

We want our

Island Back



Newsletter

March 2006

Workshop Report

Letter from the Editor

This month the whole of our Newsletter is given over to the Workshop we held at the beginning of February. A great deal of hard work and research went into the preparation of this event. The process has started; the research must go on.

As an introduction to the following pages here's a reminder of what we stand for and what we do.

We are members of the Association for the Taxation of financial Transactions for the Benefit of Citizens (Attac) & the Tax Justice Network (TJN).

The aims of both organisations are to research, educate and campaign to further public awareness.

We are seeking to alleviate poverty through the creation of just taxation systems to fund social goods.

If you would like to work positively with us towards greater justice and democracy in Jersey and beyond please come to our next meeting. Thursday March 9th, 7.30pm at St Thomas' Church Hall (to the left of the Church), Val Plaisant.

For more information phone Pat Lucas on 768980 or e-mail jeanandersson42@hotmail.com *Pat Lucas*

Workshop Report February 2006

The aim of this Workshop was to provide an oppositional voice for the people of our Island at this time of Ministerial Government. This was to be tackled by informing ourselves

of State's policies, being clear about what is unacceptable about them and working towards proposing alternatives. To achieve this all available outlets should be used - websites, newsletters, media and discussion with States' members who have the people's interests at heart.

This event took place on the afternoon of Friday 3rd February 2006 and the morning of Saturday 4th February. The group was made up of our facilitators, Mr. John Christensen, Director of the Tax Justice Network and Professor Prem Sikka, Professor of Accounting at the University of Essex, invited members of the public, a total of nine States' Members and members of Attac & TJN. 33 people attended the first half of the Workshop on the afternoon of Friday 3rd February and 36 people came on the Saturday morning.

John Christensen got the ball rolling by reflecting on Jersey and the changes he had noticed over the past few years. Tax Havens are under increasing pressure. Jersey is all about capital flight. He commented that the 3% Goods and Services tax was bound to be increased. The 0/10% tax proposals do not meet the Code of Conduct and will fail at the first legal test. Neither the EU nor the UK have been told of the detail.

We need a culture of oppositional politics. In the UK the Opposition is always referred to as 'Honourable'. It is a crucial part of the parliamentary process which holds leaders to account. Opposition needs to test veracity and competence, research alternatives and differentiate between rhetoric and fact. Technical jargon needs to be deconstructed and translated into simple language. Both

involvement in Scrutiny and representation on the Statistics Users Council are essential in order to hold government to account. A Media and Communications Officer needs to be appointed.

John emphasised that economics was initially about justice and not about maximising profits. The language of justice and injustice should be used rather than the language of efficiency. Say what you really think!

Prem Sikka added that if corporations rule we have no democracy. That would amount to capitalism without ethical constraints. Corporations which are only paying 0% tax still expect to be supported by the infrastructure. What exactly is their vision?

Speaking on the topic of aid to developing countries Prem said that while Africa and her leaders are often accused of corruption this is nothing by comparison with the west. Now is the time to move away from simply giving aid to an insistence on fairness in taxation.

The participants then divided into nine tables concentrating on: Housing and Welfare Benefits; Workers and Employment; Tourism, Agriculture and Fishing; Tax and Social Security; Youth; Poverty in the Developing World and Jersey; Education for Democracy; Planning and the Environment; The Elderly.

On Friday present policies and trends were discussed and viable alternatives explored.

On Saturday morning John reminded us of the need to be more analytical in our approach and to make greater use of available statistics and data when asking questions of

government. For example - If Jersey has the second highest Gross National Income (GNI) in the world then why is the Island so far down the Pensions ladder compared to European countries?

Prem emphasised the need for much more hard data - for example tourist numbers. On the subject of poverty and aid to developing countries he pointed out that aid had often destroyed the local economy. Sometimes a whole economy is wiped out as a result. If Africa has 50% of the world's diamonds and copper why is there so much poverty in that continent? The rich must pay their taxes.

He stressed that our analytical skills need sharpening and that questions should be asked of government that go straight to the heart of the issue. *"Failure is not to try."*

Based on the proposed alternatives discussed on Friday, groups worked out a maximum 3 clear statements of intent. These form the basis for action to be taken in the coming weeks and months.

We went away with the clear conviction that for democracy to thrive at this time of Ministerial Government in Jersey then working together is essential. This Workshop marks the beginning of a serious working relationship between Scrutiny and the public. John and Prem were highly impressed by the positive attitude towards Scrutiny Committees, which open up channels for accountability that were not previously available.

What has emerged from this Workshop is a model for a People's Forum.

Jean Andersson

Tax and Social Security

We are working towards the establishment of a just tax system for all. This requires accountable and simple administration costs for each States' Department.

Tax: We stand for progressive taxation with increased rates on high incomes.

If GST is imposed there should be no exemption for Financial Services. Introduce a handling fee for foreign deposits and monies passed through the Island.

That "benefits in kind" be taxed at a higher level.

A fairer rates system based on value per metre.

Serious consideration of introducing Inheritance Tax.

Social Security: That Social Security contributions be exempt from Income Tax.

To look at expanding coverage of dental/medical and eye care free at the point of access with increased social security contributions if necessary.

Tourism

The concern here is about the excessively high cost of travel and its effect on tourism, business and residents of Jersey.

The whole aspect of travel to and from Jersey is in turmoil, affecting everyone in one way or another. As an increase in Tourism is of paramount importance, we have a golden opportunity to attract tourists arriving in St Malo on the fast train from Paris, but only if we have a reasonably priced and regular boat service . Travel costs in general are so unreasonable and fluctuate for no reason; there should be one price no matter when so that the traveller will always

know the costs. As an idea, if the fare in summer is £100, and £50 in winter, why not run it all the year round at £75?

In the UK for example prices are far cheaper, and for longer distances EG = Condor Jersey to St Malo. with car and 2 adults £94.75.

Speed Ferries = Dover to Boulogne, with car and 5 adults £27. (more examples available)

We need to:

Establish why the people of Jersey have to pay so much.

See which other travel companies would take on carriage contracts at sensible price structures and timetables.

Housing and first time buyer properties

Freeze the sell-off of social housing until Housing Policy has been examined by Scrutiny.

Get the proper costing of the maintenance budget to upgrade public social housing.

Evaluate affordable first time buyer properties. Could this be achieved by States-sponsored shared equity and/or interest free deposit loans?

The facts at present are that:

The selling off of public social housing units to the Jersey Home

Trust for a nominal fee has been approved - this at a loss to the taxpayer of £8.335 Million. (P.161/2003)

The former Aquila Youth Club site has been sold to the Les Vaux Housing Trust for £10.00 at a loss to the taxpayer of

£624, 990. (R.18/2006)

We need to evaluate housing policy regarding the selling off of public social housing to Housing Associations and Trusts at nominal prices and the use of publicly guaranteed loans and interest rates.

Welfare Benefits:

Look at whether the Low Income Support Scheme will meet internationally recognised relative poverty benchmarks.

Social Security to look at the Nordic model of the % of GNI spent on social protection.

A Comparative Study, by Hart, University of Nottingham, commissioned by Employment and Social Security states that Jersey spends less or the equivalent of the EU15 average on social protection across the categories despite our high gross national income.

The Jersey Economic Digest 2005 states that Jersey has the second highest GNI per capita in the world, but only spends approximately 1.6% on social protection compared to 1.4% in the UK whilst the Nordic region spend approximately 5% according to 'Social Policy and Society' a Social Policy Association publication.

It is essential to see that the proposed Income Support Scheme meets or exceeds the internationally recognized relative poverty benchmarks therefore giving our people a sustainable income.

The Nordic social protection model provides a much higher standard of social protection without deterring business activity through fair taxation, therefore providing

a sustainable income that we can afford in Jersey due to our high GNI per capita.

Planning and the Environment

Make sure there is a mechanism to disseminate information from the "top to the bottom" and the "bottom to the top". Neither is done very well at the moment.

What is possible from a collective point of view by way of a range of lifestyles? Investigate the problem of population levels in order to address conservation of energy and water, alternative energy and rising sea levels.

Youth

Increase out of school and holiday care for 2 - 15 year olds
Youth Service including drop-in centres - increase the number of employed youth workers and facilities. Due to the nature of the work it is essential that these people are trained.

Provision should be made for the proper education and vocational training for young people in prison.

The one reply to this is - Money! We need to do our research on statistics and other facts.

Workers and Employment

We live in a two-tier society with the gap between the rich and the poor reflected by the employment law and policies. We want to see an end to the spin which is put out by the Employment Committee and ensure Jersey has an acceptable standard of workers rights.

The laws have not addressed equal opportunities or equal pay. Jersey has some of the worst employment laws in the western world. There is discrimination regarding disability, age, maternity and parental rights and we have harrassment and bullying.

Our aims are to:

raise public awareness; lobby States' Members; lobby the UK Government; organise employees; promote union activity

As the Privy Council has the last word in relation to Jersey laws then the above should be the way forward and the people of Jersey should be involved.

Poverty in Jersey and Poverty in the Developing countries.

Establish a website to raise the public's awareness of issues of concern. To gather data/relevant facts. To act as an Open Forum so that more support can be gathered from as wide a public as possible to ask the questions that nobody asks. At the moment there is no interactive website nor an Open Forum where the public can gather with members of the Scrutiny panels apart from attending Scrutiny panels which not everyone is free to do.

Make contact with Jacquie Huet and the Overseas Committee with the aim of establishing a dialogue to look at the roots of poverty here and in the developing world. Overseas aid needs to be seen within the context of the following: The UN Millenium Project agreed that the tripling of the global aid budget to US \$195 billion per year by 2015 would be enough to halve world poverty within a

decade. This figure needs to be placed beside another one. \$255 billion is lost to governments around the world annually through tax avoidance. This needs to be discussed with those in charge of Overseas Aid. Bear in mind also that the £50 billion overseas aid given by the UK to developing countries needs to be set against the £50 billion lost to the UK through tax avoidance.

The Elderly

To improve the quality of life for the elderly and create a greater awareness of the needs of this vulnerable group.

We want to work towards:

Higher Pensions: Relate the true value of pensions to their purchasing power, covering a wide cross-section of items especially basics such as bread and milk, which are very expensive.

An awareness that with climate change the elderly are having to pay more for their heating and will need help.

Improving available transport, making it more cost-effective and dependable. Public transport is most important for the elderly as motoring is often not an option.

Re-creating a sense of community spirit.

An appreciation of the contribution made by the elderly to the society in which they live. A more courteous attitude to them; they are often intimidated by the brashness of some pedestrians and some motorists.

Education for Democracy

Provision of a “People’s Forum” consolidating links with Scrutiny

Members and other interest groups to form an umbrella organization.

This must grow to provide a voice for those people in our Island who would otherwise have no voice. Many people have expressed their desire for such a “People’s Forum” supported by all the Scrutiny panels in order that both Scrutiny politicians and the people may work together to provide an “honourable opposition” / alternative.

Provision of a thorough examination of the origin, meaning and practical application of true democracy to become part of secondary school education. It is essential for both young and old to be educated in the workings of democracy. Speakers to come from within and outside the Island from a variety of political and philosophical persuasions to inform, broaden the mind and inspire. This would be a healthy way forward. Regardless of the voting age the electorate cannot be expected to know what it is voting for unless a great deal of work has gone into their education. If this was achieved we would have a more politically, socially and philosophically aware generation of young people.

