

# Economic Affairs Scrutiny Panel

## Record of Meeting

22nd July 2015

Present	Deputy S.M. Brée, Chairman Deputy D. Johnson Connétable J.E. Le Maistre Connétable M.J. Paddock
Apologies	
Absent	
In attendance	Mr. M. Orbell, Scrutiny Officer

Ref Back	Agenda matter	Action
	<b>1. Records of meetings</b>  The Minutes of the meeting held on 10th July were approved and signed.	<b>MO</b>
<b>Item 3 10.07.15  515/32</b>	<b>2. Ports of Jersey Limited: Approval of First Board and Terms of Office (P.68/2015)</b>  Members agreed that a formal letter should be sent to the Minister for Treasury and Resources highlighting the Panel's concerns about the intention to use a holding company (States of Jersey Investments Ltd.) instead of the Minister and the Treasurer to act as Shareholder for the States' interest in Ports of Jersey Limited, unless this was specifically addressed in amendments to the Memorandum of Understanding. These should make it clear that the Minister retained full responsibility under the law. The letter should also point out certain other inconsistencies identified in the draft Memorandum and Articles of Association. It was agreed that Deputy Johnson would liaise with the Scrutiny Officer concerning comments for inclusion in the letter.	<b>MO  DJ/MO</b>
<b>Item 4 10.07.15  515/1/1(3)</b>	<b>3. Rural Economy Strategy (RES)</b>  Although no formal public consultation had taken place, following somewhat conflicting announcements at different times from the Ministers for Environment and Economic Development it was believed that the industry was anticipating cuts to current levels of government support. Members noted that potential competitors in the UK and Europe still enjoyed a high level of agricultural subsidies, and with the exception of New Zealand virtually every other modern jurisdiction continued to provide support for its own farming industry.  Members were particularly concerned at the delay in progress, as current RES arrangements were due to expire at the end of 2015. It was agreed to ask for an early update following a meeting of Senior Officers on 23rd July. This should be followed as soon as possible by a meeting with the Minister to obtain further information, after which the	<b>MO</b>

	<p>Panel would be in a position to engage with the industry.</p> <p>The Panel agreed that in view of his knowledge and experience of the RES the Connétable of Grouville should attend Panel meetings and discussions about the strategy wherever possible, but should not participate in decision-making on associated matters, to avoid any perceived conflict of interest.</p>	<b>MO</b>
<p><b>Item 4</b> <b>10.07.15</b>  <b>513/45</b></p>	<p><b>4. Medium Term Financial Plan 2016 – 2019 (P.72/2015)</b></p> <p>The departmental annex to the MTFP was expected to be lodged on Friday 24th July. It was noted that the main body of the MTFP lodged on 14th July contained very little detail relevant to the activities of the Economic Development Department. The Panel decided to invite the Minister to a public hearing on 12th August, following a preparatory Panel meeting, to question him both on the MTFP and on progress with the Rural Economy Strategy.</p> <p>Members agreed that in view of the tight timescales resulting from delayed publication of the MTFP there would be no time to consult an adviser on its contents. It was felt that as details for 2017-2019 would apparently not be forthcoming until mid-2016, this was unlikely to present significant problems at this stage. However, members noted that the presentation of the MTFP in two parts, with a year's gap in between meant that there was a risk of States Members giving 'in-principle' approval to a range of proposals for cost savings and new charges in 2015, without sufficient information to gauge their combined impact when eventually enacted. This was viewed as a matter of some concern, particularly in the light of a recent announcement by the Minister for Treasury and Resources of forthcoming proposals for new property taxes.</p>	<p><b>MO</b></p> <p><b>MO</b></p>
	<p><b>5. Forthcoming meetings</b></p> <ul style="list-style-type: none"> <li>• Next scheduled Panel meeting: 9.30am on 12th August 2015, Blampied Room, States Building</li> </ul>	<b>MO</b>