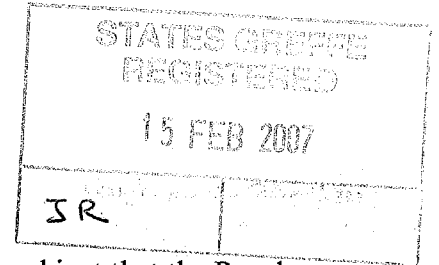


The Chairman,  
The Scrutiny Panel,  
States Greffe,  
Morier House,  
St. Helier JE1 1DD.

Tuesday, 13<sup>th</sup>. February, 2007.

**Proposed new supermarket in St. Peter.**



Dear Sir,

It is a sign of the gross over-regulation to which this Island is subject that the Panel is to consider whether or not a new supermarket should be allowed.

Commercial businesses should be self-regulating: if they are run in such a way that they can satisfy a demand and prosper, they survive: if not, they fail. It is government organisations that are not subject to this discipline: in circumstances that result in the failure of a commercial undertaking, a government organisation merely becomes even more of a liability to the tax payers.

Having said that, small places like Jersey are even more susceptible to monopolies than larger jurisdictions. The States did eventually take some action to encourage competition but too late. Channel Island Traders has an unhealthy large share of the retail market here: they should not have been allowed to acquire the supermarket on the site of the former Jersey New Model Laundry at the bottom of Trinity Hill.

Channel Island Traders already have a supermarket at Red Houses; there is a small Marks & Spencer across the junction and the Co-Op near St. Peter's Church. Whilst I doubt the need for another in that corner of the Island, if anyone thinks they can succeed with another supermarket there, let no one stop them trying. Personally, I think the area of Trinity/St. John in the vicinity of Sion would be better but I have not the will, knowledge, experience or money to try to set one up there.

Turning to the questions asked in the request for comment in the Post:

1. Will this destroy local businesses? It may cause some to fail but it is a healthy sign that some businesses fail and new ones emerge: protecting those that do not adapt to changing circumstances is an unforgivable mistake that leads to excessive prices, to protect their inefficiency.
2. Will this lower prices to consumers? This is a most desirable outcome but the scope for such reductions is limited by the excessive cost of transporting goods to the Island, particularly the cost of moving them through the Harbour.

3. Will this increase customer choice? It may do but more certainly, it will not reduce choice.
4. Will this make Jersey another "clone town?" The "clone town" problem is mainly one of the style of architecture. Whilst one can understand the supermarket chains wishing to make their stores look similar to one another, it is the job of planners to ensure that the architectural style of a new store is suitable for its surroundings, 'though I admit our planners have a poor record on that score.
- 5 & 6. Will this create new jobs or force local businesses to cut staff? I have already said that it is a healthy sign that businesses wax and wane: it follows that employees may need to change employer. The employees are there to help a business thrive: a business should not be propped up to support the employees.
7. Will this help local business? It will, by maintaining a healthy climate for businesses, in which they can thrive.
8. Will this destroy the Town centre? Constable Crowcroft is doing a pretty good job of this destruction without any help. That might seem a bit unfair: he is making the place nicer for those who want to be there but for those who wish merely to go there for a little business and leave as soon as possible, he is making it even more difficult.
9. With the Waterfront to be built, haven't we got enough retail space? Maybe but it is for commercial pressures to decide. We have ample, recent evidence that centrally controlled economies do not work.

This is one of those instances when the right thing to do is to do nothing. If several people or organisations are allowed to have a go, it is entirely reasonable to expect some will succeed and some will not. If the government decrees how things shall be done, the consequences if government gets it wrong are awful. Government is run by politicians, who are people as fallible as anyone else. As the saying goes, "Don't put all your eggs in one basket!"

Yours sincerely,



M. L. Messiter.