pavements as well, to actually enable people to have lots and lots and lots of cycle areas.

How did I get here today? Well, I got here today on a bus, in true Deputy Lester Queripel style. I have my bus ticket to actually prove it. But I had to wait, because I was not absolutely certain what time the bus was going to come past. In fact, it did come on time, but there have been many occasions when it has not come on time and I stood myself in the roadway waiting for that bus to come. The first bus that came past, in fact, realised that I was waiting at the bus stop suddenly flicked a switch and said 'Not in Service' as he nearly took my toes off, whizzing past the bus stop. But the actual bus that I caught did actually get me here on good time. I was the only passenger in the bus. (Laughter) The only passenger on No. 21 at 9.03 a.m. along Route Militaire right the way into Town. (Interjections) Well, I think I would get it free anyway Deputy Jones because I am about to hit that magic age where you get it for nothing.

I think the Strategy that has been proposed – the Transport Strategy – is flawed. I will go so far as to say the wheels have come off that particular bus, (Laughter) and I do not think it is actually going to go anywhere particularly fast. The Strategy, like this amendment, is something like the curate's egg. It is good in parts. There are some very good parts in there but there are too many parts that are not, and I think we really do need to have the whole Strategy right before we actually implement it.

I seem to remember that when the Strategy was being discussed right at the outset that we were told that it was something which had to be taken in total; all parts of it helped and held up other parts of it, and you could not start unpicking it without problems. Well, it has been unpicked. There are problems. There are funding issues now that are going to cause problems and there are going to be all sorts of knock-on effects, and I really do think that we need to direct the Environment Department to go back and start again.

There are elements of social engineering here. True, some social engineering can be useful, but sometimes you go a little bit too far down that road; and we have to remember that we are here to represent people. I have been told, yes, we are also here to lead. Fine, but I want to lead people where they want to go; I do not want to find that I am leading something and there is no-one behind me! (Laughter and interjections) I have got a funny feeling that if this Strategy goes forward there may well be a States of Guernsey in the front and not that many people actually behind us. (Interjection)

The other thing that I was a little bit concerned about is the number of exemptions that are likely to actually kick in. I have been involved with the St Sampson's Douzaine, wondering and worrying about the size of some of those old red Lagan lorries that used to go trundling up and down through St Sampson's and out through the Vale and on to the Coast Road and all the way round the Island. I do not know how many visits they did around our roads per day, but many, many, many visits, and I was under the impression that after two years having served their purpose they would be gone. But they are still around. They are still here. Some company has bought them up and is utilising them. They are very wide, very heavy vehicles, and yet they would be vehicles that would be exempt from taxation.

I see someone nodding. Sorry, saying that is not the case. Perhaps, in her response, Deputy Burford would be able to explain exactly what exemptions would apply to those kind of vehicles, because these very, very big, wide heavy vehicles, including buses, are the kind of things that are forcing me on to the pavement on a day-to-day basis. They are too wide.

In all of the discussions that I have been involved with, and in the public meetings that I have attended, the message that I have actually got from the general public is that we should, as a States, stop trying to tax people every which way we possibly can and to actually only spend money on the bare essentials. We are in a time of austerity and we should really be being very, very careful on what we spend our money on.

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The average Guernsey person tells me that they are being taxed up to the hilt and 'enough is enough' is the old expression which is the slogan that has been taken by a particular group, and I think that they have got a very, very, strong point to make. We do need to tighten our belts. We do need to make sure that what we are putting forward as spends are essential spends. I hate to think how much this Strategy is going to cost us if it has got the flaws in it that I perceive it to have. Two years down the line, how much money would we have wasted if we have not done the job properly in all our research?

Several people have spoken ahead of me, and who have made very, very important and interesting comments. In particular, I would like to point out most of what Deputy Jones said before he was stopped from discussing the sursis – which of course, quite rightly, would not have been right – but practically everything else he said I totally concur with. The same with Deputy Laurie Queripel – many very, very good points – and also Deputy Al Brouard.

The motor industry is improving its vehicles almost weekly. There are all sorts of tests and improvements going on all the time. If you were to look at a vehicle three or four years ago and compare it today, the improvements are vast. If we need this kind of money, this kind of taxation to come in to actually fund transport systems, once you have actually got the structure there, it is a bit like GST – once you have got the structure there it becomes a very easy hit to start adding little bits on. You do not get a price rise, you get a width rise. It becomes a very easy target to actually start becoming a milk cow really for funding. I am very, very concerned that that may well happen here.

'The user pays' is an expression which has come up in recent debates. Certainly in the parishes about rubbish removal – the user will pay with the black bags and all the rest of it. Well, perhaps if you are looking for a user pays then it really ought to be a fuel duty that you should be looking at. In fact, if you had taken on board the Deputy Gillson/Le Pelley amendment some eight months ago, you would not have even noticed it had happened because the price of fuel has dropped so rapidly that we would not have actually noticed the difference. (**Several Members**: Exactly.)

So I think the fuel duty would be probably the best way to actually get the user paying and make it fairer. (*Interjection*) So I too, sir, will be voting against the Strategy this amendment and the Strategy – and I would urge other Members to do the same.

Thank you, sir.

The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you very much, sir.

Members will excuse my grazing style of speech. I just wanted to pick up on a few things that have been said.

The background to this debate and the context between these numerous States' meetings has been that Deputy Burford and I are committed green environmentalists who are idealistic and will push through something despite what society wants. That is far from the truth.

It was said earlier that when we met with the Enough is Enough group, who were a group of six or eight people, incidentally, possibly more than that now – they pretty much, without exception, introduced themselves as petrol heads and, when it came to me, I introduced myself as a petrol head. In the past I have owned classic cars. I still own a classic car. When I am not tinkering with the timing chain, replacing the water pump, looking for the ever-leaking by-pass hose or checking the diff level, or the level in the diff, or tinkering with one of my classic scooters, I am doing other things.

The idea that people who shape policy like this and people who want to make society better by degrees are in some way fundamentalist in their approach or stand apart or are different... we are not. We are full members of society, elected representatives, trying to improve things incrementally and with the concessions we have made trying to take people with us.

Now, I also heard enormous concerns with the manner in which – and I want to refer to this briefly – my colleague and friend, Deputy Burford, has been dealt with – not necessarily in the

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media, but online, on the forums – it has been an absolute disgrace! (**Several Members**: Hear, hear.) It is wholly inaccurate and, in places, clearly libellous – some of what people think that they can post online, and I have to say, to a lesser extent, people have said some rather unkind things about me, which is the nature of politics, but people tend to overlook the fact you have children who might just be on the same forum, (**A Member:** Hear, hear.) reading these things about their family members.

One thing that has concerned me – and I think Deputy Stewart did make an excellent speech; it is probably one of the best speeches he has made; best in the sense that he made it with conviction and commitment and delivered it exceptionally well – but he referred to Deputy Burford as being wrong, and he also is clearly wrong. And he is wrong because his political position and the manner in which he conveyed his very strong arguments, is underpinned by an extremely flawed report, and it is that simple. It is that simple.

The seriously flawed report or letter that we have had from Commerce & Employment comes from a Board that, it has to be said, is clearly anti the Environment Department. Whether it is speeches laid by Deputy Brouard in this Assembly – and I listened to the phone in at the weekend... Listening to Deputy Collins I came to the conclusion that the war in the Ukraine was probably the Environment Department's fault.

I am afraid that that Board are dead set against the Environment Department, so when you add that into a report that came from the GMTA, who are a lobby group, and for the GMTA, who are a lobby group, to hand over a report to C&E, saying, 'Do what you will with that,' and they repeat a bogus figure that keeps doing the rounds. 30% comes from where? We do not know. We have sat in a room with the GMTA. We have challenged the 30%. It is a misunderstanding of a figure given out by Deputy Burford. It is a misunderstanding. There will be no 30% loss in sales. There will not be the job losses that the GMTA are saying that there will be, and I have to say what bothers me, in particular, is what other reports will we see in the future from well-funded lobby groups that will just be topped and tailed and reappear as an analysis from a Government Department?

That is crucial because if you strip out the GMTA elements to the C&E document you are not left with a great deal. You are not left with very much at all. So it does bother me – what other reports will we see in the future that come from lobby groups that are presented to a political department that is sympathetic to the business community and perhaps does not challenge or push a little bit further?

Where our proposals are fundamentally different to what happens in Jersey is simply the level of exemptions. The buyer who goes into the showroom still has very real choice in the purchase that they make. That is different.

I am sorry – I will give way as I am always short on material. (Laughter)

**The Bailiff:** Deputy Stewart.

**Deputy Stewart:** You are so kind.

Mr Bailiff, it is not true and the Minister herself knows it is not true that we have properly tested the GMTA figures. I have shown the Minister and if she has not passed on that information to the rest of her Board... but I have shown her emails where I have actually said I do not believe these figures and I have instructed my officers to be thorough in their testing of all the GMTA figures and the Minister is aware of that.

The Bailiff: Deputy Brehaut.

**Deputy Brehaut:** Just by illustration, Mr Bailiff, the figures on vehicle sales globally on the Island are held by the VRLD. The fact that the GMTA have presented sales figures from their own members... are different to the collective figures owned by the Environment Department that

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register every new vehicle on the Island. That is the disconnect and this is why this is just another reason why the figures are –

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**Deputy Stewart:** Sir, point of correction.

There is a big difference between sales and registration figures. Retail sales of cars have been constant at pretty much 2,000 vehicles a year over the past years. The registration numbers have changed because Ford import hire cars... and rather than do four rotations a year, which they were doing, they changed it to one and that has been the recent drop in figures, not in retail sales, sir. Those are the figures I have.

The Bailiff: Deputy Brehaut.

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**Deputy Brehaut:** I did not give way, sir. However, that was more than a speech. I give way to Deputy Lowe and then I would like to make a little bit of headway.

**Deputy Lowe:** Thank you.

I only stood up now, sir, because there was a break in your speech, otherwise I would have waited until the end.

I think I heard Deputy Brehaut saying... obviously he will correct me, but I do not think it was particularly appropriate that he accused all the Commerce & Employment Board of voting against anything to do with the Environment Board and cast aspersions against all those political Members. I think that is rather unfortunate, and if that is what he did say I think he ought to apologise.

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**Deputy Brehaut:** So frequently, sir, Deputy Lowe casts herself as the moral guardian of this Assembly. It is just that, it is a fact – it is a political fact of life – that the Commerce & Employment Department pretty much at every opportunity, sadly, could work and do more with the Environment Department, but seek to criticise than being a little bit more proactive and involved.

It has been said – and it has been said by Deputy Jones and others – that this makes it difficult for larger families – it hits families; it is detrimental to families; families cannot get on the bus. Well, I have a mortgage to pay, I have two young children, my wife works, I have to get around the Island, and all this Strategy is asking people to do is to do what I do: sometimes you drive your child to school, sometimes you walk to school; sometimes you might need to drive to a meeting, sometimes you walk or get the bus.

I have had two young children but for a given period of time. In my experience, from what I have witnessed – I may be wrong – children tend to grow up and, when they grow up, lifestyles and choices and options... children can walk to school, children can go to school with a friend, they are no longer toddlers. The idea that we need to be frozen in time and policy cannot progress because there are young families who are struggling with this initiative is a bit of a misrepresentation. Families with young children need cars. They use cars. I do not mind them using cars. You do not need to use your car forever.

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There has been some reference to road works and, of course, the endless road works that Deputy Jones refers to is simply the fact that the traffic, the volume of traffic, is degrading what, of course, were only meant to be cart tracks. Deputy Brouard also said that cycling is hampered by potholes with no sense of irony – the fact that potholes created by excessive vehicle use, of course, is the reason why cyclists struggle.

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Deputy Brouard also spoke of how cars were generally becoming more fuel efficient. Now, this interests me because if you listen to the motor trade they will say, 'We are doing all we can, all we can to make vehicles more fuel efficient. We are doing all we can to make vehicles safer,' as if it is something they volunteered to do. The reality is the motor industry has come under enormous pressure from legislation in other places. The fact that some communities in America – and, we are hearing, in Paris – will not allow diesel vehicles, that in some cases you are only welcome if you

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have got an electric vehicle, comes from legislation. Sometimes social engineering actually leads to better engineering.

I noted yesterday, sir, in *The Press* there was a quarter or perhaps half-page ad from Enough is Enough who were opposed, they said, to the ludicrous taxes. They are opposed to the ludicrous taxes, yet they want to charge every motorist £100 First Registration – you can put that in your Tax and Benefit Review – then 1% of the value over £25,000 – you can put that in your Tax and Benefit Review – you can also put petrol up by 8p and, I believe, as Deputy Burford has referred to, a parking clock at £26.

So people who look to alternatives to what we are proposing, the alternative they come up with is not... is charging every motorist – everybody who owns every vehicle of any type has to be charged. The way that this Strategy works is that it is targeted and you must remember the level of exemptions the choices people have got and the number of people who will actually not be affected by this Strategy.

There has been criticism that the surveys were not thorough. I spent a great deal of time with Deputy Burford interviewing 14, 15 or 16 interest groups, including the Road Haulage Association, private car hire, tour operators, disability groups. These sessions were minuted and became integral to the Report. But what struck me with the interviews that we did and when we spoke to people, was the organisations that were in business by virtue of legislation under the control of the Department, who had never met with the Department before. They had been in business for years, by virtue of legislation, under the control of the Environment Department and they had never spoken with the Department before. So, in a number of ways, it was engaging and it was genuinely a two-way exchange.

In those numerous meetings, we have met with the GMTA a number of times, but I believe twice now just them as a group. And one of the members who was present at the last meeting represented a business that is well known on the Island, that was sold for £41 million. We are talking perhaps three or four weeks ago, a business on Guernsey selling cars was sold for £41 million. Do we think a business – and we can probably imagine what business that is – would really be sold if they believed that vehicle sales on this Island were going to plummet by 30%. I mean where was their due diligence if they really believed that that was the case?

What other Members have done... I thank Deputy Dorey for his speech – what he has tried to do is what has been lost over the paid parking and over aspects of the width and emissions, is the back to basics, the vulnerable road user and the reason why we want this policy in place and to work in the first instance.

The fact that I cycle on a regular basis these days – and probably in this weather I walk more – and it is only those people who do not walk and do not cycle who can really assert that we do not have a traffic problem, that the roads are generally safe, and that we exaggerate the problem...

I walked the other day from my house to Frossard House and picked up, just as an aside, four broken wing mirrors, because they are everywhere, and when you cycle you see them everywhere. Cars cannot get past; they are a bit impatient and they move on at the expense of the wing mirror.

When I walked up Route Isabelle this morning I had to wait to give way to the traffic turning into York Avenue and I waited and I waited and eventually I was allowed to cross to a pavement. When I got to the other pavement to cross to the next – of course, it does not exist – then you are in this horrible no man's land called The Croûtes where traffic is funnelled through at a pace and don't you dare try to cross a filter while there is such a volume of traffic. Actually, interestingly, walking through Belmont Road – just look at the vehicles parked there; the damage done to them and why people always default to the pavement if they do not want to damage their vehicle.

Now, it has become commonplace, it has become regular, on Guernsey, whether it is King's Road, whether it is the Croûtes, whether it is the Bigard, people default to the pavement because they do not want to damage their vehicle. I do not go on the pavements. All it simply means is that people have to slow down and they do not want to, so they simply default to the pavement and put pedestrians at risk.

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I own a larger vehicle. Sorry, my wife owns a larger vehicle. It is owned by virtue that somebody in 2006 purchased that vehicle. Now, by the time that this process washes through, less vehicles like that will become available and we can hope that that happens over time.

I also want to refer to the disability elements that are overlooked. We met with a representative of the Guernsey Disability Alliance yesterday, and in that room was real excitement about the changes possible for a group of people that had really been overlooked in previous strategies. The fact that we will have people with dedicated vehicles servicing that part of the community... It is very easy to lose significant elements. People who cannot get out of their homes because public transport does not get to them. It just does not get to them at the moment. So Deputy Brouard says the sky will not fall in. Well, actually for some people who are living alone, they cannot get out. This policy – and it is not immediately obvious – will assist them and make their lives more complete and they can participate fully in society and perhaps, if I can say, the skies may at least clear to them.

One thing I do not quite understand and why – I am sorry, sir. I will give way.

The Bailiff: Deputy Brouard. You have switched your microphone off.

**Deputy Brouard:** The point I was making is that nothing major will happen – the sky not falling in – but the point you are making Deputy Brehaut is that couldn't you do that now? If you wish to have taxi plates for disabled people to use taxis, you could introduce that now at a very minimal cost, or do you need funding for that?

**Deputy Brehaut:** That is the option favoured by C&E, sir, which is a pick and mix approach and it does not work. If you want to prioritise one thing over any other, then do not have a strategy. The word 'integrated' is to incorporate all of these things. And I will not give way again, respectfully, Members. I have been kind to these interjections, probably to my own cost again.

The UK vehicle sales work with First Registration Duties and 20% VAT. They work, cars still sell. Jersey car sales – although they took a dip, for the reason I got to my feet before, because it is a blanket tax on all vehicles and that is different to what we are proposing. But the idea that Guernsey, as a fiscal centre, is the only place in Europe that cannot come up with a mechanism that ensures a vehicle that has tax on it or ensures a vehicle by virtue that has a loan agreement with a company, is to denigrate the local industry that we have. It is to denigrate the local industry because it is the person that comes up with the remedy. If it is a problem that would have the business, then that is the way that businesses work. The idea that Guernsey's business is so staid, is so laboured, is so dysfunctional, that people will no longer be able to buy new vehicles simply because they have a tax on them, is ridiculous.

Members, I would ask all Members just to, when they vote today, bear in mind what Department's they are on and what obligations they have within their mandates. Whether it is HSSD and the obligations you have under the Obesity Strategy or even if you are Members of C&E and you want to think about the visitor experience – and that is the most common gripe we get with people who come to Guernsey... is the fact that the Island is swamped with traffic.

Also opposition from what you might call community leaders, in my view, has been in response to *Press* commentary and debate online, rather – rather – than reading the Strategy. I was fascinated by an exchange. It may have taken place with all States' Members but certainly between Deputy Burford and myself and one other. This person was dead set opposed to the Strategy and then in a number of exchanges said, 'Actually, I have not read the Minority Report. I am responding to media reports etc.' And there was a good point made by Deputy Le Clerc: it is very easy to feed off the back of negative media commentary. It just takes a little bit longer to read the Report.

What has also loomed large in this debate, more than any other perhaps, has been the rally on the North Beach which was billed wrongly – completely erroneously. This was not a rally on the

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North Beach that was, on the face of it, designed to criticise the width and emissions duty only. However, I believe the public and Deputies were duped on that occasion. The headline was 'Come to the North Beach. Let's talk about GST. Let's talk about width and emissions. Let's talk about taxes,' and the membership of Enough is Enough, unfortunately, in my view, left the Environment Minister extremely exposed on that platform when it became a meeting really to only discuss one issue, and I thought that was particularly unfair. We know that concessions have been made to key workers, it was a concern that Deputy Peter Sherbourne had, that people who come to the island with a car, and we have a mechanism now that has due regard for the age and value of the car, which will make it easier for them to import. As Deputy Burford said earlier, if the States had embraced initiatives like this going back to 2006, things would look very different now.

Briefly on the buses, ridership is up, and hearing what Deputy Le Pelley said – and yes, he was the only person on the bus, and we put in on specially for him, Environment was tipped off – let's talk up the buses rather than take every opportunity to talk them down. Societies, communities, do not want to be associated with concerns that people or organisations generally consider to be under-performing.

Members, just in closing, and I appreciate we are close to lunch, voting legislation now does not deliver you this strategy: rather, it introduces a funding headache that no respectable government should put itself in. No respectable government, bearing the way you voted before today, never put yourself in that position of saying, 'Well, we support a strategy, however we have no intention of funding it'.

Yo-yo government is actually no-no government. Do not be startled by the bright headlights of opposition but be bold and stick with the decision that you have already made. Deputy Le Pelley, a few moments ago, and I paraphrase him, sort of says: 'I'm your leader', as Disraeli says, 'I'm your leader, I will follow you.' He went on to say that Environment need to come back, go back to the drawing board, start from scratch, we have done that, we have been doing that for the past 10 or 12 years. Sooner or later you have to lead. Leadership does not come with popularity. Please deal with it and vote the right way today.

Thank you.

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**The Bailiff:** Members, we will rise. When we come back at 2.30 p.m. can I just remind you I will be asking you about your availability both on Tuesday, 24th March and Wednesday, 8th April so that we can decide when that meeting will be convened?

The Assembly adjourned at 12.32 p.m. and resumed at 2.30 p.m.

# Procedural – Date of March meeting

**The Bailiff:** Well, Members, as I forewarned you this morning, before we resume debate I will ask you your availabilities for the end of March beginning of April, so that we can decide when to convene the March meeting which, as I said this morning, is not likely to be concluded in the normal allotted three days.

So can I have an indication as to how many Members would not be available for the full day on Tuesday 24th March, if we were to convene on that day? How many would not be available on that day? Is there anyone? I see no-one rising, so everyone would be available on 24th March then.

And as for the 8th April, the roll over date, can we have an indication as to anyone who would not be available on 8th April? One, two, three, four, five, six, seven, eight. So we have eight

Members who would not be available on 8th April, whereas everyone would be available on 24th March.

So, armed with that information, the Proposition I am going to put to you is the one that was circulated to you, I think, yesterday, so I am going to put to you this Proposition that the States of Deliberation shall sit on Tuesday 24th March 2015, immediately after a meeting of the States of Election to be convened for 9.30 a.m. that day. That is the Proposition, so if you want to sit for a four-day meeting at the end of March, you vote in favour, if you want to have a three-day meeting continuing in April when there may be eight Members present you vote Contre. Once again the Proposition is that the States of Deliberation shall sit on Tuesday 24th March 2015, immediately after a meeting of the States of Election to be convened for 9.30 a.m. that day. Those in favour; those against.

Members voted Pour.

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**The Bailiff:** There is a majority in favour then of convening on Tuesday 24th March, so that is what we will do.

# The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014 – Debate continued

**The Bailiff:** We will now resume the debate then on the amendment to the legislation, the Motor Taxation (First Registration Duty) (Guernsey) Ordinance 2014.

Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

We tend to live in an age of hyperbole and melodrama, where there is almost constant encouragement for everyone to feel outraged or offended, or to claim somehow that their so-called rights and freedoms have been violated. There were a handful of examples of this sort of hysteria in this morning's debate.

Deputy Dave Jones equated the proposals with the Nanny State. (Interjection) That was quite mild compared to what followed. Deputy Stewart then conjured up images of queues of job seekers (Laughter) down at Wheadon House, as a consequence of these proposals. (Interjection) Deputy Paint then made the somewhat absurd claim that the proposed legislation, if it is approved, represented a dictatorship in Guernsey. (Laughter) Deputy Brouard said that there had never been more angst amongst the population than there is in respect of the proposals, and Deputy Stewart then later said that these proposals had provoked perhaps Guernsey's greatest ever protests.

Now, sir, I do not think that the proposals that are before the States are anywhere near as exceptional as those speakers have led us to believe. There have been very controversial and contentious items before the States in the past. One thinks of the debate on selection in education, which divided the population and was quite a bitter fight at the time; even more so, the debates to liberalise Abortion Laws.

Now, I do agree with those Members who have made supportive comments about Deputy Burford and the way that she has, with a great deal of fortitude and courage, handled some of the really quite unjustified and unwarranted (**A Member:** Hear, hear.) criticism that has been levelled at her, *but* she clearly is not the first Member of the States who has tried to pilot difficult proposals through the States and has suffered in that way. During the abortion debate, Members who supported liberalisation were sent blood-stained letters and I do remember a time when one Member of the States trying to get difficult proposals through the States was spat at in the High Street.

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Now, back in 1987 there was a petition signed by several thousand people against the compulsory wearing of seat belts in the front seats of motor cars. Before that, there was a petition signed by even more people at a time when Guernsey's population was much less than it is now, against the development at Fort George.

The point is that all of these things have been contentious. They have all been controversial and the one thing that they have all required... and bearing in mind – with the possible exception of section 11 – there has never been any consideration given to reversing any of these difficult changes which were driven through the States, the one common factor in all of them has been the need for responsible political leadership. They all required it and they all received responsible political leadership.

Now, I think that if an alien were to land on earth and visited various countries around the world and was then brought to Guernsey and witnessed political debate over the last few months, I think that he or she – if aliens can indeed be women – (*Laughter and interjections*) would regard it as a preposterous luxury that so much political heat has been generated in opposition to the introduction of duties at the point of first registration on the widest and most polluting 25% of private motor vehicles. And I suspect the alien would find it even more surprising if he were told or she were told that this is the way it has been in Guernsey politics for about the last 15 years, over transport related issues – not specifically with width and emissions duties, but with various attempts to introduce transport strategies.

Now, I thought that the Sarnian Spring, so-called, of 2012 was meant to herald a change in the way the States applied itself to responsible political leadership. But if this legislation is thrown out today we will simply be repeating the actions of the last several States, going back over at least 15 years.

In 2002 and 2003 paid parking was approved by the States, as part of a transport strategy, and then three times the States refused to set a rate. Three separate proposals to set a rate were rejected by the States, and the transport strategy was effectively killed.

Then in 2006 the States directed the Environment Department to introduce paid parking, but they did not fancy it and they just did not implement it, and the States allowed them to get away with this for well over a year, and then there was a General Election.

In 2010 there was a States' Resolution directing the Environment Department to report to the States with an integrated transport strategy. These are the proposals to give effect to the Integrated Transport Strategy which was directed in 2010. This morning Deputy Brouard advocated delay. He said we do not need to decide about all this today. He implored us, effectively, to procrastinate. He said, 'Let's send the Environment Department away to think again.'

The Environment Department has been sent away to think again, time after time after time after time. I have taken four and a half years to get from a really quite simple States' Resolution directing the Environment Department to report to the States with an integrated transport strategy and now there are fresh attempts – 15 years or more after the States started trying to grasp this nettle – for it to be kicked out again and for Environment to be sent back to the drawing board.

But I think in a way it is worse than that, because in May of last year, when the States voted for a transport strategy, Members should just consider what happened. There were two Strategies before the States, the so-called Majority Report and a Minority Report authored by Deputies Burford and Brehaut. I thought there was quite a healthy debate. It was a long debate. All the issues were aired and, ultimately, the States voted, first of all, to replace the Majority Report Propositions with the Minority Report Propositions and then carried all of the substantial parts of the Minority Report Propositions.

Now, that provoked the Members of the Environment Department who disagreed with the Minority Report – Deputy Domaille, Deputy Spruce and Deputy Paint – to resign from the Department, which was a perfectly reasonable and honourable thing to do. They clearly felt that they could not implement the Strategy which had been approved by the States.

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At the next meeting of the States, all these positions were vacant including the Minister's post and the States elected Deputy Burford as the Environment Minister, having a couple of weeks earlier voted for her Minority Transport Strategy. The States then elected on to the Environment Department - unopposed, I think - four Members - well, Deputy Brehaut was there already three new Members of the Department, all of whom had voted in favour of Deputy Burford's Minority Report.

They clearly had a mandate to implement the Minority Report to implement the States' Transport Strategy, and I think this is an important point. This is not any longer Deputy Burford's Minority Report. We are not in a debate about whether we prefer the Majority Report from last year or the Minority Report. The States approved a Transport Strategy last May. It is not Deputy Burford's Transport Strategy, it is owned collectively by the States. (Several Members: Hear, hear.)

Now, what we have before us today is one Article of legislation, to give effect to one component part of the States' Transport Strategy. Now, given all of the history of this subject, given what the States voted for last May, given that that caused the then Environment Department - most of them - to resign and the States to elect a new Environment Department with a mandate to implement the Strategy for which the States voted, are we really today to believe that it would be responsible political leadership to pick up a key - maybe the key component part of this Strategy – and reject it? Sir, that clearly would not be responsible political leadership.

Now, I do respect that there are Members who, from day one, have disagreed with the States' Transport Strategy. Deputy Brouard opposite me is perhaps the most prominent among them all. He has fought long and hard against the States' Transport Strategy and, in fairness, those Members are remaining consistent with their initial views.

But for the Members who last May voted in favour of the Transport Strategy, for the Members who kicked out the Majority Report, approved the Minority Report, provoked the previous Environment Department into resigning and then went on to elect the new Environment Department, with a mandate to implement the Strategy for which they had just voted, surely those Members can see that today, when the evidence is completely unchanged from this time last year, there is no new evidence, the evidence is no different, the information is no different. Surely, for those Members who voted that way last May, it would be an abdication of responsibility for them now to chuck out this legislation and completely pull the rug from under the Environment Department that they elected, and effectively jettison this Transport Strategy... I think it was Deputy St Pier who said a few hours ago that that would be effectively to strangle it at birth and that is exactly what it would be.

Another hysterical claim concerns social engineering. Now, whenever States' Members do not like ambitious proposals, they accuse the proposers of trying to engage in social engineering. As Deputy Conder has said, that is what Governments do. We do not always call it 'social engineering', but compelling people to make pension contributions and social insurance contributions is social engineering. Compelling parents to have their children educated is social engineering. We have all sorts of taxes and duties and legislation which could be categorised as social engineering.

The philosophy being that if all of these issues are simply left to individuals to decide, then the sum of all those individual decisions will not be in the best interests of society. That is the whole purpose of compelling people to certain action or preventing them from undertaking certain actions in a society. There is no difference between doing that in respect of transport than in education or health care or pension provision or Dwellings Profits Tax that we had for a while, or Tobacco Legislation and Duties or Alcohol Duties. We already do this in respect of transport. We compel people who wish to be on our roads to undertake a driving test. We compel them to insure their cars we do these things because if they were left to their own devices the sum of the individual decisions would not be in the best interests of the community.

Now, it is hard to believe that we have at the moment a transport... we do not even have a transport policy at the moment, but we have an environment in which we circulate around the

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Island. It is very hard to believe that we could not make some improvement to the way in which we deal with transport policy.

I understand the anxiety about motorists contributing to a transport strategy. It has been claimed this is an attack on the majority. As I understand it, there are 8,000 adults in Guernsey who do not, or in some cases cannot, drive. Well, there are many more than 8,000. There are 8,000 who are not licensed to drive and, to be honest, I think all of us from time to time, because of those of us who do not drive much abroad, because of the nature of our road network, all become somewhat complacent about driving. Friends and family of mine who live, or who have lived, in the UK and come to Guernsey say that if you can drive in Guernsey you can drive almost anywhere in the world, but anyway that is by the by. The point is that there are 8,000 adults who do not or cannot drive and, of course, there is the entire population up to the age of 17 who do not drive.

Now, we have to balance the interests of the motorist and the interests of the pedestrian; the interests of the motorist, all of whom are adults, and the interests of children; the interests of motorists and the interests of cyclists; and the interests of bus users. We cannot simply devise a transport policy on the basis of what works for motorists, we have to take into account the interests of others in society.

One of the things that I have found most frustrating about this debate is the idea that each one of us can be categorised as either a motorist, or a bus user, or a pedestrian, or a cyclist. The suggestion is made you are targeting motorists. I am not targeting motorists; I am a motorist. The vast majority of the Members of the States are motorists, but as well as being a motorist I am also a pedestrian, I am also a cyclist. I used to be a bus user but something happened to the bus contract. I will not go into that at this stage (Laughter) and I would like to be a bus user again in the future. My children are always pedestrians or cyclists. Sometimes they are transported in cars. They are never of themselves motorists.

So I challenge this assumption that the legislation that is before the States today is somehow targeting motorists, and that we can create this category of motorists, and we can easily identify who is a motorist and who is a cyclist. I do not feel that I need any assistance as a motorist, thanks very much. I feel that the road network is provided for me, the car is as safe as it could reasonably be and the road infrastructure is set up with filters and traffic lights and yellow lines and all sorts of other arrangements. I am quite happy as a motorist in Guernsey, thank you.

I know it has been suggested or it has been implied that we do not need a transport strategy because there is not really a congestion problem. Well, actually the Transport Strategy, believe it or not, has not been designed for the convenience of the commuter to ensure that the journey into work is slightly quicker than it is today. So, no, of course, there is not much of a congestion problem but that fact, of itself, does not mean that we do not need a transport strategy. But, as a cyclist and as a pedestrian, I feel that I do need change in transport policy. We do not set ourselves up well for pedestrians and cyclists and bus users, but in particular for pedestrians and cyclists. Anybody who has spent any considerable period of time as a pedestrian and a cyclist, I think, would recognise that. I therefore want to fund the improvements in the infrastructure that are designed to make things better for cyclists and pedestrians, and I do not think that that will make things materially worse for motorists. (Interjection)

Now, we can debate. We could debate forever how we are going to fund the improvements in infrastructure, but I just keep coming back to this: I cannot understand how it can be so unreasonable to introduce duties on the widest and most polluting 25% of private motor vehicles, at the point of first registration, when we live in an Island with an exceptionally narrow road network, and with a great deal of ribbon development where so many people live in very close proximity to very or reasonably busy roads. I understand that it is unpopular but I do not think that, from a public policy perspective, it is unreasonable to introduce duties on one quarter – or the widest and most polluting one quarter of vehicles.

Sir, I just want to pick up on a couple of points that were made by other speakers this morning. Now, Deputy Stewart did say when we debated the Transport Strategy initially that he thought the

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Minority Report was well thought out. Now, clearly he has changed his mind. (Interjection) He said, about Deputy Burford, that she was 'Wrong, wrong, wrong'. (Interjection) Okay, well, I say in response to that, to Deputy Stewart, given this rather spectacular change of heart that he has had, 'Weak, weak'. And he said that the Transport Strategy was driven – no pun intended – I do not think, by political dogma. Now, I do not think that is true. I am not an ideologue; (Laughter and interjections) I am opposed to political ideology, whether of the extreme left or of the extreme right, but I do think that political principle is a better driver of public policy than populism. (A Member: Hear, hear) and when Deputy Stewart says that it is all driven by political agenda – Deputy Burford has a political agenda – well, what a terrible thing for a politician to have – (Laughter) a political agenda!

The economic analysis that is produced by Deputy Stewart is worth reflecting on – and this is not a superficial point or something that should easily be dismissed, because clearly if there are economic implications to decisions that the States make, they have to be taken very seriously indeed, but he has based his economic analysis on, or very largely on, what happened in Jersey.

He laboured this point in his speech this morning. But he is making an unreasonable comparison for three reasons. First of all, during the period for which he is analysing events in Jersey, Jersey had a very material recession. Now, we have had economic difficulty, but Jersey has had much worse economic difficulty. I think the size of their economy is still smaller today, or it was until recently, than it was pre the economic crash. That clearly will have affected demand for motor vehicles in Jersey. Also around the same time, Jersey introduced GST at 3% and then quite quickly put it up to 5%. Also the duties in Jersey, of course, work differently because they apply to all vehicles. What is proposed here is a duty which is applicable only to a portion a minority of vehicles at the point of first registration. If you purchase, or if you choose to register a car which is under the first duty band, you will pay nothing. If you choose to purchase a second hand car on Island you will pay nothing. These duties are avoidable. We are not talking here about a consumption tax that is applicable – a universal or general consumption tax. We are talking about taxation which can be avoided by adjusting buying choices.

Now, also Deputy Stewart's claim about the 30%, the potential for the 30%, of vehicle sales to be lost, presupposes that a person who would previously have purchased a vehicle which henceforth attracts duty will, instead of purchasing that vehicle, purchase no vehicle at all.

I will happily give way.

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## **Deputy Stewart:** It is a point of correction, sir.

I have not, in my speech today, said 30%. I think I was quite honest in saying that some of the impacts are difficult to determine, but clearly there would be some loss of sales and, if I may, I was going to wait until the end, but I will just say to Deputy Fallaize, 'Deaf, deaf,' because today I said my position has not changed, and I said in the speech the letter that I wrote to Environment at the time they did the consultation is quite clear and if I could just repeat it, sir:

In short my Department is supportive of the Strategy's vision and some of the proposals that document contains, but there are some fundamentals on the revenue raising side which could be negative to business which we would not be able to support. We would urge your Department to give further thought to the charges aspect with a view of reducing these costs and finding alternative ways of raising income.'

We have, and I have, been consistent.

The Bailiff: Deputy Fallaize.

**Deputy Fallaize:** Well, thank you, sir. What was said is on *Hansard*. I am not going to prolong that, but I think that if Deputy Stewart opposed the duties that were proposed last April, he should have said so in his speech at the time.

Now, the economic analysis – the negative economic analysis – does presuppose, as I was saying, that a person who would previously purchase a car which now attracts a duty – or will if

the legislation is approved – will instead purchase no car at all. When Deputy Stewart says, 'Clearly there will be a loss of car sales,' he should be saying, 'Clearly there could be a loss of the sales of some types of car and an increase in the sales of other types of car.' Now, we can have a debate about the extent to which this legislation would actually be effective at changing behaviour. I tend to be in the camp of Deputy Laurie Queripel – that I do not think that there will be as much change of behaviour as some of the proponents of this legislation advocate, but we can debate that forever. We will never really be able to test that unless it is introduced. But there is no evidence to suggest that by applying duties to one quarter of cars at the point of first registration there will be overall a total loss in car sales.

I agree with Deputy Brehaut on the point about insurance and finance companies, it seems to me, given that in almost every other jurisdiction in the world there is a consumption tax which applies at the purchase of cars and that it will be possible to arrange insurance and finance for cars in the event that the legislation is introduced.

Deputy Lester Queripel said that if the legislation is approved there will be less money circulating in the Island. Now, this, sir, is economic gibberish. The Environment Department intends to collect the duties and to spend the money collected on Island. That does not reduce the amount of money in circulation. It might mean that the money is –

Deputy Lester Queripel: Point of order, sir.

The Bailiff: Deputy Lester Queripel.

**Deputy Lester Queripel:** That is not what I said at all. What I said was – and I thought Deputy Fallaize would have the sense to see what I was saying – that it would mean that the motorist would have less money in their pocket to spend in the shops. In other words, there would be less money circulating within the economy, so he is not actually relaying what I said accurately, sir, and I think he should expand on what he is trying to say. (*Interjection*)

The Bailiff: Deputy Fallaize.

**Deputy Fallaize:** Yes, Deputy Lester Queripel just claimed that if the legislation is approved there will be less money circulating in the economy, and that, sir, is economic gibberish, because if the Environment Department collect the duties from the motorist and spends the money, there is not less money circulating in the economy. That is just simple economics. Now, he is, of course, right to say that the money would come from a different source, but it is not true to say that there would be less money circulating in the economy.

Now, sir, despite the nature of this speech, I actually... If I was asked to list my top five or even 10 political objectives, I can assure Members that transport policies would not be among them. There are many more things that I feel much more strongly about than transport policy. I rather wish that we had spent the last several months generating all this political heat about the future of education or health care, or anti-poverty strategy, if anyone remembers that. (Interjections) But the point is that we do require a transport policy.

Every time the States have been invited to direct the Environment Department to produce a transport policy there has been an overwhelming vote in favour. There is a general acceptance that we do need at least some transport policy. If we all hold out for our own preferred transport policy, the only guarantee is that we will get absolutely nowhere. In fact, that is where the States have been for the last 15 years or more.

This is not the transport strategy I would personally have designed, quite frankly. I would have been inclined to have stuck the emissions component of this on fuel because the polluter will still have paid. I would have kept the width because I do think there is a case for discouraging especially wide vehicles on narrow roads. I would probably have made it annual, quite frankly, but we could all come here with 47 different strategies. However, ultimately, if this Government is to

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function at all, there has to be a reasonably broad coalition of like-minded people – and there was back in April. There was a majority in favour of the Transport Strategy that was set out in the Minority Report.

Now, what I am asking the Members who voted that way in May not to do is suddenly to abandon it now that the going has got a little bit tougher and there has been some opposition to it. Please do not abandon it when you voted for it last May.

So, sir, in conclusion, I think that it is not wholly unreasonable in an Island with a very, very narrow network of roads and where a great many people live along at least reasonably busy main roads, for us to try and encourage people to buy slightly narrower and slightly less polluting vehicles, and to achieve that, not by trying to ban vehicles – certain types of vehicle – that would be draconian legislation, but by introducing duties on the widest and most polluting 25% of private motor vehicles with all of the exemptions that are set out in the amended legislation.

Failure to approve this legislation today does not mean that all of the spending initiatives which the States voted for last May disappear. The Strategy – the spending parts of it – remains in place. It would be extraordinarily irresponsible for the States to leave them in place and not to provide any source of funding at all. We have absolutely no idea where that would leave us. That is not responsible political leadership – that is an abdication of leadership. We had a chance to debate the Transport Strategy last May. The States made their decisions. Now we are faced with implementing one component part of the legislation and I urge the Members who voted for it last May to vote for it again today.

Thank you, sir.

**A Member:** Hear, hear.

The Bailiff: Deputy Bebb.

Deputy Bebb: Thank you, Monsieur Le Bailli.

I would like to keep it brief. There is little that I could add to what Deputy Fallaize has just eloquently placed before us, but there are a few points that I would like to raise.

Since the legislation was sursised, there are three things that come to mind locally that I feel are quite pertinent as to why it is necessary for us to remain firmly behind the Transport Strategy, and I do not even... Deputy Fallaize, and many others, have made reference to the Minority Report. I would like to clarify that it stopped being the Minority Report when we collectively amended it. The request recently for the paid parking clock to come back that was duly amended and removed by this Assembly. When those amendments were put through, this stopped being a 'Minority Report'; it became the Transport Strategy of the States. So I will ask Members to please refrain from using 'the Minority Report' any more, it is not, it is our Transport Strategy – our Transport Strategy!

Three things came to mind. Shortly after that debate where it was sursised, we had reports on *Channel Television* showing how the Jersey Transport Strategy had failed, partly it was admitted that part of the failure was because of the absence of sticks – plenty of carrots, not many sticks. And what I hear playing out again today from people who would like to pick and mix from the Transport Strategy is that they like the carrots they do not like the sticks. They want to keep all the good bits but they do not want to fund it.

The other thing that comes to mind is the recent report by HSSD in relation to obesity and our problem with weight... estimated 50% of us to be overweight and personally I am in that category. It is time that we actually dealt with that problem because we are paying for that problem. We pay for it daily. We do not look at it, we do not have the information readily to hand, but do not be fooled to thinking that you are not paying, the taxpayer is not paying for the rates of obesity, diabetes and all the other complications that come with weight problems.

But a third, and possibly one that truly opened my eyes, was that on 21st December – and it may have missed many Members who do not read the *Telegraph* or other esteemed newspapers,

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but Prince Charles actually made an impassioned plea for Britain's streets to be reclaimed from the car. (**A Member:** Hear, hear.) And Prince Charles himself has said:

'We have to work out how we will create resilient, truly sustainable and human-scale urban environments that are land efficient, use low carbon materials and do not depend so completely on the car.'

These problems are not unique to Guernsey in many respects, but we do have additional unique problems such as our very narrow roads. The Transport Strategy seeks to deal with those and I would ask Members that the last time that this Assembly agreed to paid parking and then, as a result of failing to agree a price, decided in effect to throw it out. It rightly, was ridiculed. I would sincerely hope today that Members will not repeat those errors of the past.

Thank you.

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The Bailiff: Deputy Dave Jones.

**Deputy David Jones:** Could I ask – Oh, Deputy Bebb has sat down – is this the same Prince Charles who has got a helicopter? (Laughter and interjections)

The Bailiff: Deputy Domaille.

Deputy Domaille: Thank you, sir.

I will be brief. I think we have probably done this topic to death really but, like Deputy Dorey, I recently purchased an electric bike. In my case it was not a behavioural change, it was rather because my old bike and perhaps its engine was well past it. Like Deputy Dorey, I cycled this morning and, unlike Deputy Dorey, I got wet – (Laughter)

**A Member:** Should have bought the clothes for it.

**Deputy Domaille:** – and it was a most unpleasant experience, frankly, as it always is. (Laughter and interjections) I should finish that, when the weather is wet, windy, cold or on occasion hot – I make this point to illustrate that there are reasons why people do not cycle – there are reasons why they do not walk, or, for that matter, use the bus. I also make the point – and actually Deputy Fallaize made it quite well, or very well – looking around at this Assembly, apart from Deputy Gollop, I think the rest of us are all regular car users and as such I have to say that I think some of those that are opposed to these proposals, to be painting these proposals as being some sort of demonising the car – that I really, frankly, do not agree with, so there we go.

Sir, I echo many of the points made by those that are opposed to these proposals – and I am not going to repeat them – but I would like to highlight three issues.

Firstly, that there can be no doubt that these proposals, together with some other charges, as proposed, will affect individuals' finances. We are all aware of the fragile state of the economy and the forthcoming Personal Tax and Pensions Review – Deputy Laurie Queripel mentioned that – which will undoubtedly significantly affect people's lives. The many demands on scarce resources, now and in the future, are certainly going to increase that pressure. Is it prudent to introduce these, what I consider to be, unfair proposals, especially since they will not reduce car journeys? I think not.

Secondly, these proposals are a form of hypothecation, the funds raised go to the Environment Department and are not available for other higher priority services, including those mentioned by Deputy Fallaize.

Thirdly, but perhaps most importantly, the vast majority of the population rely on a car for their everyday lives. It is worth mentioning that less than 5% of the population are regular bus users. It is also worth mentioning that it is the private motorist who funds the road and pavements infrastructure. From memory, I think it is something around £15 million a year from Fuel Duty

alone. Cyclists, pedestrians – and I am a cyclist, I am a pedestrian – and, for that matter, bus users – and, on occasion, I am a bus user – do not contribute.

Sir, for the majority of the population the car is essential to their quality of life, be it for leisure, work, shopping, holidays or family commitments. I ask Members to vote against these unfair and unreasonable proposals.

Thank you.

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The Bailiff: Deputy Sherbourne.

## Deputy Sherbourne: Thank you, sir.

Fellow Members, I also will keep it brief. I think after listening to Deputy Fallaize's speech, which summed everything up for me following Deputy Conder's earlier this morning, they, for me, have said it all.

I would like just to briefly ask the Assembly to take a moment to actually think what is different today than last year. What has happened in between that should actually mean that those that voted in support of this policy should, for some reason, change their minds now? Of course, you say, 'Well, it is pretty obvious Enough is Enough,' and of course, that is correct – the public have had their say. I applaud and actually celebrate the involvement of all the people that got involved. Not those that were abusive to me – far more abusive to Deputy Burford – those of us that actually use the social media, but there were a lot of very good people making a lot of good points, (A Member: Hear, hear.) but they were, I would say, a significantly small number of our community – even those that attended the North Beach, because at North Beach people were there for all sorts of reasons, not just widths and emissions tax.

Deputy Domaille has just reminded us that this is a sort of form of hypothecation. Of course, 15(2) drives us down that route. We have no option. Ideally, we should be able to bring policy to this Assembly which could be passed on merit without being side-tracked (**A Member:** Hear, hear.) by the issue of funding mechanisms. That is one of our real problems. (*Interjections*)

Sir, I will actually name Deputy Burford as the queen of hypothecation because it is the second time that she has done it – and for the best reasons in the world – one, that she is forced to, but, secondly, because she believes in the policy that she and Deputy Brehaut put together and, as we have been reminded, was accepted by this Assembly.

What has changed since May, we have heard the public and taken on board a lot of their points. Environment Committee have taken on board those points and have modified their proposals – hence the amendment. I suggest they have listened, they are responding to public pressure. No-one is going to be totally satisfied with the outcome. No, so not everyone is going to be satisfied, but I suggest that we have gone through a good democratic process and I see no reason for me to change the vote that I made in May. I think it is right and proper that I should stick to my guns on that. I still believe in the policy. I, as Deputy St Pier knows very well, abhor the fact that T&R are not in control of actually funding this once we have had a States' decision on policy. But we are where we are, as my Minister of Education often reminds me.

So, please, just take a step back from where you are at the moment. Just think what has happened which should change the outcome of the vote in May. I suggest nothing.

Thank you.

The Bailiff: Deputy Lowe.

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

I would just like to remind Members, because there are obviously quite a few in here that were not in the States at the time of the debate over the incinerator, and I rise to my feet for that very reason of listening to Deputy Sherbourne who said what has changed now? Nothing had changed with the incinerator and it was through a requête that Deputy Kuttelwascher brought forward to have another review of it and I amended it and said you either want an incinerator or you do not

want an incinerator because there had been such a public outcry and many of the States' Members decided to change their vote.

There is no problem with that at all whatsoever. That is pure democracy, so I really would not like Members to feel today, because they voted last year, that they have to go down that route this time to actually continue their vote. No, they do not. If they want to actually take notice of the public outrage about it all and with some supporting it some not supporting it, but that is your choice of how you vote today. You really can change your mind. That is not a problem. That is pure democracy.

I just wanted to say that, sir, because I did not want anybody to feel that because they voted that way last time, they have to stick to it. They do not. The incinerator is a prime example where actually the tendering process had all gone through and everything else and the States decided against it.

The Bailiff: Deputy Langlois.

**Deputy Langlois:** Thank you, sir.

Just a brief point. I rise to draw people's attention... I am in a rather strange position to follow Deputy Lowe and agree with her, but there we are, these things happen.

I just comment on the amazing speech from Deputy Fallaize – our newly found pragmatist in the States. No ideology there. That is obviously not what is driving him. I support him 100% with his comments about anger, outrage and exaggeration of language. I would appeal it is relevant only because of what has happened in here today, that if we can actually moderate some of the language we use, we will get things – wait for it, here is a Langlois word back in proportion of what we are talking about today. But it has been a very good or bad example of that.

I want to agree with Deputy Lowe in this situation because the thing I found most amazing about Deputy Fallaize's speech was his appeal to Members that they should not change their mind. Now, goodness knows, if we stick to that all the time somebody could start calling us stubborn as donkeys and we do not want that, do we? Because (Interjection) where it could lead is that we could, effectively – and this is close to the hearts of both the Deputies I have mentioned already – be going down a path of delegating authority to a Board if they come back to us with unanimous proposals in the second phase of a policy. Because, ultimately, there was a hint in what was said, that that is what is being suggested, because the whole Board agree with it – they are unanimous – because the Assembly, by a majority, set a direction last year, everybody else should fall over and agree and not change their mind. Please do not be seduced by that argument, it is a dangerous one. If we are not here to debate and change our mind then what are we here for? Why are we wasting our time?

Forgetting those comments then on the arguments that have been made, this particular debate has come out of – I use the term advisedly, in my view – a misguided use of hypothecation. A soon as you introduce hypothecation of this sort where you tax one group of people to subsidise another group of people, then in a democratic system which needs financial controls overall you are always going to be in trouble.

Those of you who are still wavering, if there are any – and I doubt if there were any at 9.35 a.m. this morning but that is beside the point – and particularly any who might have been swayed by the plea that if you voted one way last year you have got to do the same again, we are the sovereign body here. If we disagree today sufficiently with this hypothecated tax to make car purchasers pay for the bus service, we should oppose it and honestly vote against it.

**The Bailiff:** The Chief Minister, Deputy Le Tocq.

**The Chief Minister (Deputy Le Tocq):** Thank you, sir. I echo the views that may have already been expressed in this Chamber, of the hyperbole, exaggeration, rudeness even, that has

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sometimes been evident in the media and online, particularly against Deputy Burford and her Board.

However, I want to look at it to begin with from a different direction. Courage is in short supply today. Deputy Burford and her Board have bucked the trend. Courage to be willing to stand up and be booed and hissed at. Courage to review the initial legislation and to listen constructively to criticism and to opposition and to come up with a compromise. That takes courage. A suitable option that helps bring more into the general thrust of the Strategy. Courage to continue and persevere despite poor misleading and often sensational information in the media, and courage to cope with some frankly rude and uncivil comments made on social media and online forums. It takes courage. But I am also admiring of the courage of groups such as Enough is Enough and People Power, as focused intelligent and potentially civil public debate, because that takes courage and it is important that we encourage that sort of activity. Time and effort can only be, in the long run, helpful in engendering other groups to be formed in the Island – not just the often silent majority.

Now, sir, the Enough is Enough event on the North Beach was fascinating and helpful, from my point of view. I arrived a little early and I was able to speak to a number of people before and after the event – the event proper. Most people agreed that there was something wrong in the direction that the States was taking on a number of issues, and most agreed that something needed to be done about that. However, I found it quite enlightening that there were vast differences between certain individuals and certain groups. In other words, they could not agree on what was wrong precisely, or indeed on what the solutions should be.

One group were against all forms of new taxation, certainly against width and emission charges, but pro-GST because if they just bring that in that will solve all the problems. Another group said they were for width charges but not for emissions charges, and some were the other way round. Some expressed to me that they would be okay with a small annual charge if it was done on a basis that was reasonably... even if it was based on width and emissions, but they were against First Registration Duty that was a large amount all in one go.

Clearly what had happened and it has been expressed already here, sir, is that most people had not read either the Majority Report, because let's not forget that the Majority Report, in terms of what is before us right now, and the Minority Report were largely similar in what they were suggesting... It was paid parking that was the main issue. We are not dealing with that today. We do have a problem in communication. We do have a problem in getting people to understand and I do believe there has been some benefit in waiting for the last few weeks and for us to all review where we are. But we need to muster our courage and stick by our decisions. Whilst we have not got a party system in Guernsey, this Assembly needs to own its Resolutions. (A Member: Hear, hear.) Never mind what we think about us being sovereign. A sovereign Government soon loses all credibility if it flips flops (Several Members: Hear, hear.) from one year to the next. So let us not do that.

I have been in this Assembly... this is my third term, and I have seen the dangers of us losing credibility. We might not feel in the particular issue, because we are dealing with different groups of people who feel differently on different issues, but overall we lose credibility because we cannot stick to things and have the courage of our convictions. It is appropriate in this instance because I do not believe that what we are dealing with today will have all the scare mongering results that some deem it, sir. We have got far bigger issues to deal with and if we take this long and have so much problem dealing with this particular issue, I fear for the ones that could be missed because we have not got the time or the resolve to deal with them. (A Member: Hear, hear.)

Deputy Stewart's comments on best estimate, he says applies to both sides. At some point, sir, I believe this Assembly just needs to recognise that. A strategy can be agreed on and it seems that most have said, including Deputy Stewart, that he still agrees on the Strategy; the issue is one of funding. Well, we will not agree on every tiny detail of things, but I believe we do need to move forward. And let's remember, because history teaches us this, if you look at the history of

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Resolutions in this States that we decide on today in terms of legislation to help begin that funding process is not set in stone and can be amended in the future and revised. But we need to start somewhere and, to some degree, these best estimates are exactly that. They are only an idea of what the effect of... We could all have our own opinions of what the effect will be in the end. We will not know until we move forward.

I was in the Assembly when we flip flopped on paid parking and I have always been in favour of that. We are not dealing with it today, but when we could not agree on a price it was ridiculous. I do not think it brought us any credibility at all to say that we could not stick by our convictions. We need to own the Resolutions even if we are in a minority. I have done so, on issues where I was outside there protesting in the past. We need to stick by them at least for a good period, to test them properly and put them in place.

I have listened. I have sought to encourage compromise. I believe that what we have before us today is a compromise and it is a good start, and I do believe that most people who think that they will be adversely affected by this are actually not going to be. I have yet to be convinced to see the sorts of speed of change and effects, but I do not believe that we can decide that today by surmising how the effect will take place. We have got to try it. I was not convinced when the first States' Traffic Committee brought in the bus system – the public transport system – but then I was convinced when I saw the improvements that it made afterwards. So I encourage this Assembly to gird its loins and to have some courage, and to stick by the convictions and Resolutions that we made last year. (Several Members: Hear, hear.)

Thank you, sir.

The Bailiff: Deputy Le Lièvre, then Deputy Duquemin.

**Deputy Le Lièvre:** Thank you, sir, Members of the Assembly.

A couple of Deputies have taken to actually telling us how they made their journey from home to the office, so to speak, today. Well, I relied on the good services of Deputy Fallaize. It is a very reliable service, if you do not mind when it arrives. (*Laughter*) It is always just in time.

On an equally important note, (Interjection) Deputy Conder grossly misled the Assembly by referring to a Range Rover Discovery – there is no such vehicle; it is a Land Rover Discovery. (Interjection and laughter) Now, that last point rather indicates that I might just be regarded by the Assembly as a petrol head, along with my fellow Environment Board Member. And, yes, that might be the case. I have grown up from a child with motorcycles and cars, and ended up with Land Rovers and Range Rovers etc, and I have to reconcile my love for vehicles produced in Solihull with my support of the Transport Strategy. And I do support the Transport Strategy, because I realise that large vehicles do make it uncomfortable for other road users, and this is not just about the car, this is about the enjoyment of our over used roads. We have not got a traffic problem as such but we do have roads which do not encourage the usage of cyclists and, indeed, pedestrians. We have heard it all this morning, and it is that change of use, that change of attitude, that this Strategy is aimed at achieving, and I fully support it, even as a self-confessed petrol head.

Now, I think that the attitude, as I have already said, is aimed at behavioural change and this does not happen overnight – it never has done and it never will do – but it will happen over a period of time if the public are encouraged, and this is encouragement. Now, I know that there have been references to punitive taxes, and Deputy Jones, in particular, said that the Environment Board does not understand how hard working families lead their lives. Well, I find that a little bit annoying. I have spent my life dealing with hard working – and not hard working families on some occasions – (*Laughter*) and I understand as well as anybody in this Assembly how people lead their lives. But I do not just make it up as I go along. I use the evidence that is available to me. Not only from the work we have done on SWBIC, which will be coming to the States – maybe not when I promised but I will be making a statement to that effect in February – but also in the statistics produced by the Policy Council's Statistics Unit, by way of the Family Expenditure Survey.

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Now, we have heard, and not just from Deputy Jones but from other people and in the paper, about how hard working families are going to suffer, but the evidence is – especially large families, that is the other thing, large working families are going to suffer – that that is not the case.

Let us credit the public with the common sense to spend their money wisely and in accordance with their needs and desires. This is a matter of choice. People with families trim their budgets according to what they need. They are not going to go out and buy expensive brand new vehicles simply because that might be their ultimate desire. They will trim their expenditure according to their income.

The evidence is in the Family Expenditure Survey, and it is across all of the family types that you get. The evidence is startling. Couples who are both under the age of 65 – so that is with dependent children say in their 30's and 40's possibly a bit younger – they spend twice as much on average as couples who buy brand new vehicles. They spend a lot more than either of those sums on child care etc. The element that they spend on their road transport and particularly their car purchases is in direct relation to what the sensible decisions they made with regard to what they can afford.

I see no evidence whatsoever that members of the public and families, and particularly large families, are going to suffer as a result of the balanced Strategy that Environment has produced. The evidence – I have known this for years; many, many years – is that large families fall into two groups – two financial deciles if you like. Predominantly, they are low income or at the other end of the scale, relatively high income.

Large families are completely different to all of the other family groups and the reason for that is if you are in a relatively low income with a large family, you do not buy a large, new family car. On the other hand, if you are at the upper end of the income deciles, you will indeed have a far greater choice. When you look at the figures in the Family Expenditure Survey and the average income for a couple with dependent children, this is the average; this goes right from very, very low – the lowest decile – to the tenth, obviously, which is above £100,000. The average income for these families is £70,000 a year – that is mum and dad working and that is their gross income.

Now, those figures are supported by other statistics used and frequently by the States, and yet the average expenditure for that family on £1,477 – this is the average income across the whole piece – is just £15 per week... purchase of second hand vehicles, and £7.29 for new vehicles and yet the same average family will spend £8.42 on newspapers. So let's get this into perspective, and that really is the message that I want to sell to the Assembly today. Yes, this is a fundamental change. Yes, it will require some people to pay considerably more, but the chances are that they will be able to afford it.

So all of the warnings about the motor industry suffering hugely, I do not believe are standing on good fact, because the fact of the matter is if you could afford to pay for an £80,000 Range Rover Sport, you are not going to be particularly bothered by the width and emission taxes. If that is your desire, you will spend it; but if you are a large family on low income, that does not come into the question.

So I would ask Members to support this Strategy. It is well thought through. It is not going to have the dire consequences across the whole range as we have heard and read in the *Press* and been emailed etc. It will have an effect and that effect will be over time. It will not happen overnight, but we do need to reduce the usage of large vehicles on our roads for the purposes of improving the enjoyment for other user groups and that is what this is about; it is not just the motorist. I am as guilty as anybody and I suspect that when my Land Rover Defender finally wears out I will either give it to my son or I will go out – because I will be probably 70-odd by then – and purchase a smaller, not as wide, not as large vehicle. That is the nature of things. We will see more change –

I will give way.

The Bailiff: Deputy Trott.

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**Deputy Trott:** I am grateful to my very good friend, Deputy Le Lièvre, for doing so because, if I heard him correctly, did he suggest that this policy is regressive? Because, if I heard him correctly, he said he expected there to be a behavioural change for those who are on low incomes, but he did not anticipate any behavioural change for those at the top end of the income spectrum and that, sir, in my view, is a definition of regressive taxation policy.

**Deputy Le Lièvre:** I am not suggesting that at all, Deputy Trott. What I am saying is that our policies will not affect lower income groups at all because they already budget their income according to their needs. They are not going to buy a large car to the detriment of their children's diets or their education or their clothing. Those are the sensible decisions that families make; it is accepted.

There are families that make bad decisions. I do not make every wise decision, for sure. If I did my wife would not drive a Range Rover and I would not drive a Land Rover! (*Laughter*) It is because I have got an obsession – and I blame it all on Lloyd Warry who used to drive up the Grand Bouet in a Series One Land Rover and as a child I admired it greatly. (*Laughter*) But, then we all have our problems; that is mine.

But I do believe in this. I do not think it is going to have the dire consequences that people have been saying. It is not regressive, but those that can afford it and those that want to will pay extra. It is as simple as that.

Thank you.

The Bailiff: Deputy Duquemin.

### **Deputy Duquemin:** Thank you, Mr Bailiff.

My aim this afternoon is to concentrate on one small area that I do not think has been explored in any great detail so far, albeit that it was touched on by Deputy Fallaize a little earlier.

I will mention five words, all ending in the three letters 'ist'. Four have been done to death today and I guess Members will all have their own interpretation of them, their own differing opinions, when I go through them, and try and shine a little light on these words. They are: idealist, realist, lobbyist and populist. I guess we will all have a view on the idealists, the realists, the lobbyists and the populist, but the other word that I would like to concentrate on, ending in 'ist', is defeatist.

I enjoyed spending time on the steps of the Royal Court this morning, chatting to people – the protestors on the other side of the debate. It was all very amicable, very polite, but some of the comments were, 'The car is here to stay', 'You have lost the battle against the car years ago', 'You have lost the battle against the car', 'Give in to the car', 'Why are you bothering?' Well, the answer is I am not, and I hope this States of Guernsey is not, defeatist.

In my manifesto, under the headline of traffic, I said the following:

'There is too much traffic on our roads, but unless we are able to cut the umbilical cord that ties all of us to our cars, there is no easy solution, and nobody should suggest otherwise.'

The key point being there is no easy solution, but sometimes we do need to make the difficult decisions, sometimes we cannot put them off, and I have been proud thus far that after key debates, key votes during this term, the States could be trusted to make those difficult decisions. Perhaps there has been a little bit of a Sarnia Spring that Deputy Fallaize spoke of earlier. So let's do the right thing, not the easy thing, and we do need to reduce the Island's dependency on the car.

Deputy Fallaize highlighted before Deputy Brouard's quote and I scribbled it down too, 'We do not have to fix the problem today'. But we cannot – to use one of Deputy Brouard's very own clichés – keep kicking the can down the road. We cannot keep stalling on the difficult decisions. Let's at least get out of neutral and into first gear.

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Sir, we are not making a decision for today. Sir, this may sound trite, and I make no apology for that, but we are making a decision for tomorrow. The tomorrow that will not belong to me; it will be the future that will belong to my children and, dare I say, my grandchildren. I have never focussed on this four-year political term and been worried about what might come at the end of it. I am focussed on, and always have been, the next 40 years or more.

Recently I saw a thought-provoking tweet that said:

'In 2015, the year that we are in now, we are as close to 2050 as we are to 1980.'

In 2015 we are as close to 2050 as we are to 1980! It is a pity that our predecessors in 1980... doesn't seem that far ago, that long ago; and to pick on that, just one States, to continue to Twitter timeline that, 'They chose not to fix the problem in their day. They chose to kick the can down the road. If they had done something about it we might have been somewhere different in 2015.' Let's not repeat history. I want to fix the problem today and I want Guernsey to be somewhere very different in 2050. It is not that far away.

Whether we are idealists, realists, populists or we choose to listen to the lobbyists, the one thing I want Members not to be when they cast their vote at the end of this debate is defeatist.

Thank you, sir.

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The Bailiff: Deputy Green.

Deputy Green: Sir, thank you.

I take Deputy Duquemin's point, I was only actually three years of age in 1980 but (*Interjection*) 2050 seems more on the horizon than 1980, but anyway.

Sir, I must confess I do actually consider myself to be in the middle ground of this debate. On the one hand, to be perfectly honest, I have not been particularly impressed with the way the Department have tried to sell this particular First Registration Duty as part of the package to the public. I do not think they ever really got on the front foot. I do not think they ever really made it crystal clear what the true benefits would be to the Guernsey people. But, on the other hand, neither have I been particularly enthralled by this whole deluge of commentary that we have had from the motor lobby and from others; and at some stage of this process I really felt, or have been inclined to think, a plague on both their houses, because to me there has been a lack of sensible moderation in the debate on both sides of the divide, if I can put it that way.

But anyway, I will keep this relatively brief. I think from the debate we have had so far today, I draw two conclusions. Firstly, I think it is fair to say the Department have sensibly acted to mitigate the effects of the duty. They have listened to at least some of the public's concerns – that is absolutely clear – and they do deserve credit for that. The second conclusion I reach from some of the earlier speeches is that if this amendment is lost today then it will leave a gigantic funding mechanism or lack of any real funding mechanism, which we do desperately need to achieve the many positive and good transport measures that are within grasp.

I think I have come to this position. I think I have and I do see the merit in a width and emissions regime. I think, on reflection, the original regime was too aggressive. I think the Department have modified and softened it. I think, no doubt, there is a loss of income that comes as a consequence of that and that should not be taken lightly.

Secondly, I do wonder whether the levels that this duty are now pitched at is still at a level that could be seen by some to be anti-aspirational and Guernsey is a very aspirational Island – we should not forget that, we cannot ignore that.

So trying to assess whether this amendment actually goes far enough, I think is quite tricky. But, actually, I come back to some of the wording that the Minister used this morning, when Deputy Burford said, a balance has to be struck. In effect, what she was saying is a balance has to be struck between individual convenience versus the societal downside, and that is the fundamental nature of this issue. Deputy Fallaize spoke on this before: the overall impact of a

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number of individual choices *en bloc* has an impact on society. So we have to strike the right balance.

So where does that leave me? I think, at the end of the day, I do not want to lose the key funding mechanism that this duty represents. I do not want the Strategy to be rendered dead in the water. I do not want the States to dither on this. I want to show some strong leadership today. I will listen to the rest of the debate and, so far as there is any, but ultimately I think we need to show a very clear steer today and to ensure that the Strategy remains intact. So I will be voting for this amendment.

The Bailiff: Deputy Trott.

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

Sir, I was all decided this morning which mode of transport to use travelling into the Assembly. I did not need to come in my wife's Land Rover Discovery, although I knew it was free, because today she did not need to tow her horsebox, our caravan or my boat! (*Laughter and interjections*) All of which, sir, are collectively worth probably no more than the top level of duty that would be applied to a new version of this eight-year-old-vehicle. But, nonetheless, sir, I still had some choices. I could – because I am very close neighbours to my friend, Deputy Burford – have asked her for a lift, but I was not sure whether there would be room for both of us in her Smart car, with all of her notes, I assume, on the passenger seat – if that is indeed the mode of transport that she opted to use.

I did consider, sir, because of my ever-expanding waistline, running in, but of course the absence of any facilities when one arrives hot and sweaty for a day's work in this Assembly meant that that was not a real option. So I thought, 'Well, what should I do?' Well, as Members will know and some in our community will know, we now as States' Members pay £160 for the privilege of parking at Lukis House, so I thought I have paid for it, sir, I may as well use it. So I brought the Audi.

Now, there is a perfect example of how a policy that this Assembly has introduced has influenced my policy – my decision making. I opted for that because it has cost me something. Now, sir, this morning Deputy Brehaut said that Members of the Commerce & Employment Board are dead against the Environment Department and he will know that I am a very new Member on the Commerce & Employment Department and I would like to refute that accusation. And I would like to sort of simultaneously mention that I shall shortly be submitting a planning application for the Department's consideration! (Laughter)

The Bailiff: Deputy Brehaut.

**Deputy Brehaut:** Could I say, genuinely, sir, I did not have Deputy Trott in mind when I made those remarks because he was the newest Member of the Board?

The Bailiff: Deputy Trott.

**Deputy Trott:** Now, sir, being serious again for a moment at least, Deputy Fallaize – I always enjoy listening to him; there is always so much material for me to pick up on (*Laughter*) and indeed today's offering was no exception – told us policy should not be driven by populism. So I ask him this question: what is the popular view if it is not democracy? And it is democracy that frames and drives supportable policy, is it not? Clearly it is not.

**The Bailiff:** Deputy Fallaize.

**Deputy Fallaize:** I do not know whether Deputy Trott is giving way or whether he has asked me a question. No, I agree with him, but there is a great difficulty in between elections in

establishing, on any one particular issue, where the balance of popular opinion lies, in the absence of organising a referendum about everything. It would be very difficult for the Assembly to judge where is the balance of opinion on selective education, where is the balance of opinion on transport duties, where is the balance of opinion on how to fund health care. So I agree entirely with his link between popular opinion and democracy, but the best way we have in the absence of referenda of establishing that is at the ballot box.

The Bailiff: Deputy Trott.

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**Deputy Trott:** I agree, sir, and I think I am right in saying that on every manifesto that I have ever put before the people of St Sampson's I have always said I do not believe in demonising the car; it is much more of a benefit than a nuisance.

In fact, a constituent of mine said to me quite recently the transport strategy that we need in this Island should involve small vehicles carrying a small number of people from door to door, which of course is precisely what we have at the moment when we choose to use our cars. (Laughter)

The reason I am so bothered by the whole debate around this Transport Strategy is because of what I see as a fundamental waste of political capital. I think we have antagonised our community in a way that has little long-term benefit. Over the course of the next few months, we are going to be engaged in the debate and ultimate delivery of some very difficult policies based on long-term demographic challenges, and other factors. And we are going to need widespread political buy-in. Why create such a bad feeling amongst our community at this time on an issue that really is not of the paramount importance that some suggest it is?

Sir, there are three 'f's in this Strategy that I would like to discuss (*Laughter*) and, before anyone says there is no 'f' in Strategy, (*Laughter*) I do think we should at least wait for the vote before being clear on that. No, sir, I would like to talk about the fundamental flaws in the finance.

Now, I will only talk briefly about the fundamental flaws, because I think the Minister of the Commerce & Employment Department and others have dealt with that, but I do feel more than adequately qualified to talk about the finances, which for me is very much the elephant in the room.

There is a significant funding gap that may be as little as £1.6 million, it may be as much as £2.5 million. It depends on behavioural changes and a variety of additional factors, but let's be generous and say that there is a £1.6 million revenue gap. It is ludicrous at this time to support a policy that has that deficiency, because the message it sends to our community is that we have not learned the lessons of the past; we are prepared to continue to, if you like, create policy on tick, which is why the Treasury & Resources Department have been forced into doing something potentially quite absurd and that is bringing a sursis to look at the reintroduction of motor tax, such is their concern about the funding issues.

Sir, I want to join the long list of people who have applauded Deputies Burford and others on the Environment Department for the manner in which they have engaged with our community, as someone who is no stranger to being hissed at and booed and a variety of other things. But I would say this –

I give way.

The Bailiff: Deputy Fallaize.

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**Deputy Fallaize:** I am very grateful to Deputy Trott for giving way. He is making a very good point about the funding gap. He says that if the legislation is approved the minimum funding gap will be £1.6 million. Could he advise the States what the funding gap will be if the legislation is rejected?

**Deputy Trott:** No. But I am not sure he could have legitimately expected me to have known that, because I have not seen sight of the bus contract, for a start. But what I do know is that there are some in our community who are saying that some of these new buses may cost in excess of £200,000, which is quite extraordinary. So I am not in a position to make an educated guess, let alone one based on fact.

So I want to be clear, in applauding my friends on the Environment Department, why I am not supporting this. It is because of the funding issue. I think it is quite wrong at this stage in our political cycle to be embarking upon a project with this degree of uncertainty and I cannot help thinking, sir, if I have not used the words that the Treasury & Resources Minister himself may have used, if he was not so keen on trying to continue to play the corporate card... as I advised him the other day, if you believe something is wrong, say so. That is how you maintain credibility in the long term in this Assembly.

Thank you, sir.

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**The Bailiff:** Does anyone else wish to speak? Deputy Harwood, then Deputy Soulsby.

**Deputy Harwood:** I was just untangling myself from my electronic leads. (Laughter)

Thank you, sir. As a Member of the Environment Board, can I just lay my credentials on the table?

My father was a motor mechanic and a garage proprietor. I was brought up with the smell of Castrol oil and Shell leaded petrol coursing around my veins. I spent more time than I originally anticipated was probably good for me in the inspection pits looking up at various vehicles. So the motor car is very much part of my DNA. That is the point I was making.

Of course, as others have said, I enjoy motoring. I particularly enjoy motoring from St Malo down to Tuscany which is about 1,100 miles door to door, and I will come back to that because we can describe the nature of the vehicle you can do it in. But I have to say I do not particularly enjoy driving in Guernsey. In Guernsey I am fortunately able to walk so I therefore fulfil one of the other examples of transport. I have to say I have not ridden a bicycle in anger since about the age of 17, which is a long, long time ago. So that is my background.

I just pick up, and I will come back to, Deputy Duquemin using phrases which ended in 'ist'. One he did not mention but which I will come back to and identify with is pragmatist. Sir, in May 2003 this Assembly took a decision – the first time, in spite of numerous attempts to in the past – to adopt an integrated transport strategy. That Strategy is the Strategy of this Assembly as others have said, and that Strategy clearly included proposals for width and emissions tax. No surprise, it was in that Strategy, and we are now coming back with legislation. People assume this is something new. It is not. It was clearly identified in the Strategy and, for what it is worth, identified in both the Minority and the Majority Reports. The purpose of the Strategy is to recognise that the car is not, and should not be, the only means of transport. It is intended to enable us to establish alternative and viable options for transport.

Sir, others have said this already but are we seriously going to fall into the behaviour of previous Assemblies by flip flopping at the first opportunity, by unpicking every strand of the Strategy that we have approved, which is a States' Strategy at the first opportunity? Here I am surprised, sir, at the words of my esteemed old friend – and I use the word advisedly – and colleague, the Deputy Chief Minister, who suggested that there is nothing wrong with actually having approved a Strategy, having approved a Policy Report, then attacking the legislation. Therein I suggest, sir, lies anarchy. If we are to follow that particular guidance, that particular route, yes, of course, we can do it, but every Department is going to be placed in an impossible situation, having got a policy approved by this Assembly, bringing back the legislation, then to have that legislation attacked and be told to go back to the drawing board. (A Member: Hear, hear.) It is a nonsense; it is a waste of States' time and States' resource.

The Bailiff: Deputy Langlois has asked you to give way.

2870 **Deputy Harwood:** I will give way to my old friend.

**Deputy Langlois:** I just wanted to place on record that is the first time in a very long time that I have been accused of being an anarchist! (*Laughter*)

The Bailiff: Deputy Harwood.

**Deputy Harwood:** Sir, there have been some very good speeches, not least of which is the very spirited attack of the Minister of Commerce & Employment. I wish he would adopt such a spirited attack or enthusiasm for some of his own Department's activities rather than necessarily attacking other Departments. (Interjections)

But, sir, clearly the Minister of Commerce & Employment has sought to bring in aid a number of economic factors and he is perfectly entitled to do so. He has sought in his speech to suggest that the introduction of this width and emissions tax will be potentially harmful to the business community. Again, he was very critical about the standards of research that was undertaken by the Department of the Environment but nevertheless he relies very heavily – and he admits that he has questioned it, his Department has questioned it – for his evidence on the harmful effect, basically the information provided by the Guernsey Motor Trade Association.

Sir, he also mentions in that context and he drew to our attention – and Deputy Brouard, a Member of his Board, also drew to our attention – the Commerce & Employment message which went out yesterday, and if I can use my electronic communicator I will try and pick it up.

Wrong passcode! (Laughter) Ah, I have it.

Sir, Deputy Brouard particularly referred us to the delight of Appendix B of the Department of Commerce & Employment Report and shows the Jersey experience. Others have said it but I would strongly urge all States' Members, if they have an electronic communicator available, to turn to Appendix B because it shows clearly the impact of the Goods and Services Tax upon car sales in Jersey.

It is, as others have said... Goods and Services Tax applies to all vehicles. What we are proposing here in the width and emissions tax will only apply to a small select number of vehicles. So, therefore, to argue that the Jersey experience will lead us to conclude that we are going to be facing economic disaster and ruin, I suggest, is a complete over statement. It ignores the complete difference between the approach of taxation we are proposing, through the width and emissions tax, and that introduced in Jersey where there is a generic GST over all vehicles.

Sir, Deputy Stewart also refers to – and Deputy Brouard and Deputy De Lisle have also referred to – the impact on employment. What is the evidence for that, apart from the supposition of the GMTA? He clearly identified there may be a knock-on effect on car sales. We do not know; we suspect not. I will come back to that, the reason why I do not think it will happen – shortly. But even if there was some impact on sales, that does not necessarily relate through to the costs of maintenance and repair and other related trades, which is suggested by Deputy Stewart. There will be the same number of cars on this Island, the same number of cars that will require maintenance, repairs. We are all going to be scratching our cars, we are going to have to get our bodywork done.

Sir, there will be no knock-on effect, even if – even if – Deputy Stewart is right that there will be a drop in sales, there will be no knock-on effect on the other allied services that are provided by the motor trade in Guernsey. If anything, if there is to be a drop in sales, arguably people will be keeping their cars longer and will require more maintenance, and maintenance which is not covered by warranty, so the garages will be able to charge a significant amount.

Sir, Deputy Stewart also referred to problems relating to the financing of vehicles and motor purchases, and also the insurance. He tried to make a meal of this. In fact, all the information that

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he was given by various representatives of finance houses and insurance was that there was uncertainty.

I accept there is uncertainty, but there is uncertainty facing Jersey, there was uncertainty facing the UK when they introduced VAT on cars. It is not beyond the wit of man and I seriously hope and I seriously question the strength of our finance industry and insurance industries in Guernsey, if they cannot find a way of dealing with that. (**A Member:** Hear, hear.) The greatest uncertainty of any vehicle financing is the depreciation you suffer the moment you drive your car out of the showroom, when its value is suddenly probably reduced by about one third.

Now, sir, and also in this context I ask people to get the whole issue before them into context. We are talking about a First Registration charge. It is a charge that will apply only when somebody brings in a new car into Guernsey or brings in a second hand car into Guernsey. There has been a lot of hyperbole, a lot of emotive expressions saying of course this is going to cause families to be in financial difficulties – suddenly there is reference to dictatorships. Nonsense.

If this legislation is approved – and I sincerely hope it will be – all it is going to mean is that, from a date to be determined, anybody buying a new car possibly – possibly – may incur a charge. For everybody else who has got a car that is already on the Island, already on the Register, no change at all. And let that message get out, because various people who have been opposing this width and emissions tax have caused a great deal of scare mongering by imagining that somebody would wake up one day, not having had a First Vehicle Registration charge, to find you have a First Vehicle Registration charge the next day. No, they will not.

If, however – and I have to refer to the sword of Damocles, the sursis which may be hanging over us – we were to reintroduce an annual road tax then, yes, everyone in this Island who has an existing vehicle will face a charge – a charge which they have no means of controlling, because they have already committed themselves to that vehicle. The First Vehicle charge that we are proposing gives people a choice.

My dear wife – God bless her – recently bought a car in 2013, and it was a new car. We had a choice... a very modest vehicle, although it is actually described as a sport-back, which gives it a certain *cachet*. But this vehicle – it is a petrol driven car, I hasten to add, cylinder capacity 1,390, so all right it is a 1.4. I looked at the dimensions, the width on that 1,746 mm. I looked at the proposals that we are proposing here and that falls below the width tax, so even if we were to be repeating the purchase when the new charges come in – no width tax.

I then looked at the engine and this is where certainly we recognise that a lot of the motor manufactures are achieving a reduction in emissions, and I looked at the emissions charge – combined emissions charge I think will be the figure they used... figure of 122. I looked to see what charge... yes, we would incur a charge under the new proposals, but it is not going to be thousands of pounds, as some people have suggested, instead we would have a modest charge of £200.

Now, I accept that and that may seem a lot of money, but then I looked at the invoice from when we bought this car and we have a vehicle price which is identified, a list of factory options, including comfort pack, connectivity pack, folding mirrors. I then looked further down the list of charges and suddenly I see something called a delivery charge. (*Interjection*) A delivery charge which in this instance was £995 (*Laughter*) and I put it to you that the emissions tax, if it comes in – and I hope it will do – may charge us £200... that pales into total insignificance with the exorbitant delivery charge that appears to be levied by the garage.

There are various other charges, there is something called an 'allowance' which I am not quite sure what that... (*Laughter*) a gardex is a fuel allowance. Oh and, yes, there is a First Registration fee of £35. So in the context of a purchase of a new car, £200 against a delivery charge of £995...

Incidentally, Deputy Stewart, you might want to refer the method of charging of prices for new cars in Guernsey to your great friends at CICRA, because I think perhaps it needs to be looked at. (**Several Members:** Hear, hear.) The charges that have been made... also bearing in mind that, anecdotally at least, I am aware of people who find it cheaper to buy a new car off-Island (*Interjection*) than buy on Island. There again I come back to the economic situation because at

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the moment this Island, the local motor traders, are losing out by that. At least if we impose a First Registration charge that is meaningful we have the ability then to give some degree of equality of treatment between cars that are bought on-Island and cars that are bought off-Island and brought on to the Island. So I would again urge people just to think of that in context of the finances.

But, of course, people have said, 'Well, this is a dictatorship, this is social engineering.' Social engineering, I think, legitimately can be expressively used where you have no alternative. But, sir, in the context of the proposals that have been put forward, a purchase of a new vehicle has an alternative. They may not be able to choose necessarily the width, but I mean nevertheless there are plenty of different models of cars with different widths, but where they will have the choice is in the amount of CO2 emissions tax that they wish to pay.

Now, this is a technical specification of one particular vehicle. The reason I am using it is because it is the context of my previously mentioned trips -1,100 miles driving down from St Malo down to Italy. I have done that several times in what can be best described as a fairly modest family car, certainly capable of seating five people quite comfortably.

The latest edition of that car gives me a range of engine sizes, ranging from something called a 1.2 which has an emission charge of £113, going up to, if I really wanted to be exuberant and extravagant, something called a 2 litre TSI 300PS Emotion which has about 165 CO2 emissions. So you have a range. This is the point I think: we are not imposing... we are not dictating to people what they buy. Everybody has a choice. They can choose the tax that they are going to pay.

Sir, finally, if I can make a comment about width, Deputy Stewart complained about buses. It is very easy to have a go at buses, and the fact that he was forced on to the pavement surfing caused by the width of the buses. Can I assure Deputy Stewart if he cares to walk along King's Road most mornings when the school children are being delivered to a certain school – there are other schools available, but anyway – (Laughter) you will see examples of pavement surfing caused not by buses coming along the road but by cars driving in opposite directions, so-called family sized vehicles, aka Chelsea tractors.

Sir, as somebody who walks along that road regularly, I am having to dive off the pavement into gateways in order to allow the driver the luxury of that pavement surfing. There is a problem: we cannot widen the road. The Chamber of Commerce, in their latest electronic communication to us, suggested that the whole of St Peter Port should be given over to car parking. No doubt they will also be saying we should be widening the roads. 'Yes, let's do away with pavements. Get them out of here. Let's do away with pavements. That is the only other alternative.' (A Member: Hear, hear.) So there is a width issue and that width issue does apply to private motor vehicles as much as to commercial.

So, sir, the Chief Minister has rightly referred to courage. In the United Kingdom, as many Members will be aware, at the last election – I think, even in the lead up to this next election – there is a yellow chicken wandering around, following one of the leaders of one of the UK parties. Sir, if we reject this proposal, this amendment, which demonstrates we have listened to a lot of the comments that we were receiving from the public, if we reject this proposal, this amended legislation, we could justly be facing that chicken following us around because we have chickened out of the opportunity (**Several Members:** Hear, hear.) to introduce change which will take a long time to affect. If we do not start the process now there will never be any change.

Several Members: Hear, hear. (Applause)

**The Bailiff:** Deputy Soulsby.

**Deputy Soulsby:** Sir, I will be brief because I had no intention of speaking in this debate, as I believe that every aspect of this amendment will be well-debated by others – and I have been proved correct, except in one area and I will speak about that in a minute.

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Before I do, I would like to make a couple of observations on what I have heard that I believe bear further comment. The first is something Deputy Gollop said this morning. He said if we support Tobacco Duty as a means of influencing behaviour, we should support width and emissions duty, but I can tell you if we support Tobacco Duty, a more meaningful comparison would in fact be Fuel Duty.

The other point I would make is with regard to a comment made by Deputy Fallaize, where he said he did not believe it would change the number of car sales. Well, I actually agree with him on that, but I do believe, certainly if the aim is to influence behaviour, that it will affect the value of car sales, which will affect the profitability of the car dealers, and could therefore result in redundancies.

Now, whilst clearly, as a Member of HSSD, I agree with Deputy Bebb, we have a literally growing obesity problem and need to tackle that, I very much agree with what Deputy Trott has just said. I still have heard nothing today that assures about the funding effect of this amendment and the fact that there is a claimed shortfall of £1.6 million. I am not convinced that this will actually be the shortfall, nor that this will not water down the effectiveness of the Strategy.

Now, I truly have struggled over how to vote on this amendment. I have listened to both sides – and I truly have – but in the end, and having regard to the difficult decisions that we are going to have to make in the Personal Tax and Benefits Review debate, I am afraid I cannot support this amendment.

The Bailiff: Deputy St Pier.

**Deputy St Pier:** Sir, I have thoroughly enjoyed re-debating the entire Transport Strategy so soon after we debated it last year.

I should acknowledge the advice which my predecessor, Deputy Trott, gave me, but I am very clear, and indeed my Board is very clear, that our job is to focus on and to advise the States on the financial implications of what is before us, and then you make of that information what you will and the decisions will follow accordingly.

Before I go on, sir, I just wanted to acknowledge a couple of people have referred to the Personal Tax, Pensions and Benefits Review – I think in particular Deputy Laurie Queripel and Deputy Domaille – and I think the suggestion that, in a sense, we could not deal with this issue until we had dealt with that – and, of course, that is a perennial issue that we always face, with so many issues which we have to deal with... But the real point I wanted to make, of course, is the Personal Tax, Pensions and Benefit Review is there to deal with issues which we are facing 10 years out and the redesign of our Tax, Pensions and Benefits system 10 years from now, rather than the challenges that we face today. So I understand the point that is being made but I think it is an inaccurate, and perhaps slightly irrelevant, issue to throw into this particular debate.

I would say that Deputy Langlois and a number of others have referred to the question of hypothecation, and to the impact of Rule 15(2) and all of those comments I think I would endorse as having been validly made. I know that the States' Assembly and Constitution Committee are looking at Rule 15(2) and I am grateful that they have engaged with the Treasury & Resources Department on that, because I think that it clearly has had some perverse consequences, not least of which we are living with here today.

However, sir, we should be under no illusions whatsoever that whatever decision is made today, there is and there will be a shortfall in funding, and that is because the Budget that was put together last year and approved by this Assembly, of course, assumed the full width and emissions duties, as tabled unamended last December, would be effective from 1st January and paid parking would come in from 1st April. So, irrespective of the decisions today – whether we accept the amended legislation, whether we accept the unamended legislation, whether we throw it all out – or whether we accept a sursis that may or may not be laid – there will be a funding gap.

The funding gap that, of course, has been referred is £1.6 million. That, of course, is a full year number, but actually the gap for 2015 is potentially higher because, as I said, the Budget was

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worked out assuming higher receipts. So we are actually looking at a shortfall for 2015 somewhere closer to £2.5 million, because of the delay in paid parking which will not come in at least before September 2015 and, of course, we have a Requête next month on that subject.

Now, I absolutely commend the responsibility of the Minister for the Environment and the Board, because they have sought to own responsibility for amending their own Strategy, for wobbling, as Deputy Gollop put it earlier. They have said, 'Well, we can address that by not funding £1 million a year to the bus depot and by looking at the £600,000 a year shortfall on Fuel Duty and those two will help fund the difference.' They have taken a responsible attitude in trying to deal with the shortfall.

I would say, sir, in relation to the shortfall on Fuel Duty, of course, that has not been properly tested and it probably is not a number that can be properly tested by my Department. I think there is a comment in the amendment that there had been engagement at officer level, but actually, of course, it is very difficult for anyone to prove what that number could or should be. In essence, it is one finger in the air and a number being replaced by another and, just as an observation, if the shortfall in Fuel Duty is perhaps much lower – as the Environment Department are now indicating – that would suggest a considerably slower change in behaviour than was originally anticipated and I think I just make that as an operation.

However, sir, what we must acknowledge is that the Transport Strategy is extant Government policy. It has been approved by this Assembly, and with the exception of Deputy Brouard and perhaps I should say the honourable exception of Deputy Brouard and the requérants who are bringing a Requête next month on paid parking.

There has been no attempt whatsoever by any Member of this Assembly to reverse the policy and the Strategy that was approved. There were no amendments brought to the cash limits that were recommended at the time of the Budget debate at the end of October and, sir, I suggest to you, and my Board suggests to you, that to seek to strangle this Strategy by depriving it of funds in this way, by rejecting the legislation – or rejecting the funding certainly – would be irresponsible, reckless, and indeed it may well be ineffective, because the Environment Department would be perfectly entitled to say, 'Do you know what, the rest of the traffic Strategy has been approved and, in fact, our cash limit has been approved, so we will just carry on and do what we can without the sticks of the charges, but we will carry on in accordance with our budget and deliver the Strategy, and of course, they have already started that process. They have made appointments to the active travel unit and those costs are already being incurred.

So, again to their credit, I think the Environment Board have recognised that that perhaps would not be politically practical or reasonable and have acknowledged that something would have to give, and indeed I should say that if that situation were to arise, of course, Treasury & Resources would be compelled to come to this Assembly with proposals to seek to redress that situation, which clearly would be wholly unacceptable. But nonetheless I think we should recognise that it is current policy for which there would be no funding.

Sir, I think it is fair to say – and the voting record and the debate last year will show – that my Board itself is divided on this Strategy, but I should be quite clear that Treasury & Resources Board is unanimous that, to the extent that we cannot permit, we should not, as an Assembly, permit unfunded spending commitments. (**A Member:** Hear, hear.) Let's just briefly, before I return to the amendment, look at what some of the alternatives are, and of course Fuel Duty is the one which is most often wheeled out as a funding mechanism. It is efficient and effective. We all know that. We could put 8p or 10p on a litre. Deputy Gollop, I think, was one amongst several who have suggested that we could seek to exploit the opportunity of low global oil prices, to put fuel prices back up to where they were to ease that funding gap. Nothing could, of course, be politically easier, perhaps particularly in the climate of falling oil prices, but of course that strategy of using fuel prices was rejected in this Assembly last year and of course I would suggest part of the reason for that is that the Assembly did accept that there was no great evidence of impact on the quantum of driving and on behaviour.

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The other argument that, of course, is frequently used, is Fuel Duty is the fairest because of the concept of user pays - the principle that we have all come to learn to love? However, again, as has been said, Fuel Duty raises £15 million to £16 million a year - considerably more than we spend on road infrastructure - so Fuel Duty always was, is, and will continue to be, sir, I would suggest, a general revenue raiser. So the purity of the argument that Fuel Duty is a user pays charge has been lost.

Also I would suggest, sir, that, as in the long term it is not the most sustainable tax base because fuel consumption is falling, and has been noted as engines become more efficient, it is likely to continue to fall. So, therefore, to raise the same amount of Fuel Duty each year in real terms, we will almost certainly be forced to raise the rate of Fuel Duty above the rate of inflation in order to maintain the same quantum of tax coming to fund all services, not just road-related services.

There are, of course, other alternative user pays taxes and, of course, actually an annual road tax - albeit at a flat rate - is, in its own way, a user pays charge, because it would be levied on those who own a vehicle. I would say no more, sir, at this stage, about annual road taxes because we may return to that a little later in this debate.

So, personally, sir – and it is not a Board decision, but personally – I will reluctantly support the amended legislation. As the Minister for the Environment knows, I do not, and never have, particularly liked the concept of the annual width and emissions charge, but it is a decision that was taken by the States and we must remember that this legislation simply gives effect to that approved Government policy.

The other reason that I will, as I say, reluctantly support this, certainly at this stage, is so that it does at least provide partial funding – it is only partial funding – toward the delivery of approved Government policy and, for that reason, it is guite literally better than nothing.

Thank you, sir.

**The Bailiff:** Does anyone else wish to speak on the amendment?

No. In that case – no-one else is wanting to speak – the Minister, Deputy Burford, will reply to the debate.

## **Deputy Burford:** Thank you, sir.

In a fashion perhaps worthy of the *Two Ronnies' Mastermind* sketch of answering the question before last, I believe I responded to most of Deputy Stewart's points before he actually made them, (Laughter) but briefly again and for clarity, yes, the £1.6 million takes into account the financial effects of the amendments from last spring. And, using the figures in C&E's Report as a comparative between charges in car registrations in Jersey and Guernsey, the impact on the economy from the motor trade is more likely to be between 1% and 2%.

Now, while that can only be an estimate, it is at least based on figures that relate to the matter in hand, rather than a totally unrelated figure plucked out of the Report. And, if people do not spend so much on cars, either because they do defer a purchase or probably, more likely, buy a cleaner, smaller and cheaper car, they have that disposable income to spend on other things.

The figure of 30 to 50 job losses has no basis in any fact at all.

Deputy Stewart, the admin cost of the First Registration Duty is not £300,000, as is stated in your report. As we already register every vehicle anyway, this work can be done within the existing staffing of that particular section. So, not £300,000. Is it -

Deputy Stewart: Just for clarification on that, because in the Minority Report and I think that page 729 – and you refer to a matrix further down where there is a £300,000 sum – this figure allows for subsidies that will be made from narrow, low or zero emissions vehicles and all administration costs. My question was - what part of that £300,000 figure was for administration, because you have allowed for it in your Report?

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**Deputy Burford:** The part of the figure for £300,000 was if it was required to have any further staff for that element, but it is not because it can all be done through the First Registration of the duties that already exist. However, we do have, as you know, as part of the Report... that we have taken on two staff into the actual travel unit so there is a cost for that, but that is an entirely separate thing to the First Registration of vehicles.

Deputy Stewart says we are subsidising bus fares by £3.40, but if we take school buses out of the equation, as I feel that we should do, that reduced to £2.80 and if we grow passenger numbers, as we expect we will if this Assembly allows this Strategy to get off the ground, that will probably fall to about £2 and that again can go down further when we start in 18 months' time, charging a moderate bus fare. So everything, in that sense, is actually heading in the right direction, but we cannot lump the school journeys into that figure.

Deputy Jones – bus fares at the level envisaged by the successful amendment last year represent 10% to 15% of the cost of operating them.

Very little has fundamentally changed in the Strategy so far. The main shortfall, by far, in the funding comes from the adjustment for second hand vehicles, but that in no way undermines the principle of the Strategy or of this First Registration Duty. Not having a bus depot does not undermine the principles and outputs of the Strategy; it just means that there are more logistical issues for the operating of the buses, but it does not need to impact on the customer side of things.

Deputy Jones talks about the family with children with busy lives and, yes, that does describe a part of our community, but the community is not homogenous; different people have different needs and the Strategy looks at everyone's needs.

Deputy Paint is right, we do not live in an ideal world, but surely that should not stop us from trying to make it better. As he has raised the issue of the Chamber of Commerce contribution, I will say this, five Members of the Chamber of Commerce transport sub group attended an individual stake holder meeting, as did 30 other groups. Their submission was given no more weight than any other group in the formulation of the policy.

Deputy De Lisle, I agree industry is reducing emissions – the motor industry – but it is as a result of Government's imposing emission taxes and directives. I agree that other sources of pollution should also be addressed, but that is no excuse for not addressing this one. He is concerned about a reduction in advertising spends. I would not mind betting that if this is passed today we will see adverts for duty free cars.

Deputy Laurie Queripel, we have always said that some people will pay and some people will make different choices. That is inevitable. We have also always made it clear that this particular part of the Strategy was never designed to reduce the number of vehicles, rather to change the types of vehicles that are circulating on our roads. Other parts of the strategy address the number of vehicles and provide incentives to use them less. For example, a family living and working in Town with two vehicles may well find that, with improved alternative choices, they can manage happily with one.

Deputy Queripel mentioned the oft heard desire to do nothing while we wait for everything. I do not want to put any kind of hex on the PTR but there is no guarantee we will find a willing coalition to back that one once it has almost inevitably been amended. And I really do not think, as an argument, that should be what stops us moving forward.

I thank Deputy Gollop, particularly for his encyclopaedic knowledge of the buses, although I will just confirm that the amendment means that only a quarter of registrations will be subject to the width duty and a half to emissions duty but many of these, as Deputy Harwood has pointed out, will be at the lower end at £200 to £400. In fact, the quoted top band combination of £5,600 would probably only have affected around between 5 and 10 cars last year.

Deputy Brouard says we are going too fast – a complaint often levelled at this Government. (*Laughter*) Sir, where transport strategies are concerned, the only place we have been going fast, historically, is nowhere.

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I can confirm that charity vehicles will be free and the exemption to adapted vehicles for people with a disability is only where a larger vehicle is needed for the adaptation.

The point on the Chamber of Commerce, I do not believe that in their latest missive to us they did actually mention width and emissions. I think it was generally about paid parking, unless you have a different one to me – which I am sure you will advise me if you do.

Deputy Brouard will also be pleased to know that the Energy Policy Group will be bringing a report on energy efficiency to the States this year. He also says the amendment is complex but we did send round a lay person's guide.

He says there is angst in the community, but he should ask where the angst comes from. I had a call from a lady who was very upset as she believed that her existing very small car would start being taxed. The angst comes largely from misinformation or possibly vested interests.

But we also say again that we have not said there will be no fall at all in car sales, but we do not believe it will be marked because the duty is avoidable and because across the Board it only represents around 3% to 4% of the value of sales. In fact, each year this duty will be payable on something like 4% of the total current Island fleet; 96% will be unaffected. How can this translate into the 'carmageddon' scenario claimed by some is beyond me. (Interjection)

Deputy Brouard said he would like to see the money raised go to Education or Health. Well, some of it will go to Education through our work with schools. The Home Department is ceasing cycling proficiency and we will be picking it up as part of the Transport Strategy, and expanding on it and indeed paying for it. Health will benefit from the fitness increases that come from active travel. Do not take our word; read the NICE Report referenced in the Strategy and read the Obesity Strategy.

Responding to Deputy Le Pelley, no-one is trying to take your car away from you, although I can confirm it is possible to do seven meetings in a day by electric bike, and lose weight and save your gym membership fees. (Laughter) I am pleased your bus was on time – over 95% are. (Laughter) Soon you will have real time info to give you even further reassurance that it is going to be but what you think is a perfect strategy, will inevitably not coincide with what the other 46 people in here might consider a perfect strategy, and at some point we have to compromise, to be pragmatic, to do something together. You are right that existing vehicles on the Island will not be affected by this duty, but neither does this duty tax people for choices they have already made.

Deputy Brouard says if we vote in this tax then we will be able to raise it. If that is unacceptable, sorry that is unacceptable; then we had better get rid of Income Tax and every other tax because they are all vulnerable to being raised.

Deputy Lester Queripel says sell off the buses and buy mini buses. Well, if we give the 41 green and yellow buses a really good valet we might even get five grand a piece for them. The resulting 10 mini buses we could buy with the money raised would not even do half the school run, let alone provide a comprehensive schools and scheduled bus service.

Door to door dial-a-ride schemes would cost around £6 per person to operate, but there is no reason why a scheme like that could not come forward privately.

Deputy Fallaize said that we should support cycling and pedestrians, to which I believe Deputy Jones interjected and let them pay for it. Well, they do. In Copenhagen they did a cost benefit analysis which showed that every kilometre driven costs society 14 cents, while every kilometre cycled benefits society to the tune of 25 cents. (Interjection)

Deputy Domaille – hypothecation and Rule 15(2). Well, the majority strategy also, as you know, hypothecated. It is what we had to do.

Deputy Trott – oh, yes, a discussion on behavioural economics and why you brought your car in. He is not in the Assembly, I do not think at the moment. (*Interjection*) He's gone to buy a bike! Ah, Deputy Trott. So, yes, behavioural economics – you paid your £165 and you will park your car at Lukis House, and I agree but really I do not think Treasury were up for collecting £5 from you every time you came to a States' meeting; but the point is right on sunk costs.

I think, just coming to the end then really, because the last points all seem to come together on the funding, and to Deputy St Pier's final point, what I would like to say is that, yes, the

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shortfall will mean a slower start to the Strategy, but a slower start now is going to be a much quicker start than any other route available to this Assembly in any other way.

We did spend significantly less last year than what was mandated to us as part of the agreement last May and clearly we can adjust this year to make sure, not just about staying in budget, but staying within the income that is raised for this Strategy. There are many options to have different work streams and still carry forward – some are more expensive than others and it is a matter of prioritisation.

I think that is all I have to say, other than to thank all Members who spoke in support, and just to ask Members to stick behind the decision made last April and May and to support this amendment.

3290 Thank you.

The Bailiff: Members we vote then on -

**Deputy Burford:** Can we have a recorded vote, please, sir?

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**The Bailiff:** – the amendment proposed by Deputy Burford, seconded by Deputy Brehaut, and there has been a request for a recorded vote. So it will be a recorded vote on the Burford/Brehaut amendment.

3300 There was a recorded vote.

Lost – Pour 21, Contre 23, Ne vote pas 0, Absent 3

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Harwood	Deputy Kuttelwascher	None	Deputy Storey
Deputy Brehaut	Deputy Domaille		Deputy Spruce
Deputy Robert Jones	Deputy Langlois		Deputy James
Deputy Le Clerc	Deputy Lester Queripel		
Deputy Gollop	Deputy Stewart		
Deputy Sherbourne	Deputy Gillson		
Deputy Conder	Deputy Le Pelley		
Deputy Bebb	Deputy Trott		
Deputy St Pier	Deputy David Jones		
Deputy Ogier	Deputy Laurie Queripel		
Deputy Fallaize	Deputy Lowe		
Deputy Le Lièvre	Deputy Collins		
Deputy Duquemin	Deputy Paint		
Deputy Green	Deputy Perrot		
Deputy Dorey	Deputy Brouard		
Deputy Le Tocq	Deputy Wilkie		
Deputy Adam	Deputy De Lisle		
Deputy Burford	Deputy Inglis		
Deputy Luxon	Deputy Soulsby		
Deputy Hadley	Deputy Sillars		
Alderney Rep. McKinley	Deputy O'Hara		
	Deputy Quin		
	Alderney Rep. Jean		

**The Bailiff:** Well, Members, the result of the vote on the amendment proposed by Deputy Burford, seconded by Deputy Brehaut, was 21 votes in favour, 23 against. I declare the amendment lost.

The Minister of Treasury & Resources Department has requested a five minute recess to enable him to consider the Department's position on the sursis. So we will rise for five minutes.

The Assembly adjourned at 4.48 p.m. and resumed its sitting at 5.07 p.m.

# The Motor Taxation (First Registration Duty) (Guernsey) Ordinance, 2014 – Debate continued – Motion withdrawn

The Bailiff: Deputy St Pier, do you wish to lay the sursis?

Deputy St Pier: I do not, sir.

The Bailiff: Thank you.

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Deputy Burford, I understand that now you wish to withdraw the legislation. Is that correct?

**Deputy Burford:** Yes, sir, if the States are agreeable.

**The Bailiff:** Fine. I think there is now a Rule on withdrawing motions, which I need to just refer to, just to remind myself what the procedure is now.

**The Procureur:** You will probably get there before I am... sir, but I think you are supposed to give notice and have a proposer and a seconder to do it in writing or something, aren't you? Shall we ask the Chairman of SACC?

The Bailiff: Can you remind me which Rule it is?

**Deputy Fallaize:** It is 18 or 19 or something around there, but it does need to be proposed and seconded in writing, yes.

**The Procureur:** 13(11).

**The Bailiff:** 13(11). I have just got there. I will read Rule 13(11) so everybody knows what it says:

'Where a Department or Committee...'

– and then there is a bit in parentheses which we are not concerned about.

'... has resolved to request that an article or proposition be withdrawn, a motion to withdraw the said article or proposition shall be in writing and must state the names of its proposer and seconder.

Debate on such a motion shall be limited strictly thereto and no other issues relating to the article or proposition shall be debated until the motion to withdraw has been voted upon.'

So we need a motion in writing, unless anybody is proposing that we suspend that Rule.

**The Chief Minister (Deputy Le Tocq:** I think, sir, just for this, unless anybody wants it debated, could we not just decide to suspend that Rule so that the Department can do as they...?

The Bailiff: Well, let's first make sure there is a seconder for the Proposition. Does anybody second the Proposition?

**Deputy Trott:** I do, sir, I think that is a very sensible way forward.

The Bailiff: Deputy Trott seconding. So we have a proposer and a seconder, then the next motion I will put to you is that we suspend Rule 13(11)(i) – the requirement that the Proposition be in writing. Those in favour; those against.

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Members voted Pour.

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**The Bailiff:** I did not put to you the suspension of Rule 13(11)(ii) so if there is any request for debate, that is still open. Does anybody wish to debate the motion or can we go straight to the vote?

Deputy Gollop: Sir, why is Treasury & Resources Department withdrawing its sursis? (Interjection)

**The Bailiff:** They have withdrawn it, so... (*Interjections*) They have withdrawn it, Deputy Gollop. You can ask them after the meeting.

I hear no requests to debate the motion to withdraw, so I put to you, therefore, the motion to withdraw what is an Article from the December Billet, the Motor Taxation (First Registration Duty) (Guernsey) Ordinance 2014 – it was Article 1 of Billet XXVI of 2014. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare it withdrawn and the motion carried.

So we can move on with other items on the Agenda and there are some matters that I think we can conclude before 5.30 p.m. but I would suggest that we do not start anything that is not going to be finished today. Apart from anything else, the Deputy Bailiff will be here tomorrow! (Laughter)

Greffier, it is Ordinances laid before the States next.

# Billet d'État I

#### ORDINANCES LAID BEFORE THE STATES

The Income Tax (Guernsey) (Miscellaneous Amendments) Ordinance, 2014; The Companies (Guernsey) Law, 2008 (Amendment) Ordinance, 2014

**The Greffier:** Ordinances laid before the States – The Income Tax (Guernsey) (Miscellaneous Amendments) Ordinance, 2014, and The Companies (Guernsey) Law, 2008 (Amendment) Ordinance, 2014.

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The Bailiff: There have been no requests for any debate. We note those.

## STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**The Greffier:** The Statutory Instruments laid before the States: The Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment) (No. 6) Regulations, 2014; The Milk (Retail Prices) (Guernsey) Order, 2014; The Wastewater Charges (Guernsey) (Amendment) Regulations, 2014; The Water Charges (Amendment) (No. 2) Regulations, 2014; The Health Service (Medical Appliances) (Amendment) Regulations, 2014; The Social Insurance (Benefits) (Amendment) Regulations, 2014; The Companies (Audit Exemption) (Amendment) Regulations, 2014 and The Insurance Business (Bailiwick of Guernsey) (Amendment) Regulations, 2014.

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**The Bailiff:** There have been no motions to annul any of the Statutory Instruments.

#### **ELECTIONS AND APPOINTMENTS**

IV. Scrutiny Committee – Election of a new Member – Deputy Collins elected

Article IV.

*The States are asked:* 

To elect a sitting Member of the States as a member of the Scrutiny Committee to complete the unexpired portion of the term of office of Deputy S. J. Ogier, who has been elected to the office of Minister of the Public Services Department, namely to serve until May 2016 in accordance with Rule 7 of the Constitution and Operation of States Departments and Committees.

**The Greffier:** Billet d'État Article IV, Scrutiny Committee – Election of a new Member.

The Bailiff: Deputy Robert Jones, do you wish to propose a Member for the Committee?

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**Deputy Robert Jones:** I do, sir. I am pleased to nominate Deputy Garry Collins.

The Bailiff: Deputy Garry Collins, thank you. Is there a seconder for Deputy Collins?

3400 **Deputy Green:** Yes, sir, I will second that.

**The Bailiff:** Deputy Green, thank you very much.

Do we have any other nominations? No. We go straight to the vote then on the election of Deputy Garry Collins as a Member of the Scrutiny, proposed by Deputy Robert Jones, seconded by Deputy Green. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare him elected.

#### **POLICY COUNCIL**

# V. Appointment of ordinary members of the Guernsey Financial Services Commission – Propositions carried

Article V.

The States are asked to decide:

Whether, after consideration of the Report dated 1st December, 2014, of the Policy Council, they are of the opinion:

- 1. To reappoint Howard Emerson Flight (Lord Flight of Worcester) as an ordinary member of the Guernsey Financial Services Commission for a three year term with effect from 2nd February, 2015.
- 2. To reappoint Mr. Robert Stead Moore as an ordinary member of the Guernsey Financial Services Commission for a three year term with effect from 2nd February, 2015.
- 3. To reappoint Advocate Simon William Francis Howitt as an ordinary member of the Guernsey Financial Services Commission for a three year term with effect from 2nd February, 2015.

The Greffier: Article V, Policy Council – Appointment of ordinary members of the Guernsey Financial Services Commission.

The Bailiff: Chief Minister, Deputy Le Tocq.

The Chief Minister (Deputy Le Tocq): Sir, I have got nothing to add to what is quite a simple Report, sir.

**The Bailiff:** Thank you very much.

There are three members to be put forward. There is no provision for anyone to be nominated within the Assembly: they must be nominated by the Policy Council.

Does anybody wish the three to be taken separately? Perhaps can we take them all together? We will take them all together. There are three Propositions on page 11 of the Billet to reappoint Howard Emerson Flight (Lord Flight of Worcester) as an ordinary member of the Guernsey Financial Services Commission, Mr Robert Stead Moore as an ordinary member, and Advocate Simon William Francis Howitt as an ordinary member. In each case for a three-year term with effect from 2nd February. But all three taken together. Those in favour; those against.

Members voted Pour.

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3430 **The Bailiff:** I declare them carried.

#### **SOCIAL SECURITY DEPARTMENT**

# VIII. Resignation of non-voting member of the Social Security Department – Propositions carried

Article VIII.

*The States are asked:* 

- (a) to note that the Social Security Department does not intend to nominate a successor non-voting member at the current time; and
- (b) to accept Mrs. Suzanne Marie Crowder's resignation as a non-voting member of the Social Security Department.

**The Greffier:** Article VIII, Social Security Department – resignation of non-voting member of the Social Security Department.

3435 **The Bailiff:** Deputy Langlois:

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**Deputy Langlois:** Yes, sir. Although there is no debate on this matter, my Board would just like to thank Susie Crowder for her contribution to the Department over that period of time and just point out that the resignation was for family commitments and reasons and, given the running length of the term, the Board has recommended that we should not appoint another member at this stage.

**The Bailiff:** Is there any debate?

No. We go straight to the vote then, on the two Propositions on page 136 of the Billet. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

### **HOME DEPARTMENT**

# IX. Independent Monitoring Panel – Appointment of Members – Propositions carried

Article IX.

The States are asked to decide:

Whether, after consideration of the Report dated 20th October, 2014, of the Home Department, they are of the opinion:

- 1. To reappoint Mrs. Wendy Sandra Meade as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015 and to appoint Mrs Meade to the position of Chairman of the Independent Monitoring Panel.
- 2. To reappoint Mr. John Francis Ashby as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015.
- 3. To reappoint Mr. Stephen Hill as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015.

- 4. To reappoint Mrs. Annette Sara Henry as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015;
- 5. To appoint Mr. Peter Arthur Champion as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015.
- 6. To appoint Mr. Anthony Talmage as a member of the Independent Monitoring Panel for a period of four years with effect from February 2015.
- 7. To amend the Prison (Guernsey) Ordinance, 2013 to remove the upper limit (eight) on the number of Independent Panel Members, leaving the Department to determine the appropriate number of members (not being fewer than four) at any given time.
- 3450 **The Greffier:** Article IX, Home Department Independent Monitoring Panel Appointment of Members.

The Bailiff: Deputy Gillson.

Deputy Gillson: Sir, I have got nothing to add to the brief Report, other than to express the Board's whole hearted thanks to the volunteers who support prison rights by sitting on this Panel.

**The Bailiff:** Is there any request for debate? No. There are seven Propositions on page 142. I put them all to you together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

3465 **The Greffier:** Article VI –

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**The Bailiff:** I was going to say that leaves us 15 minutes. I imagine that the Bailiwick Drug and Alcohol Strategy may take a little more than 15 minutes. I agree with the Procureur. Would it be sensible to take perhaps the Commerce & Employment Department's Report on Maritime Labour Convention Legislation Extension to Sark, and deal with that this afternoon?

### **COMMERCE & EMPLOYMENT DEPARTMENT**

# VII. Maritime Labour Convention Legislation extension to Sark – Propositions carried

Article VII.

The States are asked to decide:

Whether, after consideration of the Report dated 4th November, 2014, of the Commerce and Employment Department, they are of the opinion:

- 1. To approve the proposal set out in paragraph 2.5 of that Report, that an Ordinance under the Employment Agencies (Enabling Provisions) (Bailiwick of Guernsey) Law, 2012 be made having effect in Sark, to give domestic effect to the requirements of Regulation 1.4 of the Maritime Labour Convention 2006 in that island.
- 2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

The Bailiff: Greffier, if you could call Article VII.

# STATES OF DELIBERATION, WEDNESDAY, 28th JANUARY 2015

**The Greffier:** Article VII, Commerce & Employment Department – Maritime Labour Convention Legislation extension to Sark.

3475 **The Bailiff:** Deputy Stewart.

**Deputy Stewart:** Yes, Mr Bailiff, Members.

I do not really have anything much more to add to this Report. This is already legislation that we have in Guernsey. It was voted through the other year and this is just extending now to Sark.

The Bailiff: Any debate? No. Well, Members, the Propositions... there are two of them on page 133. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare them carried.

Well, that leaves, I suspect, three matters each of which is going to take more than 14 minutes. So we could start one of them this afternoon, or is it the wish of the Assembly that we rise now? I put to you the Proposition that we rise now. Those in favour; those against.

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Members voted Pour.

The Bailiff: We will rise now and then we will resume tomorrow at 9.30 a.m.

The Assembly adjourned at 5.18 p.m.