



**OFFICIAL REPORT**  
**OF THE**  
**STATES OF THE**  
**ISLAND OF ALDERNEY**

**HANSARD**

**The Court House, Alderney, Wednesday, 24th February 2016**

*All published Official Reports can be found on the  
official States of Alderney website [www.alderney.gov.gg](http://www.alderney.gov.gg)*

**Volume 4, No. 2**

**Present:**

**Mr Stuart Trought, President**

**Members**

Mr Matt Birmingham

Mr Neil Harvey

Mr Louis Jean

Mr Robert McDowall

Mr Graham McKinley

Mrs Norma Paris

Mr Steve Roberts

Mr Chris Rowley

Mr Francis Simonet

Mr Ian Tugby

**The Greffier of the Court**

Mr Jonathan Anderson

**Business transacted**

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## States of Alderney

*The States met at 5.26 p.m. in the presence of  
Colonel Colin Mason, a representative of  
His Excellency the Lieutenant-Governor of the Bailiwick of Guernsey*

[THE PRESIDENT *in the Chair*]

### PRAYERS

*The Greffier*

## Billet d'État for Wednesday, 24th February 2016

### ROLL CALL

*The Greffier*

### Convener's Report of the People's Meeting held on 17th February 2016

**The President:** Before we move on to Item I, Mrs Paris, as Convener, could you give us the Report from the People's Meeting, please.

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**Mrs Paris:** Certainly.

Convener's Report from the People's Meeting dated 17th February 2016. I was ably assisted by the Chief Executive and the Treasurer and the President. Six other States' Members were in attendance, as were 45 members of the public and five members of the press.

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

### I. Chief Pleas

*Item I.*

*Persons whose names are included on the Register of Voters and who have given due notice will address the States on matters of public interest.*

**The President:** Monsieur Greffier.

**The Greffier:** Sir, the first Item this evening is Chief Pleas.

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I confirm that I have not received any Chief Pleas for this evening's meeting, sir.

**The President:** I can confirm I have received none either.  
Mrs Paris, as Convener, were there any comments on Item I?

**Mrs Paris:** There were no comments on this Item.

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**The President:** Thank you very much indeed.

## **II. Review of the Financial Relationship between Guernsey and Alderney – Item approved**

*Item II.*

*The States of Alderney is asked:*

*to note the Policy Letter 'The Review of the Financial Relationship between Guernsey and Alderney' being considered by the States of Deliberation and subject to the approval of the report and proposals contained therein by the States of Deliberation to direct the Policy and Finance Committee to prepare a project plan to implement the proposals so that they have effect in Alderney.*

**The President:** We move to Item II, please.

**The Greffier:** Thank you, sir.

25 Item II this evening is the Review of the Financial Relationship between Guernsey and Alderney.

A letter has been received from Mr McDowall in his capacity as Chairman of the Policy and Finance Committee. The States of Alderney have been asked to note the policy letter, the 'Review of the Financial Relationship between Guernsey and Alderney', being considered by the States of Deliberation and, subject to the approval of the report and proposals contained therein by the States of Deliberation, to direct the Policy and Finance Committee to prepare a project plan to implement the proposals so that they have effect in Alderney.

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**The President:** Thank you, Monsieur Greffier.

35 Mrs Paris, as Convener, were there any comments on this Item, please?

**Mrs Paris:** Yes, sir, there were.

40 Questions were raised about the high cost of education per pupil in Alderney. It was noted that transport costs are incorporated in the higher education costs, and it was also noted that the integrity of the figures across several Departments, not just Education, is questionable, especially as no separate figures for Alderney have been produced since 1995, and that vigilance will be required when there are detailed negotiations regarding service level agreements.

**The President:** Thank you very much, Mrs Paris.

45 Mr McDowall, I believe you wish to propose this.

**Mr McDowall:** Yes, indeed. Thank you very much, Mr President, ladies and gentlemen.

I would like to begin, first of all, by thanking everyone who has participated in bringing this document as far as we have, particularly Mr Langlois, who is Chairman of the Alderney Liaison Group. (**A Member:** Hear, hear.) I would like to thank all the politicians here who have contributed, and in Guernsey, and civil servants and even consultants who have been engaged in this exercise.

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55 This is really the beginning of a journey; it is not the end of a journey. But before I get on to talking about the journey, I would like to just refer to a couple of the aspects of this which were raised in the States in Guernsey, because I was there in attendance at that meeting.

60 First of all, the breakwater: it was firmly and robustly stated by many of the States of Guernsey Deputies that indeed the breakwater is firmly a States of Guernsey obligation under the Defence Agreement and that they have full responsibility for maintenance of the breakwater. This prompted Mr Ogier, who is the Minister responsible, to state that there will be a full proposal on the maintenance of the breakwater in the new session of the States of Guernsey. We look forward to that with eager anticipation, I am sure.

65 The second point came up – which, to tell you the truth, I was rather flummoxed at, at first – from Mr Dorey, that we should put immigration controls into Alderney. I did, I think, get to the bottom of this, because his concern appears to be that people in late middle age or retirement who come to settle in Alderney, after establishing residence can call upon the health services of Guernsey and can use them. Apparently there have been some abuses, particularly in the orthopaedic area, of people coming here and having hip and knee replacements and so on. So that was what that concern was about.

70 I think there would be an easy way to remedy this – but that is a debate for another time – in ensuring that people who come in late middle age or retirement can evidence appropriate levels of private health insurance. That is a very easy way to cure those sort of issues.

Otherwise, I was very pleased with the very strong, supportive approach from the Deputies in Guernsey for this.

75 It is a very lengthy paper and I am sure you have all devoured the figures in detail. As was stated at the People’s Meeting, the integrity of figures varies from Department to Department and we must rightly be very cautious as we go forward in terms of the plans.

80 I would like to just refer to some of the items at the back. There are actually 12 proposals. Six or seven of them do require project plans going forward, and these are things that we must get underway soon. Some of them require particular and immediate resolutions on formulae and so on. I think the ones that will interest people most, I suspect, are how we address the Airport, the runway, and indeed service level agreements for the transferred services. There are other more technical issues and some of them will put more burden on the Treasury & Resources Department in Guernsey in terms of publishing figures yearly.

85 The big concern that has been expressed to me about this is: are there risks in doing this? Well, of course, there are risks in everything, but they have to be managed. What I would like to set out this evening – and obviously we will be discussing this in Policy and Finance and other meetings over the next few months as we go forward – are what I think need to be the guiding principles in terms of managing the finances going forward. I think it is very important that the progress is continuously monitored within the States by the CEO and whoever is the Chair of P&F with regular and continuous reporting to P&F, and also the full States because I think there are going to be some very interesting issues that come up in this which will require full States’ discussion and debate.

90 I think it also needs to be predicated on what I would term a medium-term financial strategy, covering the years 2017-20, and I think they need to be based on broadly the following principles. These are just my own rough formulations of them.

95 I think there needs to be no net real-term increase in public expenditure unless funded from income sources other than direct taxation. What I mean by that is coins and stamps and that sort of thing. So if there are other sources of income, well, clearly we could increase expenditure.

100 I think there needs to be no material adjustment to the tax bases or the tax structures within this period, and by ‘material’ I am talking about over 10% of the actual tax take. There are inevitably going to be tweaks and so on, but I think we need to adhere to that.

I think there needs to be full analysis of tax policies to be carried out during that period with independent advice. I pause here because I have already had some advice on tax. Someone

105 came up to me and said, 'Why don't we abolish liquor duties right away? That would encourage a lot of tourists.' Well, yes, of course it would – whether you want those sort of tourists I am not sure. There was someone else – and it was not Mr Jean, to clear him of any abuse on this ... Someone who is a private landlord came up to me and said, 'We need tax incentives for capital investment by private landlords.' I can reassure you it was not Mr Jean!

110 So we do need independent tax advice and I think this needs to be culminated in detailed and fully costed proposals, which need to be subject to public consultation. Tax is an unpleasant medicine, but the public has to take it – but at least consult the public over it.

I also think there should be no material changes to taxation levels, deviation from Guernsey levels, until 2020. So we do need to more or less run in line over that period.

115 I think also – and there will be some groans at this – we do need a board of expert external advisers to establish guidance, advice and support for the development of long-term financial strategies, including infrastructure, investment proposals, taxation policies and so on. And all this will need regular monitoring through the Liaison Group comprising politicians from Alderney and Guernsey – the one we currently call the Alderney Liaison Group. Whether it continues with that name going forward, I am not sure.

120 I think those are very important points to bear in mind as we go forward, because we do not wish to make reckless changes quickly. Guernsey itself is going through some financial challenges and we do not want to be one of those financial challenges.

So that is broadly my summary. It is a lengthy report but I commend it to the States.

125 Thank you.

**The President:** Thank you, Mr McDowall.

Mr Simonet, I believe you wish to second this.

130 **Mr Simonet:** Yes, sir, I do indeed, Mr President.

I think the renewal of this financial relationship between Guernsey and Alderney is the result of hard work, in-depth analysis and a lengthy dialogue between the two Islands.

135 Of course, as Mr McDowall has said, there is a lot more work yet to be done by our own Policy Committee. These initial measures of placing the responsibility for the collection and spending of local taxes on the States of Alderney will test our ability to take more control of our finances from Guernsey in the future. The performance of our States in the administration of these additional duties will be closely monitored by our own 2,000-strong scrutiny committee. I am, however, confident that we will be up to the task and I am pleased to second this Item.

140 **The President:** Thank you very much, Mr Simonet.

Does any other Member wish to speak on Item II? Mrs Paris.

**Mrs Paris:** Thank you, sir.

145 Whilst I approve of this financial review and I think an excellent job has been done by everyone who has been involved in it, I do have some concerns about the timetable and the amount of detail that we do have to sort ourselves out with.

150 But I also have one outstanding concern, which I am afraid, despite what Mr McDowall has said about the breakwater, continues to be a concern. At paragraph 75 of the Review of the Financial Relationship it is agreed in principle – and I quote – that as a cost item the Alderney breakwater needs 'to remain within the purview of the funding provided by Guernsey from the pooled pots of Income Tax and Social Security contributions'. As we are all very well aware, the maintenance of the breakwater has never been part of the transferred services for which we pay our taxes. It was taken over from the UK in 1987 as part of an agreed package of measures offered in response to a request from HM Government for a contribution from the Bailiwick towards the cost of defence and international representation. Without any value being put upon  
155 the services received from the UK in lieu of it, it would appear that the cost of breakwater

160 maintenance will now be held entirely against our account with Guernsey. This is blatantly incorrect. Whilst I can sympathise with Guernsey that they may feel that they did not get much of a bargain out of whatever arrangements were in place in the 1940s, when the UK handed them over to the Germans without a shot being fired in their defence, nevertheless defence and international representation currently must have a value.

165 What this is, as far as international representation is concerned, I am not at all clear. However, I will give you a starting point to consider as far as defence is concerned. Most countries spend at least 2% of their GDP on defence, which in Guernsey's case would mean an annual spend of approximately £4.7 million. This figure may well be unreasonable and excessive in terms of the needs of our breakwater, but perhaps we should be looking to negotiate down from that position to make sure that enough is spent to keep our harbour safe.

170 **A Member:** Hear, hear.

**The President:** Thank you, Mrs Paris.

Does any other Member wish to speak on Item II? Mr Harvey.

**Mr Harvey:** Thank you, sir.

175 Mr President, fellow States Members, I am pleased to support this Item. It is something I have always supported, both here in Alderney and in the States of Deliberation in Guernsey.

180 The 1948 Agreement, which has stood the test of time, was always meant to be a transitional arrangement, and as we near its 70th birthday it is high time to review it. I mentioned about this review starting about 18 or 24 months ago to somebody today and they pointed out it has been reviewed almost since the ink was dry in 1948, so this is just the latest in a series of reviews.

185 Most urgent, I believe, is the transfer of responsibility to Alderney for the setting and collection of all rates and fees on properties and excise duties. Such a change will provide us with some measure, albeit a rather limited one, in controlling our economy and reflect the very real differences in the business environment in Victoria Street when compared with, say, the Lower Pollet.

It is inevitable now, with such a complex review, as has been alluded to before, that there are some areas which need to be clarified, defined, or at least highlighted. I will keep this as brief as I can.

Paragraph 69 indicates that:

For Guernsey it is likely (subject to further more detailed research) that the effect on its budget would be neutral or slightly reduced ...

190 I suspect the devil is in the detail there and I should therefore like a firm commitment from the Chairman of Policy and Finance that no changes will be made to our budgetary structure without reference to this Assembly before we are presented with the 2017 Budget, because by the time we are here discussing the 2017 Budget it is almost too late to make any changes to what is a fundamental shift in our tax structure. So I think that reassurance is absolutely essential.

195 If I pick up the points that others have made, paragraph 77 refers to the inclusion of Alderney Airport within future research – I cannot disagree with that – and refers to the possibility of 'radical options'. I know Mr McDowall is wedded to the idea of a public-private partnership and I certainly would not discount such an option, but we need to look very carefully at any proposal which relieves Guernsey of the costs of the Airport and returns control – superficially attractive though they may seem – unless firstly our somewhat broken Airport is fixed, not just fit for the next two to five years as some people are proposing at the moment, and also to bear in mind that a private operator would be motivated purely by profit. Shorter hours, lower categorisation

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205 of the airfield or increased fees might all meet that requirement, but to the detriment of our economy.

My other concern is the timing of the considerable work which this review requires. Recommendations 6 and 7 cover much of this, but as I see it there seem to be three main workstreams: consideration of all changes to procedures and administration set out in the Taylor Report – an excellent report with sound recommendations; secondly, proposals to modify the funding of the transferred services and other large-cost items, including the Airport, the breakwater, which we have discussed, and the Aurigny deficit; and thirdly, the establishment of service level agreements for transferred services.

210 The first two of these are to be completed in time for the Guernsey Budget Report in October, so really we are talking about six months to address all of those issues, including some of which will be potentially policy proposals of a very far-reaching consequence. By any measure, these demanding pieces of work, I should be delighted if the changes to property taxes and excise duties can be agreed and actioned by 2017, but I think the big-ticket items need much more mature consideration. Indeed, I would be very concerned if the discussions and debates between the two States about how our Airport might be financed in the future was allowed to slow down further the glacial progress in bringing our critical runways up to scratch. We do not have the luxury of time to fix the main runway, which is too narrow, too fragile and too unfit for purpose to wait for blue-sky thinking about the next 25 years, and any excuse for further delay is just not acceptable.

215 Personally, I would have preferred any policy decision for these ideas for change and the funding of these items to have been excluded altogether from the 2016 programme. We must maintain the impetus for investment in the runway, surveying of the breakwater and management of our air routes without any distractions in 2016.

220 I will support the report, but again I look for reassurance from Mr McDowall that the long-term ambition to control more of our own destiny will not jeopardise the short-term imperatives for action on these critical items.

**The President:** Thank you, Mr Harvey.  
Does any other Member wish to speak? Mr Jean.

235 **Mr Jean:** Thank you, sir.

Although our States here in Alderney is unusual in the way it has gone about processing this particular Item ... Firstly, we had the report on the financial transformation at our meeting back in December. Many of you will remember I asked a series of questions. The questions I asked centred around the transformation itself. I asked for reassurance that no new taxes would be created. I understand that this question is not easy to answer. I did not feel that I got a satisfactory answer to the question. In fact, the Chairman, Mr McDowall, said later in another meeting, humorously, that he had suitably fudged the answer. I am going to attempt to get an answer to that question by approaching it in a different way.

240 As I see it, there are two or more separate sections where new taxes could be applied. One direction might be corporate or utility, and the other would be domestic tax directly affecting the public. My direct concern is that any new taxes are not to be aimed at working families or old-age pensioners and small businesses. We already know that they are the lifeblood in any community and that over these difficult years the ability for those sections of our community ... As I have mentioned before, there are less Guernsey pounds earned here in Alderney, as shown clearly in the report on the Airfield Requête. There is no doubt that, although part of the conjoined economy, the Guernsey pound buys less here in Alderney than in Guernsey, with oil, petrol, diesel and electricity, freight and travel all costing more here. We should do all we can to protect the people who in my opinion remain vulnerable, so I am asking for an assurance that no new taxes for those sections of our community would be raised.

255 The financial transformation, if handled with wisdom, could present the opportunity for the Alderney Government to redress the balance in two or three areas – and I do realise that this would take time.

For many years now I have mentioned that we have remained for some considerable amount of years outside of the Guernsey tax footprint. An opportunity through the transformation: it  
260 may be possible in time to regularise this situation.

I believe the opportunity this Financial Transformation Plan represents for Alderney is a great one. In fact, it is the most significant change since the 1948 Agreement was drawn up and since the decision in 1997 to bury what was then called the subvention. I was a Member of the States at that time and one of those who took the decision to bury the subvention, or the difference  
265 between profit and loss. I realise times have moved on.

Last week, FTP was passed with a unanimous vote for the legislation in Guernsey, and in my opinion there is in this document before us for approval today from Guernsey particular recognition of the economic situation here in Alderney, presenting us with opportunity through good management of our own affairs.

270 What does this all mean and how does it translate? If passed today, it will mean more responsibility. We will need to take care, to spend money wisely. To me, the way ahead is clear: the money we spend on behalf of the public for whom we work, we should spend as if we were spending our own money and look in every way to obtain the best value for it. When we spend public money, the spend does not need to be complicated, as I have said time and time again.  
275 Alderney is small and we need to spend our money in a more direct way to problem areas – we all know where they are.

There is in this FTP more responsibility, and alongside that comes more accountability. We should accept these responsibilities with open arms for the opportunities contained within the FTP. We have a Treasury Department that is capable of handling this well and I thank all at  
280 Treasury for the important role that I know they will have to play.

I support the Financial Transformation Plan. It is up to the States of Alderney to accept the responsibility and, as I said in Guernsey, to step up to the plate and do this job well, or we will lose it and the responsibility and the autonomy that we are gaining through this proposed legislation.

285 I would extend my particular thanks to Deputies Alistair Langlois, the Chief Minister, Jonathan Le Tocq, Gavin St Pier and the whole of the Guernsey States. This is a wonderful opportunity for Alderney, and if we handle it well we can do something really good with this. I urge you all to vote for it.

Thank you.

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**The President:** Thank you, Mr Jean.

Does any other Member wish to speak on Item II? Mr Rowley.

**Mr Rowley:** Thank you, sir.

295 Yes, I would just like to say I think, on the whole, it is a very positive document, this, and I would like to congratulate everyone who has been involved.

I think, on the whole, probably one of the reasons it is so positive is because of the resurrection of the ALG which I think has been a very useful thing, and long may it continue because it was out of operation for quite a long time. Really, that is all I want to say.

300 Yes, I would like to thank Mr Harvey for bringing up the Airport. We want to be very careful that, if we do take over control of it, it is in a fit state to take over.

Thank you.

**The President:** Thank you, Mr Rowley.

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Mr Tugby.

**Mr Tugby:** Yes, I was glad to hear Mr McDowall say that it will be coming back to the States on a number of occasions for us to go through every detail, because Guernsey seems very keen on us taking it to give a unanimous decision without any problems at all. We have got to be very careful, because the last thing we want to do is end up being short of money and ending up having to put up taxes, because that would not go down well at all with the public.

As regard to the breakwater, well it is quite funny on that, because I was on the Liaison Group and I started to criticise what was going on at the breakwater, and I was asked to speak to another member after the meeting in another room. The following meeting, then we heard back from Guernsey that they did not want so many people on the Liaison Group, so I got dropped like a tin of bricks, basically. I think it was purely because I was criticising the way Guernsey was handling it.

When you consider that, when they took it on, it was about £400,000 a year, last year they spent £200,000, or just over £200,000. Well, their contribution to the British government is going down on a yearly basis when you look at it that way. So, in theory, with inflation and everything, they should be spending at least £1 million on it. (**A Member:** Absolutely.) if they had kept up with inflation, without increasing anything extra, just to keep up with the RPI.

So we have got to be very careful on that one, because what did concern me when they say, 'There is nothing ... The breakwater is totally their responsibility.' But when they did the presentation at the Island Hall the other week, and they were looking at different things that we may take over in the future, at the top of the list in big writing, 'Breakwater'. They say it did not count; it was not meant to be there, but why on earth did they put it there in the first place? So we have got to be very careful on this and really watch what we are doing.

I will support it, because I am hoping that States in the future will have the courage to do more things that need to be done instead of wanting other people to do it for us, because that has gone on far too long in the past. We want people to do the shipping; we want people to do the airlines; we want people to do the marina. None of the States are willing – or very few of the States – are willing to look at the possibilities of taking on something ourselves. We cannot do everything, but we might be able to take on one or two items and invest the money in it. Now is the best time to do it, with the bank rate at rock bottom.

It is things like that, because we need to generate more income instead of even thinking about putting up taxes in the future. I am just hoping that the States will have the courage to actually do something like that.

**The President:** Thank you, Mr Tugby.  
Does any other Member wish to speak on this? Mr Roberts.

**Mr Roberts:** I fully support this Item; I welcome this Item. What I must say, like one or two other States' Members here: proceed with caution.

Thank you.

**The President:** Thank you, very much.  
Mr McKinley.

**Mr McKinley:** Could I just clarify a point on the breakwater: there has been a lot of concern. Obviously, I attended and took part in the debates in Guernsey last week and I am very happy that it went through; 100% voted for the review of the financial relationship. But on the breakwater, there is an awful lot of – dare I say – worry, concern, scaremongering, perhaps, going on about the breakwater at the moment. Some saying, 'It is about to collapse', others saying, 'It is extremely firm and it will not collapse.'

What we have asked for and what we are now getting is a survey, and I can confirm that the Minister of the public works department has plans in place right now in Guernsey to do a survey, when the weather is right and when the time is right. We will do it this year and do it quite soon.

360 Then we will be able to put to bed, hopefully, some of the scares and worries about the breakwater. We have made it quite clear that we do not want the breakwater reduced in length. We want to know what is wrong with it first, then we want the money spent to put it right.

**The President:** Thank you, very much, Mr Kinley.  
Mr Birmingham, do you wish to speak on this matter?

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**Mr Birmingham:** Thank you, Mr President.

Well, I never believed I would see it, but the States of Alderney seem to have successfully managed to push treacle up hill. *(Laughter)*

370 Finally, after three years of negotiation with Guernsey States, we finally get a workable picture of the financial relationship that exists between the two islands, and I think figures that will make some uncomfortable reading for certain Guernsey Deputies.

375 During my time on the Alderney States, I have seen Guernsey Deputies dismiss Alderney with many glib phrases. One PSD board member once dismissed money spent in Alderney as, 'Money wasted'. Another refused to support spending in Alderney on social housing on the grounds that there, 'Were not any votes for it in his Parish.' And another made a statement of blinding insight along the lines of, 'Alderney only needs one shop.' *(Laughter)* That last one was made by Charles Parkinson, the ex-head of T&R, who I am delighted is standing again for election to Guernsey States.

380 In 2001, I was tasked by P&F to work on economic strategy for the Island. As part of that initial work, a report was commissioned by Island Analysis, which estimated that the shortfall in direct taxation in Alderney to cost of services provided by Guernsey was in the region of £3 million to £4 million. As it has turned out, that estimate was pretty much spot on at that time. That shortfall, obviously, has risen over the last few years due to Alderney's severe economic decline and associated population fall and, in turn, tax take. It now stands at an estimated  
385 £5 million to £7 million deficit. But this is what happens when you fail to address the signs of economic decline.

390 Once you get grubby in the detail of the figures, it is arguable that some of the categories, such as pension payments and Aurigny losses, **(A Member: Yes.)** simply have no legitimate right to be included. Remove these from the direct losses and the deficit drops below £4 million. Now, if you add in the economic activity that Alderney's e-gaming sector generates in Guernsey, we suddenly see what a significant contributor Alderney is to the overall economy of the Bailiwick. How many Guernsey Parishes can say the same? Not many, I bet. In fact, I go as far as to say that over the last ten years, the amount of money generated by e-gaming has probably paid back every penny that Guernsey States have spent in Alderney since the Agreement was first signed  
395 in 1948.

This goes to prove that investment works. I only hope, now, that the future Guernsey States take that message on board on matters such as Alderney Airport and the breakwater.

400 Now, am I annoyed that Alderney does not seem to be receiving its fair share of this activity? No, I am not. For many years Guernsey has helped Alderney with its finances, when it failed to make ends meet, particularly after the war when the 1948 Agreement was first signed. I think it is only right and magnanimous of Alderney that, while Guernsey struggles to make ends meet and fails dismally to balance its own budget, that Alderney should help subsidise Guernsey in its times of difficulty. *(Laughter)* For the benefit of *Hansard*: '(dripping with sarcasm)'. *(Laughter)*

405 The 1948 Agreement is now 68 and has reached retirement age – even with HSSD's proposed changes to pension provision. *(Laughter)* It is now the right time to look at it again. I have long been a believer that the regime of local taxation needed to be reviewed and have long argued for the repatriation of consumption and property taxes to enable the Island to react to specific problems within the Alderney economy. It would also remove the spectre of prospective Guernsey sales' tax being introduced in Alderney, which would be hugely discriminatory to  
410 Alderney residents, and allows reform of an unnecessarily bureaucratic dual-rate system.

It also allows Alderney to make adjustments to its local taxation regime in areas where the current system seems unfair; an example being £300,000 raised in fuel duty in Alderney, but in return £125,000 yearly grant to fix the roads.

415 I congratulate all those that have taken part in this mammoth effort from the Alderney States, particular Mr McDowall who no doubt held a few feet over fires to get the figures. Also, I would like a special mention to Deputy Alastair Langlois in Guernsey who has taken a particularly active role on behalf of the Guernsey Policy Council.

I support the recommendations for repatriation of certain financial instruments to Alderney and I look forward to examining the detail as it develops. However, I will offer a few words of warning: it is clear to me that the States of Guernsey will no doubt look at this as an opportunity to cut costs and we need to be mindful of the potential financial consequences. Bear in mind that the report clearly states that there is a fiscal union between the islands and therefore economic activity in Alderney benefits both islands; so the costs that are associated with such economic development must be shared. Currently, the Economic Development Fund that Alderney has at its disposal is funded entirely by Alderney money from gaming licence receipts. Not a penny has been put in by the States of Guernsey, as of yet.

So while I am delighted to have been asked out to dinner by the States of Guernsey, I am still not convinced they want to split the bill and I think I can see arguments looming over who ordered the garlic bread.

430 Many locally might think that the overall tax burden might drop: it does not. It just means we can rebalance our tax a little better and insulate ourselves from certain other taxes being imposed from outside. It is very unlikely, in my view, that it will mean tax reductions.

Jean pointed out the need for increases to the water rates, which this does not change. And whilst I believe that fuel duty could be abolished in Alderney, helping both the tourist industry and encouraging visiting yachts and reducing the overheads of the local fishing trade, it would have to be replaced with a road tax of some form, in my view.

440 Minor miscalculations of any of these taxes could lead to major consequences due to the small nature of the Alderney market, and in areas such as alcohol duty we must recognise that costs will be incurred in collection and operation that need to be considered. But I believe this could be the start of a significant turnaround for the Island's economy and I am happy to endorse the report.

**The President:** Thank you, Mr Birmingham.

445 Mr McDowall, do you wish to sum up?

**Mr McDowall:** Yes, I will. Thank you very much indeed, Mr President, ladies and gentlemen.

Thank you, everyone, for your words of encouragement and words of warning. There are mines on the road, I appreciate that, and they have to be diffused somehow.

450 Addressing the individual issues, I think at the top, the breakwater, the Airport and the runway. Runways and airports, like any knackered asset, have to come with a dowry. There is no question about that; they absolutely have to come with a dowry.

The breakwater: let us see what comes in the early session of the next States of Guernsey, but I am well-alert to the smoke and mirrors that can be used. While I am on the States and while I am Chair of P&F, I will fight hard. I am not the most popular person in Guernsey and I do not want to be.

455 Turning if I may to Mr Jean's taxation googly: it is very difficult for me to bind anyone to future taxation, but I hope that the principles I have set out in terms of medium-term financial strategy, in terms of no material changes over 2017-20 – and I will not be at my direction, I am afraid – but it will give you at least some assurance for the future. (**Mr Jean:** Thank you.)

460 I also endorse Mr Tugby's comments that one needs 'courage'. You have risks; you know what the risks are and you manage them. But we need courage and we need people on the

States who have got the competence and the courage to go forward. I think that is absolutely essential.

465 In conclusion, I would like to recommend this Report and thank everyone around the States for the help.

Thank you.

**The President:** Thank you, Mr McDowall.

470 Mr Greffier, for the sake of the record, would you please call the vote on this.

**The Greffier:** Thank you, sir.

475 The States of Alderney are asked to note the policy letter, 'The Review of the Financial Relationship between Guernsey and Alderney' being considered by the States of Deliberation and, subject to the approval of the Report and proposals contained therein by the States of Deliberation, to direct the Policy and Finance Committee to prepare a project plan to implement the proposals so they have an effect in Alderney.

*A vote was taken and the results were as follows:*

<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

**The Greffier:** Thank you.

480 That motion is passed, sir.

**The President:** Thank you very much indeed.

**III. Aurigny Air Services –  
Vote of no confidence in its management –  
Item not carried**

**The President:** We move to Item III, please.

**The Greffier:** Thank you, sir.

485 Item III this evening is a Requête: Aurigny Air Services and its provision of air service – a vote of no confidence in its management.

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

490 Mrs Paris, as Convener, were there any comments on this at the People's Meeting, please?

**Mrs Paris:** Yes, there were. There were many comments.

Some, particularly, of the management not being fit for purpose; the Dorniers not being fit for purpose; the very high cost of getting here from Southampton; the difficulty in getting tickets

495 and flying at all. It was described by one member of the public as, 'More like getting a lottery ticket, than an airline ticket'.

There was considerable support for Mr Roberts when he stated that, 'It is time for Alderney to stand together and to say enough is enough'.

500 But questions were then raised as to whether the Requête should be aimed at the States of Guernsey rather than Aurigny. Another question was, 'Were our States being consistent in their approach to the question?'

The Chief Executive advised that the Memorandum of Understanding which has been signed is a precursor for a public service obligation agreement, which should recognise social and environmental factors as well as commercial ones. Mr McDowall then stated that the underwriting of £50,000 had been replaced by a different approach. Mr Hartley stated that at 505 the time of the original negotiations, this had been the only way to re-establish 2013 figures and provide for additional extra seats.

At this point the past President advised that the rules of the People's Meeting needed to be adhered to, i.e. that States' Members are not permitted to speak in Part One. I stated that I was following procedures: as Convener, I could and had requested States' Members to speak – it is 510 Rule 6, if anybody is interested – as this was an issue of such major concern to the public.

**A Member:** Hear, hear.

**The President:** Thank you, Mrs Paris.

515 Mr Roberts, would you like to introduce your Requête?

**Mr Roberts:** May I first start with my view of the current service Aurigny's management now provide to the people of Alderney, its economy, its past and its future.

520 For many years, since the great Sir Derek Bailey first founded Aurigny, it has provided a lifeline link from Alderney to the rest of the islands and to the mainland. It has brought people here; people who are long-term friends and family of this unique community, to live here and to make it their home. It brought tourism here at affordable fares. It fed our economy and provided employment for the good of all, resulting in a bustling and thriving Island. Our Island's schools were full. A mixed Island of all ages, young and old, as any family is, but we are all a family 525 Island.

Many lives were saved by the air medical service that Aurigny provided over these years, in the darkest of circumstance. A great friend of mine and I once spent an afternoon with Sir Derek, talking over his time at Aurigny and, believe me, it was fascinating. What a debt we all owe to that great man, the founder of this great company; he who cultured such a great staff work- 530 ethic, one that exists to this very day, as we all know.

Aurigny is still a great company. What those fantastic staff give us every time we travel: a smile, a service, a welcome. How they can manage, given the current service and lack of support from the management that they have received or they are provided with, beggars belief. They regularly work late through the night, through the consistent lack of aircraft. What does that 535 waste on overtime?

On Monday the Dornier status was two Dorniers in the hanger, broken, and only one. So we have the one Dornier propped up again by our faithful, old, limping Trislander – being reported as 'dead' some two years ago and now I am told they are going to live until August.

540 In 2015, there were 150 instances of technical delay. This January, shamefully, there were 41 instances of technical delay: 65%, only, punctuality; in one instance leaving the Island without any cover for 13 hours.

We have, four or five times, been left with no cover at all in recent times. We have been down to one aircraft serving this Island on countless occasions, causing delays and havoc to our services. Our travelling public are already paying through the nose, and for what? It is absolutely

545 disgraceful. One aircraft to service Alderney when we once had seven! How can that be called service?

The current management have run down Alderney's service to the bone. They have cut schedules; they have hiked prices up beyond belief and, once again, the planned service this year has been slashed again.

550 The CEO of Aurigny said I included the staff in my attack. He was left with a lot of egg on his face on that one, publicly. A cowardly attack; a pathetic attempt to shift blame from themselves – that the management have still neglected to retract and I still ask them to retract that. In the light of that statement, the absolutely necessity of my Requête is even more clear.

555 Aurigny then refuted a suggestion that I had said they were unsafe. May I just say to Aurigny, your safety record is unblemished with regard to your aircraft across the network. I never implied it and I commend your safety record. But please read the wording of my Requête, 'The management has failed and damaged the economy and is placing lives at risk through lack of cover on a daily basis.' They can borrow my glasses. Read it! The management need to go to Spec Savers. *(Laughter)*

560 These are the very people – not very clever, may I add – that are charged with running our airline and it is ruining our economy. I wonder what they would feel were they in our honest position.

I was involved in many, many air charters throughout my 20 years at the Airport. I have seen babies born on the plane. I have seen harrowing losses on the plane and I have seen doctors saving lives. I witnessed it all in the early hours of the morning, in howling gales. I must have done 100 on my own. So please do not claim that you are safe in this context, Aurigny management, because a patient that needs a life-saving operation within the hour, who has a heart attack, or an innocent dying child, cares nothing about anything else, but if you have not provided an aircraft for them, then I am sure that all you in this Chamber tonight will agree with me that it is unsafe in that context. It is unsafe!

570 Cowardly claims from an increasingly isolated management, using reactionary comments. They know I am correct. Alderney has been neglected for some time, in favour of Guernsey's links: links to Barcelona; links to Norwich – £28! £28 to Norwich! It is £300 for us to go to Southampton; £140 to go to Guernsey.

575 Let me tell you about Barcelona: if the aircraft breaks down in Barcelona, they are going to have to get Triton in. Triton will cost them £15,000 a day. That goes on your and my fares.

The management then purchased G-Saye – right – which has proved a disaster; purchased by a knee-jerk management, without any homework or listening to advice. Others warned this aircraft was going to cost them money. They wasted millions of Alderney and Guernsey's taxpayers' money – because we all own this airline; it was bought with our taxpayers' money. All of us, we all own it! It might be Guernsey's airline, but we need a say.

585 It now flies around carrying the same or less payload than a Trislander, offloading passengers and baggage in every corner. I am sure it must be running at a loss every time it completes a sector, but are we to blame? So they keep putting Alderney's extortionate fares ever higher. Very bad management, that has gone unchecked now for a considerable time; in the private sector, they would have been removed long ago. Long ago!

Previous Aurigny management in Alderney successfully introduced new types of aircraft. Saab and Short 360s flew between the Island of Jersey and Guernsey, which they have thrown away, making profits for the company.

590 Back to when it was run from Alderney: prices were affordable, yet they made a profit of £½ million, and that was a lot in those days. So why has this current management, so devoid in emulating the previous success, failed us with the introduction of the Dorniers, when others have managed before?

595 New seats were bought for G-Saye at a high cost; they did not even fit. So the extra maintenance is extra money. It is just bad management. More wasted revenue that pushes up

our fares, damaging each and every person within our fair Island; from hoteliers to shopkeepers, publicans to tax men, fishermen to the public, to the young and to the old.

600 This is not an attack on Guernsey's government; this is a vote on the competence of the seventh floor of Aurigny, the top management who are charged with the task of providing an airline by the States of Guernsey. Aurigny then advise our needs to the States of Guernsey, which Guernsey accepts because they are not in the business of running an airline. We are not in the business of running a ferry, ourselves. They are not in the business of running an airline. They take what they say as what we need.

605 I sincerely hope and believe this Requête – which I hope my fellow States' Members support – will provoke further reflection in Guernsey on the operating efficiency of Aurigny and its management. For the first time, we, the States' Members and the general public who voted us in, can have a say in what is happening with our air links, for I have not come across a single negative comment since it became public; not a single one. In fact, support has come to me from all over the world, from people too who have no confidence whatsoever in Aurigny's  
610 management any more.

We need at least five aircraft to have a proper service in Alderney, and this is a conservative view. We need cheaper, affordable, more reliable flights, to prevent us from leaving this Island, our home, like the Puffins, for even the Puffins have diminished.

615 The public demands it. I demand it. The three fellow States' Members who signed my Requête demand it. Let us all have the courage to vote for this issue, however sensitive and uncomfortable some of you may feel about it, for it is time for Alderney to stand together with the States as one. Enough is enough!

620 Should this Requête succeed, I would call for an independent operational review on the internal workings of Aurigny. The question is, fellow States' Members – I want you to ask this question honestly about what you feel, and it is what the Requête is: do each and every one of you – States' Members, if you just look at me now, please, because I want to look you all in the eye – have confidence in the current management of Aurigny? That is the question I am asking tonight and I want you all to answer that question and vote accordingly.

625 I now formally ask the States of Alderney to support me in passing a motion of no confidence in the management of Aurigny and its ability to provide a proper service for the people of Alderney.

Thank you.

630 **The President:** Thank you very much, Mr Roberts.  
Mr Tugby, I believe you wish to second this.

**Mr Tugby:** Yes, I do. I second it.

635 Sir, the only thing about this Requête: I do not think it really goes far enough, because personally I have got very little faith in the Policy Council in Guernsey, the Treasury, definitely the PSD, and to a certain extent certain Members of the States of Alderney, who are obsessed with the Dornier.

640 The real problem was, three years ago you had Malcolm Hart at the time saying that the Trislander would go on for another 15/20 years. Then he disappeared off the scene and we have Mr Darby. We then had disagreements with Britten-Norman. That is when the trouble started: when they fell out with Britten Norman, because at the time ... It is all very well looking for Dorniers in everything, but until you have got an airport which is fit for them to land on, you have to rely on the Trislander. The Trislanders, the other week, when the Dorniers could not fly, were landing on the old grass runway, the shortest one, because they have been improved slightly.

645 The Dorniers, well, they went out rushing to buy them, which definitely were not fit for purpose. Because the other day I flew back from Guernsey; they put 13 people on, but they had to leave the baggage off, because they could only get 12. Normally, it would be 12, if they took

650 the baggage. So what did they do? They sent the Trislander up afterwards with the baggage on. Now, if we land at Alderney airport, we are told your baggage will be coming up on the next plane. So the Trislander flew up with just the baggage and some freight. If that is good management, well I do not know what bad management is then.

655 With regard to the Dorniers, years ago they tried the Twin Otter. It was tried over here and it was deemed unsuitable. So it was dropped and they carried on with the Trislanders. Then what does this new management go for? The Dornier, which is more or less the same as the Twin Otter, and definitely not up to running into ... The new one maybe, but the old ones keep breaking down so they seem out of service more than they are in. I see the old Trislander went to Southampton on the last flight this afternoon. I saw a Dornier land this morning, but I did not see it the rest of the day.

660 So basically, how on earth can the management be looked on as being efficient when they cannot even organise what planes ...? I suppose what they are doing: basically, they have been told by the Treasury Department in Guernsey to balance the books and the easiest thing they can do is drop some Alderney routes, because if they drop them in Guernsey, there would be hell to go. It is your general public. You have only got to see what happens in Guernsey if the Liberation gets delayed for a few hours.

665 Basically, what we need to do is get rid of this management, because they definitely are not supporting Alderney and get a new management. Maybe, before they went down the Dornier route, they should have built bridges with Britten-Norman and had the Trislander totally refurbished, not just a little patch job. Send them back and get them totally redone. Even if they spent £1 million on each one, that would still have been cheaper than buying one of the  
670 Dorniers that they bought. That would have then given the States of Guernsey time to actually get the airport up and into a fit state for what is required for the Dornier, because it definitely is not.

675 Yesterday, I was up there and there were people over from Guernsey and the mainland looking at the runway, and I was told it needed to go to the 23 metre width from the 18 metre; the lights would have to be moved and the whole area [*Inaudible*]. They had an engineer there and everything. It is in desperate need of being resurfaced because it is deteriorating fast, and the person who was speaking to me said, 'Look even down here on the taxiway needs doing.' It was unbelievable what was going on. So that is why I am partly blaming the PSD in Guernsey for not looking after or maintaining the airport in a fit state of repair.

680 Where we go from here, I do not know, because we can run Aurigny management down, which is basically, are they just doing what Guernsey want them to do or are they trying to do the best for Alderney? They have got the Dorniers now, but how long are we going to be able to keep the old Trislander going to back the Dorniers up? A long time, because they are doing the Dinard route, I believe it is, or somewhere in France, with one of the Dorniers anyway, because  
685 we had to wait in Guernsey the other day for it to come back from France before they could bring us up to Alderney.

690 That is why I criticise the present management, and one of the reasons is that some members were obsessed with the Dornier without looking whether everything was in place for it to operate in Alderney. We should not have been so obsessed; we should have looked at the broader picture. The ones who knew how the actual Twin Otter was dropped. They brought that here a few years ago, realised that the Dorniers, with the present run rate, are definitely not fit for purpose. Maybe the States should have gone with the Alderney pressure group –

695 **The President:** Mr Tugby, this is about a vote of no confidence in the management.

**Mr Tugby:** Yes, well, that is it.

I have definitely got no confidence in all four groups, basically.

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

700 Does any other Member wish to speak on this Item? Mr Harvey.

**Mr Harvey:** Thank you, Mr President.

I have a great deal of sympathy with this Requête. We have – all of us, our families, our friends, our neighbours – all suffered from problems over the last two years, problems which seem to go on endlessly despite many broken deadlines for remedial action.

705 Mr Roberts speaks, as ever, from the heart and eloquently, and the force of his complaint about Aurigny is testified to by the number of people at the People’s Meeting who appreciated what he said. So that is the popular situation.

Just a week ago – hardly in the same category as some of his experiences – my wife and I were bumped off a Trislander and we were two hours late arriving in Guernsey for an appointment. On this occasion, it was not a broken Dornier, it was a broken airfield – just problems that Mr Tugby refers to. Many of the problems that we see at the moment, apart from the obvious weather ones at this time of year, which are a real issue, are down to the inadequate airfield. I would not disagree with him on that.

710 I do not want to prolong the debate over Trislander versus Dorniers. There is no shadow of doubt, time alone would ensure that the Trislander had to cease operation. It depends on the continued existence of their manufacturer. We are the only jurisdiction in the world that flies Trislander. If anything happened to Britten-Norman – whose finances I will not go into now – those Trislander would ground the same day, forever. So that is not a route.

715 The Dornier is a far better plane than the Twin Otter. It meets EASA regulations rather better than the Twin Otter does. I think part of the problem here ... Obviously, the transitional programme to Dorniers has been woeful and has been really problematic, but if you want to look for blame then I think you should be looking at the Aurigny management who ten years ago should have been addressing this issue then, rather than leaving it to the last minute. But it is very easy to blame other people. As the good book says, ‘Judge not lest ye be judged.’

720 So what is the purpose of the Requête apart from making everybody feel better? Because we have expressed our views very coherently to Guernsey, both to the management of Aurigny and to the States of Guernsey and particularly the Treasury & Resources Department who have responsibility for supervising Aurigny. So have they not got the message that there is a significant problem here? Well, ladies and gentlemen, I would suggest that they have got the message and, just as an example, we have the Scrutiny Committee report – all 117 pages of it – to which I gave evidence, Mr Jean gave evidence, the Chief Executive gave evidence here in Alderney to a large crowd, I am pleased to say. It identified very clearly the problems of governance of Aurigny; the conflict in terms of their mandate, which was both to try and be a commercial operation and to provide essential community services. There is no doubt about it, that Scrutiny Committee report produced in November last year was pretty hard-hitting in terms of the way that Aurigny was being managed by the States of Guernsey.

730 We then had in November, also, the States’ Review Committee, ‘the Organisation of States’ Affairs’: the massive reorganisation of committees and what have you in Guernsey, which has now all been agreed, which established a States’ Trading Supervisory Board, which I believe will have an appointment of a key chairman from outside the States of Guernsey and is there to have some teeth in terms of its management of Aurigny along with, incidentally, the trading of our airport and the tankers.

740 We then had a further debate in Guernsey – which I am sure Mr Jean and Mr McKinley were involved in: the recapitalisation of Aurigny including orders for new aircraft. Again, there was every opportunity, which I am sure was taken, to air the deficiencies that the people of Alderney see in the operation of Aurigny services here.

750 Last year, Guernsey swapped their shareholder guidelines – which I believe were extremely sketchy – and in June last year the Minister for Treasury & Resources signed a Memorandum of Understanding between themselves and Aurigny which spelled out in considerable detail, not only the financial management of Aurigny but also some operational issues, some customer

service issues and appointed a shareholder liaison officer for the first time to act between the States of Guernsey and Aurigny – so a considerably closer degree of management control and observation of Aurigny. That was the Memorandum of Understanding in Guernsey last year.

755 Then, of course, this year we come to our own Memorandum of Understanding, which has been the subject of some debate, because much of the devil is in the detail there, but it does set out for the first time ever what the States of Alderney and the States of Guernsey are entitled to expect of Aurigny for their operations to and from here. It spells out the routes; it spells out the service levels; it spells out the management information we need on a very regular basis, to  
760 monitor what they are actually doing rather than working on purely anecdotal evidence which is, I am afraid in this world of financiers and accountants – due respect to Mr McDowall – what you need to convince people.

So all of that is there and in place. In addition, we have had numerous debates in the Guernsey States on various other matters where the issue of Aurigny has been brought up by  
765 our representatives. We have had meetings with everybody from the Chief Minister, the Deputy Chief Minister, Treasury & Resource Manager, where we have banged the table, been robust – whatever Mr McDowall wants to call it – but we have made it very clear to them that we are not happy with the way things are going.

So what will be the effect of this Requête? Well, I am afraid, although with the best  
770 intentions, Mr Roberts is saying, ‘This is aimed only at the management of Aurigny’, like any unguided missile, it may or may not hit its target, but there will be collateral damage. He has quite rightly pointed out the high respect everybody on Alderney has for the staff who work here, but it cannot be encouraging to them that every time they pick up one of our publications, they see the name of Aurigny smeared across it as being everything that is bad in the world.

775 The wider public too may have formed the impression that Aurigny are actually withdrawing from Alderney or are providing one plane a week. To those who do not understand, this motion may indicate such a level of disaster, if you like.

And, of course, most importantly, there is the issue of Guernsey government. Now, we have  
780 equivocated as to whether this Requête should be aimed at the management of Aurigny or should also embrace Treasury & Resources and the Guernsey government. At this very moment, I understand that on the desk of the Minister for Treasury & Resources is the order for the second Dornier, the one to replace the entirely disastrous G-Saye. As Mr Roberts has again eloquently put it, it is a dog of an airplane; it probably should never have been bought. But let us not go into that.

785 So that second new Dornier is critical to what we are trying to do. But with the movement in exchange rates, it is now costing £6 million or something rather more, and with the many calls upon Gavin St Pier’s diminishing purse, you can imagine it is extremely welcome.

Now at the same time he is looking at that request – which is hopefully near the top of his  
790 pile – he is being told by people, ‘Oh, by the way, possibly, Alderney have no confidence in the management of the company that you are going to give this bright, new, shiny toy to.’ What is he going to do with it? It would only be human nature to drop it on the floor or to stick in the desk or to put it at the bottom of the pile, and bang goes our second new Dornier.

In terms of timing, we now have three Dorniers on the operator’s certificate and the training, I am told, is well in hand. We have a Memorandum of Understanding which for the first time  
795 spells out service levels; working together on marketing of the seats, to make sure the flights are full; detailed management information and very regular review meetings at the highest level: quarterly meetings with the Ministers in Guernsey, the MD of Aurigny and, of course, our own Chief Executive.

We are probably seeing more co-operation with Aurigny and Treasury & Resources than ever  
800 in the past few years. Our civil servants have to deal with Aurigny; they have to negotiated with just the people here we are proposing to send a message, ‘We have no confidence in you.’ How does that help our civil servants to actually work co-operatively with the people that they are

confronting? All of these things that are finally, slowly – frustratingly slowly – moving in the right direction could be jeopardised by this Requête. Aurigny are not the enemy.

805 I will not support the proposal, but I would say that, if in six months' time nothing has improved – and if this Requête is rejected – I will be the first in the queue with Mr Roberts one at that stage, but I think the timing at the moment is wrong.

810 Tonight, just by holding this debate – and I thank those who signed the Requête for enabling this debate to take place. (**A Member:** Hear, hear.) I think it has been a very worthwhile debate and sharing of views. Tonight we have shown a yellow card to Aurigny. Please let us keep the red card in our pockets and reject this Requête.

**The President:** Thank you, Mr Harvey.

Does any other Member wish to speak on this? Mr McKinley.

815

**Mr McKinley:** Thank you, Mr President.

I do congratulate Mr Roberts on his excellent, well-researched and very emotional opening speech. I am sure and I know that all of us here in the States: Mr President, the official States' Members, those in the gallery, those listening on QUAY-FM and those who will read the newspapers and the press and the Journal over the next couple of weeks have agreed that our transport links, both by air and by sea, to the UK, within the islands and possibly to other destinations such as France, are the most important challenges facing Alderney today.

820 Aurigny's service over the past 10 to 12 months has been poor to say the least. As others have said – and will doubtless say – the major blame lies with the management of Aurigny. It does not lie with the ground staff, the booking staff, the pilots or others. They all do a wonderful job and they often have to work long hours. I know that all of us – both within this Court and outside – greatly appreciate their tireless efforts to keep us all happy when things are going wrong. Sadly and ironically, it is they who have to face the anger and discontent of passengers who have had their flights delayed or cancelled. Many, many reasons have been cited for the delays or the cancelled flights: the state of the runway – that is not Aurigny's fault; the weather – that is not Aurigny's fault. The other fault, perhaps: the choice of the Dornier over the Trislander, the introduction of the Dornier, the breakdowns, the technical problems – those have been the faults of Aurigny. Certainly we have received some very misleading comments from the management of Aurigny.

825 Just a brief mention of fares – Mr Roberts mentioned it – Aurigny are presently offering a return fare from Guernsey to Gatwick at the cost of just under £70, a return fare. I believe it is a special offer at the moment. In summer we will have a return ticket from Alderney to Southampton for £280 plus taxes; that is four times more expensive. It is affecting families, second home owners, businesses and many others.

840 The other concern we have is one of timetable. The timetable seems to change from time to time without any consultation with the States of Alderney.

845 But the situation does appear to be improving. I travelled twice in the new Dornier last week. Actually, it cost me £250 for just a return ticket to Southampton, so quite expensive. I think we have got three Dorniers now and I think we are having another one. Mr Harvey mentioned it was due to arrive, hopefully, sometime early next year.

850 The advanced publication of this Requête has certainly caused major concerns within Aurigny or within the management of Aurigny, but also, as Mr Harvey mentioned, with others also. Their response, which was published and certainly most of us had copies of it, was not very constructive and not very accurate. But I think the meeting on 4th February – the meeting that our Chief Executive and Mr McDowall went to – was very positive. Mr Harvey has mentioned some of the positive outcomes. The MoU has now been signed and we hope to move to a PSO shortly.

It might also be interesting to know that, at that meeting, a number of Guernsey Deputies who have spoken to Mr Jean and me whilst we have been in Guernsey – and to others – are less

855 supportive now of the management of Aurigny than they appeared to be in the past. So some of our concerns have been much shared by those in Guernsey.

So what is the way ahead? Well, I do agree with the idea of an independent operational review of the management of Aurigny. I also believe that we should appoint someone from Alderney to the board of Aurigny. Alderney are joint shareholders, along with Guernsey. It is  
860 very much within our interest and within our rights to have one of our residents as a member of that board, representing our interests in the same way as some Guernsey Deputies represent the interests of Guernsey residents. The chosen person should probably be a States' Member but that is not an essential requirement. The most essential requirement is probably that he should have some knowledge of the aviation industry.

865 I also believe that one of our representatives in the States of Guernsey should apply for membership of the Guernsey States' committee which oversees transport links, the transport of all type. At the moment, there are only two options for that: that means either I or Mr Louis Jean, and I am hopefully that both of us could make a positive contribution in that committee, but I leave that selection to our fellow States' Members.

870 We should also take another look at the composition of our own Transport Committee, and I know that work is underway to do that. There are some residents who are appropriately qualified to advise on both air and sea links to the UK and within the Channel Islands. With the departure of Bumble Bee, we have no regular and guaranteed sea links to any destination. I recall, well, travelling with my family on the Torbay ferry many years ago – five of us, plus a car –  
875 at a fraction of the cost of air tickets. Should we be considering a fast ferry for the busy months of July and August or should we be in discussion with Guernsey regarding a link to Guernsey and Jersey? These are all options which should be investigated and discussed within the Transport Committee, and obviously their conclusions and recommendations have to be debated and agreed within the States.

880 We should continue to discuss our air links and maybe also our sea links within the Alderney Liaison Group, which meets four or five times a year and which I hope will continue to meet following the elections in Guernsey at the end of April.

And of course we must continue to meet with Aurigny on a regular basis to discuss, amongst other things, the Public Service Order, the fare structure and timetables of flights. Changes to  
885 flight schedules should be agreed by Alderney before they are made public.

Finally, we should be looking at the possibility of attracting another airline, perhaps, to service our life savings routes.

I congratulate Mr Roberts, as I said, on his excellent speech and for bringing forward this very important Requête and I also congratulate the three others who supported Mr Roberts. It has  
890 certainly brought Aurigny management to their feet.

No, I do not have confidence in the management of Aurigny, Mr Roberts: the answer to your question, but I believe that the only viable option is to continue productive dialogue with Aurigny and with the States of Guernsey, and maybe proceed with some of the recommendation that I made earlier. We have to do it with some strength, but we also have to do it with some  
895 tact and diplomacy. We are presently in a skirmish. If this Requête goes ahead, we could be for all-out war and we will be the casualties.

I regret that I cannot support this Requête.

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

900 Mrs Paris.

**Mrs Paris:** Thank you.

At the risk of repeating some of the things that my fellow States' Members have said, make no mistake, in my heart I have every sympathy with the frustrations voiced in the Requête about  
905 the current inadequacies of our air service. There is no doubt that the transition from Trislander to Dornier has been very badly handled. However, the lack of appropriate investment in

Alderney's routes has also got to be laid at the Government's door and, by that, I do not simply mean Guernsey. I think we should have been on the case much earlier than a couple of years ago – however.

910 But you cannot ask a company to break even or to try and make a profit at the same time as what you are effectively offering: a lifeline service, and that is what we have done to Aurigny, particularly what Guernsey have done, as far as we are concerned.

915 However, we have just negotiated and signed a Memorandum of Understanding. It is the beginning of being able to hold Aurigny to account and it is the basis for a future public service obligation. All of this has been done within the context of open and frank negotiations about our financial relationship with Guernsey. I quote from the Financial Review:

Both islands will benefit from Alderney's economic growth. An alternative scenario which may happen by default, if the current constructive financial relationship and working partnership is broken, is that that the islands' economic decline will continue.

920 My head tells me it will be counter-productive to call Aurigny to account with this Requête at this point. In the short and medium-term, we have no choice but to negotiate with both Aurigny and the States of Guernsey in order to improve our air services and this approach must damage trust and cooperation. It is clear from their press release that Aurigny's reaction to the Requête is not positive and I suspect – no, indeed I know, from having attending a parliamentary conference in Guernsey recently – that at a high level the reaction of the States of Guernsey is one of anger and bewilderment.

925 I wish it was right that this Requête could be seen as a first step of a well-thought-through plan to change our tactics, but sadly it appears only to be the venting of frustration – quite understandable, but nevertheless not helpful. It seems much more likely to snatch defeat from the jaws of victory than to be helpful. At the very least, it is going to make negotiations harder with both Aurigny and the States of Guernsey.

930 As such, I am afraid I can only vote against it at this point in time.

**The President:** Thank you, Mrs Paris.

Does any other Member wish to speak? Mr Rowley.

935 **Mr Rowley:** Yes, thank you, sir.

Yes, like Mrs Paris, just about everything I was going to say has already been said. Over the last few years, we have all suffered the frustrations and inconveniences of a sub-standard, erratic and highly-priced air service.

940 A year ago I would have been the first in there – to sign a Requête – but on consideration, it seems as if the timing could not actually be worse. Things do seem to be on the mend. We have probably got the best relationships with Guernsey that we have ever had at the moment. The Memorandum of Understanding has just been signed; this will lead to a public service obligation, hopefully. At the moment, I cannot see that it will do anything but damage the relationships that have been built up after some very hard and lengthy negotiations that have gone on over the  
945 last couple of years.

We are also, I think, by aiming our anger at the board of Aurigny, in danger of shooting the monkey rather than the organ grinder as well, at a time when the organ grinder is actually changing his tune, (*Laughter and interjection*) and it seems to me as if it is not a good idea.

950 So, much as I really do sympathise by the sentiments expressed by Mr Roberts – who is a passionate man and everybody is passionate about this; it has been a disgrace in many ways – as Mr Harvey said, if things do not improve by, say, October, by the Autumn, we can always whack one in then: a Requête, which would be the right time to do it, I think, if things do not go as well as they look as if they could be.

Thank you.

955 **The President:** Thank you, Mr Rowley.  
Does any other Member wish to speak on Item III? Mr Jean.

**Mr Jean:** If you wish me to go first – I thought that Mr Simonet was on the move, but fine.

960 **The President:** If ... (**Mr Simonet:** No.) Okay.

**Mr Jean:** I realise it is a very serious thing when a Requête of this nature comes before our States. I have every sympathy with the Requête itself and all the frustrations expressed within its wording. I cannot agree with quite all that was said.

965 I do congratulate Mr Roberts on his speech and I thank him for it. I think it was an excellent speech.

I still feel we have a way to go. Nine months ago, I asked us to start to prepare what I regarded as an evidence-based case and that we should do this on an annual basis. I still believe that is something we should do, and begin to collect all the statistics. In six months to a year's time, this would make a great difference to me. I believe that some of the interesting statistics are coming out now. Like, for instance, when we talked about the situation of paying Aurigny to go back to the 2013 level, I did not agree with that. I did not agree with it for the following reasons: one, because I felt that the statistics, published slightly later, showed us that we were buying around 2,500 seats back. Well, surely that is what we lost by what I regard as not stopping the shifting and the movement through the negotiation period. For me, I spoke about this as early as 2014 in March to the Scrutiny and Review Committee.

I would just like to make that little quote. I said that, 'Alderney was going through an extremely difficult time with a degenerating air transport service and a lack of a service level agreement with Aurigny.' Now, bear in mind this was very nearly two years ago. He explained the situation was 'constantly changing'. In my words, 'The situation is shifting and changing and I am not for blaming Aurigny. What I want to do is to try to work with Aurigny. But the fact of the matter is, even as we wait to move towards the service level agreement, the boundaries are shifting faster than we can cope with. My belief is that the changes are being done now because there is not a service level agreement, and that it not yet due to be in place probably until June/July of 2014.'

980 We are now nearly, as I said, two years along the path from the time that I made those remarks. We now have the MoU, but we have not yet seen the service level agreement – or I have not.

It cannot be disputed that the transition from the Trislander aircraft to the Dornier has proved to be protracted and a traumatic experience for all concerned. Alderney people and visitors have suffered levels of disruption that we are quite simply not used to and are amazed at.

995 There can be no doubt either the disruptions to our previously good air services have not helped with our effort to try to re-stimulate Alderney as a colony. There can also be no doubting that my colleague, Steve Roberts and others, are very passionate and committed to our Island and are trying to do whatever they can to get us back to the robust and reliable air service that we know, from the long history and experience, to have originally been, and I hope one day will be, again, Aurigny's trade mark in serving this Island.

1000 Let us not forget this really is our airline, perhaps more so now than ever before, in that we, the public of Alderney and Guernsey, actually own it, and there is no doubt about it and I will not have it denied.

It grew from its origins in this Island in 1968. Steve himself spent a significant part of his working life working for this airline. Bearing that in mind, it is easy to understand why he is so passionate and caring about its future and the people who rely upon it.

1005 I too am utterly committed to Alderney's future. I want it to be a vibrant, working and sustainable island community. For this to continue and for further improvements to be made, it

1010 is critical that we are served by an airline that understands those particular needs of this Island, and that is where a lot of the frustration lies. It has to have the resources and the backing to be able to deliver those needs. It is easy to criticise, and many of the problem we have experienced have resulted from information issued by Aurigny but which later proved to be over-optimistic. Perhaps the greatest error the company has made is to over-promise and then, for a whole host of reasons, to under-deliver.

1015 For me, how I feel about the difficult circumstances to provide the best air services that we can for our Island, our community and our visitors, and the frustration that all of the negotiations have entailed, I am still – because I have not seen the service level agreement – cautious about this. We have just lost our ferry service. We have just lost Bumble Bee and there is only one show left on our road. One show – just one! It is because of that that I want us to take every opportunity that we can to continue the talking, to continue the dialogue. I actually did say in one conversation with Mark Darby, ‘I have to continue to negotiate with you. It is imperative that I do. Even if we do not agree; even if we do not get on, I must continue to talk to find a way.’

1020 I am hoping that tonight we either vote against this Requête or we simply take note of it – and that is an observation to you, sir: that we simply take note of it and allow no vote.

1025 In so doing, I believe that the achievement of the Requête is not dimmed and that the message is very firmly and clearly delivered. We have and we needed this opportunity to place on record our disappointment at the difficulties we have faced during this transition period and for a lot longer than that. But I also hope that, message delivered, a positive outcome will come from this evening’s debate and that we will try to work in a much more collaborative fashion than we have in the recent past.

1030 The difficulties are not behind us – I fully realise that – and there is much negotiation ahead of us. I am told by some people that the service level agreement will help us to work out and negotiate through our difficulties. I say that we have to continue to try and do that. Actually, I would echo the words of States’ Member Harvey, when he said that, ‘If in six months’ time, things have not improved ...’ – and by then he will have seen the final piece of the jigsaw; we will have seen the service level agreement; we will know whether we are getting a second brand new Dornier. If things, then, have not improved, like him, I would join towards a second Requête and I would certainly sign it. But at the moment it is, I feel, too early and too late, would be how I would describe it.

1040 **A Member:** That is clear!

**Mr Jean:** And I thank you for giving me the time, sir.

1045 **The President:** Thank you.

**Mr Harvey:** Mr President, point of information.

**The President:** Point of order?

1050 **Mr Harvey:** A point of information.

**The President:** Please.

1055 **Mr Harvey:** If I may, just to clarify matters, because the names we call things can sometimes confuse. I, like Mr Jean, started off on the service level agreement thing. The Memorandum of Understanding we have is effectively the service level agreement. It does not have any legal status in law because effectively we would be suing ourselves as shareholders. What will be

different in due course is the public service obligation, which is an offering to the world as a whole and will have legal status.

1060

**The President:** Thank you very much.  
Mr Simonet, do you wish to speak now.

**Mr Simonet:** I am happy to do that, Mr President. Thank you, sir.

1065

Well, Mr President, I supported this Requête to again bring into clear focus my doubts about the ability of the current management of Aurigny to provide year round, adequate and reliable air links to Alderney. Over the past three years the continual disruption to our air links have impacted on every Island family, every business, every public service. It has undermined every initiative we have made to attract new businesses and new residents to strengthen our struggling economy.

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For over 30 years Aurigny provided us with an exemplary service. It provided a regular, reliable scheduled service, including a direct flight to Jersey. It provided extra flights for peak tourism periods. It provided 24-hour Medevac services.

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During those years it oversaw the introduction and transition of many different aircraft: Islanders, Trislanders, Twin Otters, Short 300s, Short 360s, Saabs and now ATRs – all this achieved seamlessly, without any disruption to the service.

1080

Aurigny Air Services, the airline that carries our Island name was formed by the Island resident, Sir Derek Bailey in 1968. The first aircraft introduced was the Islander. This was quickly followed by the Trislander. Aurigny was the first commercial operator of this type of aircraft. How proud we all were to be associated with this outstanding airline.

So what has gone wrong? What has changed? In a phrase: the management.

Contrast the performance of the current management with that of the previous management. First, let us look at the comments made by the Scrutiny Committee in their independent review published in November last year – and I quote:

1085

The Committee remain unconvinced about the rigour of the aircraft selection process and were not presented with convincing evidence proving Dornier 228 to have been the correct choice.

Aurigny, by their own admission, made the decision to replace the Trislander with the Dornier before they had secured the availability of any Dornier aircraft. After months and months of delay and uncertainty, they finally completed the purchase of two second-hand Dorniers. I understand when these were seen by some aircraft technicians, they were described in the following manner – and they used what may be to some an unfamiliar technical term, ‘antiquated junk’.

1090

The Scrutiny Committee commented on the purchase of these aircraft as follows – and I quote:

Currently, two second-hand Dorniers have been secured to service the Alderney routes, but have suffered frequent problems leading to delays and cancellations with a service remaining supported by the Trislander.

1095

The Old Trislander that was supposed to be already put out to grass.

These second-hand Dorniers have experienced many technical difficulties since they were purchased and do not give me – or for that matter, few on Alderney – any confidence that they can fill the role for which they were purchased.

1100

A new Dornier has since been purchased. So now there are three Dorniers: one new and two old second-hand ones, with restricted operational use. These are the aircraft that we are now expected to deliver a reliable scheduled air service.

This is like selecting a team to row across the Atlantic consisting of one able-bodied man, supported by two disabled geriatrics. (*Laughter*) Until and unless another new Dornier is added

1105 to the fleet, we will not secure our lifeline air service – and I am talking about ... That new one, if it has gone, it will not be here this year, so our service is unlikely to improve.

Whenever challenged, the Aurigny management resorts to spin, even inferring that this Requête is aimed, in part, at their staff. Well, how wrong! How disgraceful! How unworthy of them!

1110 They persistently refuse to acknowledge the serious problems caused to this Island by their flawed procurement decisions and subsequent unreliable service. They claim that Alderney receives special treatment not afforded to other passengers – can you believe it? They claim they are committed to providing the best possible air service. Really? Well, let them tell that to our tourist industry when their customers are repeatedly delayed or cancel their reservations. Tell that to our Island businesses who cannot get their staff to important off-Island meetings or their clients to on-Island meetings, or to those businesses that have relocated elsewhere, because with such unreliable air links the commercial risk is just too high. Tell that to the residents who can no longer rely on the delivery of their prescribed long-term medication. Tell that to our Medevac patients who have had urgent treatment delayed, and to those who have had to be transported to Guernsey by a lifeboat, and to those who have been stranded in airports after operations, unable to get back home. And in particular, to the seriously ill patient who had to rely on the good will of a passing helicopter to get him to Guernsey hospital when the airline failed him.

1120 When you have done all that, I say to the Aurigny management, tell the Alderney States' Members why they should have any confidence in a management that has consistently failed in so many areas to secure our lifeline service.

Tonight I have heard a lot of Members speak and to me they are still suggesting we continue with the finger wagging, hot-air dialogue that has resulted in the service we have got now and is likely to continue for the next 12 months. (**A Member:** Hear, hear.) Shameful in my view!

1130 **The President:** Thank you very much, Mr Simonet.

Does either of the two remaining Members wish to speak? Mr McDowall.

**Mr McDowall:** Yes, I will be very brief.

1135 We started off three years ago with a dose of Doctor Jon Moulton's financial laxative for Aurigny: a cathartic experience which put a strain on the airline. We then had a – he is standing down, I understand, in March this year and I am assuming a new chairman is imminent.

1140 Secondly, we had an ambiguous mandate from Treasury & Resources. The Treasury Minister is up for election this year and I would hope that there is a bit of electoral revenge in Guernsey. When a management has an ambiguous or uncertain mandate, when they do not get a clear mandate, the senior man should resign. That really would have put the shareholder under pressure.

1145 But let me come to a couple of more practical things. The management has consistently failed to set and manage customer expectations. That is a prerequisite for any service business and they do not show any signs of doing that as yet. That is very damaging to the staff. The staff can only carry out their service when the expectations have been set and they know what they have to deliver. I feel very sorry for them.

I shall support the Requête and vote in favour of it.

Thank you.

1150 **The President:** Thank you very much, Mr McDowall.

That leaves Mr Birmingham. Do you wish to speak on this?

**Mr Birmingham:** Thank you, Mr President.

1155 First I would like to echo a lot of what Members have said, actually thanking Steve for bringing this Requête forward. Myself and Steve, obviously, we used to work together many

years ago at Aurigny (**Mr Roberts:** We did.) so I completely understand his insight into the company. Also, I fully understand his passion on the subject as well.

1160 In fact, I think it is fair to say that we have all got stories over the last 12 months, 18 months of issues that we have all had. Just taking my mother's position, my mother is diabetic and at one point there was a complete lack of insulin on the Island because of freight delays caused by Aurigny. I think it got to the point that over a two-week period, there was back delay in essential medicines. This is not acceptable.

1165 But the first question that a responsible government should ask itself before it undertakes any action is, 'Does the proposed action improve the situation it is aimed at or make the situation worse?' Now, the issue of the Island's air transport links is a very emotive one, so I have tried to use this principle in considering the Requête before me.

1170 For 18 months, the States of Guernsey Scrutiny Committee had undertaken a review of strategic air links and a whole chapter of that report published by their Committee is dedicated to Alderney. The Committee undertook a public meeting in Alderney as well, which allowed the Island to put forward their views and air grievances about air transport issues.

1175 The fourth paragraph of the Requête suggests that it is the management of Aurigny's responsibility to undertake States of Guernsey air transport policy. The problem is, it is not; it is the job of the States of Guernsey, and it is a job that the States of Guernsey, as a body, has completely failed to do, particularly since it purchased Aurigny about 12 years ago. How do we know that? Well the Scrutiny Committee report basically tells us that the silo mentality of the Guernsey States' departments has led to a completely confused political message as to what the priorities of the airlines are supposed to be.

1180 Unfortunately, this Requête effectively puts the blame for all Alderney's transport problems on the shoulders of the current management of Aurigny, and heaping all the blame on the current management avoids a few fundamental truths. I worked for Aurigny in the late 1990s and as far back as then the issue of replacement aircraft for the Trislanders was being raised. That is 20 years ago! To me, it is clear that management after management did not deal with this issue and the current management were left holding the baby, and unfortunately they keep dropping it. It is hard to have confidence in a management that seems to constantly be trying to kill its own child.

1185 Has the Dornier replacement programme gone well? No, clearly it has not and, personally, I believe that the whole replacement programme was a panic measure when the Aurigny board realised that they did not have an aircraft capable of servicing Alderney beyond 2017, but to blame the current management for the systemic failure to address this problem over 20 years would be, in my view, completely wrong. Are they culpable? Yes, but it is not entirely their fault.

1190 Now, Mr Rowley pinched my lines. I was going to say, 'This Requête chooses to shoot the monkey because we do not like the way it is dancing.' The problem is that the monkey does not know what dance it is supposed to be performing, and that is because the organ grinder is playing several different tunes all at the same time.

1195 The fault for this situation lies completely at the door of the States of Guernsey and its complete lack of any form of strategic air transport policy. In fact, I raised this very issue as long ago as 2012 in the Future Economic Planning document that I offered at that time. Such a policy is not the responsibility of the Aurigny management and you cannot blame them for the lack of one. For me, unfortunately, this Requête is aimed at the wrong target and crucially at the wrong time.

1200 So returning to the opening consideration: does the Requête improve the situation or make the situation worse? Clearly it does not improve the situation and perhaps it even weakens the States' negotiating position. There is no doubt that Alderney's air transport links are a fundamental issue in dealing with the economic problems that the Island currently faces.

1205 Everyone in Alderney understands these problems, but it seems that the concept of air links as economic enablers does not seem to register in same way in Guernsey as it does here.

Yes, the people of the Island are quite rightly angry about this situation, but the job of its States' Members is to take that anger, filter it, distil it and direct it to improve things for the better, not to pour petrol on the flames.

1210 The States of Alderney needs to be ensuring that we achieve a PSO that clearly defines the airline's responsibilities to the Island. Also, we need to continue lobbying the States of Guernsey in the strongest possible means for Aurigny to be operated as a community interest company, based around the concept that the airline is the economic enabler.

1215 If a Requête with positive proposals such as those had been brought forward or that criticised the overall governance at Aurigny – which in fact Mr McDowall himself alluded to in remarks made to the press at the weekend, and in fact Mr Tugby even went on to blame T&R and PSD as partially responsible, almost arguing against his own Requetes – then I would have supported it. Unfortunately, this just comes over as gesture.

1220 At the present time, I cannot support this Requête and wish the signatories had curbed their enthusiasm, considered its contents better and then discussed it with all the States' Members to find a form of words that we all could have signed up to. I think it is a bit of a missed opportunity in that sense. But I am with Mr Harvey: yellow card, Aurigny management. Get your act together!

1225 **The President:** Thank you very much, Mr Birmingham.

Before we call the vote, just to answer your question, Mr Jean, it is not up to the President to change what is written within a Requête when it has been duly signed by four States' Members.

Mr Greffier ... Sorry, Mr Roberts, would you like to sum up?

1230 **Mr Roberts:** Yes, I would like to sum up, Mr President, if I could.

The top management are charged with the task of providing an air link by the States of Guernsey. Aurigny then advise the States of Guernsey, which Guernsey accept because they are not in the business of running airlines. They do not know how to run an airline.

1235 I know a lot of you are uncomfortable with this, but I have sat with all of you and we have had meetings about Aurigny – all of us – and you have all said things about the management and how fed up you are with it and how you did not have confidence in it. So I am going to ask you every night in front of this night, in front of all the public, be honest ... Be honest, all of you, each and every one of you. And this is my question to my Requête ... This is what it is all about: the question. Do you have confidence in Aurigny? And vote *honestly* because I have heard this waffle for two years, 'It is not the right time.' Now is the time. Be honest, in front of the public.

1240 Thank you.

**The President:** Thank you very much, indeed.

1245 Monsieur Greffier, would you please call the vote, which is in support of a motion of no confidence in the management of Aurigny.

**The Greffier:** Thank you, sir.

The States of Alderney are asked to support a vote of no confidence in the management of Aurigny Air Services.

1250

*A vote was taken and the results were as follows:*

<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
Mr Tugby	Mr Birmingham	None
Mr Simonet	Mr Jean	
Mr McDowall	Mr Harvey	
Mr Roberts	Mr Rowley	
	Mrs Paris	
	Mr McKinley	

**The Greffier:** Sir, that motion fails.

**The President:** Thank you very much, indeed.

**IV. Questions and Reports –  
Frequency of Policy and Finance Committee meetings –  
Question withdrawn**

**The President:** We move to Item IV on the agenda this evening.

1255

**The Greffier:** Thank you, sir.  
Item IV this evening is Questions and Reports.

**The President:** Thank you.

1260

Mrs Paris, were there any comments at the People's Meeting?

**Mrs Paris:** There were no comments at the People's Meeting, sir.

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

1265

There was one written Question submitted, which has subsequently been withdrawn at the Questioner's own volition. So there are no Questions, written or verbal this evening, which brings us to the end of this States Meeting.

Mr Greffier, if you would be kind enough to close the meeting.

**PRAYERS**

*The Greffier*

*The Assembly adjourned at 7.20 p.m.*