

2.4 The Connétable of St. John of the Minister for Economic Development regarding the grant of £75,000 to the Jersey Rugby Club:

Following the previous announcement that the budget for grants to all clubs and societies from Jersey Sports Council will be reduced, can the Minister explain why his department chose to provide funding of £75,000 to just one club, the Jersey Rugby Club, and was this sanctioned by the Minister for Treasury and Resources? Also, is this for one year or 3 years?

Senator A.J.H. Maclean (The Minister for Economic Development):

I am not sure, first of all, that the last part of that question is in the question but I am happy to answer it. I think the Connétable was using some licence there to extend his question. I must make it clear that this is not a sports grant. It is a business opportunity aimed at delivering economic and commercial gains for the Island. The agreement with Jersey Rugby Club takes the form of a commercial sponsorship as part of my department's promotional activity to encourage tourism and inward investment. This sponsorship investment provides an on and off-Island promotional opportunity that I believe will be capable of stimulating future economic growth and the results of which will be monitored. The funds for this sponsorship form a small part of the overall economic development marketing and promotional budget that was approved by the States within our 2012 Business Plan. It was therefore not a matter for my colleague, the Minister for Treasury and Resources.

2.4.1 The Connétable of St. John:

Given the Minister's reply, at the time of considering the £75,000 gift to the rugby club, was this large sum of money discussed with Minister for Treasury and Resources, and we know it was not. Given this is the case, why was the sum not granted in such a way that it would underwrite the money so that if it was not required therefore it would not come out of the budget or out of his funding? Why was it not as an underwrite instead of a gift?

Senator A.J.H. Maclean:

I am not sure the Connétable understands. This is not a gift. It is a sponsorship arrangement. This is not an unusual arrangement in many respects. Other countries do this. There are examples like Malta Tourism Authority which sponsor Sheffield United on their shirts. You have got Malaysia doing the same for Cardiff City. You have got Invest in Africa doing the same. This is not unusual. We have got to be more creative in terms of promoting the Island and this is one way in which we can help to lift the profile of the Island by promoting it to a wider, new and targeted audience.

2.4.2 Deputy T.M. Pitman:

Given what the Minister said, would it not perhaps be more productive money-wise if we were perhaps to sponsor Manchester United or someone? We would get our name everywhere.

Senator A.J.H. Maclean:

I am not sure there is an answer there but as a Manchester United supporter, I would feel conflicted. [Laughter]

2.4.3 Deputy G.P. Southern:

How appropriate. Can the Minister confirm or deny whether he is a member of the rugby club or has an office in that club?

Senator A.J.H. Maclean:

I am not sure that is an appropriate question but nevertheless I have never served or been involved in playing with the Jersey Rugby Club. I do, however, have a family membership as my 2 young children, if the Deputy is interested, are part of the Academy at under 7 and under 8 age group.

2.4.4 Deputy M. Tadier:

I do not have a problem with this money being given. I see the rugby club as a great success story for Jersey, which needs to be supported. But nonetheless the Minister has told us on many occasions that Government is not good at picking the winners and that he seems to be saying to us today that well we thought we would take a punt on the Jersey rugby team and see if we get any money back for it in the vernacular. Is the Minister not being slightly contradictory in trying to pick a winner here and should it not be for private sponsorship to sponsor the Jersey rugby team if they so wish?

Senator A.J.H. Maclean:

The Deputy selectively quotes me. I am not, and we are not, trying to pick a winner. Jersey Rugby Club is already a winner. They are a huge success. They have reached the championship; that is the second tier of English Rugby. All we are simply doing is riding on the back of that success and helping to promote the Island and leveraging the marketing spend in a targeted way. I think that is absolutely appropriate. There is private sector sponsorship in the rugby club, a huge amount of sponsorship. We are not seeking to replace that. We are simply seeking to get advantage for the Island by building on the success the Jersey Rugby Club has achieved to date and I hope they build on it.

2.4.5 Senator L.J. Farnham:

While I am a huge fan of the success and the achievements of Jersey rugby, I would like to ask the Minister if it was necessary to provide £75,000 of sponsorship to take advantage of the on and off-Island promotional and marketing opportunities. I am always at the front of the queue to take advantage of opportunities but I believe that perhaps a joint marketing effort would have been more appropriate because it seems that there is a huge opportunity for the rugby club to gain financial sponsorship from the private sector. Was a sponsorship appropriate, given the current climate?

Senator A.J.H. Maclean:

The sponsorship package will allow us to market, including joint promotional marketing opportunities, with industry partners within the Island and that includes airlines, ferries, hotels and so on. We do realise that clearly supporters of clubs in the U.K. and the championship coming to Jersey will come anyway to a certain degree but what we are seeking to do is to build on that. We wanted to add and we believe we can add at least 300 fans per visit. If you work out the figures, an additional 300 fans with on-Island spend will generate, in our view, in excess of £100,000 in G.S.T. (Goods and Services Tax), a total spend on the Island in excess of £2 million and tax take in excess of £150,000. Those are what we believe are conservative figures.

2.4.6 Senator S.C. Ferguson:

Yes, it does occur to me there are teams such as the Newcastle Falcons, should we be calling them the Jersey Bulls? But what I would like to ask the Minister is how many youngsters are members of the Academy?

Senator A.J.H. Maclean:

The Academy is a huge success. There are, I believe, in excess of 700 children in the Island as part of the Academy. The Academy caters for age groups from under 7's all the way up and it gives fantastic training. Volunteers go off each Sunday to train these youngsters and that is the way in the future we are going to see our young people featuring more and more as they do currently. There are already youngsters who have worked through the Academy and played for the Jersey First 15 and I believe that is to be applauded.

2.4.7 The Connétable of Grouville:

The last point was one I was going to make and I would just like to say that I am going to congratulate the Minister and say what a wonderful job I think he has done in this regard with the rugby club, but would he not have avoided more controversy if he had just put it simply down as a marketing exercise?

Senator A.J.H. Maclean:

I am smiling before answering because we did try when we launched this to get across exactly what it was we were seeking to achieve. Unfortunately, somewhat sensational media headlines about taxpayers' money used for rugby leads the debate into a certain direction, which one might assume is somewhat negative. That, I hope I have explained today, is not what the position is and I hope Members and members of the public can appreciate that this is a marketing exercise. I have said it before several times. I have repeated it again today and I hope the point will be put across that it is aimed at delivering economic advantage for the Island, bringing more people here to spend money and support our local businesses.

2.4.8 Connétable D.W. Mezbourian of St. Lawrence:

I must say that I have no problem with this money having been given because I am sure that the benefits to the Island will be returned but my question to the Minister is how will the return on the investment be calculated and will it be made public?

Senator A.J.H. Maclean:

I did say in my opening remarks that we were obviously going to be monitoring the success of this particular marketing promotional activity. That can be done in a number of ways. With advertising there will be specific codes to assess what sort of take up there is to the advertising, linking advertising around matches in the U.K. where, of course, I should add there are exceptionally good air links to just about all the championship sides that will be coming to the Island. We will, on top of that, be working with the hotels and on-Island businesses that record where their visitors come from. We will be assessing the numbers, looking at the spend levels, and looking at more accurate figures. I am more than happy to keep Members up-to-date with how successful we believe this is going to be. At the end of the year, we are going to have to make the decision as to whether to continue the sponsorship into a second or a third year but we will do that once we have a clearer view as to whether it has been successful. I strongly believe it will be, I hope it will be, but clearly nobody can guarantee marketing information activity of this nature.

2.4.9 The Connétable of St. John:

As the Minister did not answer my first part of my question whether it was for one to 3 years, can he also declare an interest, given that his children are involved in the club? As I believe he should have declared an interest and stood aside on this.

Senator A.J.H. Maclean:

I think I have declared an interest if that is what the Connétable thinks is necessary. I think more relevant is the fact that, and the Connétable has not asked the question but I am going to answer it anyway, I have been invited on a couple of occasions this year to corporate hospitality at the rugby club by businesses in the Island and that appears on my register of gifts and hospitality, and I think that is appropriate. That is much more relevant than my children's attendance at the Academy, which has nothing to do with this sponsorship at all.

The Connétable of St. John:

Would the Minister answer the question; is it for one or 3 years?

Senator A.J.H. Maclean:

I think I have answered that one as well a moment ago. I said that the current arrangement is for one year. We would monitor it at the end of this year. If it is successful, we would be looking to doing a second and a third year but it will depend on the success.

The Deputy Bailiff:

It has taken us 45 minutes to deal with 4 questions so can I ask Members to consider carefully whether they want to ask supplementaries?